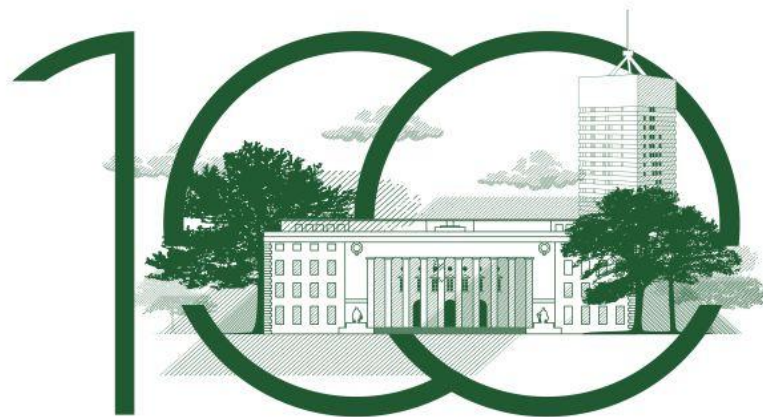


# Social security and economic competitiveness

Conference: *Social security systems in the light of the demographic, economic and technological challenges*

*Poznań University of Technology, 23 September 2026*

***Maciej Żukowski***



# Agenda/ The speaker

## Agenda

1. Concepts: Social security, economic competitiveness
2. EU countries: social security and economic competitiveness
3. Social security in EU debates on competitiveness

## The Speaker

- Professor of economics (economics of social policy and EU)
- Poznań University of Economics and Business (PUEB)
- Rector of PUEB 2016-2024



# 1. Concepts: Social security, economic competitiveness

## *Social security (social protection):*

„Social protection encompasses all interventions from public or private bodies intended to relieve households and individuals of the burden of a defined set of risks or needs, provided that there is neither a simultaneous reciprocal nor an individual arrangement involved”.

## Social protection systems - MISSOC

The EU's Mutual Information System on Social Protection (MISSOC) provides detailed, comparable and regularly updated information about national social protection systems.

### What is MISSOC?

The EU's Mutual Information System on Social Protection (MISSOC) provides detailed, comparable and regularly updated information about national social protection systems in English, French and German.

MISSOC publishes twice a year (January and July) [updated information](#) on the social protection systems in the 27 EU Member States plus Iceland, Liechtenstein, Norway and Switzerland, including:

- comparative tables covering 12 main areas of social protection: financing, healthcare, sickness, maternity, invalidity, old-age, survivors, employment injuries and occupational diseases, family, unemployment, guaranteed minimum resources and long-term care
- **organisational charts and short descriptions** of the social protection structure in the 31 participating countries
- short descriptions of the main **social protection arrangements for the self-employed**

MISSOC is also in charge of annually updating a series of [guides to national social security systems](#) that are addressed to citizens moving within Europe.

eurostat 

ESSPROS Manual  
and user guidelines

2026 edition

Moving & working in Europe > EU social security coordination



## Concepts (2): Social security

The list of risks or needs that may give rise to social protection is, by convention, as follows:

1. Sickness/Health care
2. Disability
3. Old age
4. Survivors
5. Family/children
6. Unemployment
7. Housing
8. Social exclusion not elsewhere classified.

## Concepts (3): Economic competitiveness

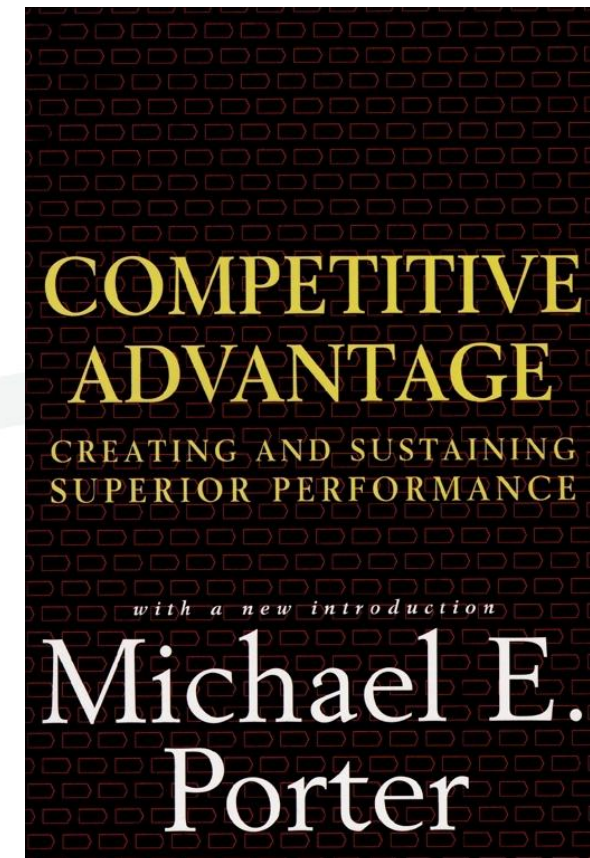
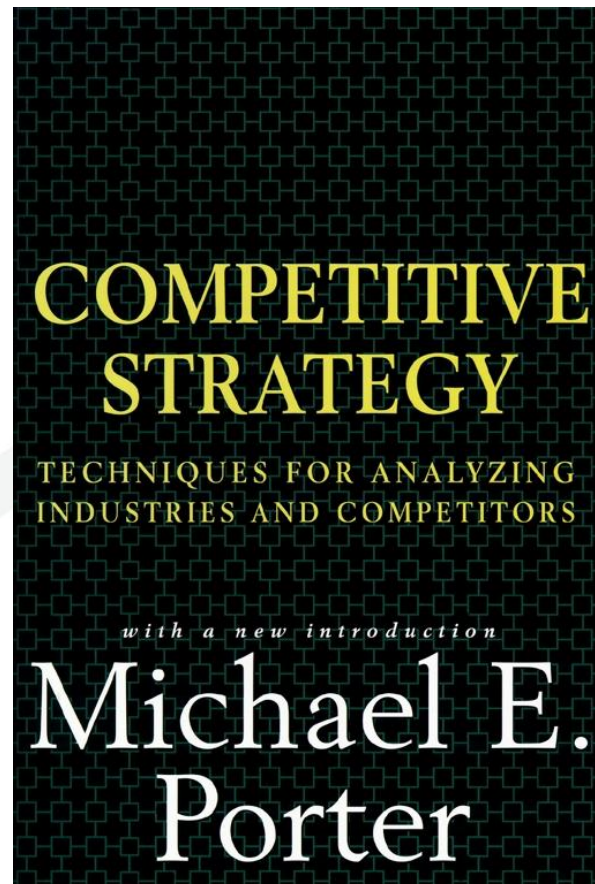
### EU glossary:

**Competitiveness** is a measure of the comparative advantage or disadvantage of enterprises, industries, regions, countries or supranational economies like the European Union in selling its products in international markets.

It refers to the ability to generate relatively high income and employment levels on a sustainable basis while competing internationally.

# Concepts (4): Economic competitiveness

Michael E. Porter

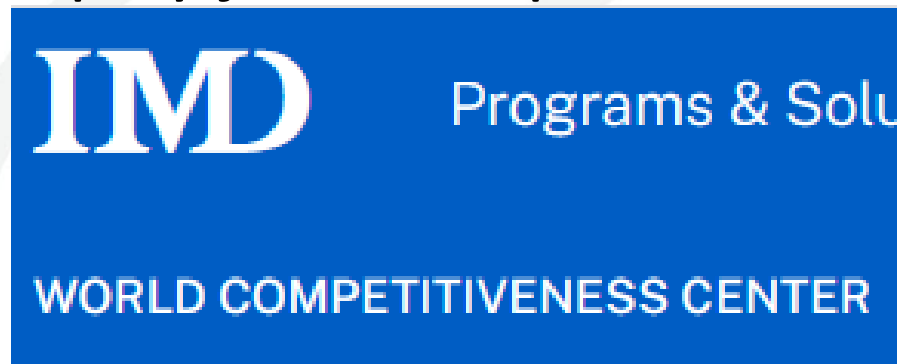


## Concepts (5): Economic competitiveness

### IMD World Competitiveness Center:

An economy's competitiveness cannot be reduced to its GDP, productivity, or employment levels; it can be gauged only by considering a complex matrix of political, social, and cultural dimensions.

Economic competitiveness is synonymous with people's quality of life, and governments play just as important a role as companies.



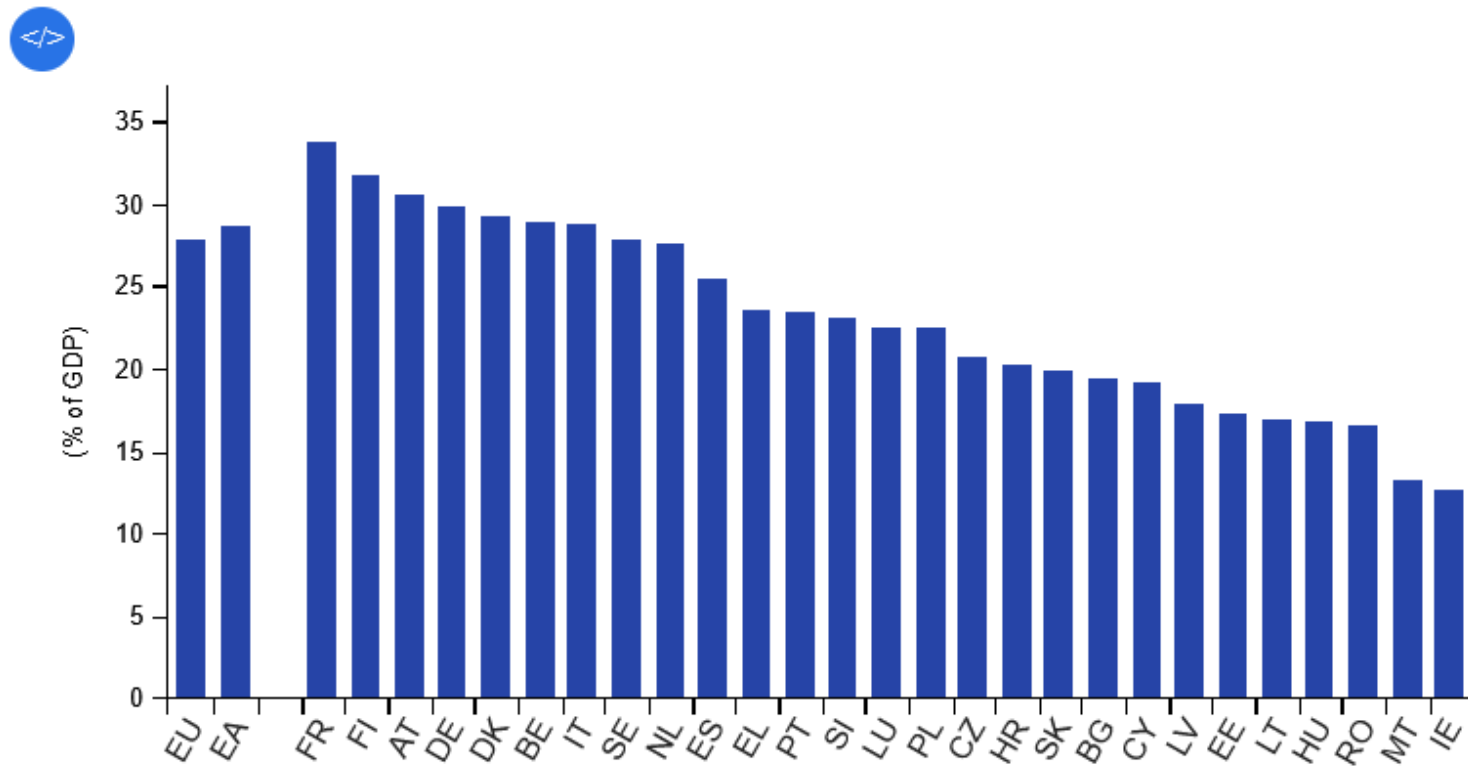
## **Concepts (6): Relations between social security and economic competitiveness**

- Mutual relations between social security and economic competitiveness;
- Competitive economy is a base for good social security: e.g. the real value of pensions depends on current production level...;
- Social security can have negative (costs...) and positive (human capital...) impact on competitiveness of the economy.

## 2. EU countries: social security and economic competitiveness

*Eurostat*

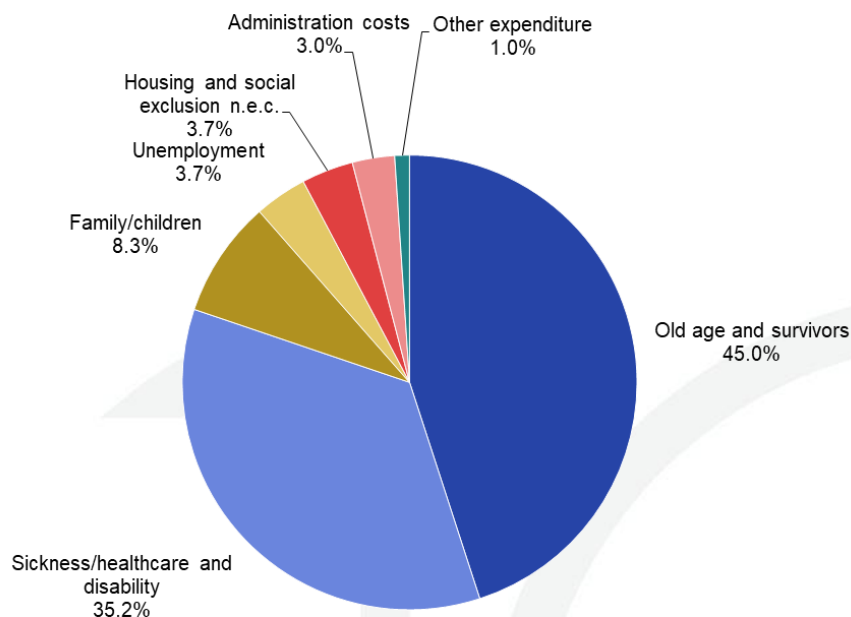
*Social protection expenditure, 2023*



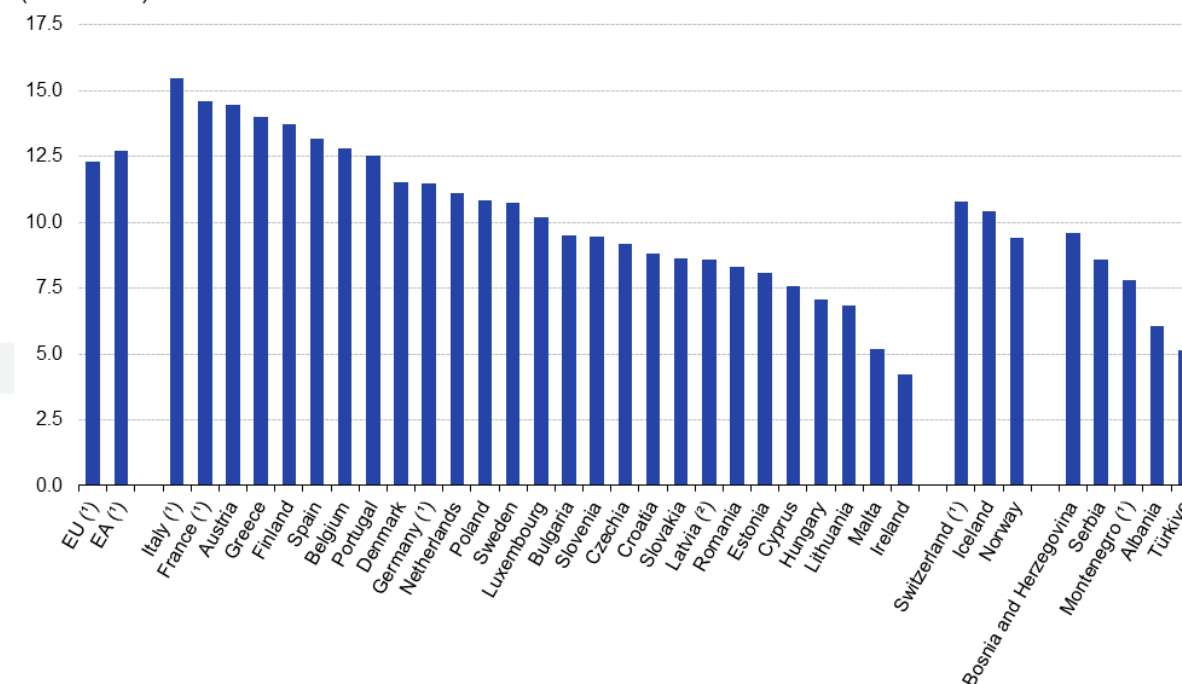
# EU countries: social security and economic competitiveness (2)

*Eurostat*

**Structure of social protection expenditure, EU, 2023**  
(% of total expenditure)



**Expenditure on pensions, 2023**  
(% of GDP)



(\*) Provisional.

(\*) Estimate.

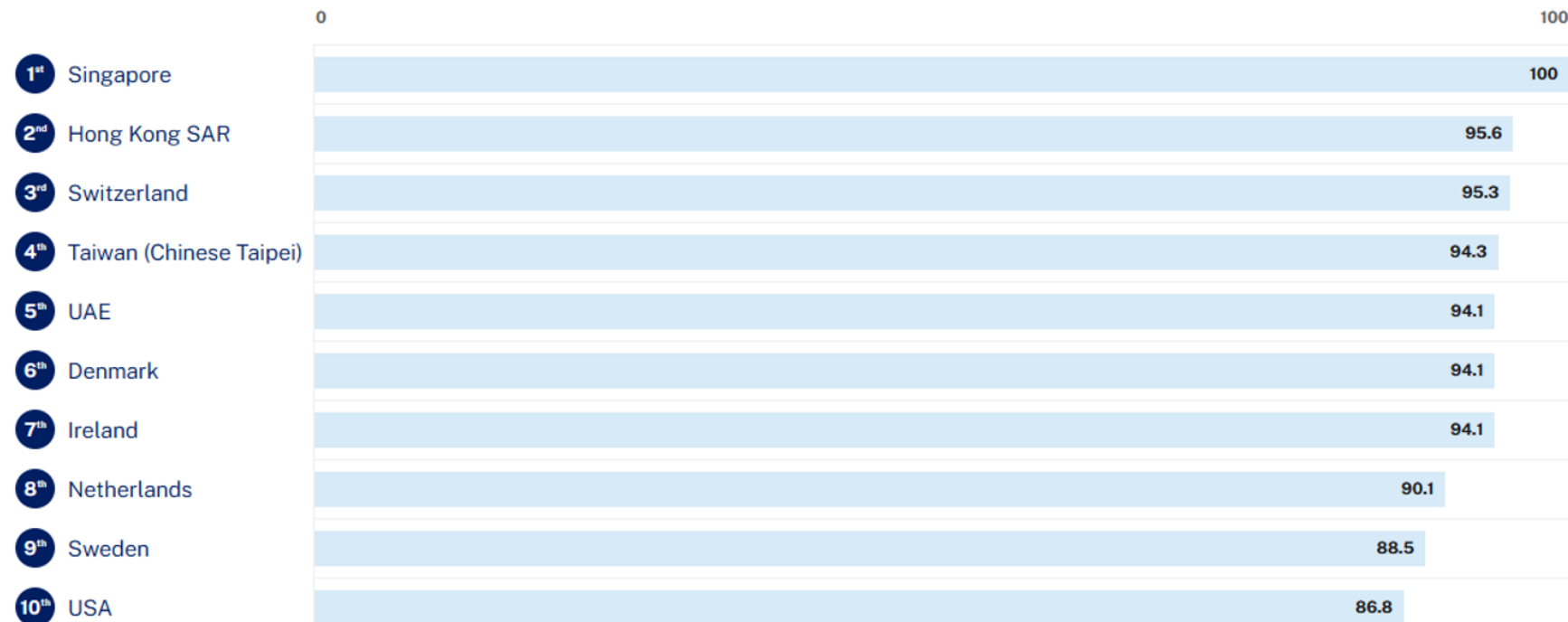
Source: Eurostat (online data code: spr\_exp\_pens)

Note: provisional.

Source: Eurostat (online data codes: spr\_exp\_type and spr\_exp\_func )

# EU countries: social security and economic competitiveness (3)

2026  
Rankings out of 70 economies



14. Luxembourg  
19. Finland...  
41. Poland

## EU countries: social security and economic competitiveness (4)

- Many EU countries with high social security expenditure have also competitive economies;
- But: negative trends – weakening competitiveness.
- Some examples:

Denmark:



Sweden:



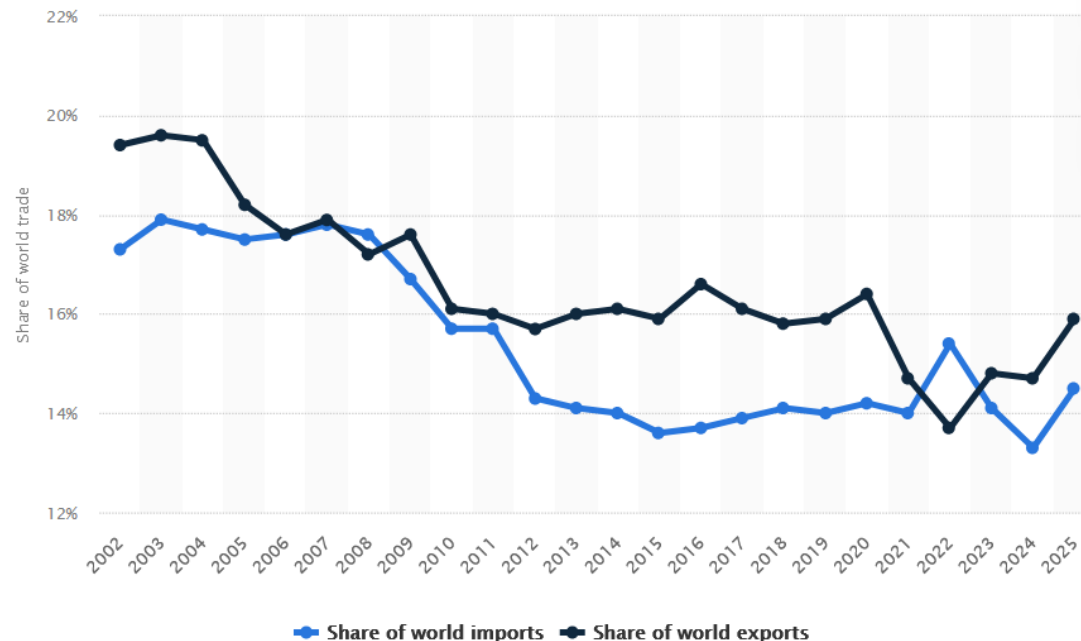
Netherlands:



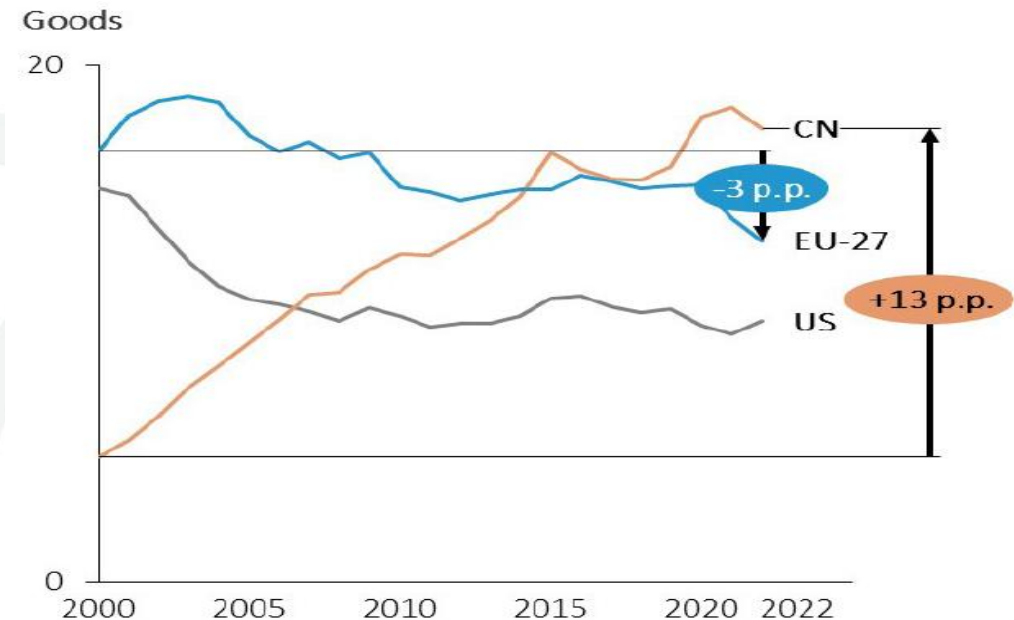
## EU countries: social security and economic competitiveness (5)

The European Union's share of both world exports and imports has, on average, been falling for the past two decades.

*Statista*



*Draghi report, 2024, p. 14*



### 3. Social security in EU debates on competitiveness

- Increasing the competitiveness of the EU economies has become the major EU strategic goal;
- **Draghi report 2024;**
- Three necessities for the EU to boost its competitiveness:
  - Closing the innovation gap;
  - Decarbonising EU economy;
  - Reducing dependencies.

#### The future of European competitiveness

Part A | A competitiveness strategy for Europe

SEPTEMBER 2024

# Social security in EU debates on competitiveness (2) *p.19*

## Preserving social inclusion

**While the EU should aim to move closer to the US example in terms of productivity growth and innovation, it should do so without the drawbacks of the US social model.** As outlined above, the US has pulled ahead of the EU owing to its stronger position in breakthrough technologies, yet it displays higher rates of inequality. A European approach must ensure that productivity growth and social inclusion go hand-in-hand. Europe is entering an unprecedented period in its history, where rapid technological change and sectoral transitions will combine with a shrinking working age population. In this setting, Europe will have to ensure the best use of its available skills while keeping the social fabric intact. Technological change can imply significant disruption for workers in previously dominant industries that are no longer so, as well as increasing inequality: from 1980 to 2016, automation is found to have accounted for 50-70% of the increase in wage inequality in the US between more and less educated workers<sup>xvi</sup>. The European welfare state will therefore be critical to provide strong public services, social protection, housing, transport and childcare during this transition. At the same time, Europe will need a fundamentally new approach to skills. The EU must ensure that all workers have a right to education and retraining, allowing them to move into new roles as their companies adopt technology, or into good jobs in new sectors.

## Social security in EU debates on competitiveness (3) - Broader picture

- Liberal democracy in crisis;
- Liberal democracy „turned its back on those it was supposed to lift up”;
- Programme for ***Working-Class Liberalism***:
- Community values;
- Freedom versus community;
- Building voice and citizenship;
- **Shared prosperity** in postindustrial society;
- Providing broadly available, effective **public services**.

From the Nobel Prize-winning  
co-author of *Why Nations Fail*

**Daron Acemoğlu**

**What  
Happened  
to Liberal  
Democracy?**

**Remaking a Politics  
of Shared Prosperity**

## Closing remarks

- Criticism of social security, also in economic terms, should be approached with reserve;
- There are challenges for social security! Strong case for changes, adjustments...;
- Solutions matter!;
- Institutions, including political institutions, matter!
- We (academics) have a role to play.