

The future of the welfare state: paths of social policy innovation between constraints and opportunities

Urbino, 17-19 September 2009

“Activating” welfare recipients

A standardized review of activation programmes for needy welfare recipients: A comparison of four different welfare states

Sabine Fromm* and Cornelia Spross**

Paper distributed at the 7th ESPAnet conference 2009

Stream 16B - Working age benefits and activation:
comparative perspectives on policies and outcomes

* Soziologisches Forschungsinstitut Goettingen (SOFI), Friedlaender Weg 31, D-37085 Goettingen, Germany; sabine.fromm@sofi.uni-goettingen.de; +49-(0)551 52205-38

** Institute for Employment Research (Institut für Arbeitsmarkt- und Berufsforschung, IAB), Regensburgerstr. 104 D-90478 Nuremberg, Germany; cornelia.spross@iab.de; +49-(0)911 179-3092

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Institut für Arbeitsmarkt-
und Berufsforschung

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Introduction

The concept of the “activation” of needy welfare recipients marks the labour market and social policy of various countries at least since the early 1990s. However, first signs towards a stronger interpretation of rights and duties for benefit recipients can be traced back to the 1980s, where the emphasis laid primarily on the integration of (short-term) unemployed. Associated reforms and regulatory changes in many areas of the social security system mainly account for the changed economic and socio-demographic circumstances. The focus was considerably more laid on employment-related components, by which the welfare states moved from a rather passive orientation of benefit provision towards targeting, privatisation and workfare (Gilbert/ Voorhis 2003: 2). A reduced benefit level, a widened concept of being employed, stricter entitlement rules and an extended obligation character on hitherto inactive groups (Konle-Seidl/ Lang 2006; Ochel 2005) flanked this process.

The new orientation towards “more employment” is also known under the terms “activation” or “workfare” and is located in the political and discursive context of an activating welfare state. In general, two strands can be observed: On the one hand, the so-called work-first approach with the focus on a straight and immediate integration into employment; and on the other hand, a rather educational approach, where the focus lays on the improvement on skills, competences and knowledge (Smedslund et al. 2006).

In the context of a strengthened reciprocity norm or mutual obligation, the general goal of activation is the integration into (regular) employment of all persons at working age. Besides unemployment benefit recipients, other social benefit recipients as long-term unemployed, persons who are in need and recipients of other social benefits, respectively, are increasingly obliged to intensively seeking work in return to receive benefits. Beyond that activation serves the broader goal to break through social isolation and inactivity as well as to improve the employability of marginalised groups on the labour market.

The stress ratio of decommodification and (re-)commodification of the work force, which is inherent to all welfare state politics, shifts in the paradigm of activation in favour of the recommodification component (Dingeldey 2007). The relationship of both components to each other thereby constitutes the specific institutional development paths of activation.

With a comparison of four welfare states we give an explanation about the institutional arrangement of activation as well as about the effects of activation programmes on the transition into employment and on benefit receipt.¹ The project was focussed on activation programmes for needy welfare recipients of basic income support or social assistance, respectively, and long-term unemployed. Whereas the effects of an activating labour market policy for insured unemployed were intensively explored, there are only few results available for our chosen target group.

In this paper we are presenting a few results of the research project. After the explanation of the research questions (part 2), a short outline is given on the normative-ideological aspects on activation (part 3). It continues with a short overview on the legal basis on activation, on the structure of activation programmes and the target group (part 4). As extremely difficult proved the availability of data on programme participation and the effects for moving out of benefit receipt into employment. The following part includes this issue as well as the discussion how a systematic review can be used to identify such programme effects (part 5). Lastly, the results are summarised (part 6) and summed up (part 7).

1. Research questions

Two main issues stand in forefront of the analysis of activation programmes for needy welfare recipients in a comparative perspective of four countries: (1) The institutional setting of activation programmes in the context of the respective welfare type and (2) programme participation and programme effects on the individual level.

(1) By analysing the institutional setting the question was raised if the social norms of, first, compulsory work (*Arbeitszwang*) and, second, the ability to participate in the labour market (*Befähigung zur Teilhabe am Arbeitsmarkt*) can be identified in the politics of recommodification in country-specific constellations (Dingeldey 2007) and the underlying framework of the existing normative-ideological perspective (see part 3) and given legal dimension (see part 4). Elements of compulsory work are benefits reductions (level and duration), tightened entitlement regulations or the obligation of actively seeking work respectively the participation on programmes. Ability elements are the improvement of training measures or of services of active labour market policy (a. a.: 193). Compulsion and ability, however, do not occur in their pure forms, but in country-specific hybrid forms: Compulsory issues can be included in training

¹ A full description of the project is available in German; see Fromm/ Sproß (2008).

measures while those can be combined with the obligation of actively seeking work. Moreover, the goal of finding a job can be interpreted in two ways – in form of realising the right to work, but also as obligation to work (ibid.). Because of that we considered in our analysis the intensity of the mandatory character as well as the question, which elements concretely prevail in politics.

(2) By examining the programme effects at the individual level not only the effects of a programme but also the entry chances had to be considered as matter of interest apart from the background that needy welfare recipients should get societal integrated as well as independent from social benefits by participating in activation programmes. Insofar, the following questions were raised:

- Are there differences according to socio-demographic respectively employment-biographical issues in the chances on participating in programmes? Do these issues also have an effect on the effectiveness of programmes?
- Does the participation on activation programmes increase the outflow from benefit receipt and the integration in the labour market, respectively? Which programmes are most effective?
- Do activation programmes contribute to surmount social exclusion?

The two main issues – the institutional setting of activation programmes and programme participation and programme effects on the individual level – were examined in the context of different welfare states following the typology of Esping-Andersen (1990). Great Britain is associated to the liberal type, while Sweden and Denmark represent different variants of the socio-democratic type; the Netherlands comprises conservative, liberal and socio-democratic elements. For those countries we could identify a common development process in implementing an activating labour market policy. Besides the above raised questions, we were also interested on the following issues: First, how was the activation process and related reforms implemented in the chosen countries? And second, are there differences in the development process among the countries according to the introduction of an activating labour market policy, the implemented reforms as well as the target group orientation?

The US, which is often mentioned as the forerunner of activating welfare reforms (Ochel 2005: 68) and seen as a model for the development in many European countries, was here excluded. On the one hand, the different welfare state philosophies between the US and European countries have to be taken into account: Whereas welfare programmes in the US are oriented on particular groups as lone parents and

families, in most European countries such programmes have a broader target group focus (Blank 2005). On the other hand many evaluation studies on activation programmes already exist in the US².

2. Normative-ideological aspects

Differences in the country-specific design of activation policies can be understood in the normative explanation of activation. In Great Britain, the activation paradigm is embedded in the concept of the “Third Way” (Giddens 2000), by which the responsibilities between state, economy and society were newly defined: The state was assigned a higher responsibility to integrate needy welfare recipients into employment, while the focus was concurrently laid on the integration of all welfare recipients. This development was normatively explained by reducing the pretended “culture of dependency” from the benefit system (Heath 1991), while claiming social assistance was declared as damaging the dignity of an (capable working) person. As a result, negative incentives to take up employment were reduced by concrete cutbacks and the availability of bonuses. Sanctions for non-complying persons capable for work were strengthened. Two issues – promoting employment and avoiding poverty – increasingly moved in the forefront of the British labour market policy. From the ideological side non-compulsory elements were legitimated, first, by the assumption that the majority of welfare recipients aim to escape from basic income support and, second, that the reorganisation of social benefits makes employment more attractive. Therefore, compulsory elements itself were not stressed..

In the Netherlands the activation paradigm is concentrated on another normative explanation compared to Great Britain. One central issue is the concentration on “social activation” (Nicaise/ Meinema 2004). In the rather passive oriented welfare system existed measures to participate in the labour market as well as generous social security benefits like granted income security at the same time. Basic income support was considered as “security net” without reference to the labour market (Cox 1998). In this context the Dutch labour market policy was too strongly focused on coverage which led to a high dependency on the social security system. Against this background a directional change occurred in the early 1990s. Employment was increasingly seen as intrinsic and individual feature according to the principle “work before

² For example: Ashworth et al. 2004; Greenberg et al. 2004; Greenberg et al. 2005; Michalopoulos et al. 2001; Greenberg et al. 2003.

transfer income” (a. a.: 397). Various reforms with the focus on flexible employment relationships were meant to “transform the social net into a trampoline” (ibid.). In the Scandinavian countries, the social belief of an active societal participation of at most all people was combined – as in the Netherlands – with a generous (passive) social security system, which offered comprehensive protection of social distresses. Based on the ideology that all citizens contribute on the societal formation, the question of economic fault incentives was shielded. However, these traditional ideological certitudes were then questioned as the generous social security system became too expensive under changed economic circumstances. By this, the concept of activation was newly interpreted: Not longer the state was thought to be responsible to create the basis for an active societal participation by a secured social benefit system, but more individual activity became the new central theme, means that each individual should societal contribute by gainful employment. Both, in Sweden and Denmark the labour market policy was circumvented by activating elements in form of the introduction of the strong elements of the work-first-principle (Timonen 2003) connected with human capital investment. At the same time the focus also laid on the prevention of poverty.

3. Legal design and target groups of activation programmes

In all countries there is a legal standard for claiming benefits respectively activating long-term unemployed and needy welfare recipients. In some cases, these two issues are combined, but often we find separate regulations.

In Great Britain activation becomes realised on the ground of the 1973 Employment and Training Act, the 1995/96 Jobseeker’s Act and Regulation, the 1999 Welfare Reform and Pensions Act and the 2007 Welfare Reform Act, whereas the claim on benefits is based on the 1995/96 Jobseeker’s Act. In many ways, the British example differs to the other countries in the context of the research project, where we entirely focused on means-tested benefit recipients capable to work, mainly basic income support or social assistance. In case of Great Britain it is slightly different since Income Support counts mainly for non-employable persons and households with less or no income. However, capable-to-work persons who are unemployed are able to receive either the contribution- or income-based jobseeker allowance (JSA). The contribution-based JSA (JSA(Cont)) is available for unemployed who are working less than 16 hours per week and it is paid for a maximum duration of six months, whereas

the income-based JSA is available for those, who have lost their entitlement for JSA(Cont). The payment duration is unlimited. For both apply the same criteria for claiming benefits, i.e. mandatory participation in programmes to improve individual employment chances, to search actively for work and the willingness to take up a job for – only for JSA(Cont) – at least 40 hours per week. The offered programmes are counselling and monitoring, concluding an action-plan, certain training measures, or employment options in the environmental or educational sector.

By way of comparison, in the Netherlands the 2004 Work and Welfare Act (Wet Werk en Bijstand, WWB) contains regulations for claiming social assistance as means-tested benefit for all persons living in the Netherlands³. The entitlement criteria are i.e. mandatory participation in programmes and taking up reasonable employment, which in fact means every kind of work has to be taken up. This is, insofar, stricter since the old law referred only to taking up suitable work. In terms of activation it can be seen more as a legal framework, since municipalities have free choice as to which activation programmes and instruments will be implemented and offered to the clients.

Denmark in turn differs in that way that the 2003 Act of Active Employment Measures (Lov om aktiv beskæftigelsesindsats) contains activation criteria for all benefit recipients either of unemployment benefits or basic income support. However, the entitlement criteria and other clauses for claiming either unemployment benefits or basic income support are based on different regulations, namely the Unemployment Benefit Act (Lov om dagpenge) and the Act on Active Social Policy (Lov om active socialpolitik). Basic income support as means-tested benefit is available for all Danish citizens. The entitlement criteria include the registration as unemployed by the central unemployment register. This counts also for unemployed people who are not secured or have lost/ have no entitlement to the unemployment insurance. Furthermore, the claimants must be available for work, searching actively for work, and have to take up employment offers from the municipality. Particular mention deserves that these offers are not only focused on employment promotion but also on managing daily-life situations, meaning the labour market component is complemented by a social component (Bogedan 2005).

Lastly, in Sweden, the 2001 Social Security Act (Socialtjänstlag) is the legal basis for activating claimants of basic income support, who are counting as in need of activa-

³ Regulations for claiming unemployment benefits are included in the 1996 Unemployment Act (Werkloosheidswet, WW). In the context of the research project we are focusing on the WWB.

tion just since 2001: Since then they are obliged to participate in training programmes or work incentive schemes on the local level (van Berkel et al. 2002). However, by realising labour market programmes, the municipalities go back to the 2000 Act on Labour Market Policy Programmes (Lag 2000:625 om arbetsmarknadspolitiska program, LAP). Basic income support as means-tested benefit is open for all non-secured or non-entitled unemployed persons capable to work. The entitlement criteria are that the claimants have to register as unemployed, have to be capable to work, and have to be available for the labour market. They also have to actively search for work and have to take up reasonable work or allocated local offers.

In all countries, the participation in programmes is basically compulsory for all benefit recipients after a certain time of benefit duration. However, in this context there are differences among the countries:

- Not all municipalities in the Scandinavian countries and the Netherlands offer activation programmes; in Sweden they are even not legally obliged to do so.
- The participation on programmes is not compulsory everywhere, as for example in Great Britain, where certain groups as lone parents or people aged over 50 years were excluded up to the end of 2007.
- Especially in Denmark and Sweden apply additional exception rules for people hard-to-place or with a higher distance from the labour market, when their chances on the regular labour market are insufficient.

In all countries, the administration of programmes and measures, e.g. the implementation process, realisation and supervision of welfare benefit recipients takes place on the local level, while governmental labour market institutions stand in charge of unemployed persons. One exception is Great Britain, where administration and supervision takes centrally places on the governmental level. However, in all countries a consistent process towards a centralised administration of benefits can be observed over the past years, meaning that all activating services on the labour market are joined into a single point of contact (one-stop shop) for all benefit recipients. Although, there is still a twofold administrative separation for recipients of unemployment benefits (governmental level) and means-tested benefits (local) in Sweden, Denmark and the Netherlands, the yet separated administrative bodies were combined into one organisation through country-specific organisational reforms. Since 2001 there is the Jobcentre Plus in Great Britain, since 2002 the Centrum for Werk and Inkomen (CWI, Centre for Employment and Income) in the Netherlands as well

as the Local Employment Centres in Denmark since 2007 and the Arbetsmarknadsverket (Employment Agency) in Sweden since 2008.

[Insert about here: Table 1: Elements of activation in Great Britain, the Netherlands, Denmark and Sweden]

Young people and long-term unemployed count as the most important target groups in all four countries. This can especially be recognised by target-specific programmes. The compulsory level is, moreover, stricter for young people than for all other target groups. For example, in Great Britain younger unemployed aged 18 to 25 years have to participate in programmes already after six months of unemployment, people aged 25 years older are required to participate after 18 months.

The process of distributing the beneficiaries to the responsible body proceeds in a similar way in the four countries: After the first interview between the client and personal adviser follows an assessment of the clients' actual situation (Netherlands) or the formulation of an action plan (Sweden, Denmark, Great Britain) between the two parties, which contains the compulsory activities for the client. Additionally, an individual and flexible contract course is proposed in Denmark. Subsequently, the client is placed into a programme or measure.

Comparing the countries, we could find five programme categories comprised in (1) consulting, monitoring and (job) placement in the context of the action plan, (2) qualification or training programmes, (3) work incentive schemes in the public and private sector, (4) wage subsidies and (5) social programmes. In detail, there are country-specific differences.

- In Great Britain a relatively broad bundle of measures is available by the New Deal Programmes. Benefit recipients become activated through financial support and placement programmes. All New Deal programmes consist not only of one singular measure or programme, but they present a sequence of more or less specified measures or activities. Moreover, they guarantee an intensified supervision after a certain time in unemployment as well as placement in employment or participation in full-time programmes. The most important programmes – the New Deal for Young People⁴ and the New Deal for Long-Term

⁴ In the New Deal for Young People (NDYP) mandatory participation is required after six months of unemployment. The NDYP consists of three phases: In the first four months of unemployment, the client is located in the so-called Gateway, where interviews are conducted with personal adviser and certain steps, mostly job search and application, are determined in the action plan. Main goal is the transition into employment. However, if such a transition was not successful, the client moves into the

Unemployed⁵ – are similar structured and consists of three phases through which the client “walks through”. The personal adviser has an important role in the whole process by assessing the capability to work of the client, by offering support for taking up a job or by removing administrative barriers in the integration process. The focus on programmes which are personalised and adapted to individual needs counts as central innovation of the British labour market policy (Hasluck 2001). This is also visible for projects focusing on the activation of long-term unemployed in social and economic disadvantaged regions (Employment Zones) and for projects (Pathway-to-work-programme) focused on disabled persons.

- Similar to Great Britain, measures in the Netherlands should be allocated to the individual needs and skills. Different is that benefit recipients are assigned to so-called reintegration-tracks (*trajekte*), who combine various measures as counselling interviews, training, language courses and – the meanwhile restricted – subsidised employment (van Nes et al. 1998; Merckx 2005). Persons who are hard-to-place can furthermore receive social measures in the non-profit area to strengthen their social confidence and to avoid social isolation. However, the reintegration in the regular labour market is the crucial goal in a long-term perspective.
- The most precise standards of structuring measures can be found in the Danish social code, e.g. the minimum requirements for taking an activation measures or the minimum duration for participation. However, the institutional setting is mainly dependent on the local circumstances and the individual employment background of the client.
- A similar procedure can be identified in Sweden, where the framework for structuring activation programmes is written down in the Swedish social code (*Socialtjänstlag*). However, different to Denmark, the Swedish municipalities are free in implementing programmes according to the local labour market situation and the financial household budget of the community. This resulted in a relatively broad

second phase. Here the choice consists between an employment option (six months, full-time), an education or training option (up to twelve months, full-time), or an environment task force or voluntary sector option (up to 26 weeks, full-time employment in environmental or local non-profit organisation) according to the clients skills and needs, deficits and employment perspectives between. If the client has not found a job yet, the third phase, the so-called Follow-through, follows as a four months period with intensified supervision.

⁵ The participation in the New Deal for Long-term Unemployed (NY25+) is mandatory for all unemployed aged 25 to 49 years after 18 months of unemployment. Similar to the NDYP, the programme consists of three phases (since 2001). The first phase, the Gateway, is identical structured as for the NDYP. Differences resulted in the second phase, the so-called Intensive Activity Period (IAP). Between 13 to 26 weeks the client can choose between different measures as employment in public/ private sector or vocational training combined with intensified job search. The third phase, the Follow Through, is attached and structured like for the NDYP.

range of measures and a high number of existing programmes (2002: about 800 local programmes) (Salonen/ Ulmestig 2004). This is now narrowed: In the framework of the Employment and Development Guarantee (JoUG) and the Employment Guarantee for Young People (Jobbgarantie for undgomar) the municipalities are free to offer programmes based on the clients needs, as for example, counselling and supervision, training and further education, and subsidised employment. Most of interest is, however, the aspect that benefit recipients on Sweden have no right of getting an activation offer, but are obliged to participate in such measures (Hjertner Thorén 2005).

4. Methodological issues

In order to evaluate the effect of participating in activation programmes, it is necessary to distinguish between gross and net effects. Gross effects only report what happened to “activated” benefit recipients, e.g. how many participants were employed after programme participation. Net effects allow dealing with the problem of the counterfactual: What would have happened to benefit recipients if they would have not taken part in a programme? Since it is not possible to simultaneously take part and not to take part in programmes, the problem of the counterfactual is dealt with by constructing treatment and control groups, who statistically differ only in regard to programme participation while being identical in regard to causally relevant third variables. There are different methods to construct treatment and control groups while controlling for these variables, especially employing a random design, conducting statistical techniques like propensity score matching or controlling for them in various multivariate regression techniques. Since only net effects allow for assessing the effectiveness of activation programmes, we were especially interested in how to collect and respectively analyze this kind of information, but were also looking on gross effects, participation rates and so on.

For two reasons we decided not to use primary data: On the one hand, the availability of administrative data on the individual level was unsatisfactory: Administrative data sets were still in the process of being constructed, data were not systematically collected for many programmes, access to data was limited and so on. On the other hand, there was already a multitude of evaluation studies using administrative as well as survey data. On the basis of these studies we conducted a systematic review in order to integrate available information on programme participation and programme

effects. Other than a mere synopsis of existing literature, a systematic review will be conducted according to rules regarding the process of sampling, evaluating data quality, and integrating and analyzing information. This approach is very similar to a meta-analysis but without employing statistical analysis.

The selection criteria for sampling were:

- The evaluated programme targets means-tested benefit recipients,
- The target group consists of benefit recipients capable to work who are long-term unemployed or were never employed (no longer or never eligible for / entitled to unemployment insurance), and
- Programme participation is mandatory.

Programmes fulfilling these criteria were: a) municipal programmes for welfare recipients and long-term unemployed in Denmark, the Netherlands, and Sweden and b) the New Deal for Young People and New Deal for Long-Term Unemployed (25+) for recipients of the Jobseeker's Allowance in the Great Britain.

Unfortunately, it was not possible to use techniques of a *statistical* meta-analysis, since we found there were only few studies in the Netherlands, Sweden and Denmark actually reporting net effects and furthermore many studies failed to report basically statistical information like standard deviations of coefficients or even the sample size.⁶

A systematic review has to be concerned with the same problems of representativity as a meta-analysis, where representativity is flawed when the sampling of primary studies is biased. There are several types of biases (Rustenbach 2003: 3 ff.): a) a bias of sources, means that some types of publications are over- or underrepresented, b) a bias of availability, means some publications may be hard to purchase, c) a publication bias, means that mostly only significant results will be published, and d) a language bias, means that studies conducted in a non-English language have only few chances to be reported. Representativity is concerned since those biases may affect the reported results. In order to avoid these biases, a meta-analysis aims for a total survey of all relevant primary studies.

We employed extensive strategies for retrieving evaluation studies of the chosen countries: By searching data bases and library catalogues, contacting researchers and administrative bodies in the area, searching websites of administrative and sci-

⁶ It is an interesting result in itself that while programmes targeted at insured unemployed persons are evaluated at high standards, programmes targeting benefit recipients are mostly (exception: UK) not evaluated or only at a very low level (gross effects at most).

entific bodies, and searching through the bibliography of relevant studies. In order to avoid the language bias, we conducted all research in English, Swedish, Dutch and Danish. We found 737 studies from which 256 proved to be relevant for our questions, but only 136 of those reported quantitative results and thereof only 36 actually reported net effects.

[Insert about here Table 2: Summary of Sample Construction]

The 256 studies which we analyzed represent mostly grey literature: Research reports issued by governments, by research institutions monitoring programme implementation, by local administrative bodies, local providers of measures and so on.⁷ Information provided by these studies was supplemented by available administrative data on an aggregate level.

[Insert about here: Table 3: Resources by publication type]

For a systematic integration and analysis of the provided information we constructed a standardized questionnaire and used it to comb through the studies. Quantitative and qualitative information was collected by this (see Table 5).

[Insert about here: Table 4: Information systematically collected]

5. Results

Programme Participation

Although all reviewed programmes were meant to be mandatory, actual participation rates and programme accessibility differ clearly between the countries especially in terms of socio-demographic characteristics.

In Great Britain about 1.9 Mio people have participated in the mandatory New Deal for Young People (NDYP) or New Deal 25+ programmes during the first ten years of British New Deal programmes (starting 1997). However, the participants' structure does not reflect the composition of the JSA recipients especially between men and women: The portion of women participating in one of the programmes is smaller than

⁷ A full list of our resources is available for download at <http://doku.iab.de/forschungsbericht/2008/fb0108.pdf> (6.5.2009).

their portion of JSA recipients (Fromm/ Sproß 2008: 33), since long-term unemployed women tend to leave the workforce more often than men. For the NDYP the gender distribution is relatively equal according to the different programme elements. However, there is predominance of women in the Voluntary Sector Option and of men for the Environment Task Force. Across it shows that the participation structure on different programme elements is differentiated by further issues as the ethnic background and qualification, but also duration of unemployment and previous experiences of participation in state programmes as well as housing (home ownership vs. social housing), health status, family responsibilities and the existence of a driver license (Bonjour et al. 2001).

[Insert about here Table 5: New Deal Participation in February 2007]

The picture of the systematic under-representation of women is levelled also for the ND25+ when having a closer look at the different programme elements, which are, first of all, differently occupied. Most participants regardless of any characteristics are situated in the Gateway option. Only 37 percent of all participants are located in one of the Options or the Follow-through. This indicates that most participants left the New Deal already during the Gateway phase and therefore did not participate in one of the succeeding programme modules (Option phase/ Intensive Activity Period and Follow-Through, see above part 4).

Similar results could be found for the other countries. In the Netherlands, 22.5 % of the target group were participating in a so-called “Reintegratietraject” in 2004. In Denmark, 31.3 % of welfare recipients were in some kind of “activation programme” in 2006. In Sweden, where only survey data were available, there were activation programmes in 168 municipalities with about 13.000 participants in 2004.

Therefore, the defined target groups and the group actually participating were not congruent in any of the countries. This raises the question, whether participants are randomly selected or whether there is any kind of selectivity.

Selectivity in Programme Participation

Selectivity in programme participation can be due to different reasons. There may be

- An intended selectivity or targeting,
- The participants' self selectivity,

- An unintended discrimination due to organizational features of the programmes, or
- An active and intended discrimination.

In Great Britain all benefit recipients who fulfil the New Deal's eligibility criteria will actually participate in the New Deal (or leave the workforce) and, therefore, can only be selected with regard to programme modules. In contrast, in Denmark, Sweden and the Netherlands selectivity is already possible with regard to programme participation in general.

Our results show selectivity for accessing programmes in the UK, the Netherlands and Denmark. But there are differences with regard to different dimensions of participants' characteristics. In Great Britain, socio-demographic characteristics – especially sex and ethnicity – are only of little importance for the participation in the different New Deal modules, while there are clear effects of (work) biography and qualification (see figure 1). Programmes with wage subsidies are mostly accessible for skilled/ qualified recipients with short spells of unemployment and resourceful living conditions. In contrast, the Environment Task Force seems to be open mostly for low-skilled people with cumulating problems.

[Insert about here Figure 1: Profiles of New Deal 25 plus Participants – Prevailing Characteristics]

In Denmark and the Netherlands there is already selectivity in regard to programme accessibility in general: There are better chances for male, short-time and younger benefit recipients to get into any of the activation programmes. With regard to different programme types selectivity grows even stronger: In both countries, any kind of subsidised employment in the private sector is more open to males, to younger people, to people with longer work experience and only short-time benefit receipt, and to people without children or small children. Against this, benefit recipients with multiple deprivations will mostly be placed into employment promotion programmes or social activation programmes.

Net effects of Programme Participation

While there are differences in programme effectivity, it has to be stated that activation programmes in general have only little impact on benefit dependency and labour market integration. Even for benefit recipients with good labour market chances, the

net effects on labour market integration only seldom exceed five to ten percentage points. This means that out of 100 (re-)integrated recipients 90 to 95 would have been reintegrated without programme participation. Most studies show only net effects between two and five percentage points.

While there is little effect in general, there are still discrepancies between the different programme types which can be observed in all countries.

[Insert about here Figure 2: Net effects on transitions to employment]

Net effects: Great Britain

Participation in the NDYP clearly influences, both, benefit receipt and transition into employment and training/education, respectively. Effects are more distinct for men than for women, at least at the programme start. The ND25+ in contrast is of greater effect for terminating benefit receipt than for labour market integration. However, as mentioned above, only a small proportion of participants will stay in the New Deal beyond the Gateway phase. Whether or not Gateway participation in itself affects transitions from benefit receipt, it is hard to assess due to few information available. Blundell et al. (2002) found only an effect of one percentage point, and only for men. Comparing the New Deal Options, the Employment Option has the strongest impact, both, on outflow from benefit receipt as well as on labour market transition. This is also true for (marginalised) persons with disadvantageous starting conditions: Their chances to get into work were more improved than in any other option. In contrast, the Environmental Task Force Option had the least effects on labour market transition, even for persons close to the labour market.

Net effects: The Netherlands

With regard to the outflow from benefit receipt, strong pre-programme effects could be found for Dutch activation programmes. Labour market transitions were supported foremost – but on a low level – by job search monitoring (including motivation and job application training) and by subsidised employment. This was especially true for young people. Programmes targeting marginalized groups like former convicts did not have positive impacts on their labour market integration and moreover were found to reduce chances for the most marginalized.

Net effect: Denmark

Generally we found stronger effects on men and on young people. With regard to both, benefit outflow and labour market integration, subsidised employment in the private sector proved to be the strongest instrument. This is even true for welfare recipients with social problems. Positive effects were also found for subsidised employment in the public sector. Positive effects, but to a lower extent, were also observed for work incentive measures and vocational training courses. Comparing effects with regard to gender we found that women more often than men moved into education and training.

Net effects: Sweden

As in the other countries, positive effects of subsidised employment could be observed in Sweden. However, with regard to job search/monitoring programmes, the results are not consistent: While Milton (2006), evaluating a very strict programme in Uppsala, found no effects at all, a similar programme in Malmö had few positive effects on outflow from benefit receipt.

6. Conclusion

The paradigm of activation has been prevailed as core principle in the restructuring process of the welfare states. Besides still existing differences in the design of activation programmes, there are aligned development tendencies clearly visible for all countries. This count, at first, for a strengthened reciprocity norm: Benefit receipt is even stronger tied on mandatory efforts to leave benefit provision. At the same time, benefit provision is restricted in its levels and duration. Employment is ideologically overvalued and even stronger seen as method towards social integration instead merely income security. At the rate of enabling and supporting elements there are still country-specific differences, however with a convergence among the countries: The continental European countries have enhanced introduced demanding/ mandatory elements, whereas i.e. Great Britain has increasingly focused on the investment in human capital.

The political relevance of an “activating welfare state” respectively the interventions of activation programmes/ measures in the individual lifestyle stand in a considerable discrepancy to evaluation results of activation programmes. Trying to assess the impact of activation programmes, one first has to notice the lack of professional evalua-

tion studies. Unlike with programmes in the context of an active labour market policy (ALMP) – aiming at the short-time and insured unemployed – only few evaluation studies on activation programmes for needy welfare recipients and long-term unemployed in the other European countries, except Great Britain, are able to present how programme effects can be separated from causal effects of economic developments. While programme participation is mandatory, there seems to be only little knowledge on the question “what works and for whom”. Furthermore there is strong selectivity with regard to programme participation which poses a problem, since programme types differ clearly with regard to their effectiveness.

In respect to age, gender and ethnicity, equal opportunities are best actualized in Great Britain, while in the other countries programme accessibility and accessibility to different programme types depend on these characteristics. In contrast, multiple placement handicaps clearly reduce the accessibility of the more effective programme types. With regard to transitions into employment, hard-to-place benefit recipients with multiple placement handicaps profit less from any type of activation programme; this is also true for programmes entirely focusing on these groups. The risk of labour market exclusion may therefore increase as a consequence of programme participation.

In general activation programmes have only modest but positive impacts on outflow from benefit receipt and on transitions to work. Job search assistance and monitoring are more effective than employment or training programmes, especially for people without placement handicaps.

In contrast, all studies show that most of the participants experienced an increase of life satisfaction as a result of participating in activation programmes; even if they could not find employment during programme participation. Participants reported an increase of self-confidence, an improvement of social contacts and a general feeling of being needed and not excluded. Options for future actions may be improved by learning new skills as well as by overcoming problems like indebtedness, homelessness, addiction to drugs and so on. Social activation in this sense will only work if programmes are not experienced as an instrument of repression but as a reasonable means to broaden options. This points to the importance of professional and supportive case management, too.

Doubtless, activation affects benefit receipt and unemployment much less than legal reforms or economic changes. But apart from that, activation aims to be a much

broader goal of social inclusion. Since activation programmes can help disadvantaged groups to partake in society and at the same time strengthen work capability, they may contribute to social inclusion.

Table 1: Elements of activation in Great Britain, the Netherlands, Denmark and Sweden

Feature		UK	NL	DK	SE
Fundamental re-orientation		Yes (“A new contract on welfare”, “Third Way”)	Yes (“Work instead transfer income”)	Yes (“Flere i arbejdet”/ “More in work”)	No, but in recent times increasing importance of workfare-elements
Workfare	Benefit level	Flat rate on a low level (distinctly under statutory minimum wage)	Level of social assistance payments oriented on statutory net minimum wage	Level of benefit payment dependent on benefits for secured unemployed (thereof 60 to 80 percent); lower rates for young people	Annual fixing on a national basis; local additional payments on demand; orientation on consumer price
	Demands for taking up employment	Basically every kind of work is suitable	Basically every kind of work is suitable	Tightened requirements for job search and criteria of reasonableness	Basically being available for employment; does not apply for certain groups
	Obligation of attend	Obligatory for all defined group of persons	Basically obligatory to all defined target groups, but only partly realised in practice	Basically obligatory to all defined target groups; extension to persons with further problems	Basically obligatory to all defined target groups; extension to persons with further problems but only partly realised in practice
Competence	Service Job placement	Personal adviser Action plan (includes: market/demand analysis; planned and conducted measures) Schedule of various talks; Case conferences Possibility of early voluntary entry Choice between various options	Action plan (re-integration trajectory) Various instruments (does not include subsidised employment anymore)	Action plan and individual contact process) Increasing standardisation of measures Since 2003 intensified work-first-orientation	No legal right to activation measure Marginally standardisation of measures Proposed measures in discretion of the municipalities Participation in governmental programmes only for persons nearby the labour market
	Institutional reforms	Yes: Re-organisation on ministerial level Establishment of job centres in the context of merging unemployment and social assistance for employable persons	Yes: merger of social security agents Establishment of Centres for Work and Income (CWI) as “One-Stop-Shops”	Yes: central responsibility of the ministry of employment also for social assistance; however decentralised execution of activation measures by the municipalities	No: different responsibilities for secured and non-secured unemployed

			Organisation mainly in form of projects
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Table 2: Summary of Sample Construction

	UK	NL	DK	SE	Total
Total of retrieved studies	195	212	153	177	737
Relevant studies	110	60	50	36	256
Studies reporting quantitative results	58	26	37	15	136
Studies reporting net effects	16	7	8	5	36

Table 3: Resources by publication type

	UK	DK	SE	NL	Total
Monographs	0	6	4	1	11
Publications in refereed journals	14	3	1	3	21
Research reports („grey literature“)	94	40	30	56	219
Conference papers	1	0	0	0	1
Unreleased manuscripts	1	1	1	0	3
Total	110	50	36	60	256

Table 4: Information systematically collected

Study and Programme Characteristics (Features of observations)	Results
<ul style="list-style-type: none"> - Country, Programme Duration, Year of Programme Implementation - Year of Publication - Type of Publication - Controlling for Third Variables (Random Design, Propensity Score Matching, Difference-in-Differences, control group without matching procedure, no controlling for Third Variables) - Sample Size of Treatment and Control Group(s) - Data (Survey, Administrative Data, Both) - Target Group(s) of Programme: Welfare Recipients, Long-Term Unemployed, Both) 	<ul style="list-style-type: none"> - Short summary using a code of practice (description of programme implementation, results, distinctive features etc.) - Programme exit by treatment and control group(s) (percentages, percentage differences, difference in differences etc.) - Results of regression analysis of programme selectivity (dependent, independent variable, regression coefficients, sample size) - Results of regression analysis of programme effects on benefit dependency and employment (dependent, independent variable, regression coefficients, sample size) - Further quantitative and qualitative results (impact of participants' and programmes' characteristics on life satisfaction; cause for premature programme exit etc.)

Table 5: New Deal Participation in February 2007

<i>New Deal 25 plus: Participants in February 2007</i>									
Gate-way	IAP – Employment	IAP – Basic Employability	IAP – Self Employment	IAP – Education and Train-	IAP – Work experience/ Place-	IAP – IAP Training	IAP – Other	Follow Through	total

		Train- ing/ Basic Skills		ing Oppor- tunity	ments				
37,210	220	2,270	1,080	370	5,370	4,270	90	8,270	59,150
62.9	0.4	3.8	1.8	0.6	9.1	7.2	0.2	14.0	100
New Deal for Young People: Participants in February 2007									
Gate- way	Op- tions – Employ- ment	Op- tions – Full Time Educa- tion and Train- ing	Op- tions – Volun- tary Sector	Op- tions – Envi- ron- ment Task Force				Follow Throug h	
58,540	680	10,240	5,550	2,750				14,400	92,170
63,5	0.7	11.1	6.0	3.0				15.6	100

Figure 1: Profiles of New Deal 25 plus Participants – Prevailing Characteristics

Characteristics	ETF	Subsidised Employment
Gender	female	
Household Composition	single, divorced, widowed	married, not single (at least 2 persons in the household)
Housing	council housing	proprietary
Health		no health problems
Employment situation house- hold	no person in employment	partner employed
qualification level	GCE 0 level: lower grades; NVQ level 2	NVQ levels 3 thru 5
work biography	no paid job during the last 10 years, more than 5 years un- employed	less than 2 years unemployed
others	no driving license, no car	higher grades on scale of self- confidence

Figure 2: Net effects on transitions to employment

Country	UK (NDYP)	UK (ND 25 plus)	NL	DK	SE
Job search assistance and monitor- ing	++	+	++	+	+/-
wage subsidies	++	+	++	++	+
education/training	+	-	+	+/-	(+)
Arbeitsbeschaffungsmaßnahmen oder Arbeitsgelegenheiten in öffent- lichen oder privaten Unternehmen	+	n/a	+	+	n/a
social activation for marginalized groups			-	-	
number of studies	10	5	7	8	5

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