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Between Retrenchment and Recalibration: The Impact of Austerity on the Irish Social Protection System

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This article analyzes the impact of austerity on the Irish social protection system. The analysis is situated in Ireland's wider financial and economic crisis and its status as an 'early adopter' of an austerity response which has continued under European Union/International Monetary Fund intervention. We focus on how the crisis instigated a political narrative about the cost and design of the social protection system, leading to a programme of retrenchment and reform which has blended a politics of blame avoidance with credit claiming. Three core elements in this narrative—generosity, sustainability and suitability— are identified, and against this background, a pattern of multi-dimensional change in social protection across the life course dealing with working age, pensions, and child income supports is analyzed.

Key words: *Ireland, social protection policy, austerity, retrenchment, welfare*

In the decade of unprecedented growth preceding Ireland's current crisis, debates about its economic and social policy path were frequently framed in terms of 'Boston versus Berlin.' This dichotomy was articulated by a former prominent politician who proffered the view that "[w]e in Ireland have tended to steer a course between the two but I think it is fair to say that we have sailed closer to the American shore than the European one" (Harney, 2000). Such ideas inevitably simplify complex political and socio-economic realities, however the economic policy trajectory closely followed the liberal market model, and in the era of financialized capitalism Ireland became 'a world leader in the financialization of the economy' (Ó Riain, 2012,

p. 498). Yet in social policy terms, while typically linked with the liberal welfare regime, the range of influences on Ireland's welfare development has meant that its position as a liberal welfare state is open to some ambiguity. It has been observed that it 'defies classification' and is better described as a 'hybrid regime,' with links in particular to the welfare tradition of the conservative/corporatist regime (Cousins, 1997; NESC, 2005). Moreover, many (e.g., Daly & Yeates, 2003; Murphy, 2012) noted that Irish social policy developments since the 1990s steered a different path to those of the UK, the more prototypical liberal welfare regime in Europe.

Ireland's economic crisis emerged as one of the most severe cases following the global financial crisis and the subsequent Eurozone crisis. It was primarily driven by an internally generated collapse of what Hay and Wincott (2012) term the "Anglo liberal growth model" manifest in the bursting of its property and credit bubbles, which had ruinous consequences for the Irish financial system and which were ultimately absorbed by the state. Ireland's rapid turn to austerity, in which it was a forerunner of a wider European turn to austerity, has leant it exemplary status in debates about austerity versus stimulus. On the Keynesian side, it confirms the 'fantasy of austerity' by its continued poor economic performance (Krugman, 2012a, 2012b). For neoliberals, minor signs of economic improvement are taken to indicate expansionary fiscal contraction, a theory that suggests public spending cuts encourage private expenditure and capital investment (Adam Smith Institute, 2011). Within the EU, the Irish case has been elevated as evidence "that the programmes can work" (Barroso, cited in Mackintosh, 2013) and that EU/IMF loan conditions based on 'fiscal consolidation' have been the correct response to the Eurozone crisis. In economic terms, Ireland's crisis response marks the continued influence of its existing neoliberal paradigm (Allen, 2012; Hay & Smith, 2013). In this regard, the Irish case tracks the 'arc of neoliberalism' (Centeno & Cohen, 2012) that remains dominant, the European expression of which Fitoussi and Saraceno (2012) identify as the 'Berlin-Washington' consensus. As such, it appears the so-called 'Boston versus Berlin' dichotomy has presently collapsed into no alternative but the former.

Our focus is to analyze what this 'no alternative to austerity' approach has meant for Irish social protection policy, identifying it as a key site of Ireland's austerity politics. The article, based on qualitative analysis of crisis-centered political debate and policy change, proceeds as follows. We set a context by outlining the nature of political debate about the crisis, attaching particular significance to how it implicated the cost and design of social protection in both the causes of and solutions to the crisis. We identify three core intertwined elements in this narrative—the generosity, sustainability and suitability of the social protection system. Against this backdrop, changes to social protection policy are analyzed across three areas: working age, pensions and child income supports. Drawing on welfare retrenchment and welfare state change literature and related distinctions between cost-cutting and structural reform, we examine the types and degrees of change being implemented, finding that the dominant pattern of retrenchment is interacting with other crisis-led structural changes, and the majority of the structural changes are leading to further curtailment of the social protection system.

Austerity Politics and the Social Protection System

In contrast to early responses to the crisis inspired by Keynesianism (Hemerijck, 2012; Pontusson & Raess, 2012) and forms of fiscal stimulus in evidence across the Eurozone until early 2010, Ireland's austerity program was already well advanced. Any scope for maneuvering in Ireland was expended on its response to its banking crisis. In autumn 2008, the government guaranteed almost all the liabilities of Ireland's domestic banks, exposing the state to private debts worth approximately 275% of Gross Domestic Product (GDP). This contrasted with more limited guarantees subsequently implemented elsewhere, and when combined with related bank rescue measures, Ireland's policy response ranked as "the costliest banking crisis in advanced economies since at least the Great Depression" (Laeven & Valencia, 2012, p. 20). Ireland's economic contraction, which saw GDP decline by 12.4% between 2007 and 2010, together with its reaction to the banking crisis, led to severe fiscal problems. The general government deficit grew from a surplus of 0.1% of GDP in 2007 to 13.4% of GDP in 2011, and general government gross debt rose from 25.1% to 106.4% of GDP over the same period (Eurostat, 2013). A concern around the banking crisis was the speed and scale of the turn to austerity. Between 2008 and 2010, fiscal adjustments of almost 9% of GDP were implemented. By the time of the loan agreement with the EU/IMF in late 2010, when Ireland's banking costs were overwhelming the state, the conditions attached represented a continuation of many steps already taken with regard to fiscal policy and welfare retrenchment, and a further adjustment of 9% of GDP was agreed upon for 2011-2013. Over both phases expenditure cuts have comprised approximately two thirds of the adjustments.

Whereas internationally the Irish case became something of a brickbat in the debate between austerity and stimulus, nationally this debate was strongly one-sided. The main political parties all accepted the need for austerity and the wider debt and deficit parameters of the EU Stability and Growth Pact. In making the case for investment and alternatives to austerity, the weak power resources of actors on the left, a long standing hallmark of Irish politics, meant it failed to make much impact on the hegemony of 'there is no alternative.' Pierson's (1994) still influential theory of welfare retrenchment suggests that it is an unpopular and risky move for governments to pursue and that tactics of blame avoidance are typically utilized in the process. However, our focus examines how welfare expenditure was framed in the crisis, not necessarily always in an unequivocally blame-avoidant manner, but in ways which blended with credit-claiming for being fiscally responsible. As Bonoli (2012) notes, this is one of a limited number of ways in which welfare retrenchment can become the object of a credit-claiming strategy. Ireland's weak left, together with the populist tradition in Irish politics dominated by two main parties, Fianna Fáil and Fine Gael (both of which have operated under opaque ideological divisions), may provide conditions compatible with a credit-claiming logic in conditions of crisis. In particular, lack of robust ideological debate in political discourse affords latitude in the simultaneous adoption of 'justification strategies' (Green-Pedersen, 2002) that may seek to avoid blame or claim credit, depending on the policy context.

While Ireland's crisis has multiple dimensions, a core element of political debate and interpretation has been framing the crisis as a debt crisis. This had the effect of opening up government expenditure and the policy choices made prior to the crisis as objects of critique. In the words of former Taoiseach (Head of Government) Brian Cowen:

> As a society, we became over-optimistic about our recent, seemingly spectacular, economic success, and badly overshot the mark. People became impatient with restraint. …The general attitude was that we could afford to ramp up spending, while simultaneously being a low tax country, as if there were few hard choices to be made. (2010)

Strategies of welfare retrenchment became inextricably linked with prudent economic management, both by the Fianna Fáil/Green Party government in power when the crisis emerged, and by its replacement in 2011 by a Fine Gael/Labour Party coalition.

In contrast with Pierson's (2001) depiction of welfare states entering an era of permanent austerity, the Irish welfare state is often cast as a case of delayed development and appeared to encounter a delayed golden age prior to the crisis. Economic growth of the late 1990s and early 2000s provided unprecedented resources at governments' disposal, thus enabling increased welfare expenditure. At the same time, taxes and social insurance contributions were reduced without fiscal repercussions. Social protection expenditure as a proportion of GDP remained relatively stable (6.7% of GDP in 2001 and 7.7% of GDP in 2007) and on the low side of European expenditure patterns. Moreover, an analysis of social expenditure from 1981 to 2007 (McCashin, 2012) demonstrates how it was subject to a range of trends. It was clearly expansionary in the case of Child Benefits and retrenched in the case of Sickness Benefits, while extension of coverage was the overriding driver of increased expenditure in other programs, such as pensions and unemployment.

In keeping with the framing of the crisis as a crisis of public expenditure, 'generosity' became a new term in the semantic field of social protection. Political debate about the generosity of the system emerged as a justification for its retrenchment, especially in the early stages of the crisis. The idea was amplified with discussion of what became framed as the problem of the generosity of social protection. Government references to generosity ranged between drawing attention to the generosity of the system as pre-emptive defense of critique against cuts being implemented, to a 'vice into virtue' strategy (Levy, 1999) claiming that cuts would actually preserve the generosity of the system. In the latter case, rate cuts were justified as preventive action against more catastrophic cuts if measures to achieve fiscal stability were not undertaken. The first of two extensive cuts to payment rates were therefore claimed as action to "safeguard the generous system we have" (Lenihan, 2009).

The issue of generosity was closely aligned to debates about sustainability and the need to reach a sustainable pattern of social expenditure. Sustainability encompassed the broad fiscal policy landscape, which was deeply impacted by a collapse in consumption/transaction dependent tax revenue as the credit and housing bubbles burst. Consequently, tax revenue fell by 33% between 2007 and 2010. Political debate drew on a cluster of ideas associated with the notion of fiscal responsibility and fiscal sustainability. Emphasis was placed on adjusting expenditure to sustainable levels, which directly implicated the social protection system, one of the largest areas of current expenditure. Again, a blame avoidance strategy was utilized, citing market pressure as a form of political cover with respect to why cutting expenditure was the only credible option. The confluence of retrenchment with sustainability also became part of a credit-claiming strategy. This again drew on the idea of retrenchment as necessary safeguarding of the social protection system and the vulnerable. A similar diagnosis of the unsustainability of social expenditure remains central, with the current Minister for Public Expenditure and Reform, Brendan Howlin (2012) asserting, for example, that "our current levels of expenditure are no more sustainable than the property bubble that once sustained them."

Concerns about the suitability of the focus and design of the social protection system in the context of unemployment (4.5% in 2007 to 14.8% by 2012) and the needs of the economy came more to the fore as the crisis continued. However, associated debates about structural reform have not been altogether separate from the issue of generosity and cost containment. The relationship between social protection and the labor market, and specifically activation policy, became the object of greater scrutiny, because, as Fitzgerald (2012) puts it, "when money was abundant, such structural change in programmes was generally off the agenda" (p. 1372). The crisis, therefore, stimulated a debate that potentially indicates a catch-up with more substantive adaptation that has taken place elsewhere, variously labeled as the emergence of the 'new welfare state' (Bonoli & Natali, 2012) and the 'social investment welfare state' (Morel, Palier, & Palme, 2012). The reform agenda of integrating the social protection system with labor market services was further driven by conditions imposed by the EU/IMF. Initial debate revolved around the issue of disincentive effects. This was articulated in ideas about the social protection system being "out of step with labor costs in the rest of the economy" (Lenihan, 2009), and the need to keep the unemployed "as close to the labor market as possible" (Cowen, 2010). More explicit reference to re-orienting social protection has occurred under the current government, which has tended to use a 'vice into virtue' strategy of claiming to transform the moribund legacy of a "passive welfare state to an active welfare state" (Burton, 2012).

The remainder of the article looks at how these framing ideas have influenced crisis-led change in social protection. Although we have suggested that the Irish politics of austerity has not solely been about blame avoidance, Pierson's (2001) conceptual distinction between cost-containment, re-commodification and recalibration is useful to deploy in looking at how ideas about generosity, sustainability and suitability have translated into policy change. Changes have therefore spanned from high visibility cost cutting to re-structuring, though the latter can be difficult to disentangle from the former. As an addendum to this, and to the concept of recalibration in particular, debates about the new welfare state and 'new social policies' have drawn attention to how retrenchment-led change is not only about cutting back existing social protection, but also about introducing new forms of provision and intervention. In this sense, an era of austerity can have multi-dimensional effects; Häusermann (2012) observes that change can simultaneously involve expansion of activation (flexicurity), re-allocation of spending from more generous to means-tested provision (welfare re-adjustment), and in some cases, preservation of existing provision (welfare protectionism).

Irish Social Protection

The Irish social protection system has traditionally been primarily oriented towards the goal of poverty alleviation as opposed to income replacement. It comprises social insurance payments and a corresponding set of social assistance payments covering various contingencies such as unemployment, illness and disability, caring, one-parent families, and pensions. Social insurance is based on pay-related contributions and flat rate payments, and for most working age payments, there is no differential between the value of a social insurance payment and its corresponding social assistance payment, whereas for pensions the differential is 10%. The state (contributory) pension payment is approximately 34% of average earnings which is a comparatively low replacement rate (Organization for Economic Co-operation and Development [OECD], 2011). Replacement rates for unemployment payments also tend to fall below the OECD average (NERI, 2012). Family and child-related income supports comprise a universal Child Benefit (CB) payment with additional means-tested payments targeted at low income families.

The Irish social protection system stands out for having a significant proportion of means-tested payments, typically ranking highest on this indicator in the EU. In 2008 for example, 25.2% of all payments were means-tested compared to 11.1% for EU27 (Eurostat, 2012). Overall, therefore, the Irish social protection system tends to "modify tendencies to extreme inequalities rather than attempting substantial redistribution or universal social provision" (McCashin & O'Shea, 2007, p. 274). In the period prior to the crisis, this orientation was manifest in poverty rates which remained above the EU average, reflecting the fact that while payment rates grew, they remained low relative to average incomes. The poverty reduction effects of welfare payments did improve by the mid-2000s when social protection rates were raised ahead of wage growth rates, and the risk of poverty rate converged with the EU average. However, the impact of subsequent recession and welfare retrenchment is evidenced in increases in at-risk-of-poverty rates (16% in 2011) and a sharp rise in the deprivation rate, which has more than doubled since 2007 (24.5% in 2011). Children remain the age cohort at highest risk of both poverty

(18.8%) and deprivation (32.1%), and the at-risk-of-poverty rate for unemployed people (30.6%) is also particularly high (CSO, 2013). Against this backdrop, the role and impact of the social protection system and its reform remains central.

Working Age Social Protection

Under the justificatory strategy of a generous system, outright cost cutting has formed a large part of the retrenchment measures implemented. Rate cuts were applied to all working age payments in Budgets 2010 and 2011. These cuts, together with the abolition of an extra payment at Christmas, represent a cumulative reduction of 10%. Despite comprehensive rate cuts being a highly visible form of cost containment, relatively little mobilization against them and against austerity more broadly, took place. Pierson's (2001) observation about the institutional design of liberal welfare systems may be applicable, in that systems which have a high means-tested component militate against strong popular support for welfare. More severe rate cuts have been applied to certain social assistance payments. A 51% reduction to Jobseeker's Allowance (JA) for claimants aged 18 and 19 in 2009 was extended to claimants aged 18-21 in 2010, with a 30% cut applied to those aged 22-24. In addition, a 30% rate reduction sanction was introduced where claimants refuse activation. Such change points to the cross-cutting agendas of activation and cost-containment, as well as the ambiguity of activation and ideas such as 'making work pay,' which can emphasize 'carrots' or 'sticks' (Kuhner, 2012).

Substantial re-commodification, a relatively more obfuscating strategy than rate cuts, is also being undertaken. This is particularly evident in the case of Jobseekers Benefit (JB), as qualifying conditions for social insurance payments were tightened and the duration of entitlement substantially reduced. The number of contributions required to qualify doubled, and the duration of entitlement has been significantly curtailed. Other forms of re-commodification concern the complex rules of entitlement and qualifying conditions which vary across the contingency-based system. They include restrictions to entitlements to concurrent payments; changes to income disregards where claimants may work but continue to qualify for a payment; stricter means-testing; expanding taxable payments; reductions to qualifying adult payments, rent supplement and other additional allowances. The One Parent Family Payment has undergone the most significant change in this regard, stemming from reform ideas first broached in 2006 but substantially stalled until the crisis occurred. Eligibility is now also being based on the age of the parent's youngest child, which is being reduced on a phased basis (from 18 years in 2011 to 7 years for all claimants by 2015).

Although Irish activation expenditure has been highlighted as being relatively high in comparative terms, the crisis has brought the system into sharper focus and opened up the possibility of substantial recalibration. Activation policy has been criticized for being "fragmented and lacking ambition," having a "passive and low-intensity" approach, and lagging behind developments elsewhere (NESC, 2011, p. xv). Given Ireland's conservative and incremental culture of policy making (Kirby & Murphy, 2011), the crisis and the influence of transnational policy actors has stimulated significant institutional reform. Responsibility for activation services has moved to the Department of Social Protection, and a new agency, the National Employment and Entitlements Service, is being established. At the local level, the integration of social protection and activation services is being introduced under a single new service, *Intreo*. Modeled on the UK system, the changes entail a more individualized case management approach than heretofore, including profiling techniques to tailor interventions based on claimant's employability and risk of long-term unemployment. Active labor market programs are also being reformed, to include greater flexibility of qualifying conditions to some, the introduction of some new schemes and the retrenchment of more 'passive' programs. In all, however, the scale of provision falls far short of the scale of the unemployment crisis.

More far-reaching recalibration was signaled by a report which examined the feasibility of introducing a single social assistance payment for people of working age (Department of Social Protection, 2010). It proposed a single payment with different levels of conditionality and support, depending on the distance of the claimant from the labor market. Payment levels, modeled on JA rates and rules, would represent a rate cut for claimants of other schemes, though it is not clear at present whether such radical reform will progress.

Pension System Reform

Pension system reform has been on the policy agenda for the last two decades, and has been marked by a series of incremental but limited reforms to incentivize supplementary pension arrangements, whilst simultaneously attempting cost containment and addressing inadequacies in state provision. The most recent policy statement, the National Pensions Framework (NPF) (Government of Ireland, 2010a), places particular emphasis on affordability and long-term system sustainability. The core policy principles applied to first-tier pensions appear largely unchanged, as "the State Pension will continue to be the fundamental basis for the pension system" (Government of Ireland, 2010a, p. 14). In fact, the stated 35% replacement target rate represents an improvement on previous policy ambition. Payment rates increased during the pre-crisis period, before being frozen in 2009 when state pensions were the only payments not to be cut in the retrenchment that followed. This treatment could be read as welfare protectionism, in which privileges of existing beneficiaries have been shielded against demands associated with newer/other risk groups. However, it needs to be considered in conjunction with simultaneous welfare re-adjustment measures introduced with respect to social insurance eligibility requirements. The proposal to move to a total contributions approach by 2020, and the increase in the state pension qualification age from age 65 to 66 in 2014, to 67 in 2021 and to 68 in 2028, a comparatively shorter timeframe than in most other European welfare states, indicates the scale of the change (Considine, 2012).

In terms of second-tier pensions, the introduction of personal retirement savings accounts (PRSAs) in the early 2000s marked an effort at re-commodification which sought to make private pension arrangements more accessible. However, PRSAs did not have a significant impact and the NPF proposes that a system of auto-enrolment be introduced to increase supplementary coverage. This measure is proposed for 2014, although its introduction remains contingent on a general improvement in macro-economic conditions. This potential change could be interpreted as path departure in terms of obligation to contribute to a second-tier pension, although given the longstanding policy to incentivize individual/occupational provision through pension tax benefits; it is simultaneously a policy instrument which gives preference to a significant pre-existing element of provision, with enforcement to broaden coverage. It may therefore be considered a structural change that is potentially significant in terms of the role and reach of quasi-mandatory second-tier provision. However, the existing duality in the system, where half of the workforce already broadly conforms to this policy objective, and the limited reform of core tax benefit arrangements, points to a limited redirection of pension policy preferences to date. High income earners remain much more likely to have supplementary pensions, make higher contributions and benefit from tax relief, while lower earners are less likely to benefit from this tax expenditure at all. Pension tax benefits were set to be substantially overhauled and made more equitable (Government of Ireland, 2010a, 2010b). Measures introduced over recent Finance Acts limit generous tax benefits to the highest income earners, although the mainframe of the tax benefit structure (delivered at standard and marginal rates of tax) remain unchanged. Budget 2013 maintains the status quo in this regard, with focus centered on limiting tax relief to pensions that accrue an income of over €60,000 per annum.

Finally, the Irish variant of the multi-pillar system, and in particular the reliance on the market for the provision of adequate retirement income replacement and the risks to which they are exposed, has been brought into sharper focus by the financial crisis, as Irish pension losses were second only to those of the U.S. in 2008 (Organization for Economic Co-operation and Development, 2011). Approximately 70% of defined benefit schemes in Ireland are in actuarial deficit (Pensions Board, 2012), contribution levels to many private pensions are widely regarded as insufficient, and there is a lack of transparency/clarity around charges applied and the impact of pension fund losses more generally (Stewart, 2011). It is against this wider backdrop that current Irish pension system reform needs to be examined; existing patterns of dualization may be altered, but the direction that will take depends on which elements of the reform agenda are prioritized and the manner of their implementation.

Child Income Supports

Child Income Supports (CIS) evolved in an ad hoc and fragmented way over an extended period; these were designed to meet a range of policy objectives, from alleviating poverty to a state recognition of the costs associated with raising children. The system comprises a mix of targeted and universal provisions, which underwent significant expansion in 2006 with the introduction of an Early Childcare Supplement (ECS), paid in respect of all children age 0-6 years to offset childcare costs. This payment represented a typically liberal cash-based response to the cost of childcare issue. However, the ECS was one of the first welfare payments to be abolished as retrenchment took effect. It was replaced in 2010 with the Early Childhood Care and Education (ECCE) scheme, an illustration of welfare recalibration with an unprecedentedly rapid shift from cash assistance to universal social service delivery. Whatever the shortcomings of the ECCE scheme, its introduction at a time of austerity represents a noteworthy policy departure that engaged simultaneously in rationalizing and updating to accommodate wider policy goals in relation to the care and education of young children.

There has been considerable retrenchment of other elements of CIS since 2008. CB was noted for its cost containment potential and was cut in successive budgets. Eligibility criteria were also restricted, with payments no longer made in respect of 18-year-olds still in education. CB rates have been cut by almost 22% for the first two children, with higher reductions in respect to subsequent children. Some compensatory measures were instituted initially through Qualified Child Increases and Family Income Supplement to protect low income families, although such measures were not applied in more recent Budgets, and some other targeted payments were also reduced.

Pointing to the rapid increases in the cost of CB, which saw the payment rate treble between 2000 and 2007, the need for a more efficient and targeted approach is regularly espoused. Broadly speaking, this efficiency/equity argument divides between preferences to tax CB and/or the removal of its universal basis in favor of targeted means-tested provision. A report on child and family income support (Advisory Group on Tax and Social Welfare, 2012) advocates the retention of a reduced universal payment and proposes a two-tier CIS payment comprising CB and an automatic supplementary payment (to replace the existing ones) in respect of children whose parents are in receipt of a social assistance payment. Other parents (including those in receipt of social insurance payments) would be subject to application and income-test for the supplementary element of this income support, with a greater degree of means-testing one inevitable outcome of this reform.

No government decision has been made at the time of writing in respect to these CIS proposals, but the discussion points to a shift away from the old 'logics of welfare reform' (Häusermann, 2012) with a particular focus on welfare re-adjustment. Significant retrenchment of universal child income payments has been coupled with greater attention to the new logic of social investment and needs-based child income supports. Wider social service supports in relation to children and families matter to how this may develop, and consideration of the social investment approach is a relatively new departure in terms of the Irish welfare state. In this context, the relatively swift introduction of the ECCE scheme, even at the height of the economic crisis, may point to some shift in policy thinking that has social investment leanings. How far this extends, however, is a far more open question, as the retrenchment imposed through a series of rate cuts and changes to eligibility rules has simultaneously negatively affected the incomes of many families with children.

Conclusion

In this article we have examined how the politics of austerity in the Irish case have been framed by a number of salient ideas, in ways which blend blame avoidance with credit claiming in how changes to the social protection system have been approached. We have located Ireland's policy choices within the wider contradictory neoliberal response to the economic crisis, from which the 'no alternative to austerity,' which simultaneously requires substantial state support of financial systems, has emanated. Turning to examine the impact of austerity on the social protection system, and drawing on

Pierson's concepts of cost-containment, re-commodification and recalibration, it is clear that all three types of change are occurring. Substantial cost-containment and re-commodification across programs for working age adults have blurred the already weak boundary between the benefits attached to social insurance and social assistance payments, while in the case of child income supports, universal payments are being retrenched in favor of targeted forms of support. These trends appear to accentuate the liberal characteristics of the social protection system.

The crisis has also stimulated stronger recalibration, manifest in new types of services and program design for working age adults and children. These are indicative of an effort to re-orient the norms upon which the social protection system has been built, from alleviating poverty by compensating for unemployment and other 'old' social risks, to supporting and incentivizing employment. In the crisis context, however, such recalibration has been subordinated to and limited by the goal of cost-containment, with the effect that rate cuts and sanctions have constituted a significant element of the emerging activation approach. It remains to be seen how individualized case management will evolve in this environment.

The crisis added urgency to a long-standing reform agenda concerning pension sustainability and equity, yet wide ranging tax benefit reform proposed has been only partially implemented, appearing to preserve existing inequities in the system. While the absence of rate cuts to state pensions demonstrates that welfare protectionism can occur even in severe crises, substantial re-commodification is in prospect for future claimants. Altogether, these changes are producing a complex, uneven picture of the impact of austerity on the Irish social protection system, the effects of which are still unfolding. However, the current reform agenda displays less system hybridity than heretofore, with Irish social protection moving towards more archetypal liberal welfare principles and patterns in the ways it is both being retrenched and recalibrated.

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