

# THE SOCIAL WELFARE STATE

## O ESTADO DE BEM-ESTAR SOCIAL

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### **Abstract**

This article sought to demonstrate in a systemic way the construction of the Social Welfare State, origin of the modern term of Social Security. For a good understanding of the problem on the subject, it was necessary to outline some initial considerations regarding the historical construction of Social Insurance and the birth of the Social State, guarantor and intervener of economic and social activities, as well as the productive process. As a conclusion of this study, it was found that the Welfare State had its origin from a historical construction that dates back to the birth of humanity and that finally originated the modern Social Security. The doctrine and the Law support and justify this work, which adopted the perspective of Human and Social Rights, while the scientific article is a bibliographical review that used the deductive method, qualitative and descriptive research. As a reference, we used the scientific literature and published materials that were relevant to the purposes proposed here.

**Keywords:** Social Welfare State. Social Security. Human and Social Rights.

### **Resumo**

Esse artigo buscou demonstrar de forma sistêmica a construção do Estado de Bem-estar Social, origem do termo moderno da Seguridade Social. Para uma boa compreensão da problemática acerca do tema, foi necessário traçarmos algumas considerações iniciais a respeito da construção histórica dos Seguros Sociais e o nascimento do Estado Social, garantidor e interventor das atividades econômicas e sociais, bem como do processo produtivo. Como conclusão deste estudo, constatou-se que o Estado de Bem-estar Social teve sua origem a partir de uma construção histórica que remontam desde o nascimento da humanidade e que por fim originou a moderna Seguridade Social. A doutrina e a Lei fundamentam e justificam esse trabalho, que adotou a perspectiva dos Direitos Humanos e Sociais, já o artigo científico é de revisão bibliográfica que se utilizou do método dedutivo, pesquisa qualitativa e descritiva. Como referência, recorreu-se à literatura científica e materiais publicados que fossem pertinentes aos propósitos aqui aventados pertinentes aos propósitos aqui aventados.

**Palavras-chave:** Estado de Bem-Estar Social. Seguridade Social. Direitos Humanos e Sociais.

**Summary:** 1. Introduction; 2. The First Social Insurance; 3. The Beveridge Report; 4. The Internationalization of Social Insurance; 5. Final Considerations; 6. Bibliographical References.

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## 1 INTRODUCTION

The social order emerges as a constitutional matter basically from the creation of the so-called social state, when questions related to the well-being of citizens and social justice, previously absent from constitutional texts, start to gain relevance within the State from the overcoming of the State. Social Democratic Law and the idea of a Welfare State.

The 1988 Constitution institutionalized the concept of Social Security to designate a new and expanded way of implementing and articulating policies that had already existed in Brazil since the beginning of the 20th century. This Constitution has the merit of introducing a new concept and proposing an innovative restructuring and reorganization of the policies that make up this area: social security, health and assistance. But it is not the Magna Carta that decrees the emergence of social protection systems. Non-existent in the Portuguese language, this term has been used since 1935 in the United States and since the 1940s in the capitalist countries of Europe, to designate a variable set of social programs and services. But, whether as a recent inclusion in Brazil, or as a consolidated practice in other countries, the term "Social Security" remains marked by conceptual imprecision<sup>2</sup>.

This study seeks to identify, in a systemic way, the origin of the term Social Security, which had its origins from a historical construction of the Social Welfare State that dates back to the formation of the Social State and that starts to act no longer as a mere spectator and yes as an intervening agent and guarantor of economic and social activities as well as of the production process.

One of the first examples of social protection measures, philosophically speaking, was the account offered by Joseph of Egypt, who, by organizing large food reserves during the seven years of plenty, achieved their rational distribution in the following seven years of scarcity as established in Genesis 41: 1-57.

While there may have been professional groups in the ancient East, which could be pointed out as corporate antecedents of modern unionism and social welfare, composed of Hindus, Hebrews and Egyptians<sup>3</sup>, we must attribute greater relevance to Roman colleges and corporations.

In ancient Rome, we find among the *collegias*: a) *collegia compitalitia*, which had a religious character, and b) *collegia artificum vel opificum*, which had a professional character.

The so-called *artificum vel opificum* were associations with a clear mutualistic purpose. Its constitution required the union of at least three individuals, who with inputs and periodic contributions, agreed to contribute to the formation of the common fund. The fund thus constituted was intended to cover the training

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<sup>2</sup> VIANNA, Maria Lúcia Werneck, "Perspectivas da seguridade social nas economias centrais: subsídios para discutir a reforma brasileira", In: MPS/CEPAS, *A Previdência social e a revisão constitucional*, Pesquisas: vol. IV, Brasília, 1994.

<sup>3</sup> GUILHERMO, Cabanellas de Torres, LUIS, Alcalá-Zamora y Castillo, *Tratado de Política Laboral Y Social*, Tomo III, Buenos Aires, Heliasta, p. 451.

expenses of the deceased partner. *Collegias* existed until the fall of the Western Roman Empire<sup>4</sup>.

The Roman Guilds were institutions that had their origin in the Roman corporation extended by Christianity to some peoples of northern Europe. They were associations of defense and mutual assistance linked to a fraternity of combat. They had their greatest roots among the Germanic peoples. Its members had an ideology of charity, fraternity and mutual defense. Guilds were of three categories: religious or social, merchants and artisans<sup>5</sup>.

It was in Rome that Gaius Julius Caesar Octavius Augustus in Latin Gaius Iulius Caesar Octavianus Augustus the first Roman emperor created the first public pension program in the world, establishing uniform terms and conditions for service in the army and fixing the term of service at sixteen years, soon increasing it to twenty years, guaranteeing them a pension with public money worth 20 times the annual payment or equivalent in land<sup>6</sup>.

Medieval European political society was formed by three social groups namely the nobility, the clergy and the people. Outside the three social groups were all those who had been reduced to servile status. The first two had hereditary privileges, the last only enjoyed *status libertatis*, that is, they distinguished themselves from serfs of all genders<sup>7</sup>.

The idea of the State remained dissolved in feudalism, which could very well be characterized by a chain of sovereigns and vassals. Over the period, slavery was mitigated by the institutes of servitude, land, colony and vassalage.

Feudalism was characterized by individual property and the means of production belonging to the feudal lord, who enjoyed the proceeds from the collection of tributes, applied his own justice through his private army<sup>8</sup>.

In the twelfth century, corporations were formed throughout Europe, with their own organization, made up of people who exercise the same trade or profession, whose most emblematic expressions were the confraternities and guilds<sup>9</sup>.

During the Middle Ages, the problem of poverty gave rise to various types of protective measures. On the one hand, solidary protection measures or mutual aid are adopted through business or professional associations. Guilds and confraternities, with contributions from members, helped those who fell from grace, protected widows and orphans, and even founded hospitals. And, on the other hand,

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<sup>4</sup> MESA, Rafael Rodríguez, *Estudios sobre Seguridad Social*, Colombia, Barranquilla, Editorial Universidad del Norte, 5. Ed, revisada y aumentada, 2017, pp. 7 – 8.

<sup>5</sup> MESA, Rafael Rodríguez, *Estudios sobre Seguridad Social*, Colombia, Barranquilla: Editorial Universidad del Norte, 5. Ed, revisada y aumentada., 2017, p.9.

<sup>6</sup> BEARD, Mary, *SPQR: A History of Ancient Rome*, Profile Books, 2015, p. 374.

<sup>7</sup> COMPARATO, Fabio Konder, *A Afirmação Histórica dos Direitos Humanos*, São Paulo, Saraiva, 7ª ed., 2010, p. 60.

<sup>8</sup> CAPELLA, Juan Ramón. *Fruta Prohibida, Una aproximación histórico-teórica al estudio del derecho y del estado*, España, Editorial Trotta, 1ª ed., p. 86.

<sup>9</sup> ROCHA, Daniel Machado da. *O Direito Fundamental a Previdência Social*, Porto Alegre, Livraria do Advogado, p. 23.

social assistance measures were adopted in favor of the poor, by the Church and private charities. The State will only engage, at this time, in combating and repressing begging and other consequences derived from poverty<sup>10</sup>.

The Modern Age is marked by a scientific, cultural and artistic movement, driven mainly by the Protestant Reformation and by humanism, called the Renaissance, and this movement will influence the transition between the medieval and modern eras. The need to organize the social order and to monopolize the use of legitimate force will lead to the exclusivity of the creation of law emanating from the State<sup>11</sup>.

The estate society will have its overcoming propelled by the change in the economic system. It is in this phase that maritime trade is revitalized, enabling the development of navigation techniques that will also be decisive for the great discoveries. Mercantile capitalism, which provoked meticulous regulation of economic activity, based on the premise that the wealth of nations is generated by the accumulation of precious metals, at the same time that it strengthened the absolute power of the State, will provide opportunities for the rise of the bourgeoisie. Once holders of economic power, its members will seek ways to limit state power, now rising up against what was considered excessive state intervention, among which the idea of fundamental rights that ensure the necessary autonomy for the progress of trade will take on prominence. and the free market. The economic doctrines, especially the one professed by the Liberal School started with Adam Smith, exerted a considerable influence on the Declarations of Law in the desire to limit power and exalt the value of individual liberty<sup>12</sup>.

Another great milestone of the modern era is the Industrial Revolution. The Industrial Revolution had its origin in England in the second half of the 18th century, later repeating itself in all the advanced countries of the time. This revolution was due to the invention of the steam engine, the power loom, spinning machines and other mechanical devices. This introduction of machines quickly spread to other branches of industry.

One of the main consequences of the Industrial Revolution was the creation of two antagonistic classes: the bourgeoisie and the proletariat and the organization by the second class through trade union organizations<sup>13</sup>.

In the Modern Age, there is a quantitative and qualitative leap in terms of social protection. The strengthening in Europe of the figure of the Monarch (Absolute Monarchy), the acceptance by the theorists of the time (Luis Vives, Thomas Hobbes, Bernardo Ward among others) of protection as a responsibility of

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<sup>10</sup> MESA, Rafael Rodríguez, *Estudios sobre Seguridad Social*, Colombia, Barranquilla: Editorial Universidad del Norte, 5. Ed, revisada y aumentada, 2017, p.12.

<sup>11</sup> PECES-BARBA MARTÍNEZ, Gregorio, *Curso de Derechos Fundamentales*, teoría General, Boletín Oficial del Estado y Universidad Carlos III de Madrid, pp. 113 – 138.

<sup>12</sup> VIDAL NETO, Pedro, *Estado de Direito: “direitos individuais e direitos sociais”*, São Paulo, Editora Ltr, pp. 42 -107.

<sup>13</sup> MARX, Carlos y ENGELS, Federico, *Principios del Comunismo*, “Obras Escogidas”, tomo. I. Moscú, Editora Progreso, 1976, pp. 3 – 98.

the monarchical government, and the real need for the support of the people to consolidate the its authority over the still powerful nobility and the nascent bourgeoisie, are factors that determine that, during the 16th, 17th and 18th centuries, various social protection measures were arbitrated by the Public Power.

However, and despite the development in Europe of a certain public assistance policy, essentially centered on hospital assistance (English hospital organization) and on overcoming certain levels of poverty through local organizations and agencies (Neighborhood Councils, Municipal Charity Councils, Privy Councils), the fundamental protection of social needs is carried out through the mutual principle (brotherhoods, Montepios and the first popular savings institutions (*Montes de Piedad*)<sup>14</sup>.

The Brotherhood was born as the successor of the guilds and, in the beginning, its constitution was submitted to an ecclesiastical authority. Unlike guilds, it gave its members the subjective right to obtain said protection. Then they are succeeded by the secular and subsidized Montepios by the State, not for the entire population, but restricted to professional activities that entailed high incomes, such as military, ministry officials and employees of royal workshops<sup>15</sup>.

The French Revolution (1789) marked the end of the Modern Age and the beginning of the Contemporary Age. It was a milestone in history, because it started a process that led to the universalization of social rights and individual freedoms based on the Declaration of the Rights of Man and Citizen. Historian Eric Hobsbawm claims that:

*[...] the France that made its revolutions and gave them its ideas, to the extent that tricolor flags of one kind or another became the emblem of all emerging nations [...]. France provided the vocabulary and themes of liberal and radical-democratic politics for most of the world. France provided the first great example, the concept and vocabulary of nationalism. [...] The ideology of the modern world reached ancient civilizations that had hitherto resisted European ideas initially through French influence. That was the work of the French Revolution<sup>16</sup>.*

The first year of the revolution was marked by the proclamation, by members of the Third Estate, of the oath of the game of tennis (in French: Serment du Jeu de Paume) in June, by the Storming of the Bastille in July, by the approval of the Declaration of the Rights of Man and the Citizen in August (Inspired by the thoughts of the Enlightenment, as well as by the American Revolution (1776), the National Constituent Assembly of revolutionary France approved on August 26, 1789 and definitively voted on October 2 the Declaration of the Rights of Man and Citizen, synthesized in seventeen articles and a preamble of the libertarian and liberal ideals of the first phase of the French Revolution. For the first time, the freedoms and

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<sup>14</sup> MÁSTER EN DIRECCIÓN Y GESTIÓN DE PLANES Y FONDOS DE PENSIONES, Módulo I, Introducción a *Los Sistemas de Pensiones*, 15ª ed., Madrid, España, p. 5.

<sup>15</sup> PASTOR, José Manoel Almansa., *Derecho de la Seguridad Social*, Madrid, Editorial Tecnos, 7. Ed, 1991, pp. 86 – 87.

<sup>16</sup> HOBBSAWM, Eric, *A Era das Revoluções: 1789-1848*, Rio de Janeiro, Editora Paz e Terra, 2014, p. 98.

fundamental rights of man are proclaimed in an economic way, aiming to encompass all of humanity<sup>17</sup>.

As political, social and philosophical principles of the French revolutionaries and their rise in arms of the bourgeoisie, changes are introduced in the relations of government of the State-individual, in comparison with the relations of public assistance as part of the rights of man.

With the advent of the Enlightenment, between the 17th and 18th centuries, liberal ideology emerged. From it, numerous theories were developed, both political and economic, which, favorable to the freedom of individuals to the maximum degree, advocated limiting the power of interference of States in the lives and choices of their citizens.

In the Liberal Era, the rise of the bourgeoisie, the exaltation of individualist principles (*Laissez faire*) and the triumph of economic liberalism (Adam Smith), led 19th century society to become totally defenseless against social needs. Adam Smith's work, "Wealth of Nations", constitutes not only a method of economic analysis based on the study of market dynamics (absolute freedom), but also a certain conception of the role of the State, the "Minimal State", which discourages the intervention of the public power to avoid any situation of social deprivation<sup>18</sup>.

Individual guarantees, negative freedoms, were aimed only at political oppression, not taking into account economic oppression carried out precisely by the bourgeoisie. The individualism enshrined in the declarations of law and the consequent neutrality of the State in the face of social transformations had led to forgetting the need to also achieve equality and social justice<sup>19</sup>.

For economic liberalism, poverty and deprivation of the popular classes appear, therefore, as an inevitable and necessary fact, which determines that, at this moment, the protection of social needs passes solely and exclusively through individual provision, that is, through the savings of individuals. Thus, the creation of popular savings institutions (Trustee saving Banks, *Caisses d'épargne*).

In the first half of the 19th century, the inability of economic liberalism to face the social needs of the new industrial society began to be revealed. The State is compelled to abandon the posture of a mere spectator of economic and social activity, with the objective of restoring a minimum balance in social relations. The Welfare State appears, which provides a more effective integration between the State and society. The regulatory activity of the State, involving themes directly and indirectly related to the productive process, will result in the creation of a new branch of Law, Labor Law, whose development of principles, techniques and

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<sup>17</sup> Revolução Francesa. Disponível em: <[https://pt.wikipedia.org/wiki/Revolucao\\_Francesa](https://pt.wikipedia.org/wiki/Revolucao_Francesa)>, visualizado em 15 de janeiro de 2018.

<sup>18</sup> MÁSTER EN DIRECCIÓN Y GESTIÓN DE PLANES Y FONDOS DE PENSIONES, Módulo I, *Introducción a Los Sistemas de Pensiones*, Madrid, España, 15ª ed., p. 5.

<sup>19</sup> CID, Benito de Castro, *Los Derechos Económicos Sociales y Culturales: "análisis a la luz de la teoría general de los derechos humanos"*, España, Universidad de León, 1993, p.48.

peculiar institutes will end up claiming the emergence of new autonomous branches<sup>20</sup>.

This situation leads to the emergence of a new ideology based on the primacy of social values over individual values and which constitutes a radical transformation of the political, social and economic panorama, socialism. This immediately takes us to a certain historical moment, the last third of the 19th century, to a country, Germany, and to a political and economic reality, where the modern origin of Social Security is initially found; The First Social Insurance.

## 2 THE FIRST SOCIAL INSURANCE

Without trying to attribute the origin of this transcendent system to a single cause, we try to outline some of the aspects that were debated at the time of its birth; but, as Alonso Olea emphasizes, the architect of its expression was the kind of a man, Bismarck, who from the arid rock brought forth the life-giving water of Social Security<sup>21</sup>.

The first social insurance emerged in Germany, under the patronage of the Iron Chancellor, Otto Von Bismarck, as a new form of social protection that relegated to the past, as a residue, the traditional system of aid to poverty: public and private benefit.

The birth of social insurance in Germany is determined by the following factors: a) The Industrial Revolution started late (1850) but developed very quickly. However, public social insurance does not arise in Germany, or not exclusively, as a consequence of a certain socio-economic development; b) The German state is politically consolidated under the leadership of Prussia. The leadership of the German unification was the Prussian monarchy (absolutist and non-democratic) which had the frontal opposition of the rising liberal bourgeoisie. To carry out his programme, Bismarck will therefore seek popular support through the adoption of comprehensive social legislation (Sozial Politik); c) The premature birth of German social insurance, which did not appear exactly in the 1980s, but earlier. In fact, as (RITTER) indicates, Germany enjoyed an important interventionist tradition, a tradition that was first tried out during the revolution of 1848-1849 in the form of an active social policy in order to neutralize the dangers of the expanding proletariat. In 1854, the Law of the Assistance Fund was passed, a provision by which workers and entrepreneurs were obliged to make contributions to a sickness fund, prior to the Health Insurance Law of 1883; d) The various currents of German thought (HEGEL, FICHTE, SAVIGNI, LIST) far from the utilitarian philosophy prevailing in Great Britain and other European countries, reinforce the primacy of collective values over individual values, and the idea that the State is the central power of society, whose problems are problems of the state itself. On the contrary, in France, as in the United

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<sup>20</sup> VIDAL NETO, Pedro, *Estado de Direito: "direitos individuais e direitos sociais"*, São Paulo, Editora Ltr, 1979, p.125.

<sup>21</sup> MANCINI, Jorge Rodríguez, *Curso de derecho del trabajo y de la seguridad social*, Buenos Aires, Astrea, 5ª ed., pp. 712 – 713.

Kingdom, the strength of political and economic liberalism, as well as the conviction of coined individualism, was the reason for the delay in the implementation of a public system of compulsory social security; e) The economic and social situation of the 1970s was decisive for the development of the State's social policy. The social revolution of the Paris Commune (1871), the waves of strikes from 1869 to 1872, the shortage of housing in the big cities and the misery as a consequence of the prolonged economic crisis during the years 1873-1874, gave rise to a growing mobilization workers' policy in the socialist parties. The German Socialist Party (Sozialdemokratische Arbeiterpartei), after the reformist option that emerged from the Congress of Gotha (1875) and whose programmatic manifesto would be criticized by Karl Marx, achieved relative success in the parliamentary elections of 1877; f) The protective policy adopted by Bismarck to protect national labor, as a way of resolving the economic crisis and contributing to the reduction of unemployment, will give rise to a fiscal policy whose axes are indirect taxes and the tobacco monopoly. Fiscal policy proves to be an essential technique for carrying out a concrete social policy project<sup>22</sup>.

In any case, the main driving force behind the implementation of Social Security in Germany is the fear of the destruction of the State and society by the socialist labor movement, conceived as the adequate instrument both to neutralize this movement and to have a political weapon. against the liberal bourgeoisie. As stated in the foundations of some of the Social Security Laws, it was a question of ascending the material interests of industrial workers, immunizing workers who had not yet converted to social democracy; infected workers should be separated from their leaders and cured of this disease, and the working class, in general, wanted to make them see the advantages that the State was doing in their favor (RITTER). In short, it was about fighting, no more and no less, than a threatening social revolution and responding to the demands of social democracy. In contrast to German postulates, social reform in England is conceived as the appropriate instrument to combat poverty and its social consequences<sup>23</sup>.

On November 17, 1881, in the White Room of the Reichstag, Bismarck, Chancellor of the German Empire, opened the session by reading a message on behalf of Emperor Wilhelm I. The imperial message undoubtedly contained an ambitious plan of social reforms, whose development later in the legislature became laws:

- Approval of a loan of 100 million thalers (thaler was a silver coin minted during the Holy Roman Empire) for the creation of workers' cooperatives.
- 1883, Health Insurance Act (Krankenversicherung), for all industrial workers; 2/3 of the contribution is paid by the employer and 1/3 by the worker. Health care benefits and subsidy of 50% of salary paid by the State Administration.

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<sup>22</sup> MÁSTER EN DIRECCIÓN Y GESTIÓN DE PLANES Y FONDOS DE PENSIONES, Módulo I, *Introducción a Los Sistemas de Pensiones*, 15ª ed., Madrid, España, pp. 6–9.

<sup>23</sup> *Ibidem*.

– 1884, Workers' Compensation Insurance Act (Unfallversicherung), was already established, but it was improved in the sense of eliminating the sense of responsibility for fault, that is, all accidents are covered (strict liability). The price is fully paid by the company. After a period of pressure, the State cedes management to employers.

– 1889, Invalidity and Old Age Insurance Laws (Invaliditäts-und Altersversicherung), reformed in 1899, financed through a flat-rate state insurance (DM 12.5 which increased to DM 50 in 1899) plus labor and employer contributions which could be variable. Pensions had a fixed minimum plus a variable supplement.

The German Social Insurance system, which was considerably expanded in 1911 (Law of July 19, 1911, creating Widows' Insurance and Orphans' Insurance and the Social Insurance Code or Reichversicherungsordnung), which is marked by the following features; a) Due to its mandatory nature, it is mandatory for all individuals subject to the law; b) The original subjective reach is very limited, it affects only industrial workers and, above all, factory workers. It is, therefore, a labor or professional system; c) The financial burden is shared between employers and insured persons, sometimes a State subsidy being added to these contributions; d) It is a causal system, that is, it addresses the risks and causes of misfortune, and of a restorative type, it seeks to replace, above all, the loss of wages; e) Each insurance company has its own administrative structure<sup>24</sup>.

### 3 THE BEVERIDGE REPORT

Of comparable importance to Otto Von Bismarck's message to the Reichstag on 17 November 1881 is the submission of William Beveridge's Report to the British Government on 20 November 1942, made public the 1 December following, under the heading of Social Security and Allied Services. To this report on Social Security we must add a second report dedicated to the policy of full employment identified by Beveridge as an essential instrument in the first report and which was published in 1944 under the title Full Employment in a Free Society<sup>25</sup>.

Historically, there were many reasons that led to the dissemination of the Welfare State at the end of World War II. The English influence, also represented by the Beveridge Report, was of great importance in this process. Thus, the Beveridge Plan concretely proposed several reforms in the field of social security, together with its contributions to the emergence of the English Welfare State, being crucial to have a more complete historical parameter on the theme of the Protective State and its type of society. arising, clarifying the degree of influence of the Report on the public policies implemented in England.

However, it must be said that the first formulations of the Welfare State had as their scope the preservation of capitalism itself, this in the context given between World War I and the crisis of 1929. According to Bento:

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<sup>24</sup> Ibidem

<sup>25</sup> MÁSTER EN DIRECCIÓN Y GESTIÓN DE PLANES Y FONDOS DE PENSIONES, Módulo I, *Introducción a Los Sistemas de Pensiones*, 15ª ed., Madrid, España, pp. 13 – 14.

*Even before the depression of the 1930s, shortly after the end of the First World War, the state began to be authorized to intervene in the economic and social order, to save capitalism from itself. (...) It should be noted that the objectives of this new profile of the State, while still mildly freeing itself from the liberal ties of non-intervention, consisted in preserving capital, that is, guaranteeing its accumulation without a break in continuity as a condition of survival of the market economy itself<sup>26</sup>.*

The first half of the 20th century was a period marked by profound transformations, arising from historical facts of great relevance such as the crisis of liberalism, the crisis of colonialism, the Russian revolution, the fall of the gold standard, the first world war, the stock market crisis in 1929, the rise of fascism and, finally, the second world war. Such events provoked great changes in the culture, worldview and balance of society arising from the 19th century. According to Karl Polanyi (1944), the society that preceded these changes completely collapsed and the stability between the great European nations, guarantor of peace and economic prosperity, had ended. In the political environment, classical liberalism was put in check as its guidelines proved to be insufficient for addressing the new problems that emerged.

The contestation of old values (due, among other factors, to the exacerbation of violence, the drop in living standards and the political-economic imbalance) significantly altered the organization of Western European societies. However, the development of policies aimed at social assistance was strengthened in the face of these changes (CARDOSO, 2010).

*Between food risks, natural catastrophes, financial panic, widespread loss of jobs and rights or fear of losing them, ethnic, religious, national conflicts, personal insecurity, men and women feel (at the beginning of the 20th century) increasingly less able to understand what happens to them, to control their life, to program it, to live with less anxiety<sup>27</sup>.*

From the perspective of welfare measures, as one of the forms of response to the troubled scenario in which people lived, the environment at the beginning of the century opened space for various social actors (intellectuals, politicians, trade unionists) who promoted its defense. Some circumstances were particularly congruent in providing the necessary conditions for its development, resulting directly from the responses arising from the crises of the first half of the 20th century, such as the formation of monopolies, deepening of social crises, the strengthening of the State and the emergence of Keynesian theory (supporting state intervention, through the publication of Keynes's General Theory (1936), previously frowned upon or applied by empiricist means (OFFE, 1984). Such characteristics outlined a very peculiar environment, favorable to the expansion of social rights, which could materialize starting from a general consensus of society transcending

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<sup>26</sup> BENTO, Leonardo Valles, *Governança e Governabilidade na Reforma do Estado*: “entre eficiência e democratização”, Barueri, Editora Manole, 2003, p. 4.

<sup>27</sup> SADER, Emir, *Introdução*, In: BRAVO, Maria Inês Souza; PEREIRA, Potyara Amazoneida Pereira: *Política Social e Democracia*, Rio de Janeiro, Cortez, 3ª ed., 2002, p. 7.

old ideologies (classical liberals and radical Marxists) around a moderate project of the then new social-democratic path (PRZEWEOSKI, 1991).

With regard to Keynesian theory, it is worth highlighting the Beveridge plan, instituted by William Beveridge in England in 1943, which constituted a broad unified social security program that included broad policies beyond insurance for workers inserted in the regulated labor market, whose principles underpinned the Keynesian social policies, mainly in the European world in the 30 glorious years of economic growth of capital under Keynesian-Fordist hegemony<sup>28</sup>.

Its fundamental principles were, as Sousa and Sousa (2013) explain: State responsibility in guaranteeing the maintenance by the State of citizens' living conditions, based on full employment; public provision of universal services, such as education, social security, medical assistance and housing, a set of social services; the principle of universality of social services and the implementation of a social assistance safety net, which influenced assistance policies worldwide. Such influence resides in the advance in unifying the axis of contributory policies with distributive ones, abolishing what (PEREIRA 2008), stands out as the test of means, within the scope of social assistance policy.

At this point, it is worth bringing up the concept of the Welfare State, which is defined by Johnson (1990, p. 17) based on the experience that began in England, pointing out the main changes that occurred and that would define what the Welfare State is: 1) the introduction and expansion of social services, including Social Security, the national health service, education, housing, employment and assistance to the elderly, disabled and children: 2) maintenance of full employment; 3) a nationalization program.

According to Marshall it is a mistake to confuse the Anglo-Saxon Welfare State with the Beveridge Plan or to attribute the authorship of the English system exclusively to Sir William Beveridge. For this author, the emergence of the Welfare State cannot be dissociated from the circumstances experienced by England in World War II:

*The magnitude of their war effort and their vulnerability to attack demanded sacrifices from all and likewise assistance given, willingly and without discrimination, to all in need. (...) And the political stability of the country, combined with its unshakable confidence in victory, explain the most remarkable feature of the story, namely, the way in which the people and their Government, in the course of the war, got to work to elaborate the project of a new society (...) guided by the same principles of reunion and sharing that guided the emergency measures of the war. In this way, the idea of the Welfare State came to be identified with the war objectives of a nation that was fighting for its survival<sup>29</sup>.*

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<sup>28</sup> SOUSA, Adinari Moreira de; SOUSA, Alcinéia Moreira de *Política social pós-segunda guerra mundial: "construção do Welfare State sob a concepção de cidadania e seguridade social"*, VI Jornada Internacional de Políticas Públicas. Universidade Federal do Maranhão, São Luis do Maranhão, 20 a 23 ago. 2013. Disponível em: <<http://docplayer.com.br/2430625-Politica-social-pos-segunda-guerra-mundial-construcao-do-welfare-st-ate-sob-a-concepcao-de-cidadania-e-seguridade-social-resumo.html>>, Visualizado em 10 janeiro de 2018.

<sup>29</sup> MARSHALL, Thomas Humprey, *Cidadania, classe social e status*, Rio de Janeiro, Zahar, 1967, p. 95.

Thus, the Welfare State was an articulation of class alliances, where it was only possible through a class agreement between the organization of workers and the bourgeoisie, which was called the post-war consensus (SOUSA; SOUSA, 2013).

The three pillars of what should constitute the English Welfare State – education, insurance and health – were entrusted to three commissions that each presented a plan for these areas. Says Marshall:

*The Education Act, the National Insurance Act and the National Health Service Act constituted the three main pillars of the British Welfare State. They are associated with the names of Butler, Beveridge and Bevan – a conservative, a liberal and a socialist (...) it is not surprising that it turns out that the welfare state, when it finally came to light, was of mixed parentage<sup>30</sup>.*

The liberal Sir Beveridge thus becomes the author of one aspect of the English Welfare State, namely Social Security, as he indicates in his report Social Insurance and Allied Services. In Marshall's interpretation, the Beveridge Plan consisted of merging the sparse measures that already existed, expanding and consolidating the various social insurance plans, standardizing benefits and including new benefits such as work accident insurance, family allowance or family allowance, unemployment insurance and six other social allowances: funeral allowance, maternity allowance, nuptial allowance, benefits for abandoned wives, assistance for sick housewives and training allowance for self-employed workers. It should also be specified that the term Social Security, popularized and universalized after its incorporation into the Beveridge Plan, however, was officially used for the first time in the United States, in 1935, by the Roosevelt Government in its Social Security Act, but with a very restrictive meaning in relation to the one attributed later by Beveridge (ROSANVALLON, 1981; LESEMANN, 1988).

Sousa and Sousa (2013) also remind us that another determinant conception in the historical construction of the Welfare State is the concept of citizenship, whose construction is by T.H. Marshall, who includes in his analysis the notion of individual rights (civil rights), property, coming and going, religion, contract, freedom of thought, whose institutionalization is effected in the courts of justice; political rights, to vote and be voted for, right to join unions and political parties; and finally, social rights, which would guarantee each human being to have a minimum of existence, enabling the basic minimum of goods and services guaranteed by the State. Such a conception, according to that author, composes bourgeois society, giving a conventional characterization to the theme, as citizenship refers to a status that members of a community have, which equals them in relation to their formal rights and duties, sharing equal rights and duties. In this aspect, citizenship is not predominantly about political rights, but includes elements of civil and social rights, modifying the class system.

Despite this, Barbalet (1989) criticizes Marshall's conception, placing the structural limits of his theory. Thus, his analysis starts from the principle that the generalization of citizenship in the Modern State, built in the formal scope from which all are equal before the law, keeps the society of unequal capitalists

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<sup>30</sup> MARSHALL, Thomas Humphrey, *Cidadania, classe social e status*, Rio de Janeiro, Zahar, 1967, p. 111.

untouched. In a society managed by the exchange of goods and exploitation of labor and composed of antagonistic social classes, it is impossible for each individual to fully exercise his or her abilities. For the author, the Marxist critique of the formal concept of equality in capitalist society is driven by the limits of the capitalist logic of inequality.

Thus, the post-World War II Welfare State, under Keynesian-Beveridgian hegemony as a guarantor of universalist policies, gives way, under neoliberalism, to a strategy of what was called in the European world the pluralist State of Social Welfare or Welfare State Mix. The idea of a State that is not the exclusive guarantor of well-being, but makes an association between the market, the family, the individual and voluntary organizations as agents that enable Well-being. In this sense, the strategy of such a proposal, hegemonic in the context of capitalist crisis, is to remove the primacy of the State as a guarantor of rights (SOUSA; SOUSA, 2013).

From this, it is possible to infer two questions in order to start a conceptual approximation of the term Social Security: the expression Welfare State arises and generalizes from its use in England in the 1940s, and designates a specific configuration of social policies; the Social Security concept is part of the Welfare State, but not to be confused with it. On the other hand, Social Security may also have different characteristics and scope, according to the specificities of each country, and may be limited to social insurance or even incorporate other areas.

#### 4 THE INTERNATIONALIZATION OF SOCIAL INSURANCE

The Social Security system extends, with more or less delay, according to the socioeconomic characteristics of each country, from the time of Bismarck's Laws until the forties of this century. The historical evolution of the Social Security system consisted, in general terms, in the gradual expansion of the scope of social security coverage for workers in industry and services to all salaried workers and, later, to all workers, including the self-employed, from the economically from the weakest to people with higher incomes or salaries, ending in many cases by eliminating insurance salary caps, and completing the table of risks covered until reaching an ideal coverage that does not differ much from the current one<sup>31</sup>.

The German system was quickly followed in European countries that began to organize compulsory social insurance: Austria (1887), Hungary (between 1887 and 1906), Norway (1894 to 1909), Sweden instituted by Law of June 30, 1913, a mandatory old-age insurance scheme, and Spain, by Laws of 1908 and 1919, created a mandatory retirement protection system<sup>32</sup>.

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<sup>31</sup> MÁSTER EN DIRECCIÓN Y GESTIÓN DE PLANES Y FONDOS DE PENSIONES, Módulo I. *Introducción a Los Sistemas de Pensiones*, 15ª ed., Madrid, España, pp. 10 – 11.

<sup>32</sup> MANCINI, Jorge Rodríguez, *Curso de derecho del trabajo y de la seguridad social*. Buenos Aires, Astrea, 5ª ed., p. 716.

I can also quote the Atlantic Charter, signed on August 12, 1941 by Roosevelt and Churchill, The International Labor Organization 1919 and The Declaration of Philadelphia 1944<sup>33</sup>.

Finally, on December 10, 1948, the Universal Declaration of Human Rights, approved by the UN General Assembly, which establishes in its article 22 that everyone, as a member of society, has the right to social security.

In Latin America, research by Carmelo Mesa-Lago<sup>34/35</sup> and various works by ECLAC, social protection systems were introduced in different countries from the period of their emergence. They were first introduced in the countries: Brazil, Uruguay, Argentina, Chile and Costa Rica that developed social protection systems in the 20's and 30's. Then in the countries: Panama, Mexico, Peru, Colombia, Bolivia, Ecuador and Venezuela, which implemented their programs mainly in the 40's and 50's. The late group was composed by the countries: Paraguay, Dominican Republic, Guatemala, El Salvador, Nicaragua, Honduras and Haiti, which were the last to introduce their programs, in the 60's and 70's. population was the youngest and its life expectancy the lowest; their systems were relatively more unified and afflicted with fewer financial problems, but they had the least coverage and least development<sup>36</sup>.

From these factual circumstances, the reform of Social Security systems in Latin America began in the 80's and especially in the 90's of the last century, which followed, in most cases, the guidelines defined by the reform carried out in Chile in 1981 with different variants that gave rise to also differentiated models in which in some cases the previous model was completely replaced by the reformed system (substitute models) as is the case of Chile, Bolivia, Mexico and El Salvador, in others, both overlap (mixed models) as is the case of Uruguay, Costa Rica and the Dominican Republic , and in others the reformed system and the previous one coexist (parallel models) as is the case of Peru and Colombia. The case of Brazil was a country that did not modify the model, introducing parametric reforms and Argentina that carried out a reform to return to the defined benefit system, known as (structural models)<sup>37</sup>.

It must not be forgotten that the internationalization of Social Insurance is not a spontaneous phenomenon, but rather the result of the need to resolve different

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<sup>33</sup> ORGANIZACIÓN INTERNACIONAL DE TRABAJO (OIT), *Introducción a la Seguridad Social*, Ginebra, 1984.

<sup>34</sup> MESA-LAGO, Carmelo, *As reformas de previdência na América Latina e seus impactos nos princípios de seguridade social*, Carmelo Mesa-Lago; tradução da Secretaria de Políticas de Previdência Social, Brasília: Ministério da Previdência Social, 2006, p. 19, Disponível em: <[http://www.previdencia.gov.br/arquivos/office/3\\_081014-111405-101.pdf](http://www.previdencia.gov.br/arquivos/office/3_081014-111405-101.pdf)>, visualizado em 10 mar. 2018.

<sup>35</sup> Publicado originalmente pela CEPAL, série Financiamiento del Desarrollo, vol. 144, Santiago del Chile, marzo de 2004.

<sup>36</sup> MESA-LAGO, Carmelo. *As reformas de previdência na América Latina e seus impactos nos princípios de seguridade social*. Carmelo Mesa-Lago; tradução da Secretaria de Políticas de Previdência Social. Brasília: Ministério da Previdência Social, 2006, p.19.

<sup>37</sup> MÁSTER EN DIRECCIÓN Y GESTIÓN DE PLANES Y FONDOS DE PENSIONES, Módulo I. *Introducción a Los Sistemas de Pensiones*, 15ª ed., Madrid, España, pp. 6 – 7.

types of issues, especially when they affect nationals in their relationship with other countries, not dealing with conflicts of legislation, regulations, treaties and conventions.

With a retrospective examination, we observe that Social Insurance adopt the solidary notes left by the mutualism and the actuarial regime, provided for by private insurance, incorporating as their own notes: a) mandatory: the insurance stems from the law; b) tripartite financing, which is based on a contribution from workers, employers and the State, although in the case of accidents at work, as we have seen, it will only fall on the employer, and c) public legal management; regardless of the existence of private entities that collaborate, as is the case of mutual societies, in English health insurance<sup>38</sup>.

The system tried to cover pathological risks (illness, accidents at work, occupational diseases and disability), biological risks (old age and death) and socioeconomic risks (unemployment), but society already intended to respond to other social needs that only contemplate the right of Social Security, providing protection to all social contingencies (principle of integrity)<sup>39</sup>.

However, according to ALONSO OLEA, the genius of the social security system devised by Bismarck lies in transferring to the field of social risks the private insurance operating technique based on risk dispersion and actuarial calculation to adjust premiums to the expected loss rate – to the coverage of social risks.

Only when the signigma or strict correspondence of premiums (or quotas for benefits) is broken will an essential step be taken towards the system that we know today as Social Security<sup>40</sup>.

## 5 FINAL CONSIDERATIONS

This article sought to demonstrate in a systemic way, The Historical Construction of the Social Welfare State culminating in the term Social Security, more precisely based on the protection mechanisms that had their emergence from a historical context of the Greeks and Romans.

In a brief historical context, social rights began in the thirteenth century, when Magna Carta was promulgated on June 15, 1215 in England.

Following this line of thought, in 1601 England was experiencing a population increase caused by the rural exodus in search of work and better living conditions in urban areas and this made the Church preach that it was the duty of the State to meet these needs of the less favored populations. which culminated in the Poor Law, which consisted of a monetary fund for people who had no job or conditions to support their children. It was also in England in the 17th century that

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<sup>38</sup> MANCINI, Jorge Rodríguez, *Curso de derecho del trabajo y de la seguridad social*, Buenos Aires, Astrea, p. 718.

<sup>39</sup> Ibidem.

<sup>40</sup> MANCINI, Jorge Rodríguez. *Curso de derecho del trabajo y de la seguridad social*. Buenos Aires, Astrea, p. 719.

the Petition of Rights of 1628 and the Habeas Corpus Act of 1679, as well as the Bill of Rights of 1689 appeared. the notion of fundamental rights.

In 1776 in the United States, the Virginia Declaration of Rights proclaimed the natural and positive rights inherent to the human being, followed by the United States Declaration of Independence (also from 1776), the United States Bill of Rights (from 1789) and the French Declaration of the Rights of Man and of the Citizen (also of 1789).

Another major milestone for the emergence of Social Insurance was the Industrial Revolution that emerged in the 18th century in England and later spread to all of Europe and that gave rise to disputes by the bourgeoisie, the proletariat and trade union organizations.

However, despite England's protagonism and the development of Europe and a certain public assistance policy centered on hospital assistance and the fundamental protection of social needs granted through brotherhoods, Montepios and associated charitable councils, it was the French Revolution of 1789 that started a process of universalization of social rights and individual freedoms from the Declaration of the Rights of Man and Citizen.

In this context, the State goes from being a mere spectator of economic activity to becoming a Social State that guarantees and intervenes to regulate the activities of society and the productive process, and it is precisely in this interim that a new ideology emerges based on the social and fundamental values of individuals. which takes us to a country called Germany where the origin of Social Security is found and later to England, origin of modern Social Security.

As a conclusion of this study, it was found that the Social Welfare State had its origin from a historical construction that dates back to the birth of humanity and that finally originated the modern Social Security, through the legal commitment established by the State.

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