THE CONCEPT OF SOCIAL SECURITY

Razvan-Dorin Burz
West University of Timisoara, Romania

Abstract: In this paper we look to clarify the concept of social security. We start from the definitions found in the literature. There is a great ambiguity in the use of terms relating to social security issues: social security, social protection, social safety, social assistance, social insurance, social policy, social welfare etc. We conclude that the concept of social security is a dynamically evolving concept that can be viewed in a narrow perspective, which coincides with that of social protection or in a wider one that tends to the notion of social welfare (social protection and social security).

Keywords: social security, social protection, social safety

JEL classification: I00

Introduction

The term of social security was first used in the U.S. Social Security Act from 1935 which was taking into consideration only workers from industry and commerce (the law received this name because for the first time it was creating a social insurance program for people over 65 years - USH, 1935) (Morris Robert, 1973, p. 1277). Today the concept has universalized both as familiarity and as implementation. Universal Declaration of Human Rights adopted in 1948 provides that "every individual, as a member of society has the right to social security" (AGONU, art. 22).

Explanations of the concept of social security found in the literature are different. They vary not only as perspective (angle of view), but also as a way of understanding. Ambiguity is even greater if we consider the variety of terms used to explain the concept. For example, the descriptions found in the literature shows that expressions of social security and social protection are used either as expressing the same thing, or in relations of inclusion. Not even international organizations make clear distinctions. While the International Labor Organization and the International Social Security Association are using the term social security, EU and OECD use the term social protection. Moreover, as a trend, the term social protection is particularly used in European literature, while social security is used overseas (Lazăr Florin, 2010, p. 132).

To highlight those mentioned before, we will present different explanations of the term as they are presented in the literature.
Approaches on social security

William Beveridge\(^1\) defined social security as a set of measures taken by the state to protect people against risks that are materialized individually and will never cease to exist regardless the level of development of the society in which they live. (Beveridge W., 1955) So social security is seen as part of state prerogative and all risks are taken into account regardless of their nature. However, concerning the risks, the definition introduces a limitation - the individuality of risk. Some authors consider that individuality “refers to the fact that in addition to measures to resolve or improve the situation of society as a whole, there is a second level that takes into account each individual's situation … although the general measures are still in effect and have a maximum efficiency, the individual will not cease to be affected by risk situations that can be solved by granting individual aid. The integrity of the state, public order, the avoidance of sharp economic inequalities, acceptable work condition, a right, prompt and impartial justice are all examples of measures that without taking into consideration the individual situation improves society as a whole; none of them, nor their entirety, does not mean social security” (Gîlcă Costel, 2008, p. 12). Regarding the used terminology, we can notice that the term social security can be a broader concept than the term protection. In other words, only those measures that are designed to support (to protect) people define the concept of social security - so not the prevention measures - thus a broadening of the concept would include the protection as a subdivision of security.

Universal Declaration of Human Rights continues after mentioning the universal right to social security "... he/she (the person) is entitled, through national effort and international cooperation, taking into account the organization and resources of each state, to obtain the realization of economic, social and cultural rights indispensable for her/his dignity and the free development of her/his personality”. As such, social security aims as supreme objective the dignity and the free development of human personality and not just the providence of a standard of living that allows survival. From this broadened perspective social security means more - it means "everything", but with a restriction of material nature "the organization and then resources of each state." The achievement of social security at a national level is a common human goal to which has to adhere all other countries – a planetary goal, followed by all, regardless of location.

International Labor Office defines social security as "the protection which society gives its members through a series of public measures against economic and social misery that threatens the loss or substantial reduction of earnings due to illness, maternity, accident at work, unemployment, invalidity, old age or death, or providing medical care and benefits for families with children" (BIT, 1995, p 4). Also in this case the protection seems to be integrated in the concept of security, only this time the risks are mentioned explicitly, without leaving room for interpretation.

---

\(^1\) English economist and social reformer known for its report "Social Insurance and Allied Services" which served as the basis for the "welfare state" (among others, proposed the creation of a free national health service).
According to the explanatory dictionary of Romanian language social security is "all legal regulations to ensure social safety status at the individual, social group or total population and to protect the disadvantaged and marginalized. The main social security measures are unemployment benefits, sickness and maternity aid, child benefits and pensions." (Stănciulescu A., 2005, p 1271) The following points emerge from this definition:

- social security is seen only in terms of legal rules;
- social security targets the three levels of social aggregation: the individual, as singular entity, social groups, as partial aggregations with certain defined features and the total population as a whole unit, regardless of heterogeneity;
- social security refers not only to safety ("lack of distress"), but also to protection ("support, helping someone ..."). While safety is universal, protection is limited to disadvantaged for whatever reason, be it natural - people in need, be it social - people marginalized ("... deliberately ignored");
- social security measures enumeration is not exhaustive, as such, the object of social security is variable;
- in terms of concepts, from this definition it is clear that social security has two components: social safety and social protection.

Oxford dictionary of English language has two meanings of the term. Thus, in England, social security is defined as "monetary assistance from the state for people with no income or inadequate income" and in U.S. "a scheme/federal insurance plan that provides benefits for pensioners and unemployed people or people with disabilities" (Judy Pearsall, 1999, p 1362). Differences, at least at the conceptual definition, are major. If in the UK social security is defined as assistance, in the U.S. is an insurer framework. Subjects are also different. While in England are targeted people with insufficient income in U.S. are targeted only pensioners, the unemployed and people with disabilities, without taking into account their income. As a common element we can see the nature of the benefit which is purely financial. A slightly different approach (which replaces the notion of assistance with the one of system), more universally valid, we can find also in the Oxford dictionary, but the specialized one "state-run systems that ensure after testing livelihoods, subsistence income in order to prevent people to get into poverty or remain there. Some are based on the citizen quality, others on housing conditions. "(Marshall Gordon, 2003, p 54)

Some economists, specialists in finance, describe social security pointing several aspects like (Bistrițeanu Gh et. all, 1997, p. 634, 126, 137, 141):

- social security has a formal institution nature;
- social security is the consequence of the manifestation of social risks;
- social security has the effect of eliminating or mitigating the adverse effects of social risks;
social security is a complex system of social protection. As such, as terminology, we can understand that social security include the social protection concept because it is regarded as a system that protects;

social security aims to combat lower living standards resulted from lower revenues such as increased spending – ensuring a minimum standard of living;

social security means economic security of the person;

social security aims to ensure all members of society the opportunity of a free life and a full development of their capacities – thus basically it covers not only financial independence;

social security measures are constantly developing and improving;

social security measures include various fields of activity;

social security coordinates are:

- categories of protected persons;
- social risks taken;
- social protection mechanisms; the sources of the funds and the categories of social benefits.

the burden of risks related to social security are transferred to a third party that supports the damaging consequences in three ways (the major components of social security):

- social insurance (state - unique mandatory system);
- social assistance (measures for the maintenance and care of people in need);
- personal insurance (private social arrangements, optional).

In sociology we find social security described as "system of laws, institutions and activities designed to assist people affected by certain risks to which it is exposed, in principle, the entire population (unemployment, poverty, work accidents, illness, disability, maternity, widowhood, old age etc.) and to allocate resources for these purposes by way of rights under the law and not as charitable help. Historically the first social protection measures (especially of workers) were by nature restrictive types: limitation of women and children work type, working time reduction etc." (Zamfir C. & Vlăsceanu L., 1998, p 527). As terminology social security is seen as assistance and is included in the concept of social protection as a measure of it.

In juridical literature we find social security described in terms of two basic components: social security and social assistance (same idea is also found in sociology -Zamfir C. & Vlăsceanu L., 1998, p 431). From another perspective, also here, social security is often used with two different meanings: as social security policy and as social security system (Dupeyroux J., 1993, p. 4; Ghimpu S. et. All., 1998, p. 3.) Social security policies, understood as economic security policy, comprise four areas: job security, earnings
security, work capacity security, organization of distribution replacement amounts during periods of forced inactivity. Legal rules governing financial redistribution are qualified as social security systems – prevalence, on one hand, and the distribution of funds collected to beneficiaries of this redistribution, on the other hand. The concept of social security system is also associated with the notion of social security law.

Conclusions

As seen also from the given descriptions, the explanations about the notion of social security are different both in perspective – degree of coverage – and as a way of understanding. Also the expressions of social security and social protection are used either as expressing the same thing, or as including one or the other (relations of inclusion). The same conclusion can be drawn even if we consider the different expert’s background dealing with this subject: economic, sociological, legal.

From our point of view social security is a dynamic concept which can be seen as a consequence as having two components: social protection and social security. The premises which we take into consideration are that:

- protection means insurance against risks (protection is reflected by legal rules against risks such as unemployment, sickness, disability, death, maternity etc.).
- safety means no dangers (prevention policies of various kinds of risks – workplace conditions, deterioration of quality of life, corruption, crime, inequality, environmental damage etc.).
- security means protection and safety.
- Basically there is a narrow view of the concept of social security, which coincides with that of social protection and a wider one that tends towards the notion of social welfare.

Acknowledgement: This work was co-financed by the European Social Fund through Sectoral Operational Programme Human Resources Development 2007-2013, project number POSDRU/89/1.5/S/59184 „Performance and Excellence in Postdoctoral Research in Romanian Economics Science Domain”.

Bibliography

1. Adunarea Generală a Organizației Națiunilor Unite, Declarația universală a drepturilor omului, Art. 22.


