

# Towards ‘activation-friendly’ integration? Assessing the progress of activation policies in six European countries

Berthet T., Bourgeois C. Towards ‘activation-friendly’ integration? Assessing the progress of activation policies in six European countries

Over the past decade, we have seen the development of a range of active labour market and social policies. In this article, we present an analytical framework (Activation-Friendly Integration, AFI) in order to analyse these policies through the lens of their integration. AFI provides a synthetic analysis of the nature and intensity of the changes brought about by developments in the fields of employment and social cohesion policies. The core components of AFI are territorialisation, cross-sectoriality, conditionality/individualisation and contractualisation/marketisation. These key concepts are discussed on the basis of six national governance schemes implemented over the last decade, with regard to the levels, dimensions and actors involved. This comparison of French, British, Swedish, German, Italian and Polish activation policies points at a problematic misfit when the public is targeted for activation policies and there is a stronger use of tools for profiling and filtering beneficiaries, a greater reliance on contracting processes and a paradigmatic shift in the conception of welfare states’ aims, tools and organisations.

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Major changes have occurred in the fields of employment and social cohesion in European policies during the past decade. Promoted by OECD and the EU Commission, activation policies have been fostered by member states throughout Europe (European Commission, 1998; European Social Network, 2006; OECD, 1997). The promotion of activation as a normative concept relies on a broadening of the policy scope. While this primarily

concerns labour market policies, the implementation of activation policies is aimed at enlarging the scope to welfare policies and tackling the issue of developing an active welfare state (Vielle, Pochet, & Cassiers, 2005). As a normative concept, activation calls for the integration of various policy fields oriented towards the general objective of facilitating access to the labour market. The aim of this article is to provide a comparative

framework of analysis for the changes introduced by the implementation of an activation-friendly integration approach to social policies in six European countries. We propose the notion of Activation-Friendly Integration (AFI) to analytically refer to the way in which this guiding principle of policy integration is implemented within six European countries.<sup>1</sup> In the first section of the article, these notions of activation and AFI are more clearly defined and an analytical comparative framework is proposed. In the second section, this framework is tested through the comparative analysis of national governance schemes of activation policies in six European countries.

### Studying a new set of social policies

The objective of promoting access to employment in order to secure economic independence and social inclusion by connecting traditionally compartmentalised policy fields seems to be a shared policy goal in many European states (Annesley, 2007). Although the on-going academic debate on the governance of activation (for a synthetic presentation, see van Berkel & Borghi, 2008) focuses on several characteristics of the policymaking and service delivering process, the necessity of such an integration is not strongly discussed.

#### Activation and integration into questions

Presenting the new forms of governance of activation, van Berkel and colleagues showed that many of the several key components of activation (individualisation, marketisation of service provision, decentralisation, interagency cooperation) call for an integrated approach that notably takes the form of increasing partnerships, inter-agency

cooperation, the spreading of conditionality to other social services and so forth (van Berkel, De Graaf, & Sirovatka, 2011). Thus, the activation paradigm has increasingly promoted a more global point of view (Drøpping, Hvinden, & Vik, 1999), assuming that the former, more compartmentalised vision constrained the fulfilment of its objectives. It called for:

... institutional reforms modifying the position and function of unemployment insurance institutions within the broader landscape of national social and labour market policy, and specifically for the increased co-ordination of unemployment protection with other policy streams and institutions (e.g., European Commission, 1998; OECD, 1997). The activation of benefit provision is argued to call for closer co-operation between administrations traditionally concentrated on the provision of income support, on the one hand, and the provision of placement services and training programmes, on the other (Clasen & Clegg, 2006, p. 532).

Barbier (2000, p. 2) also referred to activation as:

... an increased and explicit dynamic linkage introduced in public policy between social, welfare, employment and labour market programs, which implies critical redesigning of previous income support, assistance and social protection policies in terms of efficiency and equity, as well as enhancing the various social functions of paid work and labour force participation.

These statements highlight both the importance of connecting various policy fields and the many restructuring consequences of activation policies. Therefore, when working on activation policies, it is of paramount importance to take into account employment policies and wider social services, as well.

Over the last two decades, this notion of an 'integrated approach' has been used (European Council, 2010; Mériaux, 2006) to

<sup>1</sup> This article is based on research conducted within the framework of the project Localise (7th Framework Program). More information is available on the project's website (<http://www.localise-research.eu>).

promote a new and more efficient way of dealing with employment and social cohesion challenges. Not only does it aim to coordinate policy sectors, but this multi-dimensional aspect of activation also goes hand-in-hand with the multiplication of actors and levels of public action involved. The integrated approach thereby questions both horizontal and vertical governances.

Yet, to what does this notion of an integrated approach refer? Raised as an obvious answer to employment and social cohesion issues, it has not yet been fully defined. Even though the use of this concept has increased, its definition remains vague.

In a European context, it was first employed as a new way of dealing with gender inequalities in the labour market (Serrano Pascual & Behning, 2002). The integrated approach was presented as an innovative and normative response to address the integration of women's issues in all public policies. Progressively, this approach has been applied in other fields such as the environment, migration, employment and social cohesion (notably through the European Employment Strategy, the Lisbon Strategy and the Open Method of Coordination (OMC)). Concerning this last field, the approach aims to reduce inequalities in terms of employability and employment impediments. The term 'integrated' implies that the different challenges that vulnerable populations may face should be linked and addressed together. This is notably reflected by the need to reconcile social inclusion and employment issues (OECD, 2010). Public stakeholders became aware that rising unemployment did not affect the entire population in the same way. The scarring effects of unemployment became more obvious and destructive within categories affected by social inclusion issues. This assessment has had two major policy implications: the importance of targeting and therefore individualising the service provision, on the one hand; and, on the other, the necessity of bringing the issues of labour market integration and social inclusion closer together.

In a recent report entitled 'Employment and Social Developments in Europe 2011', Laszlo Andor – Commissioner for Employment, Social Affairs and Inclusion – emphasised broad integration when defining the Commission's approach:

... the integrated approach which the Commission has applied in preparation of the review corresponds to the Europe 2020 strategy. This is a long-term development strategy which sees social inclusion, the fight against poverty, greater labour market participation, employment and job quality as essential elements for Europe's prosperity. (European Commission, 2011, p. 3)

In that perspective, the new challenges introduced by the idea of activation require an integrated approach to policymaking and implementing. This includes the notion that different policy fields, actors and levels should be more closely related to the core of activation policies, namely employment (Barbier, 2002).

In that normative and somewhat tautological perspective, the definition of an integrated approach is justified by the idea that the activation trend calls for such integration. However, from an analytical point of view, one may wonder whether activation really requires such an approach or whether activation and the idea of an integrated governance scheme constitute two different answers to the same problem? Serrano Pascual argued that activation represents an isolated answer, whereas the integrated approach does not rely on such corrective actions, but rather on deeper changes spread on many dimensions over time (Serrano Pascual & Behning, 2002, p. 264). Activation would therefore give way to this newly promoted integrated approach. However, based on the previous reference to activation (Barbier, 2000), the integrated approach seems to be a prerequisite for the implementation of activation policies. Hence, the idea of an integrated approach appears closely related to the reframing of welfare states and the development of new social

policies focused on the issue of employment. In a nutshell, an integrated approach should go beyond a traditional policymaking process that isolates problems and fosters the inclusion of a wide range of fields, actors and levels into a coordinated political framework.

The traditional typologies of welfare states (Esping-Andersen, 1990) and of capitalism (Hall & Soskice, 2001) are not sufficient to study these new policymaking processes, as their objectives are focused on the employment issue and are not dependent on traditional/cultural determinisms. Thus, to analyse the development of such an approach in a comparative perspective, an appropriate framework has had to be proposed. Designed here by the notion of Activation-Friendly Integration (AFI), this framework is aimed at studying the concrete implementation of the objectives of integrating social and employment policies in several European countries. Inspired by a constructivist institutional policy analysis approach (Jullien & Smith, 2008; Parsons, 2007), AFI focuses on a perspective that crosses three levels of integration – vertical, horizontal and sectoral. It also concentrates on the following key concepts dedicated to the analysis of policymaking dynamics: territorialisation, cross-sectoriality, conditionality and individualisation, contractualisation, and marketisation. Derived from the on-going academic debates on activation governance schemes (van Berkel et al., 2011), these key concepts and the three levels of integration are designed to support a set of hypotheses and fieldwork investigations. Together, this set of concepts and levels constitutes the core of the analytical notion of AFI.

### Integration in three dimensions

Three distinct levels of integration have to be studied here. On the first level, integration can be analysed from a vertical point of view. In this perspective, it relies on territorialisation and the rescaling of social policies (multilevel integration). On the

second level, viewed as a horizontal process, integration is based on a multi-stakeholder dynamic. Therefore, horizontal integration supposes a reinforced coordination of policy actors (public/public, as well as public/private actors) (multidimensional integration).

At these first two levels, the main challenge in terms of public policy is to promote multilevel governance (Schmitter, 2004) of employment policies. But bringing horizontal and vertical integration together in a multilevel governance perspective would be meaningless without a third pillar that enables a wider understanding of governance schemes. This pillar is directly related to the policy fields addressed and the issue of improving service delivery. It requires taking another level of integration into consideration: the sectorial/multidimensional one.

This multidimensional integration is probably the most important, as it endorses building a policy combination aimed at infringing traditional sectorial boundaries. The growing scarcity of public resources and the growing complexity of social problems have led to an increased necessity for transversal policies. Transversal policies should bind sectorialised policies to a shared objective of socio-economic development. These boundaries are also viewed as the primary reason for the inefficiency of today's social policies. The segmentation of the delivery of social services is thought to contribute to organisational complexities and access difficulties for the beneficiaries (Geddes, 2000). In addition, the idea of activation-friendly integration supposes that activation should be the guideline for this sectorial/multidimensional integration. This multidimensional integration then relies on bridging a series of policy fields with the issue of employment. For the purpose of our comparative analysis, we identified five relevant policy fields of AFI: training, housing, health, childcare and social assistance. These fields were selected because they were most frequently linked with employment issues in all the countries analysed (Figure 1).

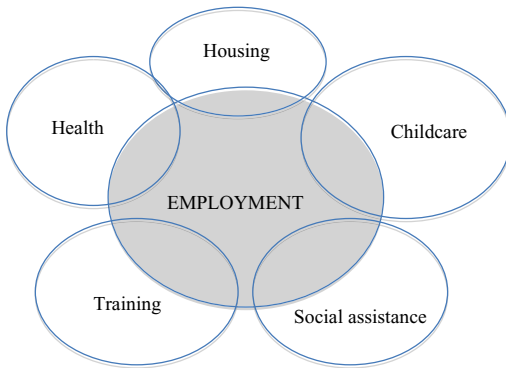


Figure 1. Multidimensional integration policy fields.

### Key concepts for comparative research

To study the development of these three levels of integration and to embed empirical observations, some intermediary concepts are necessary. This is the objective of defining this series of key concepts. The aim is to provide a set of political dynamics to be developed in order to assess the progress of an integrated approach in several European countries. An analysis of the literature on the governance of activation (Barbier, 2006; Borghi & van Berkel, 2007; Clasen & Clegg, 2006; Gramain, Exertier, & Herbillon, 2006; Hvinden & Johansson, 2007; van Berkel et al., 2011, among others), along with the six national reports on national governance of activation policies, enabled us to grasp fundamental paradigmatic dynamics at the core of AFI policies. They are close to the dimensions identified by van Berkel and Borghi (2008) (decentralisation, marketisation, inter agency cooperation, individualisation).

- (1) Territorialisation,
- (2) Cross-sectoriality,
- (3) Conditionality/individualisation,
- (4) Contractualisation/marketisation.

These four facets of AFI policies are defined here in relation to the three levels of integration previously presented.

*Territorialisation.* This facet is directly linked to vertical integration. It should be

remembered that the notion of territory is not a synonym for 'local'. In Europe, nation-states and regions are territories as well as sub-regional spaces. Studying territorialisation therefore means analysing the rescaling of employment and its related policy fields, which corresponds to a common dynamic that has occurred and/or is promoted in different ways and to different extents in European countries (Künzel, 2012; Minas, Wright, & van Berkel, 2012). It thus goes beyond decentralisation as it tackles the development of AFI policies in territories, not only through decentralisation processes, but more widely (when decentralisation supposes a top-down dynamic, territorialisation can also relate to one authority's choice to develop AFI policies without being asked to).

*Cross-sectoriality.* This facet is directly related to multidimensional integration. As previously stated, the integrated approach is based on the inclusion and connection of several policy fields, actors and levels. A broader understanding of new challenges, or a non-isolated approach that includes all problems inherent to social and employment integration, thus defines the approach. Cross-sectoriality appears to face the need of implementing this new approach to address new challenges. In many cases, it was first promoted by international organisations (Conter, 2012; OECD, 2006, 2010). Later, the emphasis was placed on transferring this linkage to public policies. Hence, many policy fields saw their policies evaluated with respect to employment issues that had spread to other issues.

*Conditionality/individualisation.* Strongly promoted by the activation trend, growing individualisation of social policies is aimed at influencing the behaviour of individuals. Hence, it promotes a new relationship between the state and the beneficiaries of social policies. This relationship puts the emphasis on rights and duties. If a beneficiary does not fulfil the necessary duties,

sanctions may apply. A general principle of the conditionality of social benefits has thus been promoted. Therefore, duties are highlighted and individual responsibilities are reinforced. However, individualisation also relies on defining the vulnerable population on which to focus and tailor-make services (van Berkel & Borghi, 2008; van Berkel & Valkenburg, 2007; Künzel, 2012). Indeed, all attempts to promote such integration (vertical, horizontal or in regard to policy fields) were based on specific policies targeted at a group nationally identified as vulnerable. It shows that integration is promoted to individualise the way with which employment and social cohesion policies are dealt.

*Contractualisation/marketisation.* Multi-dimensional and multi-stakeholder integration supposes new means of coordination in terms of case management. New practices of implementation have emerged, notably marked by the framework of New Public Management (NPM) (Borghi & van Berkel, 2007; Geddes, 2000). The New Public Management, to which we often refer in terms of new governance schemes, emphasises ‘introducing techniques of business management, service and client orientedness, market mechanisms and competition’ (Borghi & van Berkel, 2007, p. 85). Hence, most have broadly promoted contracting out to private actors, even though this remains difficult to implement in many European countries.

### **Six European countries confronted with the governance of activation-friendly integration**

To operationalise this analytical framework, a series of case studies were conducted in the frame of a FP7 European research programme: Local Worlds of Social Cohesion (Localise). In terms of methodology, these case studies were conducted in six countries by expert research teams. Using mainly documentary analysis and interviews with national stakeholders, each team produced a national

case study report based on this analytical framework available on the Localise website (<http://www.localise-research.eu>). The following comparative analysis of the national governance of social cohesion is based on these national case studies. Six countries were selected at the beginning of the Localise research project (Germany, France, Great Britain, Italy, Sweden and Poland) in order to obtain a variety of welfare states. Showing significant differences both in terms of labour market structure (see the Appendix Figure A1) and employment policies, these six national activation cases were analysed and compared over a decade (2001–2011).

### **A challenging territorialisation**

Vertical rescaling has taken place in all six countries. This has notably occurred through decentralisation processes that were launched or reinforced as a *modus operandi*, no matter the country’s institutional framework (federalist, centralised or devolved). This growing vertical coordination relies on a common tendency to strengthen territorialisation and proximity. This is understood as a way of developing tailor-made forms of public intervention. Moreover, it creates an opportunity to transfer some of the political and financial burdens of employment policies to local authorities during periods of scarce public resources (van Berkel & Borghi, 2008).

However, employment policies have been territorialised to infra-national levels only to a small extent. This policy field relies instead on a centre–periphery paradigm that is more or less centralised according to the division of national competences. The definition of political goals and the design of primary instruments are usually controlled and regulated at the national level, whereas local levels are responsible only for the implementation of public policies. Indeed, employment policies were either territorialised by delocalising policy implementation with a limited scope of adaptation and innovation or left as a voluntary task (e.g. in Germany where labour

market policies are a voluntary competence for the regions, that is, *Länder*). Even though each country shows its specificity, this power distribution in terms of the policymaking process is a common trend. In Germany, for example, it is the national/federal level that is in charge of supervising the employment agency, while municipalities and districts are responsible for implementing the federal and regional laws. In Poland, the Ministry of Labour and Social Policy is in charge of 'employment and unemployment policy, working conditions, wages and labour benefits, collective labour relations and collective bargaining', but 'has not direct control over organisations which carry out everyday tasks of social policy' (Sztandar Szanderska & Mandes, 2011, p. 13). In terms of labour market policies, most of these responsibilities have been transferred to the Poviats Labour Office (PUP). However, as in many other countries, 'policy instruments, target groups as well as standard of job counselling and job placement are centrally defined' (Sztandar Szanderska & Mandes, 2011, p. 15). In the UK, even though the central government seeks 'greater local involvement in policymaking to address criticism that policies are not reflecting local needs' (McQuaid, Dutton, & Fuertes, 2011, p. 31), it remains a centralised system of government which mostly territorialises through contracting out. In Italy, several measures have fostered decentralisation (Treu Law, Bassanini Law, Constitutional Reform etc.). Constitutional Reform made employment policies a responsibility of both the state and the regions, and more recently the latter became responsible for the implementation of social assistance policies (Graziano, Bertolini, & Del Gaudio, 2011). The regional responsibility for ALMP (active labour market policies) is borne by the provinces in implementing the regional policies. In France, 'if the state has the authority on employment issues, social issues have been territorialized to local authorities' (Berthet & Bourgeois, 2011, p. 22). Sweden decentralised its employment policies 'to cope with activation of welfare recipients, specifi-

cally youths' (Bengtsson, 2011, p. 38). However, even though the level of discretion of local authorities appears to be greater than in other countries (e.g. because local authorities are legally authorised to refuse or lessen economic support in some specific cases), the main political decisions (notably in terms of identifying target groups and of policy instruments) are still centralised.

The main comparative finding shows that whether decentralisation takes the form of giving more responsibilities to local authorities in terms of policy implementation or policy making, it still has not yet reached its objectives. An unclear division of responsibilities common to many European countries constitutes the main reason for the difficulty in implementing territorialisation (Berthet & Bourgeois, 2011; Bifulco, Bricocoli, & Monteleone, 2008). Local authorities often do not precisely know what they are responsible for. This results in a relative consensus which enables only timid actions. These actions do not affirm responsibility, but show that the issue has not been put aside.

#### Cross-sectoriality: spread of employment issues and difficulties of targeting public action

In the six countries under study, the horizontal integration of different policy fields at the national level shows strong differences, some being often integrated into active labour market policies (training), some not (housing). There is a clear predominance of the nexus employment/training. Indeed, in the six countries analysed, professional training and vocational education policies are closely connected to the national employment strategy. Although often delegated to local authorities (generally at the regional level), training policies have been integrated because of their close relationship with the labour market. In Germany and France, training measures are regularly prescribed by the Public Employment Service (PES) to secure professional transition. In Sweden, it was a very popular method which

began to be used in 1986 as a qualification for a new unemployment benefit period (its use has decreased since 2001, however, because of the introduction of new methods). In Italy, training policies are often considered as a lever for competitiveness. In Poland, although supported by a human capital investment philosophy, training policies are generally limited in supporting access to the labour market. Apprenticeship appears to be a commonly used resource in the Polish integration scheme.

The identification of vulnerable groups is a transversal component of the six national systems. Indeed, the analysis of the six countries reveals that the multi-dimensional integration set up at the national level is typically shaped according to the national system's definition of target groups. It seeks to reach those considered furthest away from employment in order to bring them back and/or to facilitate their (re)entry into the labour market. This identification of vulnerable groups is a key element of cross-sectoriality and a good indicator of its level of progression. It is undeniably a central element in the individualisation trend of employment policies (see below). It is also, in a way, an indicator of the level of policies' integration in a logic of cross-sectoriality.

Hence, we observe a shared dysfunction in our six countries. On the one hand, and with regard to singular social matters, researchers and experts have identified vulnerable populations. On the other hand, the groups targeted in the national activation policies do not systematically overlap (see Table 1). This statement raises questions. Indeed, the targeting of activation policies is first established with regard to the labour market's selection mechanisms. Thus, such targeting is built according to the identification of populations based on their difficulties in accessing employment. However, categories may be identified as vulnerable because of broader social factors which more generally refer to social policies rather than employment policies. It is especially significant with regard to

the integration of policies pertaining to activation and priority access to employment. The decoupling of categories in terms of activation and vulnerability may reflect a weak degree of integration.

### Conditionality and individualisation

Individualisation is a strong component of activation-friendly integration policies. This is because integration (of stakeholders, dimensions and levels) is required to ensure individualised and global support for the unemployed. To set up such targeted policies and tailor-made services, profiling individuals becomes necessary. Categorising groups requires several variables to be analysed regarding the individual. The main variable is the measure of the 'distance to/from employment', which will thus establish different categories that are entitled to different services.

In all cases, profiling is a good indicator of the diffusion of a managerial model of individualisation. Analyses of the concept of profiling show that:

... it is insufficient to call profiling a diagnosis tool for the assessment of the risk of long-term unemployment which is applied by the assessment of a placement agent, screening, or statistical models. (...). The roles of profiling are much more diverse. (...). Profiling is a combination of customer-oriented approach and process-oriented organization of business processes (Konle-Seidl & Rudolph, 2005, p. 17).

Among our six countries, two of them do not use jobseeker profiling (Sweden and Poland). Two countries, Italy and France, have established profiling based on three categories. In Italy, three profiles are defined according to the programmes of the employment policies: ordinary unemployed, *cassa integrazione* (without suspension of the work contract), and beneficiaries of the mobility programme. In France, jobseekers are profiled according to their risk of long-term



Table 1. Vulnerable groups.

Population	France	Germany	Italy	Poland	Sweden	UK
Vulnerable groups	<ul style="list-style-type: none"> <li>- Long-term unemployed</li> <li>- Youth</li> <li>- Disabled</li> <li>- Senior workers</li> <li>- Women</li> <li>- Foreigners</li> </ul>	<ul style="list-style-type: none"> <li>- Long-term unemployed</li> <li>- Older workers</li> <li>- Youth</li> <li>- Long-term unemployed</li> <li>- Foreigners</li> </ul>	<ul style="list-style-type: none"> <li>- Women</li> <li>- Youth</li> <li>- Women</li> </ul>	<ul style="list-style-type: none"> <li>- Youth</li> <li>- Women</li> <li>- Low skilled</li> <li>- Disabled</li> <li>- Senior (&gt;55)</li> <li>- Homeless</li> <li>- Long-term unemployed</li> <li>- Young unemployed (below 25)</li> <li>- Older unemployed (over 50)</li> <li>- Long-term unemployed;</li> <li>- Unemployed whose social contract with social assistance has terminated</li> <li>- Unemployed women who have not returned to work after the birth of their child</li> <li>- Unemployed people without professional qualifications, without professional experience or without secondary education</li> <li>- Unemployed single-parents</li> <li>- Unemployed ex-prisoners who have not taken up a job after being released from a prison</li> <li>- Disabled</li> </ul>	<ul style="list-style-type: none"> <li>- Youth</li> <li>- Foreigners</li> <li>- Persons with psychological disabilities</li> <li>- Long-term ill</li> <li>- Youth</li> <li>- Immigrants</li> </ul>	<ul style="list-style-type: none"> <li>- Long-term unemployed</li> <li>- People on sickness benefit</li> <li>- Senior (&gt;50)</li> <li>- NEET</li> <li>- IB claimants, young (focus on 16- to 17-year-olds on jobseeker's allowance)</li> <li>- Lone parents</li> </ul>
Focus of activation policies	<ul style="list-style-type: none"> <li>- Long-term unemployed</li> <li>- Youth</li> <li>- Senior</li> </ul>	<ul style="list-style-type: none"> <li>- Older workers</li> <li>- Youth</li> <li>- Long-term unemployed</li> <li>- Foreigners</li> </ul>	<ul style="list-style-type: none"> <li>- Women</li> </ul>			

unemployment into three categories corresponding to three levels of services. In the UK, profiling is based on four categories also corresponding to the level of services: full conditionality, work preparation, keeping in touch with the labour market, no conditionality.

Activation has also often been characterised by the increase in conditionality for

accessing social benefits. Operationally, activation relies on two pillars: the access conditions of the unemployment insurance and the definition of a system of sanctions to ensure the active behaviour of beneficiaries.

First of all, conditionality affects access to unemployment benefits. All national systems of benefits rely on the definition of access criteria in order for unemployed people to

receive unemployment insurance (Table 2). The UK is an exception to this rule, as access to benefits depends on participation in active labour market policies (ALMP). The five other countries rely on duration criteria. In France, as in Sweden, access to unemployment benefits relies on a minimum employment duration of 6 months.<sup>2</sup> In Germany, Italy and Poland, the base period is 12 months of employment during either the last 18 (Poland) or 24 (Italy) calendar months.

When an unemployed person does not fulfil the required conditions, sanctions may occur. In some cases, such as in Italy, the existence of severe sanctions (unemployment benefit termination) is poorly implemented. In France, to make the implementation of sanctions acceptable to the PES employees, the sanctioning process has been made progressive. Such progressivity is a common rule for five countries (France, Germany, UK, Sweden and Poland) and is expressed through status (radiation), level (percentage of benefits) or benefit duration.

For example, sanctions that apply for refusing an appointment with the placement services are generally equally or less severe than those for refusing a job (with the exception of Sweden, where such refusal results in expulsion). The same level of sanctions applies for job refusal and appointment refusal in France and Poland. Sanctions are less severe in Germany (withdrawal of Unemployment Benefit I [UB I] for a week). In the UK, a system of softer sanctions results in a shorter suspension duration than for a job refusal (one week for the first appointment refusal, two weeks for the second and four for the third).

Conditionality also relies on the obligation to accept a suitable job. This idea of 'suitable

job' is at the core of conditionality (Table 3). Nonetheless, the definition of a suitable or adequate job has not been institutionalised in all six countries (e.g. Italy does not have a proper official definition, nor does the UK). However, France and Sweden subscribe to the idea that some jobs should be considered acceptable to some people. Once defined, unemployed persons cannot refuse such a job opportunity without progressively losing their benefits. Moreover, the definition of the job they must take may vary after a certain time (e.g. after few months of being unemployed, jobseekers may be forced to take a job further away from home) (Table 2).

National employment systems now define an 'appropriate job' as a job for which refusal may result in a sanction for the unemployed. The level of the demand is generally based on two variables: the distance from home and the salary. In Italy, this notion has not been clearly defined, which explains the weak implementation of sanctions. In Poland, a suitable job is defined by the respective distance, relevant qualifications and professional experience, health condition and salary. In 2001, Sweden retracted the geographical metrics and since 2007 has taken into account the national labour market. In Germany, the definition of a suitable job for the beneficiaries of UB I is expressed in terms of earnings and on the distance from the beneficiary. For the beneficiaries of UB II, all jobs are considered suitable, subject to compatibility with the profile of the beneficiary (incapacity, family etc.). In France, the notion of a suitable job triggered important political and technical debates. It is mainly earnings that are taken into account. During the first 4 months, a suitable job is defined as a job with a salary of no less than 95 per cent of their previous one. After 5 months, the minimum salary level drops to 85 per cent and a condition of distance is included. After 1 year, as in Germany, the reference becomes the amount of the unemployment benefit. Thus, when comparing the definition of an appropriate job, there are important differences between European

<sup>2</sup> In France, one must have worked at least 6 months during the 22 months before unemployment. In Sweden, one must have worked 80 hours per month during the last 6 months prior to being unemployed.

Table 2. Unemployment benefit conditions.

Unemployment benefit	France	Germany	Italy	Poland	Sweden	UK
Conditions for entitlement to unemployment benefit	6 months of work during the last 22 months	Has accomplished the eligibility period (at least 12 months in a job subject to social insurance contributions)	<p><i>Ordinary:</i></p> <ul style="list-style-type: none"> <li>- 1 year of work during the past 2 years</li> <li>- Payment of contribution during 2 years</li> <li>- Declaration of immediate availability</li> </ul> <p><i>Cassa integrazione:</i></p> <ul style="list-style-type: none"> <li>- Temporary economic crisis</li> <li>- The employer must have more than 15 employees</li> </ul> <p><i>Mobility:</i></p> <ul style="list-style-type: none"> <li>- Work for 12 months and according to size of the firm</li> <li>- The employer must have a minimum amount of employees</li> </ul>	Worked for 1 year during the last 18 months earning minimum salary Paid eligible contributions	The person needs to have worked during the last 12 months before unemployment at least 80 hours a month in at least 6 months or, alternatively, 480 hours during 6 consecutive months and then at least 50 hours per month	<i>Jobseeker's Allowance (JSA):</i> contribution-based (up to 6 months) or income-based <i>Employment and Support Allowance (ESA):</i> The person must have an illness or disability that affects his or her ability to work. Contribution-based or income-based (in this case, the person should have savings of less than £16,000 and have a partner or civil partner who works less than 24 hours a week on average).
Compensation level The overall replacement rate (OECD) is 44%	The average compensation level is 62% of the previous salary (ARE)	2 successive levels: - ALGI (12 months, not means-tested, 67% if with children, 60% otherwise) - ALGII (means-tested, infinite duration, stronger activation)	<p><i>Ordinary:</i></p> <p>Duration: 8 months if the worker is below 50 years old and 12 months otherwise Level: 60% for the first 6 months, then 50% months 7 and 8, and finally 40% until the 12th month</p> <p><i>Cassa integrazione (52 weeks):</i> never above 80% of the previous income</p> <p><i>Mobility (1 year if under 40 years old, 2 years if between 40 and 50, 3 years if over 50 years old → if in the South of Italy +1 year for each category):</i> level variable</p>	People who have worked less than 5 years receive 80% of the standard allowance People who have worked more than 20 years (fulfilling the above-mentioned conditions) receive 120% Standard allowance: 22% of average salary and 54% of minimum salary during first 3 months, reduced to 17% of average salary and 43% of minimum one during the following months	Maximum 300 days (the exception for parents of children under 18 is 450 days) The compensation level for the first 200 days is 80%, thereafter 70% until day 300	<i>Contribution-based Jobseeker's Allowance:</i> up to 6 months

Table 3. Definition of an appropriate/inappropriate job.

Appropriate/ inappropriate job	France	Germany	Italy	Poland	Sweden	UK
	<p>After 4 months: a suitable job constitutes at least 95% of previous salary</p> <p>After 6 months: 85% of previous salary + maximum 1 hour on public transportation</p> <p>After 1 year: salary at least equal to unemployment benefit</p>	<p><i>NOT appropriate job:</i> ALGI: lower income than previous income (first 3 months: more than 20%; following 3 months: 30%; after 6 months: lower than ALG I) and longer commuting</p> <p>relocation (for some) ALGI: every job is appropriate except for some beneficiaries (according to incapacity, children, family care etc.)</p>	No clear definition	<p>Employment or remunerated work, subject to payment of social contributions</p> <p>Unemployed person possesses sufficient qualifications and professional experience to perform the job or will be able to perform it after training</p> <p>The person's health condition makes it possible to perform the job</p> <p>Journey to work and back home does not exceed 3 hours and can be made by means of public transport</p> <p>The gross income should equal at least the national minimum wage if it is a full-time job (or should be calculated proportionally to the time of work)</p>	<p>Since 2007, the unemployed has to accept a job anywhere in the national labour market straight away</p>	<p>No clear definition, but it is noted that a good reason for refusing to follow a 'direction' might be, e.g., because it conflicts with religious beliefs or because the job involved would mean the person would be worse off than on Jobseeker's Allowance</p>

countries with regard to the nature of the criteria and their intensity.

For many countries, the risks resulting from this conditionality were the best incentive for accepting a job and not remaining unemployed (except for Italy, which did not put such a strong emphasis on the conditionality of social benefits).

A comparative analysis of the way individualisation is tackled in the six national frameworks shows that the stress is put on the categorisation of the unemployed. Even though the six countries have not implemented individualisation and profiling to the same extent from one country to another (Debauche & Georges, 2007), and even though profiling does not necessarily mean strongly individualised support for jobseekers, we observed a clear move towards more individualisation. In terms of conditionality, the previous demonstration clearly shows that while sanctions were established and conditionality to unemployment and/or social benefits reinforced, the challenge relies on their effective implementation which still represents a strong obstacle in some countries (e.g. Italy, France).

### Marketisation and contractualisation

Marketisation and contractualisation both question the way in which stakeholders are involved, the extent of their involvement and the nature of this relationship. Clearly, during the last decade, processes such as cooperative partnership, hierarchical coordination, governance and contracting-out have diversified the range of actors involved in the employment policymaking process.

In terms of public/public cooperation, one-stop shops have been created (e.g. German and UK Jobcenters;<sup>3</sup> see the article by Renate

Minas in this Supplement). This method of integrating several public actors represents, according to van Berkel and Borghi (2008), a '*popular strategy*'. The merging of formerly separated institutions was also fostered as a form of public/public cooperation. The creation of the French *Pôle Emploi* in 2008 indicated developments beyond the sole co-location of services. It merged unemployment insurance and national employment agency services, just as the Hartz IV Reforms merged long-term unemployment assistance and social assistance in 2005.

In terms of public/private partnerships, the contractualisation and marketisation of public services were made more popular with regard to the policy implementation stage. In all the studied countries, and especially in the UK, contracting out the implementation of these policies has been at least partially utilised. Indeed, the UK is the most advanced in the marketisation trend. Except for this example, the six Localise national case studies show only weak attempts at implementing real marketisation. The partnerships approach has been implemented, but mainly with respect to the long-standing tradition of public administration. Thus, the established partnerships and involvement of new actors have remained within public administration (Commissariat Général du Plan, 2004).

In the UK, the intensive development of public/private partnerships (PPP) and the marketisation of public services have led to the implementation of governance based on PPP. The new work programme has led to the delegation of employment services for the long-term unemployed to private companies. This programme is based on public tendering and payment based on the success of the service providers. Sweden also has a history of purchasing training services from private providers. In general, training represents one of the main policy fields where externalisation is used. This is the case in Italy, where regions, provinces and local employment agencies regularly use private services. In France, the decision was made in 2002 to

<sup>3</sup> The German jobcentres, called 'ARGEN', were experimented with from 2005 to 2010 and have been generalised since 2011. The UK jobcentres were initiated in 2003 and made available for an increasing number of persons from 2005 onwards.

require the use of the public market for training programmes for the unemployed. This has had a considerable impact on the organisation of the professional training markets and the delivery of services to beneficiaries. In Poland, although private organisations play a minor role in providing services, training action measures is one of the fields where externalisation has developed.

Contractualisation also challenges the nature of the relationship in this case, not only among organisations (public/public and public/private), but also between the state and the citizen. In terms of integration, it questions the place, role, duties and rights of individuals and organisations within the new promoted trend. The level of unemployment compensation as a back-to-work incentive represents a strong indicator of this relation. It is an important factor in successful professional transitions (Gangl, 2008). The unemployment benefit system, in addition to putting pressure on the unemployed to promote active behaviour, is also a key component in avoiding the shift into long-term unemployment and social assistance. This level of compensation differs considerably from one country to another. It varies in intensity (percentage of previous salary) and in time (in the previous job or during the unemployment period) (Table 3).

These synchronic elements reveal an important difference in terms of the generosity of financial compensation.

In terms of marketisation, our comparative results show that the will to promote NPM methods was hindered by traditional governance schemes. Yet, attempts to foster public/private cooperation were initiated. So far, only the UK has clearly developed marketisation. As observed, each country tackles contractualisation to various extents. Here again, policymakers seem to agree on the need to rethink the 'social contract' between the unemployed and the state. However, the several changes that occurred over the past decade regarding the modes of contractualisation and the nature of

sanctions, benefits and so forth, along with the difficult implementation of some sanctions, demonstrate that this promoted trend is still under strong debate in several countries.

Hence, it shows that activation-friendly integration policies are acknowledged and that attempts are being made to fit into these dynamics. Yet, AFI policies require considerable changes and thus time to be settled and implemented.

## **Conclusion**

The recent AFI scheme called into question the former governance scheme of social policies. It now appears even more multi-faceted in the way it addresses new methods of governing employment and social cohesion policies.

The analytical framework provided for the purpose of this comparative study addresses a complex set of institutional relations in policy implementation. By bringing together three policy analysis dimensions (multidimensionality, multilevel and multi-stakeholders' governance) and four key concepts aimed at analysing the development of activation policies, it allows several critical issues to be tackled: unstable territorialisation, the challenging of cross-sectoriality, hybridisation of actors, multilevel governance in policy-making, and service delivery.

In terms of analytical outputs, our study shows that all six countries involved – Poland, France, Sweden, Italy, the UK and Germany – acknowledge the progress of AFI's components. Decentralisation and cross-sectoriality both appear to be the most common responses to this development, although nationally defined and implemented in different ways. However, this broader understanding shows that activation, in the context of the 21st century, seems to require more local and multi-dimensional policies. It has also promoted the multiplication of actors. Indeed, activation is one result of both the decentralisation processes and the linking of several public policy fields. However, although based

on very different traditions of public services, the increased involvement of private actors has not occurred everywhere.

In summary, new modes of organisation regarding AFI policies have been implemented during the past decade. They are still relatively unstable and have changed over time. However, trends towards more cooperation and collaboration at different levels (local and national), with different actors (public and private), involving different fields (social, housing, health etc.) can clearly be observed.

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Appendix

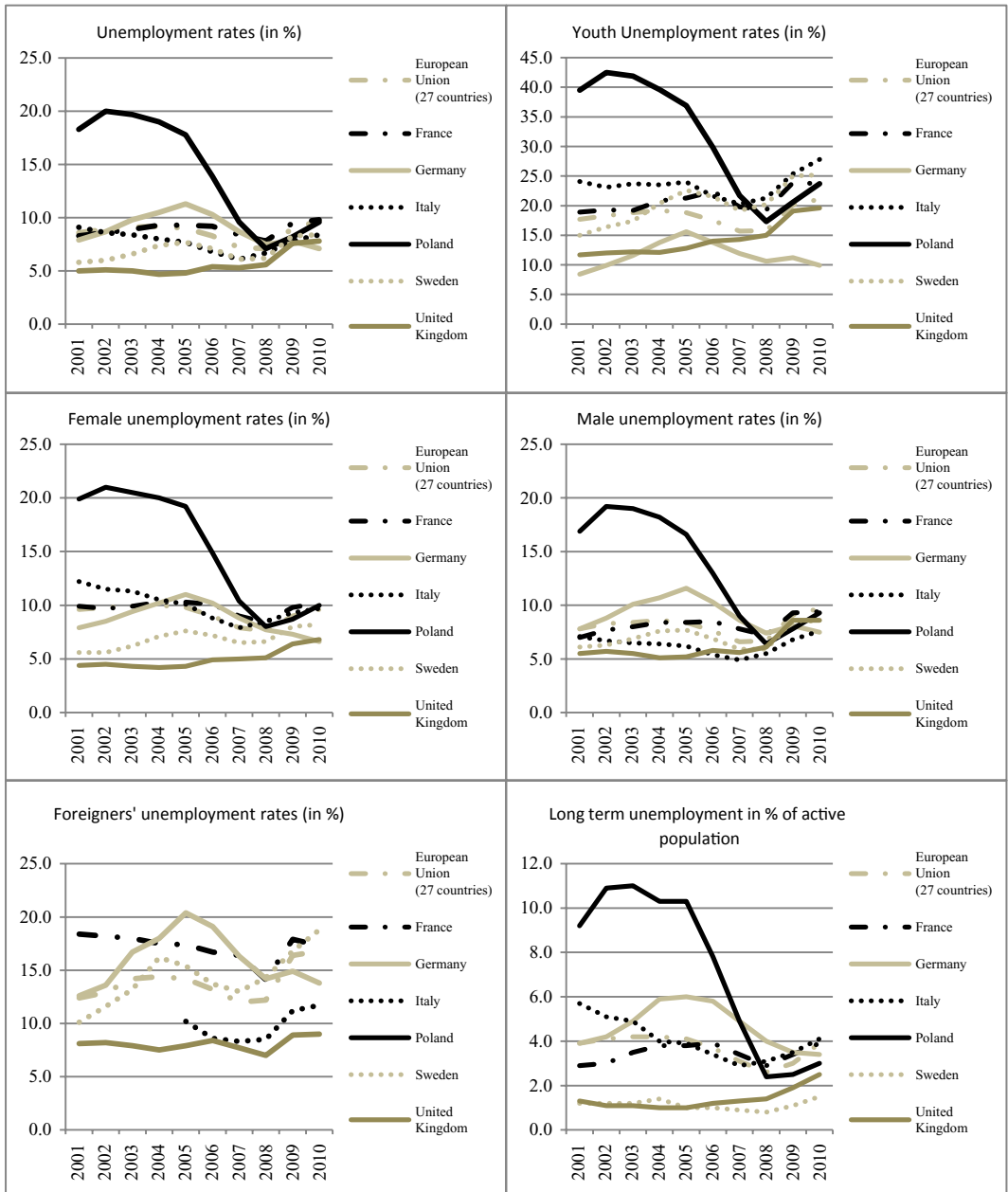


Figure A1. Comparative macro data. Data source: Eurostat.