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THE ROLE OF THE THIRD SECTOR IN CHANGING THE WELFARE SYSTEM A Case Study of Serbia

Abstract. *During the period of social and economic transition in Serbia significant reform projects covering a wide spectrum of social policy have legitimised the role of civil society and non-governmental organisations, in particular those providing social services. Preliminary evidence shows that non-governmental organisations are an additional or supplemental actor in the provision of services, while a classical welfare strategy and state responsibility remain the dominant welfare state regime in Serbia. It is estimated that organisations which are service providers make up a large share of the structure of the alternative third sector segment. However, the main problems stem from the still unresolved division of labour among sectors, deficiencies in management capacities and shortcomings of evidence-based policy to handle policy at different levels of implementation. The new emerging third sector continues to go without proper institutionalised mechanisms regarding its regulation, funding, tax status, and mechanisms for co-operation with the government.*

Key words: *welfare structure, service provision, third sector, partnership projects*

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Introduction

Over the past several years significant reform projects in Serbia covering a wide spectrum of social policy have involved different stakeholders and created systematic changes in visions and ideas among which the legitimisation of the role of civil society and non-governmental organisations ('NGOs') has been the pattern most emphasised by relevant strategies and documents. The Serbian government¹ has recognised that civil society plays

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¹ Following the dissolution of Yugoslavia, Serbia consists of about 7.5 million people with around 2 million living in the capital Belgrade.

an important role in comprehensive transitional reform projects as well as the European integration process and started to develop partnership relations and joint actions with NGOs. As a result, during the last eight years of social and economic transition the civil sector has played an important role in the process of long-term national policies, reform strategies and national development documents. Most of these efforts have been facilitated by the European Agency for Reconstruction ('EAR-EU') support programme which has complemented other donor programmes (United Nations Development Programmes - 'UNDP', UK Department for International Development - 'DFID') focusing on supporting governmental-non-governmental partnership projects in defining and carrying out the reform of social policy. International organisations and donors are a key innovator and driving force in building the new welfare structure in different fields of social policy - health, education, social welfare, employment and environment. The new programmes are carried out in close co-operation with government bodies, relevant ministerial authorities, academics, experts and civil society groups. This involves the activation of all potential and resources, and third sector organisations are expected to be an actor mobilising citizens and their networks and provide additional or develop new, innovative and flexible forms of the production and distribution of services.

The aim of this paper is to explain the main reform trends, the new configuration of welfare system and the role and importance of different actors in the pluralist emerging welfare pattern in Serbia which has arisen in the last decade similar to other Central and Eastern European countries, as noted by Victor Pestoff (1995). The study contains a broad assessment of the current reform strategies and seeks to identify and explain the variety of third sector entities focusing on organisations that are service providers. One of the study's central objectives is to describe the primary challenges in the governmental-non-profit sector relationship, explain the barriers hampering any swifter development of co-operation between sectors and propose further research as part of efforts to explain the interdependence among different actors in the future model of the welfare system in Serbia.

Current reform strategies and changes

The new approach to policy planning is fostered by the Poverty Reduction Strategy Programme ('PRSP'), accepted by the Serbian government in 2003 as part of a joint effort of the national government, the UNDP, the World Bank, the International Monetary Fund and other international players active in Serbia (Report on the Implementation of the Poverty Reduction Strategy, Government of Serbia 2003, 2007). The PRSP started to promote a new concept for the alleviation of poverty and unemployment,

but also underlined directions for systematic changes covering the spectrum of social policy reforms in which government, market and third sector have to act in an effective partnership. This assumes that a number of NGOs took part in the consultative process and PRSP drafting, reporting and in creating adequate institutional conditions for the new approach to policy planning and building the reform strategy.

In the context of the social welfare system third sector organisations are becoming integrated partners of governmental organisations as recognised by important national strategies that legitimise their role in the planning and implementation of policy as well as a significant actor in providing social services. The most important documents initiated by the Government of Serbia, Ministry of Labour and Social Policy (2008) ('MLSP') are the Strategy for the Development of Social Policy (2005) and the National Strategy for Aging (2006). They largely concentrate on restructuring the outdated 'paternalistic' concept of social welfare and changing welfare systems with the importance and role of the third sector being a significant structural element of them. The changing philosophy and growing inclination to adopt the welfare mix model in the practice of social policy is leading to the incorporation of various third sector entities which have begun to make significant contributions to service provision and alleviating social poverty at the local level.

Parallel to reforms in the social welfare domain, the conceptualisation of new approaches to policy and planning and developing comprehensive strategic frameworks have started in family policy, minority issues, protection of the disabled, child protection, employment policy and other sectors of social policy.

Following the new European trend in social policy the government paid attention to some hidden issues such as domestic violence leading to the National Strategy Against Domestic Violence being adopted 2005, while the National Strategy for the Protection of the Roma Minority with recommendations for further actions considering the role of different stakeholders in these difficult issues was accepted in 2006. In the recent past programmes for the disabled have been on the top of governmental reform agenda. The Programme of Improving the Position of the Disabled along with the 2007–2015 Strategy for Improving the Position of the Disabled as well as the Law on Discriminating Against Persons with a Disability were adopted in 2006, led by efforts of the Ministry of Labour and Social Policy (2008). In addition, the National Strategy for the Integration of Returnees was adopted in 2006 by turning attention to protecting the collective rights of asylum-seekers. The main aims of the reform in this area are to build an efficient social protection system and the further creation of new legislation in accordance with EU standards in which governmental and non-governmental organisations must work together in an effective partnership.

Much of the public debate and professional efforts has been devoted to actions at the local/regional level and strategies which involve partnership, demand-driven training programmes, coupled with other human resource development measures and services (in particular vocational guidance and career information and counselling) for the unemployed and redundant and related programmes drafted according to European Commission procedures. In recent years, in a situation where the economy has been unable to resolve the growing unemployment problem, one priority has been the development of small- and medium-sized enterprises (SME) and other alternative opportunities for creating new jobs whereby NGOs have to respond and contribute to counselling and training opportunities as well as develop other programmes of education according to EU standards and ILO and other relevant international recommendations regulating these issues.

Besides, third sector organisations are involved in strategic planning and the implementation of various local programmes. NGOs are often partners in the development of local sustainable development strategies and programmes for socio-economic development in cities and municipalities of Serbia, as well as in drafting strategies for the participation of citizens at the local level. Consequently, a good practice of carrying out consultations in the course of the developing strategic documents has been established. In a course of these changes, the majority of ministries in Serbia have programmes and funds providing for the conclusion of agreements with NGOs, in particular to provide various services.

Main challenges in the governmental-non-governmental partnership

Despite the general conclusion that the government has started to cooperate with NGOs in policy planning and strategy implementation in different areas of social policy, relevant papers and reports (Golubovic and Andjelkovic, 2008; Annual Report: ProConcept, 2005) have concluded that the government and the political structures in Serbia still do not consider civil society organisations as partners, especially if they are dealing with sensitive issues from the recent past or the jeopardised rights of citizens.² In the context of different regional socio-economic development levels, grassroots are having a harder time sustaining their organisations than NGOs in the main cities such as Belgrade, Nis, Novi Sad or Uzice where civil organisations can participate in local government open competitions for NGOs. Yet the local governments in small and underdeveloped regions are financially

² The worst situation is the relationship of government officials with NGOs dealing with advocacy and human rights, war crimes and Hague Tribunal trials which represent one of the most important aspects of NGO work.

incapable of supporting NGOs' activities. In general, in some regions the state lottery has become the primary (and only) source of third sector funding and most of this limited funding has only supported self-help groups of people with disabilities.

The co-operation of third sector entities, including self-help groups, with the business sector is very poor. If it does exist, socially responsible business in Serbia is only in its embryonic phase. There are just a few positive examples of where profit-making enterprises support self-help groups projects, chiefly during some public campaigns. The business sector is either weak or represented by individuals who have accumulated wealth in ways which makes it difficult for NGOs to undertake co-operation with them, a recent report concludes (Golubovic and Andjelkovic, 2008).

Taken as a whole, the general public is not well informed about the third sector's nature and purpose, while government officials still see the third sector as a marginal, unreliable yet partially useful technical executor of small-scale projects. It was estimated by the CIVICUS Civil Society Index Report that partnership relations between the government and civil society in Serbia are still in their initial phase and the majority of third sector organisations believe that relations with the government are very restrictive (47 %), while the government has not provided an institutional mechanism and stimulative environment for the third sector, especially in terms of a legal (and tax) framework and providing financial support (Milivojevic, 2006).

Key Changes in the Social Welfare System

In line with the modern concept of protection for the vulnerable, the current programmes are strengthening the local community's role in care and protection, in particular programmes that support the elderly, the disabled and other groups at risk by providing help at home, day care facilities and other respective social services in the community. The redefinition of professional standards and changes to the practice of welfare institutions, restructuring of the inherited 'paternalistic' social welfare concept above all in the most significant institutions – Centres for Social Work whose network covers all of Serbia – has been a key challenge in the effective reform of the social sector in which third sector organisations should act as partners in the creation and production of services.

Most of these efforts that facilitate partnership projects have been supported by the EAR-EU, UNDP and other donor programmes and it is estimated that the international community has been the driving force in building the welfare mix strategy. From the beginning of the social welfare reform, the pilot programme *Building and Strengthening State-Civil Society*

Relationships in Serbia supported by the UK Government (DFID) has focused on giving support to governmental-non-governmental partnership projects in defining and performing the reform of social policy and reducing social risks at the municipal level, particularly poverty, social isolation and unemployment. Like the first and many other examples of international support programmes in installing the new European social policy in Serbia, the Norwegian government is engaged in strategically developing the social welfare system in the following areas: foster care, de-institutionalisation, integrated social care, victims of domestic violence and standards/procedures in social work (Kolin, 2005).

The Social Innovation Fund ('SIF') was established in recent years by the MLSP and designed to promote the welfare mix concept, protect the most vulnerable groups of society, foster social dialogue and support reform projects in different areas of social welfare. Although it is a programme of the government of Serbia, the SIF is implemented in co-operation with the UNDP and with a large contribution of EAR-EU funds for civil society development, the Government of the Kingdom of Norway and the Government of Great Britain. The SIF seeks to develop local services in the social protection sphere, incorporating lessons learnt from local projects in strategic decisions by continually providing support to local actors and by making important contacts with national and international actors. So far, the SIF has invested EUR 6 million in the development of social protection and supported around 300 projects in local communities of Serbia. To date the SIF has supported the reorganisation of home care institutions according to the deinstitutionalisation concept and local projects dealing with different social problems such as those supporting children and youth welfare, organising day care centres, home care for the elderly, clubs for pensioners, providing programmes for the disabled and other programmes fostering social cohesion at the local level (Social Innovation Fund, Ministry of Labour and Social Policy, 2005).

After the democratic changes in the autumn of 2000, religious groups started to provide social services particularly to vulnerable and marginalised groups. The elderly population comprises the main beneficiary group of these religious organisations; they receive assistance ranging from nursing and medical treatment to nutrition, food provision and home assistance. Chronically sick individuals with weak family support are also supported by religious groups because many were extremely marginalised during the transition. Their activities are tailored to support these vulnerable groups with different services and protection measures organised at the local level and they thus fill the welfare gap that has emerged from shrinking public welfare programmes. The majority of religious group activities are heavily dependent on resources provided by international organisations and for-

eign money, while government support funds, fees, commercial activities and local donor contributions will be an important issue for the future of religious groups in Serbia (Kolin, 2005).

The new employment policy has also started to explore and promote partnership projects between NGOs, public agencies and local government that seek to combat the unemployment of the most excluded social groups and conceptualise alternative employment and other work integration programmes in local communities. The promotion of the new approach in job creation and social economy principles as a model for the future social policy has primarily been oriented to refugees, women, the disabled and other vulnerable groups. On the basis of these pilot projects, the main protagonists have been able to learn about their specific role in the mixed economy, to enhance solidarity and cohesion while creating employment opportunities and jobs in areas where traditional 'investor driven' enterprise structures have been unable to resolve unemployment (Kolin, 2007).

Nevertheless, these changes in the government-nonprofit sector relationship in providing welfare services and combating unemployment are still in a learning phase and a phase of mutual accommodation. The biggest problems derive from the still unresolved position of third sector organisations in the hierarchy of sectors and it is unclear whether they complement the supply of public sector services (primarily filling in structural welfare gaps), substitute the state and its organisations (filling in newly emerging welfare gaps) or represent an alternative to both public and market-oriented organisations.

Key Characteristics of Third Sector Organisations

The emergence of an independent third sector

Although in the past decade Serbia has lacked the main prerequisites for civil society, above all a democratic environment and favourable legal conditions, a great number of civil society organisation has still emerged. The majority of the new third sector entities and NGOs were established as an underground movement or part of political opposition to the authoritarian political project which dominated the political scene during the last decade in Serbia.

The new third sector network has been established in dramatic political circumstances of wars in the region, international sanctions and isolation and finally NATO bombing, followed by the general exhaustion of all social resources. Anti-war groups, peace organisations and human rights NGOs have been the most important of the newly established third sector entities while their programmes and activities have promoted civil dialogue, conflict resolution, and capacity-building for fostering democratic development.

Due to the rise in poverty and unemployment (two-thirds of citizens in Serbia have been close to the poverty line, while the unemployment rate was around 30 % during the 1990s), civil society organisations also started to provide social services, occupational therapy, job creation and ran different programmes in order to improve the overall social situation of vulnerable groups.³ The widespread poverty and pauperisation of the population have led to the substantial growth of welfare organisations which represent the largest network of NGOs in Serbia. Some of these have renewed their activities after several decades, while many have been established by various international organisations. Most social welfare NGOs have been created due to the mass influx of refugees, but target groups of these NGOs can also be identified among local populations; children, the elderly, isolated, marginalised social groups. A key task of these organisations has been the redistribution of the humanitarian aid provided by numerous international organisations. These organisations have been major founders of a network of soup kitchens, psycho-therapeutic units, and small clearing houses (Kolin, 2005).

There are also many pre-transitional third sector segments which, like in other East Central European countries, are composed of self-organised groups of handicapped people with a high level of involvement of volunteers (blind, deaf, mentally retarded, paraplegics, disabled veterans). The vast majority of these organisations were established in the 1970s. They have served as a supplementary service provider by providing educational, recreation services, and by undertaking fundraising and advocacy roles. In the 1990s this segment of NGOs played a very important role in providing technical help and equipment (medicine, sanitarian help and wheelchairs) and their activities were important for many categories of the disabled. At the end of the decade some of them attempted to reform themselves and build capacity by providing educational, recreational services, by taking on

³ The key actor in promoting and establishing the third sector has been The Open Society Institute - Soros Foundation. Soros founding programmes intervened in the start-up phase to support numerous projects dealing with democratic development, human rights, conflict resolution and other issues to support and establish third sector organisations at the beginning of the 1990s. Over the past decade, the most important international programmes have been implemented by ECHO, with humanitarian assistance targeted at the poorest strata, by UN agencies, the International Migration Organisation, Italian Cooperation, and the US Agency for International Development. Visible promoters and carriers of humanitarian aid have included some religious organisations such as International Orthodox Christian Charities, the Ecumenical Humanitarian Service, Adventist Church (ADRA), Caritas, Catholic Relief Services, and the Islamic Humanitarian Society 'Merhamet'. The main tasks of these organisations have been to finance and supervise aid to refugees and displaced persons, to support the independence of the mass media, to build and develop local third sector infrastructure, and to develop several democracy-building projects. A significant role in consolidation of third sector actors and the continuation of international support has been played by other international organisations still present in Serbia such as OXFAM, Handicap International, Save the Children, CADOF etc.

fundraising and advocacy roles or providing more extensive services such as self-employment programmes.

The newly emerging third sector created the foundations for social change and contributed to the political changes of October 2000. After the change of government the priority of the reform process has been restructuring the social and economic system and adjusting it to the rules of the market economy. In the new environment, in which openness and democratic freedom prevail, macroeconomic and institutional reforms have resulted in improved macroeconomic stability and renewed growth. Major donors such as the EU, UNDP, USAID and the World Bank have started to encourage political and economic change through appropriate strategies for social inclusion. Strengthening employment, innovations in social service and other programmes through the network of NGOs have made a significant contribution to alleviating poverty and providing social services in a situation where local organisations or government offices lack the initiative and funds to support the vulnerable through the transition (Kolin, 2005).

Faced with the aggravation of poverty and unemployment the chief reform efforts in the social policy field have been directed at the creation of a protective network for the poor and the reanimation of welfare protection programmes. Following the change towards social transition and development, the third sector has started to mobilise its organisational capacity so as to be able to respond to the human cost of the transition, the fight against poverty and unemployment, and to participate in running different innovative programmes for vulnerable groups.

As a recent report (Golubovic and Andjelkovic, 2008) concludes, during the last eight years of the social and economic transition process the civil sector has been playing an important role in the process of long-term national policies and reform strategies in welfare and employment policy, environmental protection and been an important actor in the European integration process which is underway in Serbia.

Basic evidence about size and functions

It is hardly possible to talk about the numbers and types of Serbian civil society organisations which have emerged as part of the third sector in Serbia. The problem is that the wide spectrum of civil society's initiatives is not recorded by reliable statistics regarding the number, types and regional distribution. If we start with the official statistics, which are unreliable, between 20,000–25,000 civil associations are registered in Serbia as citizens' associations according to the latest PRSP document (Golubovic and Andjelkovic, 2008). The same source estimates there are over 700 legacies and foundations registered in the framework of the Ministry of Culture.

However, a more systematic third sector database provided by the Centre for Non-Profit Sector Development ('CRNPS'), a think tank organisation established in 1996 by the Soros Foundation in order to support the building of autonomous civil organisations in Serbia, shows that more than 2,000 autonomous NGOs were registered at the CRNPS by 2005.

It is evident that NGOs registered according to the 1989 Law on Associations of Citizens dominate the newly emerging third sector in Serbia. In the last two decades this alternative network ran different programmes and received grants from various donors and founders, particularly in relation to democracy and civil rights, social policy, health, education and environment issues. A deeper analysis of the third sector's configuration reveals that the main activities of these organisations are:

Table 1: Division of NGOs according to activity field

1. Culture and arts	249
2. Education, science and research	225
3. Ecology, eco-movements and societies	210
4. Welfare organisations	495
5. Youth and student organisations	154
6. Local community development	196
7. Human rights protection	171
8. Think tanks	26
9. Peace groups organisations	54
10. Autonomous women's groups	102
11. Refugees and displaced persons	55
12. International co-operation	11
13. Other	135
Total	2265

Source: Centre for Non-profit Sector Development, 2005

This demonstrates that the various NGOs are active in very diverse fields, including community service organisations, education, culture, science, arts and research organisations, ecological groups, local community development, human rights and women's organisations. However, the third sector consists of welfare organisations (495) dealing with the provision of social services that dominate the structure of alternative NGOs. Due to the dramatic increase in vulnerability during the transition process this segment of NGOs has been providing various kinds of psych-aid, counselling, occupational therapy, job creation activities, advocacy and other supplemental and innovative programmes. Considering their internal capacities to perform different programmes and activities, it is estimated that one small segment of approximately 30-50 NGOs are well-developed and large, operating in

Belgrade or regional centres (Novi Sad, Nis, Uzice) and have a high professional and employment structure that has mainly been established since the 1990s (Kolin, 2005).

New co-operative movement

In the context of a high unemployment rate (21 % according to the Report on the Implementation of the Poverty Reduction Strategy, Government of Serbia 2003, 2007), which is one of the most difficult problems particularly for disadvantaged groups (long-term unemployed, women, disabled, Roma people etc.) the new co-operative movement is seen as an opportunity to generate new jobs through either direct employment or by offering services that improve the quality of life and increase social integration.

A closer look at third sector actors and enterprises between the market and public the sector which correspond to the social enterprise concept of social economy according to the EMES definition⁴ reveals the following forms of organisations: citizens' associations providing services on a long-term basis (self-help groups specialising in welfare and social protection of the most vulnerable operating within the legal framework of associations) followed by traditional and new co-operatives registered according to the 1996 Law on Co-operatives. Since economic activities are not allowed by the Law, the main tasks of NGO activists is to prepare projects that encourage people to think about starting their own business and a wide range of activities in education, management, expert help, consulting and other services (Kolin, 2004; 2007).

Various forms of enterprises for the vocational training and employment of persons with disabilities registered under the Law on Enterprises for Vocational Training and Employment of Persons with Disabilities of 1996 could also satisfy the social enterprise definition. Their activities promote social integration through job creation, micro-projects, self-employment and other types of activities fostering an enterprising atmosphere and supporting people with disabilities. According to evidence provided by the Ministry of Labour and Social Policy, 52 enterprises for the vocational training and employment of people with disabilities, primarily disabilities with work-related causes, were organised by 2006.

⁴ EMES is a research network of established university research centres sponsored by the EU to study the third sector and social economy, solidarity-based economy and social enterprises. Social enterprise consists of organisations that have developed between the market and the state to pursue social and economic goals. A range of social and economic criteria of social enterprises - which include both the production of goods or provision of services on a continuous basis as well as a trend toward paid work and autonomy - have been identified according to EMES criteria. For more, see: <http://www.emes.net>

Religious groups

Religious groups registered according to the Law on Associations or the Law on Churches and Religious Communities may also be considered as a specific type of third sector organisation. The renaissance of religious groups in Serbia started during the 1990s when many renewed their programmes after several decades by providing direct relief and support to war victims. A key task of these organisations has been the distribution of humanitarian aid provided by numerous international organisations. After the democratic changes of 2000, religious groups started to provide social services, in particular to vulnerable and marginalised groups organised at the local level. Generally, religious networks consist of 30–50 medium-sized NGOs, operating in Belgrade or another regional centre such as Nis, Uzice or Novi Sad. The elderly population comprises the main beneficiary group of these religious organisations; they receive assistance ranging from nursing and medical treatment to nutrition, food provision and home assistance. Chronically sick individuals with weak family support are also supported by religious groups because many became extremely marginalised during the transition. Caritas is the biggest religious network in Serbia supported by international welfare organisations of the Catholic Church. Philanthropy, the humanitarian organisation of the Serbian Orthodox Church, is one of the most influential religious groups involved in providing services for the elderly and sick (Kolin, 2004).

Main obstacles to restructuring the welfare system

The welfare mix strategy is formally recognised in the Serbian welfare system and started to develop after the 1990s so we can argue that social policy in Serbia involves a mix of private-public responsibility. Despite financial weakness, with quite an unfavourable legal background and tax exemptions for third sector entities, there are different forms of co-operation between the government and various non-governmental organisations in Serbia. However, when taking all facts into consideration many barriers still hamper the swifter development of co-operation between sectors and the described changes in the governmental-nonprofit sector relationship remain in a learning phase and a phase of mutual accommodation.

The biggest problems stem from the still unresolved division of labour among sectors and the position of third sector organisations in the hierarchy of sectors. Preliminary evidence shows that the third sector's role has been continually strengthening in different areas of social policy and particularly in the provision of services, but through an analysis of the spectrum of its programmes and activities it is estimated that NGOs are primarily an

additional actor in the provision of services, rather than a regular policy-implementing actor and service provider. It appears that these types of organisations continue to be without clear, stable and institutionalised mechanisms regarding their regulation, funding, tax status, and mechanisms for co-operation with the government. One problem is that regulatory environment of civil organisations has not been significantly improved in the last two decades and the legal framework remains unfavourable to the development of civil initiatives and non-profit service provision. The legislation under which NGOs have operated basically comes from the communist period and is regulated by the Law on Associations of Citizens, Social Organisations and Political Organisations in the Federal Republic of Yugoslavia of 1989. The difficulty is that the inherited legal framework does not foresee economic activity of these types of organisations, which means that voluntary organisations, self-help groups and other NGOs can only establish their sustainability via external funding.

On a practical level, the prime difficulties are connected with professional capacity and related skills, deficiencies in management capacities and shortcomings of evidence-based policy to handle policy at different levels of implementation. Public institutions are in a very poor state due to the mass outflow of educated and skilled people, politicalisation and centralisation of authority over the last decade, frequent changes in regulations and institutions through non-transparent processes and the misuse of state institutions for political purposes. With the exception of the top ministries, personnel, negotiating and analytical skills are missing throughout all other levels of the social sector's administration. The core professionals have an official education in social work but are often quite resistant of innovations, professionally unmotivated with poor salaries, providing more money transfers and accommodation than social services, field visit or other programmes which would be more appropriate to meet the needs of beneficiaries.

Conclusion

In general, new strategies and programmes strongly promote the welfare mix concept that should combine public, market and voluntary sectors when creating the social policy programmes which have to replace the state socialist welfare system in Serbia. The welfare system concept embraces all kinds of arrangements which involve all sectors including non-state actors such as families, kinship, neighbours, non-governmental organisations and the market sector in the provision of services. As mentioned, the current strategies and documents stress that the further development of welfare services should focus on developing partnership projects at the local level so

that the emerging plurality is governed in a way that allows and stimulates third sector organisations to participate in public policy-making.

Taking all the facts into consideration the study highlights the country's 'classical welfarism', which is described as an analytical tool by studies which tend to explore a comparative view in the new concept of the welfare system and the role of the third sector in welfare plurality in Central and Eastern European countries (Kolaric, 2009). This pattern is characterised in the emerging social policy strategy by the dominant responsibility of the state and its institutions in providing services is essential for the new model of welfare plurality in Serbia. Like in other post-socialist countries the main aim of this strategy is to ensure universal social security – money transfers and social services to all citizens – in order to reduce social inequalities. However, there is more emphasis on a social partnership and the role of third sector organisations in changing the welfare system which involves an integrative approach where public, market and third sector actors would share a role in the provision of services. The manoeuvring space for development of the third sector is not large, but involves a complementary relationship with the state wherever its services fill welfare gaps that arise from the welfare system's structure. This means that it primarily meets those needs for social security and social services which are not met to a sufficient extent or in a sufficient quality by the state or its institutions. In other words, it represents the voices of those individuals, groups and communities whose social security and social services needs remain unmet or involves partnership projects implemented by reform programmes.

Organisations that are service providers represent a small proportion of all non-governmental organisations registered in Serbia, yet they represent a large part of the alternative third sector segment which emerged during the transition. These organisations are not governed hierarchically by national and local public authorities but by international organisations which are the initiators and creators of welfare state reforms and donors for the most important third sector programmes in Serbia. These international organisations, in particular the EAR-EU, UNDP and DFID, are key innovator and driving forces in building the new welfare structure. They have supported or even requested government-non-governmental sector co-operation and it is estimated that international players have been the main promoter of a new pattern of social policy in Serbia.

Future research explaining in greater depth the main reform trends, new configuration of the welfare system and the role and importance of different actors in the pluralist emerging welfare pattern is required to provide relevant research-based analysis for the better design and implementation of policy, to improve policy-makers' understanding of related issues and provide an appropriate research foundation for the implementation of evi-

dence-based policy in Serbia. Such research would include a broad assessment of third sector entities and focus on organisations that are service providers. One of the central objectives of further studies in this domain would be to describe the main challenges in the governmental-nonprofit sector relationship, explain the barriers hampering any swifter development of co-operation between sectors and explain the role of international actors in formulating and implementing the emerging welfare system model in Serbia. Apart from isolated investigations which describe the welfare system's structure on the national level, the search for similarities amongst systems of former socialist societies and their differences relative to Western European welfare systems would make an important contribution to further formulation of the welfare regime in Serbia.

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