

BOOK REVIEW

Vulnerability and Long-term Care in Europe: An Economic Perspective

By Agar Brugiavini, Ludovico Carrino, Cristina Elisa Orso and Giacomo Pasini. Palgrave Macmillan, EUR 54.99, XIX 163 pages, 2017.

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Medical advancement, economic progress and improved living conditions have dramatically increased human lifespan in the modern age. European citizens can now expect to live approximately one decade longer than what was the norm just thirty years ago. This unprecedented growth in life expectancy, while positive in many aspects, also poses significant challenges for the welfare systems in many countries as the needs of ageing populations with respect to both physical and cognitive decline become an increasingly pertinent factor to consider for policymakers.

This book provides a refreshing and stimulating review of the welfare systems in place to support care for the elderly in the age of longevity in Europe. To accomplish this, the authors apply the concept of frailty, or ‘vulnerability’ of the elderly, and describe how this notion feeds into the definitions of eligibility and levels of financial assistance across European long-term care (LTC) systems. After an initial instructive description of the different definitions of vulnerability from a clinical and a socio-economic viewpoint, the authors provide a thorough review of the eligibility and financial support systems for LTC in a selected number of European countries. Admittedly, this is not a simple task and the authors should be commended for their efforts in detailing the varying and complex systems in place in a concise yet comprehensive manner. In particular, the multifaceted definition of vulnerability and how it is applied and understood across systems provides a precursor to the subsequent findings from cross-country LTC eligibility comparisons later in the book.

Although the countries surveyed in the book undoubtedly constitute the lion’s share of the European community, both in terms of population and political and economic power, I was nevertheless somewhat dismayed to see that the Scandinavian countries, as well as most of eastern Europe, were omitted from the review as they would likely have brought further nuance to the analysis. The exclusion of some of these countries is justified by a lack of clarity regarding the regulatory framework, but additional information on this could perhaps have been provided. The welfare systems in Scandinavia are often considered to constitute an exceptional welfare state model with a strong focus on egalitarianism, political rationalism, and adaptation. Moreover, recent changes in the provision of LTC in, for example, Sweden, which has seen a marked shift from an essentially socialist system to a more market-based New Public Management model, may also provide relevant insights into how the concept of vulnerability varies with governance philosophy.

The main contribution of the book to the economic literature is without a doubt the comparative analysis across countries, which is both compelling and fascinating. The authors carefully design an empirical analysis where responses from the European SHARE and English ELSA surveys are first mapped to LTC entitlement rules for each surveyed country in a conservative manner to (as far as possible) avoid misclassification bias. They then use direct and indirect adjustment methods to compare counter-factual scenarios from applying different eligibility profiles to existing populations

(country-specific or a European 'standard' population). The findings from this exercise, despite being subject to several limitations, is quite revealing; predicted LTC eligibility for the European standard population varies extensively across systems from just a few per cent to more than 15%. This is a remarkable finding, considering that the surveyed systems (sometimes regions within a country) constitute a relatively homogenous set of economies.

The European Union (EU) has long been an engine for political and economic integration, but the harmonisation of social policy within the union has progressed at a much slower pace. This is a consequence of that the EU has no real competence in legislating social policies within member states and that any such agreements would rest on political will to surrender national sovereignty. As such, it might not be entirely unexpected that countries do indeed vary in the way they approach LTC entitlements and provisions, but the extent to which they vary raises questions of economic efficiency with respect to the vision of the borderless European community and the portability of social benefits. In their empirical analysis, the authors put their fingers on this important issue and hint that a more universally accepted definition of vulnerability could be a possible step in the right direction to improve efficiency and transparency.

It should be noted that, while the authors are upfront with this limitation, the cross-country comparison has several flaws which should be considered before interpreting the results at face value. Although adapting a conservative definition of LTC eligibility is likely to dull the edge of prediction errors, it seems unlikely that the massive difference between regions of Italy and in France and England conveys the full story. The authors' attempt to validate the SHARE/ELSA estimates of eligible populations with official statistics is appreciated, but this was given relatively little space in the book and results did not seem overly convincing. A complementary analysis of variations in the generosity of provisions, given eligibility, would perhaps be a logical next step to see whether stringency in eligibility is inversely related to the generosity of benefits; in particular, if this type of comparative analysis is to be used for informing about differences and/or to support the integration of LTC systems across countries. Clearly, distinguishing between the value of cash vis-à-vis in-kind benefits would provide an additional challenge in such comparisons, however.