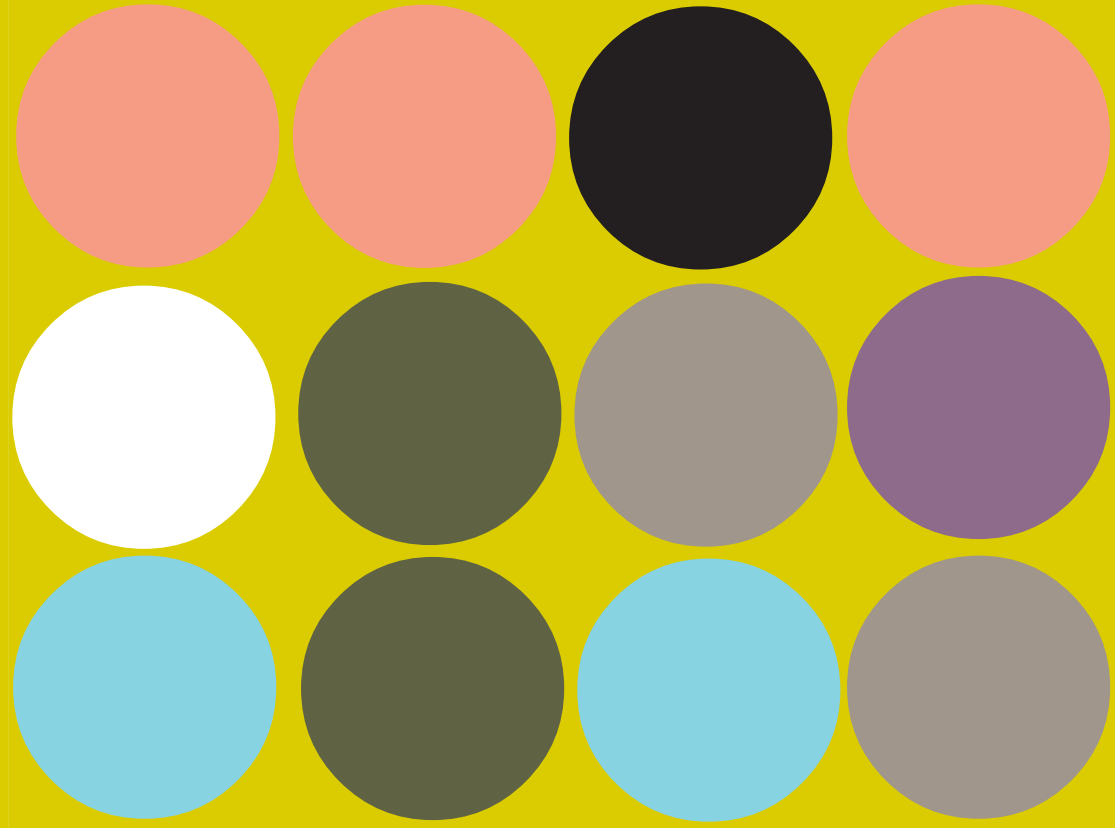


NordWel Studies in Historical Welfare State Research 1

Workfare and welfare state legitimacy

EDITED BY HELENA BLOMBERG AND NANNA KILDAL



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NORDIC CENTRE OF EXCELLENCE NORDWEL

The Nordic Welfare State – Historical Foundations and Future Challenges

NordWel Studies in Historical Welfare State Research I

ISSN: 1799-4691

ISBN: 978-952-10-6758-7 (PAPERBACK)

ISBN: 978-952-10-9522-1 (PDF)

The Nordic Centre of Excellence NordWel (The Nordic Welfare State – Historical Foundations and Future Challenges) is a multidisciplinary, cross-national research project and network of eight partner units in the Nordic universities. It is a part of NordForsk's Nordic Centre of Excellence Programme on Welfare (2007–2012). NordWel is hosted by the Department of Political and Economic Studies at the University of Helsinki.

The mission of NordWel is to deepen our understanding of the development of the Nordic welfare state in order to foster the research-based discussion on Nordic societies and their future. This involves the establishment of a highly-integrated Nordic research platform within international welfare research.

The NordWel Studies in Historical Welfare State Research series provides a publishing forum, particularly for volumes elaborated on the basis of the NordWel seminars and conferences.

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Layout: Tiina Kaarela, Ziamaria Oy

Printed in Finland by Bookwell Oy, Vaajakoski 2011.

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Introduction

Helena Blomberg

A common trend in the welfare policies of many European countries is the increase in measures targeted at 'high risk' groups, such as the long-term unemployed. These policies can be seen as a reaction to problems related to an increasing differentiation in the labour market, problems related to long-term unemployment and to the growth of immigrant groups.

The political answers to these problems have been similar all over the Western world. The general trend of the reforms have been towards 'active measures' rather than 'passive'; 'sanctions' rather than 'positive incentives'; 'duties' rather than 'rights'. These are key elements in a 'new welfare contract' between the citizen and the government, which states that 'high risk' recipient groups have to meet certain participation requirements in order to receive welfare benefits. This trend has often been interpreted as a move from universal welfare programmes and services, to selective, means-tested programmes and services.

This volume focuses on the types of policy measure that can be summarised under the term 'workfare'. Although this term literally means 'work-for-your-welfare', here it includes all policies involving certain participation requirements from the welfare recipients.

The volume is based on some of the contributions presented at the conference 'Workfare policies and welfare state legitimacy' at The Stein Rokkan Centre for Social Studies in Bergen in the autumn of 2008,

which was a part of the activities of the Nordic Centre of Excellence: The Nordic Welfare State – Historical Foundations and Future Challenges. The conference was organised by two of its theme groups: ‘The Value Systems and Legitimacy in the Nordic Welfare State Model’ and ‘The Normative Charges of Work: The Labour Market and the Welfare State’.

The Value Systems and Legitimacy group focuses on the origins and development of the ideas and values contributing to the creation and development of the Nordic welfare state, as well as to the questioning of its legitimacy, and on discourses in which the ideas have been presented.

The point of departure of the other team, The Normative Charges of Work, is the critique of an unreflected separation between welfare-state research and labour-market research. The making of the Nordic model resulted in a particular complex grouping of the welfare state, labour market regime and gender system. Two – far from self-evidently compatible – principles were simultaneously reinforced: the universalist idea of social rights based on citizenship, on the one hand, and the dominance and normalcy of wage work and salaried work as a social form of work, on the other.¹

The normative charges of work have again become the focus of attention from the 1990’s, stimulated by discussions on unemployment and labour-market integration, with political emphasis on ideas such as ‘workfare’. Even if economic constraints have been seen as an important factor behind the emergence of new workfare reforms, one cannot, however, understand ‘workfare’ solely in terms of high unemploy-

1 <http://blogs.helsinki.fi/nord-wel/theme-groups/>

ment rates and increasing public spending. Furthermore, for example in Norway, there have been new reforms with elements of workfare, although the economic and employment situation has been rather different when compared to the other Nordic countries. In the case of Norway, it has thus, at least partly, clearly been a question of a concern for work ethics.² The normative charges of work still seem to be as strong as ever in all the Nordic countries.

Still, the workfare tendencies in the Nordic countries are not necessarily very uniform, and neither are the interpretations of them. Are the reforms actually a continuum of the old policies and old normative heritage or are they new elements in the Nordic type of welfare state; elements that indicate a paradigm shift? Some researchers have claimed that the relationship between the individual's 'rights', as opposed to his/her 'duties', has been an issue regarding the opinions of the time, depending on the degree of unemployment³, while others have claimed that the workfare policies constitute the first step towards a more overall neo-liberal social policy.⁴ Even though the conditionality of the right to benefits is not a new idea in the Nordic type of welfare state⁵, it seems that both the type of measures the client is obliged

2 Kildal, Nanna (1998) Justification of workfare: the Norwegian case. *Critical Social Policy*, Vol. 19, Issue 3, 353-370.

3 Halvorsen, Rune & Jensen, Per H. (2004) Activation in Scandinavian welfare policy. *European societies*, Vol. 6, Issue 4, 461-483.

4 Gilbert, Neil (2002) *Transformation of the Welfare State – The Silent Surrender of Public Responsibility*. Oxford: Oxford University Press.

5 Junestav, Malin (2007) *Socialförsäkringssystemet och arbetsmarknaden – politiska idéer, sociala normer och institutionell förändring. En historik*. Rapport 2007:4. Uppsala: Institutet för arbetsmarknadspolitiska utvärderingar.

to participate in and, above all, the sanctions for not participating are seen as rather new elements.⁶

But there are also researchers claiming that coercion and sanctions have always played a major role in the field of unemployment policy, especially when unemployment measures are linked to the field of personal social services and social work.⁷

It is worth noting that workfare programmes are usually a part of personal social services, and social work is sometimes a neglected aspect when trying to explain the emergence and development of different workfare programmes in the Nordic countries, even though workfare programmes have their origin in poor relief as well as in the workhouses of the nineteenth century. Also today, a substantial share of those citizens participating in new workfare-type 'activation' measures are doing so through being clients of the 'personal social services.' Thus, what is typical for the Nordic countries (as for many other countries) is the fact that this administrative level has also been given a central role in the 'activation' of clients.

If one studies the roots of workfare in Scandinavia, with the focus on personal social services and social work – instead of studying the emergence of the general, universal Nordic welfare model – one can also note that a large number of local welfare-to-work measures had

6 Goul Andersen, Jørgen (2000) 'Welfare crisis and beyond. Danish welfare policies in the 1980s and 1990s'. In Kuhnle, Stein (ed) *Survival of the European Welfare State*. London: Routledge; Kildal, Nanna (2001) *Workfare Tendencies in Scandinavian Welfare Policies*. Geneva: International Labour Office; Handler, Joel F. (2003) 'Social Citizenship and Workfare in the US and Western Europe: From status to Contract'. *Journal of European Social Policy*, Vol. 13, Issue 3, 229-243.

7 Sunesson, Sune, Blomberg, Staffan, Edebalk, Per-Gunnar, Harrysson, Lars, Magnusson, Jan, Meeuwisse, Anna, Petersson, Jan & Salonen, Tapio (1998) 'The flight from universalism'. *European Journal of Social Work*, Vol. 1, Issue 1, 19-29; Johansson, Håkan (2001) *I det sociala medborgarskapets skugga – rätten till socialbidrag under 1980- och 1990-talen*. Lund: Arkiv.

already been in place for many decades before the term workfare was even introduced in the 'Norden'. These municipal programmes were thus implemented before the economic recession and mass unemployment which hit particularly Sweden and Finland during the early 1990's. Furthermore, these programmes were not met, in general, by massive criticism by the implementing bureaucrats at this time: many social workers seemed to believe that non-participation in these programmes could result in welfare dependency, passivity and low self-confidence among recipients of social assistance. However, in these 'old employment programmes' clients could, in principle, choose not to participate. Despite this fact, these programmes could also be regarded as having included elements of discipline and control, since they might have resulted in clients fearing that a refusal to participate could possibly have a negative effect on future decisions regarding social assistance.⁸

Thus, the origins and legitimisations of workfare policies, as well as the effects and legitimacy of workfare policies, indeed seem to be disputable and complex questions.

Therefore, the aim of this volume is to approach the question of the effects of workfare policies on welfare state legitimacy from various perspectives regarding different policy levels:

1. from a *normative level* (for example by focussing on general values guiding welfare policies, social policy and labour market 'goals' in the different countries),

⁸ Giertz, Anders (2004) *Making the Poor Work. Social Assistance and Activation Programs in Sweden*. Lund Dissertations in Social Work, No. 19. Sweden: Lund University, 29-31.

2. from the *structural or systemic level* (for example by focussing on the specific organisational structures for realising workfare policies, the role of workfare policies in relation to other social policy measures and their role in the changing modes of social and economic regulation), and
3. from the level of workfare policy *practices* (for example by focussing on the implementation of workfare policies), as well as the level of *outcomes* of measures taken.

Thus, rather than providing one perspective on the legitimacy of workfare-measures, the volume aims at highlighting the multitude of aspects related to the issue, both from a Nordic and a broader international perspective.

In his contribution **Pauli Kettunen** questions whether the Nordic type of welfare state has rested on ‘a denial of the fact that labour is a commodity’. According to the author, the transformation process that Esping-Andersen calls “decommodification”, could, instead, be seen as a process ‘in which the normalcy of wage work and salaried work was reinforced at the same time as it was adjusted with the universalistic principle of social citizenship’. This process was, according to Kettunen, part of a more general notion, ‘a widely shared confidence in virtuous circles that could be achieved through interest compromises in a national society’.

Since the 1980’s, this framework, particularly the combination of the normalcy of wage work and the principle of social citizenship, has been dissolved as a result of ‘the international neo-liberal offensive,

in combination with the decline of the Fordist paradigm of capitalist development and the collapse of the Soviet-type of socialism?

For example, the “symmetry” between the labour market parties, which was an integral part of the logic of “virtuous circles”, has been challenged and weakened, among other things, by the growing importance and character of multi- and transnational companies, a constant restructuring (e.g. outsourcing and sub-contracting) of production processes – including also the public sector (c.f. the strong impact of New Public Management) – and an increase in “atypical employment relationships.

In her chapter, **Nanna Kildal** discusses whether the increased emphasis on a logic of contracts and incentives in social policy in recent years might possibly further economic sustainability, whilst simultaneously weaken the normative sustainability of the welfare state. With the help of two key concepts, contractualism and the use of incentives, she analyses the normative development of the Norwegian welfare state from the 1970’s until today.

Her analysis of the social policy discourse during the period shows that a more egalitarian conception of justice during the 1970’s was gradually replaced by conceptions stressing ‘personal responsibility’ and ‘justice as reciprocity’ in the 1980’s and 1990’s. The aim of these changes was to define clearer moral standards for the citizens as a counterweight to rights to benefits and services. However, during the last decade, this discussion of the individual’s “rights and duties” has, at least partly, been replaced by a new policy discourse emphasising contractualism and incentive thinking as new solutions to the crises of the welfare state.

In their chapter, **Jean-Michel Bonvin and Eric Moachon** argue that the legitimacy of workfare policies is a complex issue and encompasses at least three fundamental questions: namely 1) what is the meaning of activation (in terms of strategies, resources etc), 2) how is the responsibility for such activation distributed between different actors, and 3) in what way (top-down or bottom-up) are activation programmes created and implemented. According to the authors, one must also take into account the viewpoints of all stakeholders; policy designers, public administration agents, beneficiaries, other local actors and the public opinion at large when discussing the issue of the legitimacy of workfare policies.

By examining three workfare programmes in Switzerland, with regard to the three questions mentioned above, the authors conclude that existing workfare programmes have many negative effects and that their legitimacy can be questioned: for instance, all partners' views are not genuinely taken into account, and the beneficiaries' needs are predefined or reinterpreted according to existing categories invented by the local authorities and agents.

In many countries, local government agents, like social workers, have been given a central role in the implementation of activation policies, especially regarding measures of a workfare type. However, the knowledge about the views of such so-called street-level bureaucrats on these issues is rather scarce. Using data from a nationwide survey among professional social workers in Finland, the aim with the chapter by **Christian Kroll and Helena Blomberg** is to study social workers' perceptions of poverty and the unemployed and their attitudes towards workfare-related policy measures.

According to the results, there are no uniform 'professional' perceptions regarding the reasons for poverty or views on the unemployed, and, above all, there are no uniform attitudes among social workers towards workfare-related measures. A relationship between a support for individualistic explanations for poverty and unemployment and strong support for workfare-related measures is also detected.

Mia Arp Fallov's chapter investigates workfare strategies in England and Denmark with a focus on the building of capacities of the excluded, on their local communities and on local government agencies involved in this capacity building. Thereby, the chapter taps on a common trend in European labour market policies, in which the policy emphasis is no longer on the lack of jobs, but on the lack of employability. From this point of departure, the solution is to provide capacity development and to provide employability, not jobs.

Some similar governmental rationalities are detected in the two fairly different welfare states studied, including, for instance, individualised training, obligations and responsibilities for the unemployed. But despite such general commonalities, the comparison of England and Denmark also reveals clear differences between different activation 'regimes': workfare strategies in Denmark are of a more universalistic type (even though there is increasing emphasis on opportunity and enticement), while workfare strategies in England are more of a liberal type, emphasising, among other things, moral obligations and punitive measures.

In the last chapter, **Sherrow O. Pinder** provides, from an American perspective, a critical analysis of workfare in relation to one of the main tasks of the welfare state, namely to provide a safety net for the poor. She argues that the implementation of workfare policies results

in a strengthening of the idea whereby social values are of lesser importance than market values. In her discussion, Pinder pays special attention to the perspective of *social rights* versus the vagaries of the unfettered market.

The author also presents a critical account of the move from a Keynesian Welfare State to a Schumpeterian Workfare State. One of the consequences of this transformation in the United States is that an increasing number of companies have been drawing upon a large number of welfare recipients for job placements, many of which have been employed in low-wage work in insecure and exploitive work conditions. The availability of guaranteed social provision would, according to the author, most likely strengthen the position of these workers by making them more secure and less vulnerable in relation to their employers.

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The sellers of labour power as social citizens – A Utopian wage work society in the Nordic visions of welfare

Pauli Kettunen

Introduction

According to the influential interpretation by Gøsta Esping-Andersen, a high degree of ‘decommodification’ has been characteristic of the Nordic welfare states.¹ This concept stems from Karl Polanyi’s historical analysis of the commodification of labour², and refers to policies that liberate people from their dependencies on markets, notably from uncertainties associated with the character of labour as a commodity. I will argue, however, that the Nordic modes of social policy and labour market regulation have not rested on a denial of that labour is a commodity and not even on an attempt to abolish such a state of affairs. ‘Politics against markets’³ actually contributed to the development of labour market rationalities. The transformation called ‘decommodification’ could be, rather, conceived of as a process in which the normalcy of waged and salaried work was reinforced at the

1 Esping-Andersen, Gøsta (1985) *Politics against Markets. The Social Democratic Road to Power*. Princeton: Princeton University Press; Esping-Andersen, Gøsta (1990) *The Three Worlds of Welfare Capitalism*. Cambridge: Polity Press.

2 Polanyi, Karl (2001 [1944]) *The Great Transformation. The Political and Economic Origins of Our Time*. Foreword by Joseph E. Stiglitz. Boston: Beacon Press.

3 Esping-Andersen 1985.

same time as it was adjusted with the universalistic principle of social citizenship.

In the Nordic countries, waged and salaried work is the predominant social form of work even more overwhelmingly than elsewhere in the so-called developed countries. By European and OECD comparison, the Nordic countries belong to those with the lowest share of entrepreneurs in the economically active population.⁴ We can also note that in Nordic conceptualizations of employment and working life issues, the ‘market’ plays a significant role. The communitarian concept of ‘social partners’ in EU language has not become popular in the Nordic countries. Thus, for example, the Danish, Finnish and Swedish translations of the constitutional Lisbon Treaty talk about ‘labour market parties’ instead of ‘social partners.’⁵ Stubbornly sticking to this concept also seems to be at odds with the first principle of the Philadelphia Declaration of 1944, annex to the constitution of the International Labour Organization ILO: ‘labour is not a commodity.’⁶

The Nordic modes of social regulation have formed a pattern of constructing a modern nation-state society, in which institutions are based on wage work and support its expansion and normalcy, including the paid work of women outside the home. The far from self-evident and certainly not tensionless combination of wage work and social citizenship became, in the process of the making of the welfare state, crucial for the Nordic notions of society and the ‘social’.

4 van Stel, André (2008) ‘COMPENDIA Data Base: COMparative ENTrepreneurship Data for International Analysis’. In Emilio Congregado (ed.) *Measuring Entrepreneurship: Building a Statistical System. International Studies in Entrepreneurship*. New York: Springer, 79-82.

5 Kettunen, Pauli (2008) *Globalisaatio ja kansallinen me. Kansallisen katseen historiallinen kritiikki*. Tampere: Vastapaino, 193.

6 Declaration concerning the aims and purposes of the International Labour Organisation (Declaration of Philadelphia). www.ilo.org/ilolex/english/constq.htm.

The combination of wage work and social citizenship seems to break down in the current transformation in which the old institutions of the welfare state are modified to serve new ‘competition-state’ functions.⁷ In order to support this conclusion I will discuss the ways in which the two elements of this combination were simultaneously and interdependently reinforced in the making of the Nordic patterns of social regulation. I will argue that this happened through conflicts and compromises in which industrial wage work was adjusted with respect to three different ideological ingredients that came to be intertwined in the making of a modern nation-state society in the Nordic countries: the spirit of capitalism, the Utopia of socialism, and the idealized tradition of the independent peasant. The adjustment of industrial wage work to the spirit of capitalism was common to all western societies. Adjusting it to the Utopia of socialism was common to those Western European societies in which a Social Democratic labour movement was strong. The third characteristic, the ideological adjustment of industrial wage work to the tradition of independent freeholder peasants, was distinctively indigenous to the Nordic countries.

‘The Lutheran peasant Enlightenment’

Since the last decades of the twentieth century, many researchers have been interested in the *origins* of the Nordic welfare state. For examining the role of work in the Nordic notions of society, one particular contribution to the discussion on these origins deserves

7 Cerny, Philip G. (1990) *The changing architecture of politics. Structure, agency, and the future of the state*. London: Sage Publications; Streeck, Wolfgang (1998) ‘Industrielle Beziehungen in einer internationalisierten Wirtschaft’. In Ulrich Beck (ed.) *Politik der Globalisierung*. Frankfurt am Main: Suhrkamp, 169-202.

especial attention as a source of inspiration and as a target of criticism. It is the thesis claiming that ‘the Lutheran peasant Enlightenment’ has been the core of the cultural construction of *Norden*.

Revitalizing the old emphasis on the crucial political legacy of the free Nordic peasant, the thesis on the Lutheran peasant Enlightenment was elaborated in the anthology *The Cultural Construction of Norden*, published in 1997. It claims, as the editors, the Norwegian historian Øystein Sørensen and the Swedish historian Bo Stråth put it, ‘that the *Sonderweg*, or development trajectory, of the Nordic countries – with variations within the North – is the Enlightenment, although it is a particular inflection of the Enlightenment in comparison with the rest of the West.’ The Nordic Enlightenment ‘ironically and paradoxically enough had the peasant as its foremost symbol.’⁸ The Nordic peasant was a figure of non-Utopian pragmatic rationality, something that stamped its particular label on the Nordic Enlightenment and Nordic Romanticism, as well as on Nordic democracy and the Nordic welfare state. The book argues that the combination of equality and freedom, based on the ‘peasant myth’, is not only a characteristic of the Nordic path toward modernization, culminating in the Nordic welfare states, but also an ideal reflexively adopted into the Nordic element of national identities.

Sørensen and Stråth put forth the idea that the construction of a Nordic model is a myth in the sense ‘that all social coherence and community is symbolically and mythically based’. At the same time, however, they seem to think that some myths are more reality-based

8 Sørensen, Øystein & Stråth, Bo (1997) ‘Introduction: The Cultural Construction of *Norden*’. In Øystein Sørensen & Bo Stråth (eds) *The Cultural Construction of Norden*. Oslo: Scandinavian University Press, 3.

and have better political consequences than others. In their view, such particular qualities are true to the mythical basis of the Nordic community: ‘The inherent tension between the concepts of freedom and equality was better controlled in the North by means of the peasant myth.’⁹

The interpretation of the Nordic model as an outcome of ‘Lutheran peasant Enlightenment’ also suggests that the Nordic welfare states are products of ‘secularized Lutheranism’, as some of the authors of *The Cultural Construction of Norden* put it. Currently, researchers are cautious enough to point out that Max Weber did not talk about Lutheranism but about Calvinism when he developed his arguments for a linkage between Protestant ethics and the spirit of capitalism. Nevertheless, a continuity of the ethos of work is a crucial part of the interpretation of the Nordic welfare states as secularized Lutheranism. From the Lutheran idea of daily work as a calling, or vocation, a line has been drawn to the emphasis of full employment as a central policy objective in the Nordic countries¹⁰, especially after World War II and especially in Sweden and Norway.

Another legacy of Lutheranism, according to the interpretations of the Nordic welfare states as secularized Lutheranism, is included in the egalitarian theological principle of the general priesthood of all believers, meaning that the relationship between a human being and God is direct and individual and the clergyman does not play any specific mediator role in this relationship. Thorkildsen as well as Uffe Østergaard have drawn a line from this religious mode of thought to

9 Ibid., 3, 23.

10 Markkola, Pirjo (forthcoming) ‘The Lutheran Nordic welfare states’. In Pauli Kettunen & Klaus Petersen (eds) *Beyond Welfare State Models – Transnational Historical Perspectives to Social Policy*. London: Edward Elgar.

the principle of equal and individual social citizenship in the Nordic welfare states.¹¹

The ‘peasant myth’ Sørensen and Stråth talk about may be seen as a mediating construction in the processes of the secularization of work ethics and egalitarianism. This myth, or the idealized figure of the hardworking free peasants and the egalitarian rural community in the northernmost parts of Europe, has its national variants according to the historical raw material available for its construction and according to the different roles the shaping of the figure of the free Nordic peasant played in the making of nation-state societies and popular movements in the nineteenth century. Further, the subsequent political role of the peasant myth in the making of the welfare states diverged in different Nordic countries. This observation leads us to the usefulness of the thesis of ‘Lutheran peasant Enlightenment’ as a target of critique.

Even for Sweden, one may question the narrative of a straight road from ‘the Lutheran peasant Enlightenment’ to ‘the Social Democratic welfare state’. Firstly, this narrative assumes an excess of egalitarian individualism in the past rural community and too much Social Democracy in the welfare state. In what follows, I will clarify this critical aspect by discussing the notions of duty and right associated with work and employment. Secondly, the narrative indicates the risks included in historical interpretations of ‘the Nordic model’ that focus on seeking cultural continuities. The impact of the ‘Lutheran peasant Enlightenment’ on the specificities of Nordic welfare-state

11 Thorkildsen, Dag (1997) ‘Religious Identity and Nordic Identity’. In Øystein Sørensen & Bo Stråth (eds) *The Cultural Construction of Norden*. Oslo: Scandinavian University Press, 138-160; Østergård, Uffe (1997) ‘The Geopolitics of Nordic Identity – From Composite States to Nation-states’. In Øystein Sørensen & Bo Stråth (eds) *The Cultural Construction of Norden*. Oslo: Scandinavian University Press, 25-71.

developments did not only come from its power of continuity but also from its being a target of political criticism.¹² The social policy reforms formative of the Nordic welfare state were aimed at breaking away from the paternalist structures of personal subordination and control that had been characteristic of rural households and communities and their Lutheran justification, including the humiliating means-tested practices of poor relief. I will suggest that this resulted in a particular notion of social citizenship in which the focus was on the individual as a party to social relationships rather than on the relationship between the state and the individual.

Work as a duty and as a right

The thesis of the ‘Lutheran peasant Enlightenment’ as the origin of the Nordic welfare state tends to marginalize people beneath the strata of independent land-owning peasants, and the various forms of control, conflict and resistance, in the picture of the Nordic rural community. As Henrik Stenius remarks, ‘the landless peasant does not hold any significant place in the discourse about Nordic political culture.’¹³ This account can be modified by noting that the egalitarian myth of the free Nordic peasant also played a role with respect to landless rural people. The egalitarianism of this myth, as it was associated with and shaped by popular movements, provided arguments and criteria for the political critique of the structures of social subordination. Yet this

12 Correspondingly, as Kees van Kersbergen (forthcoming) concludes, the making of Christian Democratic welfare states included breaking away from many aspects of Catholic social doctrine.

13 Stenius, Henrik (1997) ‘The Good Life is a Life of Conformity: The Impact of Lutheran Tradition on Nordic Political Culture’. In Øystein Sørensen & Bo Stråth (eds) *The Cultural Construction of Norden*. Oslo: Scandinavian University Press, 168.

myth also contributed to the justification of power. This was the case, most obviously, in Finland.

After the Civil War of 1918, the free independent peasant became the symbol of the White army as the antithesis of the harmful Red alliance between urban workers and the rural landless population. In the dominant ideology of the victorious White side, the spirit of work personified by the independent farmer constituted the ideological centre around which 'social peace' had to be 'rebuilt' and defended against the threats associated with the collectivity of industrial workers. The expansion of a rural class of independent small farmers continued to be a major project of social and political integration in Finland up to the early 1950s.¹⁴

In so far as the Nordic welfare states, in general, can be interpreted as outcomes and forms of secularized Lutheranism, a central question is how work became associated with the notions of duties and rights. Both of these notions appeared in the objective of full employment that was common, at least in political programmes, to all Nordic countries after World War II. To be sure, full employment was far from being an exclusively Nordic objective. Nor was it specifically Nordic that an idea of social citizenship was included in this objective. For example, in plans for the post-war world such as the Beveridge Plan in Britain and the Philadelphia Declaration of the International Labour Organization, full employment was more or less explicitly presented as a goal deriving from the requirements of equal citizenship. Nevertheless, a particular ideological ingredient, reflecting secular Lutheranism, was arguably

14 Kettunen, Pauli (1990) 'Hur legitimerades arbetsgivarnas politik i "första republikens" Finland?'. In Daniel Fleming (ed.) *Industriell demokrati i Norden*. Lund: Arkiv förlag, 129-190.

included in the Nordic understanding of full employment. One may characterize this ingredient as an effort to make it everybody's right to fulfil everybody's duty to work.

The political contents and meanings of this effort have been different in different Nordic countries. The political commitment to the objective of full employment seems to have been notably stronger in Sweden and Norway than it was in Finland and Denmark.¹⁵ As for Finland, this did not mean that work as a moral norm was less important than it was in Sweden and Norway. On the contrary, as the figure of a hard working, never striking and antirevolutionary independent farmer had formed the ideological centre of social peace, the principle of work as a duty had been particularly emphasized. At the same time, however, this agrarian political heritage hardly provided prerequisites for ideas of employment as a right. In post-war Sweden such ideas were materialized and promoted by the so-called Rehn-Meidner model, that is, 'active labour market policies,' developed and oriented to improve the functioning of labour markets by means of collective and public regulations. In Finland, up to the 1960s, the emphasis on work still appeared in more traditional ways, notably as the reliance on low-paid public work projects, or the so-called 'spade line,' in dealing with unemployment.¹⁶

In Finland as well as in Sweden, the unforeseeable mass unemployment of the 1990s appeared as a shocking rupture. In Denmark, a corresponding rise in unemployment had already taken place in the 1970s in connection with previous international

15 Kosonen, Pekka (ed.) (1993) *The Nordic Welfare State as an Idea and as Reality*. Helsinki: Renvall Institute Publications, University of Helsinki.

16 Kalela, Jorma (1989) *Työttömyys 1900-luvun suomalaisessa yhteiskuntapolitiikassa*. Helsinki: Valtion painatuskeskus, Työvoimaministeriö.

economic crisis. On the other hand, in Denmark, presumably because of its deeper-rooted liberalism, neither work as a duty nor work as a right seem to have been quite so accentuated than has the former in Finland and the latter in Sweden. Arguably, for this reason it was easier in Denmark than in either Finland or Sweden to adopt innovative new policy-measures against unemployment in the 1990s. In Norway, with its oil-based wealth, the problem of unemployment was not so acute.

Paralleling the norms of work as a duty or as a right, we can distinguish between modes of conceiving of work as a necessity or as a source of freedom and independence. Here, the institutional arrangements referred to as the Nordic gender contract are crucial. These arrangements also provide the major reasons for the thesis on 'statist individualism' developed by the Swedish historian Lars Trägårdh.¹⁷

Trägårdh argues that in the Nordic countries and especially in Sweden, the strong welfare state came to be oriented to securing individual autonomy and individual resources. Social security is neither produced by the family, nor by the voluntary or private organizations of civil society, nor through family-targeted social benefits, but through 'the individual-state social contract', in accordance with how the cool 'Swedish theory of love' defines human solidarity and the relationship between man and woman, and parent and child.

As the source of autonomy and independence, paid work was given a central role. In a relatively 'gender-blind' fashion, the welfare

17 Trägårdh, Lars (1997) 'Statist Individualism: On the Culturality of the Nordic Welfare State'. In Øystein Sørensen & Bo Stråth (eds) *The Cultural Construction of Norden*. Oslo: Scandinavian University Press, 253-285; Berggren, Henrik & Trägårdh, Lars (2006) *Är svensken människa? Gemenskap och oberoende i det moderna Sverige*. Stockholm: Norstedts.

state established the normalcy of wage work and, in this process, equalized opportunities for men and women but also, at the same time, contributed to a clear gender-segregation in the labour market. Women became, in a double sense, dependent on the public sector, 'both for jobs and for the services provided, without which they could not combine work with motherhood'.¹⁸ In Trägårdh's view, statist individualism, as expressed in family policies since the 1960s, bears the long individualist tradition or even 'national character' of *men* of the North. The Nordic peasant community was a community of free men, and the welfare states emancipated women by universalizing the image of the male worker.

Trägårdh's interpretation bears resemblances to how Nancy Fraser has developed a feminist critique of 'the universal breadwinner model'.¹⁹ However, a questionable aspect of this interpretation is that the working woman only appears in the picture with the arrival of the welfare state. Gender-sensitive social historians have paid attention to the hard labour of Nordic women in rural households in which a gender division of labour notably and harshly differed from the ideals of middle-class educators.²⁰ Neither were Nordic women (not even those who were married, and especially not in Finland) as marginal in industrial labour markets before the introduction of these new

18 Trägårdh 1997, 280.

19 Fraser, Nancy (1997) *Justice Interruptus. Critical Reflections on the "Postsocialist" Condition*. New York: Routledge.

20 Markkola, Pirjo (1990) 'Women in Rural Society in the 19th and 20th Centuries'. In Merja Manninen & Päivi Setälä (eds) *The Lady with the Bow. The Story of Finnish Women*. Helsinki: Otava, 17-29; Åmark, Klas (2006) 'Women's Labour Force Participation in the Nordic Countries During the Twentieth Century'. In Niels Finn Christiansen, Klaus Petersen, Nils Edling and Per Haave (eds) *The Nordic Model of Welfare – a Historical Reappraisal*. Copenhagen: Museum Tusulanum Press, 299-333.

family policies as Trägårdh and many social policy researchers have suggested.

Admittedly, a significant transformation of women's paid work took place from about the 1960s. However, an important aspect of this change concerned the social and individual meanings attached to a phenomenon that already existed. From a policy perspective, women's paid work came to be conceived as part of the goal of full employment and as the source of individual independence and autonomy. From the perspective of individual experiences, the relationship between the two aspects of wage work – a necessity and a source of autonomy – probably changed. Yet both these aspects still existed as they had previously. In varying ways, work as a necessity had been at the same time a source of dignity and autonomy and, correspondingly, work as a source of independence did not abolish it being a necessity. For example, the dual breadwinner practice was established not only as a matter of equality but also as an economic necessity.

In any case, the goal of *full employment*, with its different normative notions of work, came to be one of the ways in which the normalcy of wage work and the principle of social citizenship emerged in parallel and intertwined. The simultaneous reinforcement of these two principles also became characteristic of social policies in the post-war decades until the 1980s. In the field of *social security*, the adjustment of the normalcy of wage work and social citizenship was associated with the ways in which social insurance policies contributed to the development and functioning of labour markets. Especially in pension policies, transportable social benefits, by diminishing workers' dependence on single employers, strengthened their positions as sellers of their labour power. This was also promoted by the work-performance and

income-related definitions of these benefits. True, work-performance and income-related benefits did not in any self-evident way fit to the universalistic idea of social citizenship.²¹ However, through the power of strong trade unions, a secured continuity of income actually became interpreted as a right associated with citizenship, or as an aspect of social citizenship.

The normalcy of wage work and the notion of social citizenship were also reinforced by the construction of extensive *public services*. These services, defining and meeting the needs of health, care and education, bore the character of universal social rights at the same time as they created preconditions for the generalizing of wage work as the norm. A transformation of the gender division of labour was crucial here, associated with redefined relationships between family and society. A particular complex of welfare state, labour market regime and gender system was formed, one crucial aspect being the strong gender-segregation of Nordic labour markets.²²

However, still another way of combining wage work and social citizenship can be recognized in Nordic countries. It might be characterized as a Utopian vision of equality *within* wage work relationships. In terms of my argument here, this vision deserves especial attention.

21 Edling, Nils (2006) 'Limited Universalism: Unemployment insurance in Northern Europe 1900-2000'. In Niels Finn Christiansen, Klaus Petersen, Nils Edling and Per Haave (eds) *The Nordic Model of Welfare – a Historical Reappraisal*. Copenhagen: Museum Tusulanum Press, 99-143; Petersen, Klaus & Åmark, Klaus (2006) 'Old Age Pensions in the Nordic Countries, 1880-2000'. In Niels Finn Christiansen, Klaus Petersen, Nils Edling & Per Haave (eds) *The Nordic Model of Welfare – a Historical Reappraisal*. Copenhagen: Museum Tusulanum Press, 145-188.

22 Borchorst, Anette & Siim, Birte (2008) 'Woman-friendly policies and state feminism: Theorizing Scandinavian gender equality'. *Feminist Theory*, Vol. 9, No. 2, 207-224.

Social citizenship within wage work relationships

Getting rid of the paternalist ties of social subordination did not mean that just the individuals and the state would have remained as the parties to the ‘social contract’ as the thesis on ‘statist individualism’ argues. I will argue that the individual *as a party in social relationships* became a major concern in Nordic social and labour market policies.

Beginning from the late nineteenth century, social liberal and social democratic policies were oriented toward recognizing asymmetrical social relations and regulating them in a way that empowered the weaker party to take care of his or her own needs and interests and constrained the stronger party from presenting his or her particular interests as a common interest. Symmetry, it was argued, should be brought into asymmetrical social relations – most notably those associated with employment and working life – and in this way individual autonomy would be increased. This would happen through regulation by law and, especially, by collective agreements, based on collective action and organization.

The idea and ideal of *symmetry between labour market parties* was as such far from exclusively Nordic. ‘The ideology of parity’²³ was adopted as a crucial point of departure for the development of labour law in the nineteenth and twentieth centuries. The social liberals as well as the Marxists of the late nineteenth century shared the idea that the labour market is a particular kind of market and labour was a particular commodity. Social liberals concluded that the worker was

23 Bruun, Niklas (1979) *Kollektivavtal och rättsideologi. En rättsvetenskaplig studie av de rättsvetenskapliga premisserna för inlemmandet av kollektivavtalet och kollektiva kampåtgärder i finsk rättsordning efter år 1924*. Helsinki: Juridica.

the weaker party in the individual worker-employer relationship and consequently needed protection. At the collective level, however, parity would be realized through organization and collective agreements. In the twentieth century, reformist trade unions widely adopted this mode of thought.

However, the ideology of parity seems to have had some particular implications in the Nordic countries. The symmetry of workers and employers came to be something more than just an idea of regulating labour market conflicts or an ideological disguise of the basic asymmetry of capital and labour. In the 1930s the Nordic Social Democrats, especially the Social Democratic trade union leaders, included labour market agreements into the concept of democracy. The Social Democratic movement was able, probably in Sweden the most successfully and in Finland the least successfully in *Norden*, to establish the parity of labour market parties as a normative standard of the 'society' itself. This standard could then be used as a criterion for a critique of present circumstances and turned against the prevailing asymmetries of industrial working life.

Trade unions became oriented to extend the field of symmetric party relations. This did not only mean that trade unions achieved a legitimate role in industrial relations. A still more fundamental aspect was that capitalists and somewhat later even the state and municipalities in their role as employers were defined and organized as a 'party' with (no more than) particular interests. The widening of party relations meant a wider field of issues in which employers had to recognize the particularism of their interests. On another level, the principle of party symmetry was extended through corporatist procedures in economic and social policies.

From the 1930s and especially after World War II, the widening of symmetric labour market relationships through the power of collective organization was conceived of as a process of democratization. Thus, trade unions appeared as carriers of democracy in two senses, both as a part of the Nordic tradition of voluntary associations and as a labour market party. The asymmetry of individual employment relationship could be levelled through collective action, which served to counteract and restrict individual competition in the market place and, thus, to strengthen the position of the individual as the seller of labour power.

The linkage between the visions of increased collective regulation and increased individual autonomy arguably reflects some aspects of the mental adjustment of industrial wage work to normative criteria that stem from the self-employed nature of the work of the independent farmer. This adjustment was far from smooth or free of tension. The Nordic histories of industrial conflicts have – notably until the 1930s – a lot of examples of how the individual ‘will to work’ of freeholder peasants was ideologically, or in the form of strike breaking in practice, put against the collective action of wage workers.²⁴ However, the mentality associated with the work of independent farmer arguably also influenced the collective action of wage workers in a way that facilitated the articulation of demands for workers’ autonomy at work and the application of universal criteria of citizenship to working life.²⁵

24 Flink, Ingvar (1978) *Strejkbryteriet och arbetets frihet. En studie av svensk arbetsmarknad fram till 1938*. *Studia Historica Uppsaliensia* 99. Uppsala: Uppsala Universitet; Seyler, Hans (1983) *Hur bonden blev lönarbetare. Industrisamhället och den svenska bondeklassens omvandling. Arkiv avhandlingsserie 17*. Lund: Arkiv förlag; Kettunen 1990.

25 Lash, Scott & Urry, John (1987) *The End of Organized Capitalism*. Cambridge: Polity Press, 39-41.

In the Nordic discourse on working life reform, especially in the Swedish and Norwegian debates in the 1960s and 1970s, we can recognize a politically effective Utopian idea according to which the collective-level parity between the labour market parties has to be extended and woven into individual employer-worker relationships.²⁶ It was a vision of social citizenship *within* wage-work relationships. It differed from T. H. Marshall's concept of social citizenship as an extension of citizenship through more extensive individual *rights*.²⁷ It was a vision of an *interest*-oriented social citizenship.

For clarifying this account, the discussion by Frank Ankersmit on interests and rights seems helpful. Ankersmit criticizes John Rawls and Richard Rorty who, as he claims, through their search for overlapping consensus actually support the current juridical de-politicization of politics on the basis of the concept of rights. He concludes:

Interests are, so to speak, rights *in statu nascendi*. Hence, much, if not all, that is from a political point of view new, unexpected, unforeseen, and unforeseeable in the development of a society will initially present itself in terms of interests and emphatically not in terms of rights and of the law case. [...] The conflict of interests gives us access to the nature of social and political reality and without it we are blind, politically speaking. The vocabulary of rights does not give us this access to social reality: it only exemplifies or expresses a certain conception of social reality without testing it in the way that typically happens when interests conflict.²⁸

26 Winner, Langdon (1995) 'Citizen Virtues in a Technological Order' In Andrew Feenberg & Alastair Hannay (eds) *Technology and the Politics of Knowledge*. Bloomington, Indianapolis: Indiana University Press, 65-84; Claussen, Tor (2000) *Bedriftsutvikling, arbeidsmiljø og filosofi*. Oslo: Unipub forlag.

27 Marshall, Thomas H. (1950) *Citizenship and Social Class, and Other Essays*. Cambridge: Cambridge University Press.

28 Ankersmit, Frank (2002) *Political Representation*. Stanford: Stanford University Press, 205.

One can argue that the recognizing and establishing of interests has been crucial in Nordic ideas of social equalization and democratization through public and collective regulation. Motivating and clarifying this argument presupposes an understanding of how regulation works. Regulation should be conceived as an integral factor in the conceptual and practical construction of its own targets. Interests are not, any more than rights, completely pre-given phenomena just waiting for eventual regulation.²⁹ In the Nordic countries, notably in issues of work and labour market, the regulation establishing rights and duties has been very much aimed to level social relations so that these relations (especially those between workers and employers) could appear as parity-based relationships between divergent particular interests. These relationships would be, at the same time, processes of producing and reproducing the parties to these relationships. Thus, not only have interests been rights in *statu nascendi*, but also, conversely, rights have been interests in *statu nascendi*.

The politics and policies orientated in this way may be seen as a particular mode of handling those specific characteristics of labour power as a commodity that Karl Polanyi called 'fictitious'. For Polanyi, the making of labour into a commodity was a necessary precondition of modern capitalism, yet labour was a 'fictitious commodity' since labour, and the production, selling and consumption of labour, were inseparable from the life of wage workers.³⁰ Polanyi preceded Esping-Andersen in arguing that social policies and trade unions are forces

29 Jessop, Bob (1995) 'The Regulation Approach, Governance, and Post-Fordism: Alternative Perspectives on Economic and Political Change?'. *Economy and Society*, Vol. 24, No. 3, 307-333.

30 Polanyi 2001 [1944], 71-80.

for the removal of human labour ‘from the orbit of the market’³¹, i.e., forces of the historical counter-movement against markets for rescuing the society. Yet it seems reasonable to interpret that the Nordic Utopian vision of symmetry within individual employment relationships was not oriented towards abolishing the character of labour as a commodity. It was rather oriented towards abolishing the constraints and coercions stemming from the *fictitious* character of this commodity. Social and labour market policies, while creating non-market supportive institutions for preserving labour power when it is not traded in the labour market³², were liberating life course from the necessities of selling labour power at any conditions and, thus, making labour more like a *real* commodity.

The society of divergent interests and virtuous circles

The interest-oriented form of social citizenship, based on the empowerment of the seller of labour power, was developed in the framework of a particular notion of national society. Here the Scandinavian class compromises of the 1930s played a critical role. Preconditioned by the conclusions from the Great Depression and the rise of Fascism in Europe, the Scandinavian class compromises of the 1930s included political coalitions of ‘workers and farmers’, or Social Democrats and Agrarian Parties, and the consolidation of national systems of collective labour market negotiations and agreements (only the former applied to Finland before the Second World War).

31 *ibid.*, 186.

32 Cf. Offe, Claus (1984) *Contradictions of the welfare state*. Edited by John Keane. London: Hutchinson, 263.

In Sweden, Denmark and Norway (though much less so in Finland) the notion of national economy began to be based on new ideas of cumulative economic success. *Virtuous circles* would connect the interests of worker-consumers and farmer-producers as well as of workers and employers. Confidence in the positive-sum-games was institutionalized in class compromises, which initiated the period of Social Democracy in the Scandinavian countries, especially in Sweden. The practical significance of the new employment and economic policies before World War II has been debated. On the level of political discourse, however, the new Scandinavian ideas of a virtuous circle indicated important changes in the 1930s.

The idea of virtuous circles should not be reduced to the vulgarized Keynesian description of the virtuous circle between growing consumption and growing production, with the emphasis on the side of demand. As early as in the 1930s there was considerable ‘productivistic’ supply-side interest in the political orientation of the Scandinavian Social Democrats.³³ The promotion of social equality was held to be the means of releasing human productive capacities and, thus, the means of promoting economic effectiveness, which, in turn, was seen as a fundamental precondition for achieving social equality.³⁴

A crucial question is how the recognition of divergent interests was associated with the idea of virtuous circles. The shared confidence in the possibility of a virtuous circle between different particular interests did not as such implicate any unanimity on how such interests should

33 Kulawik, Teresa (2002) ‘The Nordic Model of the Welfare State and the Trouble with a Critical Perspective’. *Nyhetsbrev för nordisk välfärdshistoria*, No. 21, 2-8; Andersson, Jenny (2006) *Between Growth and Security. Swedish Social Democracy from a Strong Society to a Third Way*. Manchester: Manchester University Press.

34 See for example, Myrdal, Alva & Gunnar (1934) *Kris i befolkningsfrågan*. Stockholm: Bonniers.

be adjusted in a concrete situation. The political agenda was shaped by the *shared* view on the common interest to be realized in the virtuous circles of divergent interests and by the *conflicting* views on the role and weight of the divergent interests in these virtuous circles.

Any compromises reached between the conflicting interests remained a question of power. However, this power did not only work as varying resources of different actors, but also as new forms of systemic integration shaping the political agenda. The integration was based on an extended reliance on systemic processes that would make not only one's own but also one's counterpart's intentional action to generate some good unintentional consequences. Thus, the labour movement adopted the view that economic competitiveness, and thus the rationalization of production, was necessary in order to create resources for social welfare and equality. At the same time, bourgeois groups and employers admitted that the collective organization of labour and the widening of workers' social rights could bring economically positive outcomes, not least with respect to industrial peace. Paradoxically, the needs and interests of capital, or employers, were provided with a new moral and political legitimacy as the needs and interests of the working class received an economic legitimation.

The common interest was assigned to 'society'.³⁵ The virtuous circle was conceived as a code of the future and a normative standard of the society. It included something more than just positive-sum compromises between conflicting economic interests. It was also a virtuous circle between equality, efficiency and solidarity, which, in a sense, can be seen as being based on three different ideological strains

35 SOU 1935:65. *Betänkande om folkförsörjning och arbetsfred, Del I. Förslag*. Stockholm: Statens Offentliga Utredningar, 129; Kettunen 2008, 147-148.

of Nordic modernization processes: the idealized heritage of the free peasant, the spirit of capitalism and the Utopia of socialism. In terms of political objectives, and of future expectations, the virtuous circle came to connect social equalization, economic growth and widening democracy. Different ways of interpreting these objectives and expectations appeared, yet in the post-World-War-II period they came to play a hegemonic role in the sense that political conflicts tended to acquire the form of a struggle concerning the right way of interpreting these objectives and expectations and the interconnectedness between them.

The dissolved combination of wage work and social citizenship

The combination of the normalcy of wage work and the principle of social citizenship was reinforced in the post-World-War-II *Norden* through the policies of full employment, through the construction of social security systems and public services that came to manifest citizenship-based universalism at the same time as they followed and supported labour-market rationalities, and through the regulation of industrial relations by agreements between highly organized labour and capital, oriented towards a symmetry between the parties of employment relationships. These policies and processes were shaped within the framework of a widely shared confidence in virtuous circles that could be achieved through interest compromises in a national society.

Arguably, the combination of the normalcy of wage work and the principle of social citizenship has been dissolved. This has happened as both of these principles have been eroded.

In the 1980s, crucial aspects of the framework of this combination were severely challenged by the international neo-liberal offensive that was further supported by the decline of the “Fordist” paradigm of capitalist development and the collapse of Soviet-type socialism. Globalisation, as a temporal and spatial restructuring of social practices, meant increasing social asymmetries concerning the role of spatial ties of different actors and, thus, weakening prerequisites for national social solidarity.

The project for widening symmetrical party relations lost its political momentum.³⁶ The premises for the ‘Nordic’ image of symmetry between labour market parties have been weakened by a variety of developments: the multi- and transnational character of companies in the global economy, including their dependencies on calculations in global finance markets; the constant restructuring of production processes in accordance with the network principle, including varying forms of outsourcing and sub-contracting; the corresponding transformations in the public sector in the spirit of New Public Management, including the blurring of boundaries between public and private, obligatory and voluntary, and official and unofficial; the increase in so-called ‘atypical’ (short-time and part-time) employment relationships; and the growing practical and ideological fluidity of the boundary between wage work and entrepreneurship.

36 Kettunen, Pauli (1999) ‘The Nordic Model and the Making of the Competitive ‘Us’’. In Paul Edwards & Tony Elger (eds) *The Global Economy, Nation-states and the Regulation of Labour*. London and New York: Mansell, 111-137.

For their part, the management lessons and practices aiming to promote both flexibility and commitment in work organizations blur the difference between wage work and entrepreneurship. This implies, among other things, that the idea of the worker as the weaker part of the wage work relationship tends to be pushed to the margin through the ethos of entrepreneurship at the same time as, on the other hand, the asymmetry between capital and labour has increased due to the dramatic growth of the mobility of financial capital. In any case, it has become ever more difficult to identify, organize, bring together and centralize the different 'parties' within a national society.

A crucial part of the Nordic model used to be the widening of the scope of issues in which business companies as well as public-sector organizations had to recognize the *particular* instead of the universal character of their employer interests. In this respect, the direction changed in the 1980s. A company-level and work-place-level sign of this change is that 'industrial relations', that is, the institution of collective negotiation and agreement based on interest conflicts and compromises, were in various ways subordinated to the company-interest aims of 'human resource management'.³⁷ On the national level, the same change is reflected, for example, in the fact that in many European countries, including the Nordic countries, separate employer organizations have been abolished and the representation of companies' employer interests has been integrated as just one part in the business interest organizations that articulate business interests in relation to many different 'stakeholders', including trade unions. The

37 Looise, Jan C. & van Riemsdijk, M. J. (2001) 'Globalisation and human resource management: the end of industrial relations?'. In Gyorgy Széll (ed.) *European Labour Relations*. Vol. I. Aldershot: Ashgate Publishers, 280-296.

idea of representing the *universal* interest of the 'economy' in relation to the particular and biased interests of workers and governments is evident in the statements of business interest organizations.

The change has taken place within a notable institutional continuity. The old institutions of the welfare state and industrial relations have been modified to serve the new functions of the globally competitive community. The ways in which the national 'we' is sustained and reproduced in the political responses to globalisation bear continuities from the older ideology of virtuous circle. In the 1990s, the concept of 'social capital' gained international popularity, and in the Nordic countries it obviously opened up new opportunities to revitalize the ideas of the virtuous circle between social cohesion and economic success in the context of the new 'competition state'.

The neo-Schumpeterian emphasis on innovation and its institutional preconditions could be easily adopted in this context. Such tones have appeared particularly in the discussion on education and training. Much of the ideological power of knowledge, education and innovation in the Nordic countries stems from the promise that competitiveness and its preconditions in the global economy can – or even must – be seen from a wider perspective than that of neo-liberalist deregulation.

However, at the same time as egalitarian institutions and participatory practices can be defended as preconditions for knowledge-based competitiveness, true membership in a competitive community is a matter of individual competitiveness. This, in turn, consists of communicative and innovative skills and talents and reflexive capabilities of monitoring oneself from the point of view of competitiveness. Besides winners and losers, there are people who cannot even participate in this competition. One may conclude

that in the Nordic ‘competition states’ an insoluble tension appears between what are recognized as the institutional preconditions of competitiveness and how the contents of competitiveness itself are conceived.

The competition state, while fulfilling the imperatives of ‘our’ competitiveness, seems to point to the notion of a warm *community* instead of a cool *society* that has arguably been associated with Nordic-type welfare states. At the same time, the person-centred notion of community is also actualised in the agenda settings focused on ‘social exclusion’ and ‘social cohesion’, instead of ‘social equality’ that used to be defined within the framework of the institution-centred notion of society.

Thus, in the Nordic countries as well elsewhere in Europe the ‘social’ seems to have a new Janus-face, the both sides of which indicate a new emphasis on community, *Gemeinschaft*, instead of society, *Gesellschaft*, in globalized capitalism. On one side, social policies are supposed to provide a social infrastructure that helps ‘us’ to create competitiveness based on commitment, knowledge and innovativeness, that is, on ‘social capital’ and ‘human capital’. This is associated with a new kind of market relationship between the sellers and buyers of business environments. National and local public authorities are behaving as market actors as they try to produce attractive business environments and market them to companies, investors and innovative tax-paying people, pointing out, for example, their high levels of social capital and human capital.

On the other side, the ‘social’ exists in the efforts to prevent and deal with social exclusion. These efforts mainly take the form of so-called ‘activation policies’ with their diverging national variants. Indeed, in

the adoption of these transnational ideas that are shared in all EU and OECD countries³⁸, old national historical legacies have been actualized, notably legacies concerning the role of work. Not least in connection with new immigration policies, the old notion of work as the condition and locus of individual self-discipline and social order, within a national framework, has vigorously re-emerged.

Arguably, in the formation of the Nordic welfare states and associated gender systems, one regulative principle was that everybody should have the right to fulfil his or her duty to work. The step from 'active labour market policies' to 'activation policies', in their Nordic variants, might be described as a shift from this regulative principle towards the reverse principle that everybody has the duty to fulfil his or her right to work. This might be an incremental yet profound change as it implicates that it is individual and not society that has to be blamed and changed.

38 Lødemel, Ivar & Trickey, Heather (eds) (2001) *An offer you can't refuse: workfare in international perspective*. Bristol: Policy Press.

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The new contract and incentive thinking in social policy

Nanna Kildal

Introduction

Today the language of *contracts* and *incentives* pervades a whole string of policy discourses, from public administration to social policies. This is happening all over the western world and is influencing reforms in several areas of social life.

In this chapter I will tentatively explore the backdrop for this state of affairs in western social policy discourses, and offer a normative examination of the development. In performing this task, I will concentrate on the policy discourses relating to so-called 'welfare state crises' since the 1970s. Hopefully this assessment will help us understand why these concepts have been so dominant in social policy and – not least – what it means, normatively, for the clients and for the welfare state. Possibly, contracts and incentives will help create economic sustainability in the short-term. But what about the *normative* sustainability of the welfare state – which i.a. may have economic effects in the long-term?

A main expression of contractualism in social policy is the so-called principle of 'rights and duties', while a key manifestation of the use of incentives, is the slogan 'make work pay'. Obviously the two lines of thinking are closely linked. In this chapter I will use these two new social

policy concepts as a basis for an analysis of the normative development of the Norwegian welfare state, from the 1970s. In the last part, the normative sustainability of the welfare state will be discussed.

Social contracts

In its simplest definition, a contract is a promise enforceable in a court of law. The promise defines the rights and duties of two or more parties. Historically, the contract is closely attached to the concept of a liberal constitutional state, and to the development of a market economy. The contract is conceived of as an arrangement freely negotiated between two or more parties of relatively equal bargaining power.¹

Today, social contracts have become a significant organizing principles for public reforms in general, and for social policy reforms in particular. The theory of New Public Management has especially made contracting the medium of communication in the public sector.² Hence, there are several manifestations of contractualism, like generational contracts, contracts between public actors and private providers, public service contracts, and individual contracts.³ My concern is for these last ones, the individual contracts, which are contracts between public or private service providers and individual clients.

1 Encyclopædia Britannica. Online. Available HTTP: < <http://search.eb.com/eb/article-21770>>

2 Lane, Jan Erik (1999) 'Contractualism in the Public Sector'. *Public Management Review*, Vol. 1, Issue 2, 179-194.

3 Sol, Els & Westerveld, Mies (2007) 'The individual job seeker in the sphere of contractualism'. *International Journal of Sociology and Social Policy*, Vol. 27, Issue 7/8, 303; Goodin, Robert (1998) 'More Than Anyone Bargained For: Beyond the Welfare Contract'. *Ethics and International Affairs*, Vol. 12, 147.

The main argument for introducing these contracts into public policies is that contracting enhances efficiency. It is considered to be a powerful tool – superior to administrative coordination – in reaching government goals.⁴ But also a democratic aspect of contracting is emphasised, namely the possibility for client influence, which may result in better motivated clients and which is considered to constitute a democratic foundation of the welfare state.⁵

One obvious question that this governance method of contracting raises is whether it is suitable for all kinds of public sector activities. And, even if contracting produces efficiency gains – what is the legitimacy of them as pertaining to social policies? What are their normative underpinnings?

The contracts may have a legal status, but more often than not they are only inspired by the legal contract and termed as ‘quasi-contracts’. Thus, a quasi-contract is a contract which is not lawfully drawn up, even if the terms are used as if there is a legitimate contract. However, also the terms of the contracts vary, from ‘welfare contract’, to ‘agreement’, ‘plan’, ‘qualification programme’ or ‘project’.⁶

Incentives

The concept of ‘incentive’ is one that emerges most frequently in the vocabulary of social policy to bring about desired political outcomes in a variety of policy areas. This happens all over the Western world.

4 Lane 1999.

5 Ramia, Gaby (2002) ‘The “new contractualism”, social protection and the Yeatman thesis’. *Journal of Sociology*, Vol. 38, Issue 1, 50.

6 Eichenhofer, Eberhard & Westerveld, Mies (2005) ‘Contractualism: A Legal Perspective’. In Sol, Els & Westerveld, Mies (eds) *Contractualism in Employment Services. A new Form of Welfare State Governance*. The Hague: Kluwer Law International, 28-29.

According to Merriam-Webster Online Dictionary, the concept of 'incentive' is synonymous with 'motive', that is 'something that causes a person to act in a certain way.'⁷ However, in social policy discourses it is rather used in line with the meaning it received after the Second World War, when it increasingly became synonymous with economic or financial motivation, and as such, it belongs primarily to the science of economics. An incentive is an offer of something of value that is meant to alter the action of a person by influencing the result of his or her utility calculations. As an economic concept, it is a form of trading, which is voluntary and will occur only if it is beneficial to both of the parties involved.⁸

Diagnoses of the Welfare state

The both concepts of 'incentive' and 'social contract' are, as indicated above, presumed solutions to some problems of the welfare state. In the 1970s, which is considered to be the Golden Period of the welfare state, other solutions were prominent, although the problems seemed to be very much the same.

The European welfare states developed and matured after the Second World War. In Norway, an important event was the implementation of 'National Insurance' in 1967. This was a highlight in the development of the Norwegian welfare state. Nevertheless, it was only 3 years later that the first publications arrived that dealt with 'the crisis of the welfare state'. This was mainly a left-wing diagnosis, asserting that the

7 Online. Available HTTP: <<http://www.merriam-webster.com/dictionary/motive>, <http://dictionary.reference.com/browse/motive>>.

8 Grant, Ruth (2006) 'Ethics and Incentives: A Political Approach'. *American Political Science Review*, Vol. 100, Issue 1, 29.

crisis had been produced by two apparently contradictory processes: in spite of greatly increased health and social budgets had the human problems and sufferings increased even more. The proposed solution to this crisis was to renew and expand the welfare state and to politicize social problems.

However, another interpretation of the welfare state crisis gradually became more and more popular, and today it seems to have firmly taken root. In the beginning of the 1970s, some politicians and professionals began to talk about, not the citizens' problems, but their increasing demands and even their possible swindling. As one famous medical expert wrote 'direct fraud or crude abuse because of unfortunate formulation of rules, happened more often than we know.'⁹

Particularly after the oil crisis in 1974, the dominant conviction was that the problem was created by the welfare state itself, and not by society. Partly the economy is undermined by the high levels of tax and costs, and partly, social morality is weakened. In other words, the welfare state involved both a financial and moral risk.

So, soon after the highlights in the history of the welfare state, problems emerged followed by various interpretations of them. Yet, it was the last interpretation that eventually became the hegemonic one: that the welfare state is too costly and too generous.

During the 1980s, some welfare benefits relating to the labour market were gradually retrenched all over the Western world. The unemployment levels were generally high, and even if Norway was an exception in this matter, the highest goal for Norway, as for the other Western governments, became to provide measures for benefit-

9 Broch, O. Jacob (1973) *Det ubrukte menneske. Velferdsstat og menneskeverdier*. Oslo: Gyldendal, 61 (author's translation).

receivers to participate actively in working-life. It was asserted that the ideology of social rights had gone too far – that too many claimed their rights without performing any reciprocal duties, or contributions to society. As the permissiveness of the welfare system had produced counterproductive effects like dependency, passivity, social marginalization and disincentives to work, a so-called ‘new welfare contract’ between the citizen and the state was introduced, which was summarized in the slogan ‘No rights without responsibilities.’¹⁰ As a condition of eligibility to welfare benefits it was emphasised that the citizen is obliged to meet various responsibilities, especially activating ones, but first and foremost, the responsibility to work. Various contract-based welfare-to-work proposals in the 1990s may be seen as attempts to solve this welfare state paradox of counterproductive effects.

To sum up: while the core social policy discourses in the 1970s were about social rights and what kind of individual needs the society should take responsibility for, the discourses in the 1980s and 1990s centred around rights and duties, which is kind of a moral discourse that highlights the citizens’ personal responsibility for their own welfare. This discursive change represents a clear retreat from a central ideology of the welfare state, namely that no citizen should be denied basic goods needed to live a decent life.

This change had an essential influence on the welfare reforms that were carried out and it influenced the normative basis of the welfare state. While the ‘social right’ discourse is expressing a resource-based egalitarian notion of justice, including ideas of redistribution, equal

10 Giddens 1998, 65.

opportunity and equal respect, a ‘right and duty’ policy is more concerned with the discussion of “what should count as an adequate reason to *deny* citizens such a good, at whatever level it is provided.”¹¹ The egalitarian conception of justice is replaced by an idea of ‘justice as reciprocity’.

Comparing social policy ideas: EU and Norway

In key documents on social protection, from the EU, during the 1980s, like *The Future of Social Protection: A Framework for a European Debate* (CEC 1995), *Modernizing and Improving Social Protection in the European Union* (CEC 1997) and *A Concerted Strategy for Modernizing Social Protection* (CEC 1999), a general understanding is that the social protection systems can act as ‘productive factors’ and help European economies to perform better. They could and should be more ‘employment-friendly’ and more efficient. The normative message is clear: ‘modernizing’ social protection means making best use of its productive potential, which implies a strong focus on the incentive structures of these systems.¹²

In 2000, the Lisbon summit agreed ‘to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion.’ This required a new overall strategy where ‘modernizing the European social model, investing in people and combating social

11 Gutmann, Amy & Thompson, Dennis (1996) *Democracy and Disagreement*. Mass: Harvard University Press, 273.

12 CEC (1999) Communication from the Commission ‘A concerted strategy for modernising social protection’, COM (99) 347 final, 14 June 1999. Online. Available HTTP: <<http://aei.pitt.edu/3562/>> (accessed 14 March 2008), 7-9.

exclusion' became three overarching pillars.¹³ The Council also set up a Social Protection Committee in 2000, in order to promote cooperation between the member states and the Commission on social protection policies. 'Making work pay', which has been a key message in the OECD employment strategies since the 1980s, also became a key priority for the EU's Social Protection Committee. This means among other things, according to the OECD, that the focus must be changed; from insuring individuals and protecting them against various social risks, towards investing in their capabilities and making use of them to the best of their potential at every stage of the life course.¹⁴ The welfare of the citizens is obviously not a prime concern for the EU nor for the OECD. It is only a concern as long as it serves the ultimate EU and OECD goals of economic growth.

Norway is not a member of the EU. Nevertheless, each year for the last five years, the Ministry of Trade and Industry has published a report on the EU Lisbon Strategy that relate Norwegian policies to the Lisbon policy guidelines. Certainly, the Government emphasises that Norwegian policies need to be premised on the Norwegian context. Nevertheless, the goal of the present Norwegian Government resembles very much the overarching goal of the Lisbon process, 'to make Norway a globally leading, innovative, dynamic and knowledge-based economy within those areas where we enjoy advantages'. In this context 'Norway thinks it can learn something from the EU, and the EU can learn something from us.'¹⁵

13 Ibid, 6-9.

14 OECD 2005, 3.

15 Ministry of Trade and Industry (2007) *The EU Lisbon Strategy – A Norwegian Perspective*. Oslo, 5.

The close connection between Norway's and the EU and OECD ideas becomes clear when we take a look at the Norwegian social protection and employment policies. In 2006 the Norwegian Government published a White paper on *Work, Welfare and Inclusion*, the main purpose of which was to outline ideas for approaches and actions to strengthen the inclusion in working life of persons of working age who either have problems entering the labour market, or risk of falling out.¹⁶ Three of the five proposed strategies are

1. a new temporary social security benefit
2. a new qualification programme with associated qualification benefits for persons with significantly reduced working and income ability
3. welfare contracts, which represent a consistent and systematic principle for defining and following up mutual expectations, requirements and obligations in the interaction between the public administration and the individual.

The key concepts are very much the same as in the EU and OECD documents. 'Make work pay' is one of the main ideas in the White Paper; another is the concept of a 'welfare contract'. This is used to underscore the clear connection that exists between the individual's rights and duties. The Government also argues that a common feature shared by a welfare contract in social policy terms, and a contract in legal terms, is that they both deal with mutually binding relationships between two contractors.

¹⁶ St.meld. No. 9 (2006-2007) *Arbeid, velferd og inkludering (Work, welfare and inclusion)*
Oslo: The Department of Work and Inclusion, 15-16.

‘Make work pay’, or the idea that the transition from benefit to work must pay economically, is fully in line with the EU and the OECD policy ideas. These policies imply, according to the Paper, that the compensation level of most temporary benefits is substantially lower than previous earned income, which naturally gives the clients clearly incentives to enter the workforce, if this is a possible choice. They realise, though, that the balance between combating poverty, redistribution and work incentives are particularly difficult when children and youth are involved.¹⁷

The changing of the normative basis of the welfare state

In other words, the ‘welfare contract’ and ‘incentive’ concepts cover partly overlapping ideas that represent the latest solutions to the still prevailing interpretation of the welfare state’s crisis that emerged in the 1970s. In 2008, the welfare state is still conceived of as de-moralizing and too costly. Contracts and incentives are legal and economic concepts, though, that have replaced the moral concepts of rights and duties as the core concepts of social policy discourses. This movement indicates a normative shift in the proposed solutions to welfare state problems. From the 1970s to the 1990s, part of the solution to the welfare states’ crisis was to set moral standards for the citizens. Today a main part of the solution is to steer the citizens’ behaviour by appealing to their calculative self-interests. Personal responsibility is no longer a central issue. It is control over the citizens’ patterns of behaviour that currently is considered to represent the best solution to welfare state problems.

¹⁷ Ibid, 18.

This does not mean that the discourse on ‘rights and duties’, which dominated the social policy agenda in Europe (and the US) during the 1980s and 1990s, is unimportant – but in a way it has lost its moral substance. The discourse on ‘rights and duties’ do not provide any moral arguments for preferring one course of action to another. In the Norwegian White Paper the Government refers to ‘the principle of right and duty’ as a sort of principle of administration – totally lacking any kind of moral sensibility.

Contractualism, with its incentive structures, thus represents a new solution to the Western welfare state’s financial challenges and its alleged demoralization of society. The incentives to sign the contract are positive. The sanctions for not signing it can be harsh. Also in Norway, the aim of protecting citizens against social risks may seem to be less in the centre of attention, with regard to employment and social protection policies, than the aim of protecting the economy from lack of employment. The contractualist model, with its incentive structures, has thus become an important justifying principle for a new distributional pattern regarding social benefits.

In my closing, I will present a critical assessment of the new solutions to the welfare states’ problems – contracts and incentives.

The normative sustainability of the welfare state

In today’s discussions on ‘the crisis of the welfare state’, the sustainability of this state is a core issue. Even if sustainability is a concept that has more than one dimension, in the current debates it primarily refers to the *financial* one. What I am interested in is however the *normative*

dimension. My question is: what effects do the new contract and incentive thinking have on the normative sustainability of the welfare state?

From an economic perspective, incentives do not represent a threat to the normative sustainability of the welfare state. They are rather conceived of as a form of voluntary trade, which fosters few ethical problems. Incentives understood from a political perspective, however, may raise some serious normative problems. As a policy tool, they may be considered as a form of command and control. Incentives may then be considered as a means to exert power with the aim of changing people's behavioural patterns.¹⁸ So, rather than considering incentives as an economic offer, they may be considered as a policy solution to a governing problem: how should the government get more benefit-receivers to participate actively in working-life? This is the core issue in today's discourse on the welfare state crisis.

The same ethical problems are attached to the use of contracts in welfare policies. Like incentives, voluntariness is the essential basis of a contract. As an ideal type a contract implies a commitment by two or more equal parties based on the freedom of choice. However, in a social policy setting, the contract is no longer based on voluntariness and mutuality, but rather compulsion and obedience. The use of contracts between public service providers and individual clients, transfers a relatively large scope of judgment and decisions-making to the local level in the distribution of social policy, which obviously alters a contractual, symmetrical power-relation to an asymmetric one

¹⁸ Grant 2006, 29.

and establishes a very clear power-relation between the bureaucrat or social worker, and the client.

There are of course both legitimate and illegitimate uses of power. The question is, whether the power that is exercised through the policy tools of incentives and contracts is legitimate? Ruth Grant argues that any form of power can be judged according to three criteria:

1. by whether it serves a legitimate purpose
2. by whether it allows a voluntary response
3. by its effect on the character on the parties involved¹⁹

The first criterion may be said to be fulfilled pretty well, as the aim of using both incentives and contracts as policy tools, is to reach the policy goal of full employment. This goal has of course high legitimacy in society. More importantly though, it is difficult to find good reasons against this purpose, as welfare systems are conditioned by high employment rates and economic growth; and vice versa.

The second criterion, however, poses some normative problems. The question is: how voluntary are the responses to the incentives within or without a welfare contract? 'Make work pay' policies imply very often that incentives are negative. They consist of lowering the benefits to ensure that the gap between earned income and benefits, are large enough to generate a so-called 'choice of work'. Also the signing of a welfare contract is very much compulsory, as a refusal to sign in general results in lower benefits, or even a suspension of them. In reality, the offers the clients are given through economic incentives

¹⁹ Ibid.

and welfare contracts are offers they can't refuse, to cite a book title.²⁰ The less the resources a person are in possession of, and the greater the economic needs, the stronger is the compulsion. Accordingly, the greater is the likelihood that the negative incentives have an effect.

The last criterion is perhaps the most important one: what is the effect of the use of incentives and contracts on the behaviour of the involved parties – and not least – on the welfare state itself? Both for the clients and for the welfare state the effects may be counterproductive.

Incentives and welfare contracts might influence people to work for reasons that undermine other, non-economic motives for working. Altruistic, or solidaristic, or responsible motives might be undermined when the authorities steer the citizens in specific directions through economic rewards or punishments.

Policy reforms based on the assumption that work is a burden that people perform exclusively for economic reasons will probably lead to a confirmation of precisely that assumption. As the reforms undermine other, non-economic reasons for work – like the wish to do something of public utility, participate in a community of workers, achieve self-respect, realise a dream – they will be conducive to a negative attitude to work. To the degree this is happening, the welfare reforms have paradoxical effects: in order to obstruct the clients' strategic thinking concerning welfare benefits, the political actors have designed social policies that urge the citizens' into strategic calculations.

What about the effects on the normative basis of the welfare state itself? The welfare state's institutions and programmes express a mixture of reasons for welfare, partly pragmatic, partly normative. It

20 Lødemel, Ivar & Trickey, Heather (2001) *An Offer You Can't Refuse. Workfare in an International Perspective*. Bristol: Policy Press.

would be as misleading to suppose that all welfare systems have been brought into existence for ‘good reasons’, as it would be to assume that good reasons alone will be sufficient to develop or protect welfare systems. Nevertheless, strong normative ideas like equality, solidarity, social justice and human dignity are important parts of that mix. That the design of social policy institutions is increasingly influenced by pragmatic, economic demands, while the so-called ‘good reasons’ are becoming fewer, makes it more difficult to defend and justify the welfare system. This defence is perhaps not necessary in flourishing economic times. However, in times of great economic and ideological pressures, arrangements without a clearly defined rationale may well be reduced or terminated.

It is in a way understandable that contracts and incentives are so often being used – they can be effective policy tools. That makes very it important though, to reflect on the normative issues that are involved in their use.

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Reframing the issue of legitimacy in workfare policies

Jean-Michel Bonvin & Eric Moachon

Introduction

In most OECD countries, workfare and/or activation programmes are being increasingly advocated in the field of social policies, and their legitimacy is considered as self-evident and barely questioned. In the prevailing logic, the cash welfare state is suspected to foster passivity among its beneficiaries (which may in turn result in long-term unemployment and social exclusion), and it is recommended to complement it – or, at least partly, substitute it – by so-called activation strategies. As a consequence, it is pointed out that the main purpose of welfare is not to guarantee a minimal level of material well-being via the payment of cash benefits, but to promote individual agency, i.e. professional and social integration, via training programmes or subsidised work (aimed at developing employability and job readiness), and/or adequate incentives or even constraints if needed.

This new objective coincides with an increasing focus on individual responsibility to promote one's agency. The emphasis is put on the reciprocity of the welfare contract: it is claimed that society is legitimate to have high expectations and impose them on beneficiaries, since it pays benefits to them. In other words, benefit entitlement has to be matched by the duty to collaborate, i.e. to deploy one's best efforts to regain

financial autonomy. This implies that the relationship between welfare institutions and individual beneficiaries has to somehow integrate this complex issue of agency and activation. And the question of legitimacy in social integration policies needs to be reframed accordingly. Indeed, in the name of reciprocity, efforts are increasingly required from the benefit recipient, mainly in the form of compliance with behavioural requirements geared towards accelerating professional integration (e.g. job search, training, adaptation of expectations in terms of wages and working conditions, etc.).

In our view, this is a short-sighted view of legitimacy. By contrast, we contend that the issues to be tackled in order to more adequately found the legitimacy of the new welfare contract are much more complex, and encompass at least three series of questions:

a) What is the meaning of ‘activation’, i.e. what kind of agency is pursued in the course of activation programmes? Is it focused exclusively on professional integration or does it include other components of human agency, such as health, housing, family life, etc.? What strategies are implemented to activate benefit recipients? What resources and material means are mobilised to this purpose?;

b) How is the responsibility for such activation distributed between the individual benefit recipients and the institutional bodies and their agents at local level? More specifically, what is the content and meaning of public intervention: create new and valuable opportunities on the labour market in adequate quantity and quality, or foster individual responsibility via appropriate sticks and/or carrots?;

c) In what way, i.e. following what (top-down or bottom-up) policy processes, are the activation programmes created and implemented? What kind of relationship between the individual beneficiaries and the welfare institutions is being set up within activation programmes (e.g. what conditionalities are imposed on benefit recipients, what requirements do they have to abide by)? To what extent are benefit recipients able to express their wishes or expectations vis-à-vis activation programmes, and make them count in the course of the implementation process?

Our contention is that these three series of questions need to be taken into account in the empirical analysis, if one is to adequately grasp the multifaceted and complex issue of legitimacy in workfare and activation policies. The following section successively elaborates each of these three series of questions, and shows their relevance for the issue of legitimacy. Then, we examine in detail how three social integration programmes in Switzerland (resp. connected with unemployment, social assistance and disability) position themselves with regard to these three issues. The last section synthesizes the main teachings of the Swiss experience, it briefly sketches some of the consequences induced by the failure to integrate these questions, and draws tentative conclusions about the most appropriate way to frame the issue of legitimacy in social integration policies.

Legitimacy in social integration policies: an analytical framework

The postulate underlying this contribution is that the issue of legitimacy needs to be framed not only with regard to policy designers' views and expectations (sometimes backed up by public opinion), but has to take into account the viewpoints of all stakeholders. Indeed, not only the substantial content, but also the designing and implementing processes, of a public policy are to be perceived, to the largest extent possible, as legitimate, and this legitimacy should be achieved not only in the eyes of the decision-making bodies and the public administration, but also of their beneficiaries and more generally all actors concerned by the issue at stake. As a matter of fact, legitimacy has to do with the way policies are designed and implemented, and the issue of democracy is key in this respect. In the line of Amartya Sen and his capability approach¹, we contend that the fairness and legitimacy of the social fabric at large very much depend on the extent to which the policy processes have been genuinely democratic, i.e. have allowed all people concerned to have their say and make it count within the decision-making procedures. If experts or technocrats impose their own view of what objectives public policies should pursue, with what resources and means, along what strategic lines... then those who have not been allowed to participate in the decision-making process risk contesting the legitimacy of its results. Under such circumstances, the very legitimacy of public policies would be undermined.

1 Sen, Amartya (1999) 'Democracy as a Universal Value.' *Journal of Democracy*, Vol. 10, Issue 3, 3-17.

In the field of activation programmes, this postulate implies that concerns such as cost effectiveness, or efficiency in terms of the re-insertion rate, that feature prominently in the minds of policy designers and public administration agents in most European countries, need to be contrasted with other people's views of what is a legitimate social integration programme, e.g. the beneficiaries' expectations and opinions, the other local actors' (firms, third sector associations, education providers, etc.) viewpoints and public opinion at large (e.g. what values should be emphasised when designing activation programmes: work ethics, access to full citizenship, fiscal and financial equilibrium, etc.). Faced with such a plurality of viewpoints concerning what should be an appropriate social integration programme (i.e. what kind of programmes should be offered? at what speed should they operate? what financial means should be mobilised? etc.), the main risk, in terms of legitimacy, would be that one actor or one group of actors succeeds in imposing their own specific view on all others. In such a case, this actor would so to say confiscate the issue of legitimacy, and this could result in sub-optimal outcomes when it comes to implementing such a unilaterally designed strategy. This especially holds for three particular issues: a) what activation programmes are being set up? b) how is the responsibility for promoting agency and for activation distributed between the individual recipients and the public (or other collective) bodies? c) to what extent are all stakeholders – esp. local agents and beneficiaries – allowed to have their say in the design and implementation of social integration programmes?

The first issue concerns what Amartya Sen calls the informational basis of public policies.² In other words, what information is considered as relevant when designing and implementing an activation programme, and when assessing the chances of a job-seeker to be activated? Two main situations should be distinguished in this respect:

a) If activation is identified, as is most often the case, with employability and professional integration, then the information considered as relevant may be twofold: on the one hand the job-seekers' qualifications and/or competencies, on the other hand their willingness to work (or to look for a job) and motivation. In the first instance, activation boils down to equipping job-seekers in terms of competencies and qualifications, so that they are able to find their way on the labour market and to actively participate in society. This encompasses a large variety of measures, such as training programmes, traineeships in order to increase professional experience, subsidised jobs with a view to convincing potential employers to hire job-seekers in long-term contracts, or even assistance to create one's own company. The objective is to adapt job-seekers to the labour market expectations. In the second instance, activation implies that reluctant benefit recipients should be encouraged or constrained to actively collaborate with public administration agents. This can be achieved via financial incentives (such as benefit supplements for those who participate in their activation) or penalties and sanctions (e.g. benefit suspension or suppression for the most reluctant).

2 Ibid.

To sum up, a wide variety of activation programmes can be envisaged in order to improve employability, ranging from the enhancement of human capital (in a wide sense encompassing competencies, professional experience, etc.) to all kinds of interventions aiming at increasing the motivation and the willingness to collaborate. Their actual impact very much depends on the available cash resources and on the time limit imposed on such programmes. Indeed, a poorly funded activation programme on which a tight schedule is imposed in terms of expected performance in the short run, risks resulting in quick-fix remedies emphasising the constraining dimension of activation³, whereas abundant funding and more flexible time limits will more often be translated in longer-term training programmes.

b) However, activation can also have a more wide-ranging meaning. As a matter of fact, the support provided to beneficiaries need not be limited to the issue of work, and can encompass also such fields as housing, social isolation, health, etc. Indeed, it may well be that the strong focus on work, observable in many social integration programmes, is not adequate for all target groups.⁴ An enlarged view of what activation entails may be envisaged as the solution towards increasing legitimacy in certain cases.

Hence, when analysing this first issue, two main questions are to be tackled at empirical level: a) what is the actual meaning of 'activation': is it

3 Peck, Jamie (2001) *Workfare States*. New York, London: The Guilford Press; Dingeldey, Irene (2007) 'Between Workfare and Enablement: The Different Paths to Transformation of the Welfare State. A Comparative Analysis of Activating Labour Market Policies.' *European Journal of Political Research*, Vol. 46, Issue 6, 823-851.

4 Dean, Hartley, Bonvin, Jean-Michel, Vielle, Pascale & Farvaque, Nicolas (2005) 'Developing capabilities and rights in welfare-to-work policies.' *European Societies*, Vol. 7, Issue 1, 3-26.

restricted to professional integration or does it encompass other issues?
b) when it focuses on professional integration, what informational basis of activation is privileged: human capital or motivation? And, especially, what resources, means, and temporal schedules are granted within the course of activation programmes?

The second issue regards the way responsibilities for activation programmes are distributed between individual job-seekers and the other actors involved. If activation is identified to professional integration, this issue mainly encompasses the opportunities available on the labour market. If only poor opportunities are available for certain target groups, these risk being called to adapt their preferences or expectations, i.e. to be happy with jobs of inferior quality. This implies that the quality of jobs – the remuneration level, but also the working conditions with regard to timetables, work content, employment security – ought to be integrated when empirically analysing the legitimacy of workfare or activation policies. Indeed, if valuable jobs or opportunities to participate in society are not available to the beneficiaries of social integration programmes, it should be no wonder that these programmes are perceived as poorly legitimate by them and, accordingly, that they are reluctant to comply with the requirements of active participation imposed on them. As a matter of fact, if society offers little and requires a lot, the disequilibrium of the welfare contract weakens its legitimacy in the eyes of the beneficiaries, which in turn diminishes their will to collaborate with administrative agents or institutional bodies. In order to grasp such phenomena, the empirical investigation needs to concentrate on questions such as: is the focus on individual responsibility matched by a corresponding focus on social responsibility, in terms of guaranteeing the availability of valuable

jobs and activation programmes? More specifically, what is done to create enough jobs and promote their quality, prevent discriminatory practices based on gender, race, religion, etc. both on the labour market and in local public employment agencies, and guarantee every job-seeker the same access to valuable job opportunities and activation programmes? These are key issues in terms of legitimacy.

The third issue emphasises the necessity to analyse the degree of involvement of all concerned people in both the designing and implementing processes of public action. Indeed, whatever the development of activation programmes and of opportunities for professional and social integration, these will not be sufficient to allow everyone to fulfil his/her wishes on the labour market (for instance not everyone will be able to have an attractive and well-paid job) and in society. Constraints and limitations are a necessary component of reality, but the issues of fairness and legitimacy require that such constraints and limitations are distributed as equally as possible. And the involvement of all stakeholders is a necessary – though not sufficient – condition in this respect. Indeed, an extensive range of activation programmes combined with the development of plenty of opportunities on the labour market may still result in paternalistic practices that risk being perceived as illegitimate. This may happen in two situations: first, if beneficiaries are envisaged as passive recipients of the opportunities created by a benevolent collective body; second, if access to the opportunities offered is conditional upon the adoption of an appropriate behaviour, the criteria of which are defined by the opportunity providers (in most cases, the public administration agents). In both cases, individual beneficiaries are not considered as active participants in social integration programmes, but as passive

or obedient recipients. To avoid such paternalistic and moralising biases and the consequent risk of undermining the legitimacy of such programmes, individual beneficiaries are to be envisaged, as much as possible, as active participants in their definition and implementation. This implies in particular that expectations towards them should not be decided by experts or public administrations alone, and that their voices should be taken into account. Besides, local agents should have their say when it comes to implementing directives designed by their hierarchy. Translated in analytical terms, this issue of voice requires that the empirical investigation focuses on the extent to which local agents and especially recipients are allowed to have their say within the course of activation programmes. This is a key stake for assessing the legitimacy of social integration policies.

The next three sections examine three different activation programmes set up in Switzerland with regard to their specific way to frame the three components of the question of legitimacy that have just been identified.

What informational basis for activation programmes?

The Swiss Unemployment insurance (AC) is the first Swiss regime to introduce and develop activation principles on a national scale. This move was mainly made for budgetary reasons. Activation was seen as a way to justify the payment of relatively generous benefits, while promoting a faster re-integration in the labour market. Workfare found considerable legitimacy among policy-makers and in the population because it promoted work ethics, which has been a prominent feature

of Swiss culture during the past decades.⁵ Compulsion is viewed as a legitimate means to foster this ethics among the unemployed, in line with the social-conservative discursive framework of workfare legitimisation and the 'new paternalism' identified by Mead.⁶ In such frameworks, activation is envisaged more as a tool aiming at changing values among the unemployed than as an end in itself.

Fast and durable re-integration into the labour market has become AC's main aim in the 1990s. It keeps on serving rather high benefits (between 70 and 80 per cent of the former salary), but the compensation of income loss is no more mentioned as a priority objective in the official documents presenting the AC aims. A greater use of punitive measures and a more encompassing definition of what is a suitable job illustrate the greater role played by coercion toward jobseekers. This trend also coincided with the development of numerous active measures to favour reintegration into the labour market. In the AC, these measures mainly consist in courses or subsidized temporary jobs, that can be attended only if they significantly increase the individual's chances to find a job on the first labour market. In the literature, such measures are presented as pertaining to a human capital approach of active labour market policies in which human resource development is envisioned as a social and long-term investment, whereas the workfare model would mainly promote a work-first approach.⁷ However this

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- 5 Lalive D'Épinay, Christian (1990) *Les Suisses et Le Travail. Des Certitudes du Passé aux Interrogations de L'avenir*. Lausanne: Réalités Sociales.
 - 6 Dostal, Jörg Michael (2008) 'The Workfare Illusion: Re-examining the Concept and the British Case'. *Social Policy and Administration*, Vol. 42, Issue 1, 19-42. Online. Available HTTP: <<http://www3.interscience.wiley.com/cgi-bin/fulltext/119399146/PDFSTART>>; Mead, Lawrence (ed.) (1997) *The New Paternalism: Supervisory Approaches to Poverty*. Washington DC: Brookings Institution Press.
 - 7 Lødemel, Ivar & Trickey, Heather (eds) (2001) *An Offer You Can't Refuse' Workfare in International Perspective*. Bristol: Policy Press.

distinction is far from clear in the actual Swiss practice, as some of the activation programmes are mainly used as tools to test the unemployed people's willingness and/or ability to work:

By accepting participation in an integration programme, the unemployed person proves that she is not a scrounger, but still shares the work ethic of the general population. At the same time, participation shows that the unemployed person is still capable of maintaining a regular work discipline.⁸

Another underlying assumption of the Swiss activation model is that, for all unemployed people, the solution consists in finding a job as quickly as possible, no matter what their personal situation at the time of unemployment or the current state of the labour market is. This work-first approach lies on the assumption that once you have found a job, all other problems (family, health, poverty, social discrimination, isolation, etc.) will disappear. Such a vision, that considers the unemployed person as a disembodied worker⁹ with no other problem than the lack of work, coincides with a reductionist conception of the informational basis of activation programmes. Only those information directly related to employability are considered as relevant. Furthermore, employability is interpreted mainly as a short-term goal, rather than a long-term objective. Such a short-sighted

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- 8 Maeder, Christoph & Nadai, Eva (2009) 'The promises of labour: The practices of activating unemployment policies in Switzerland'. In Giugni, Marco (ed.) *The Politics of Unemployment in Europe. Policy Responses and Collective Action*. Aldershot: Ashgate, 74.
- 9 According to Acker, the disembodied worker is a male economic actor equipped with marketable skills, highly qualified, work-oriented and free from any social or familial responsibilities, therefore highly mobile and fully available. Acker, Joan (1992) 'Gendering Organizational Theory'. In Mills, Albert J. & Tancred, Peta (eds) *Gendering Organizational Analysis*. London: Sage, 248-260.

view of activation and employability is anchored in the AC legal provisions.¹⁰ This raises problems, insofar as unemployed people often face additional problems which may call for a more urgent intervention and which may prevent them from finding and holding a job in the short run. If activation does not take these problems into account, the risk is to ‘aggravate the social vulnerability of the unemployed instead of empowering them.’¹¹

The official definition of what a successful social integration policy should achieve also represents a crucial issue with regard to the selection of the informational basis. Indeed, the criteria used for assessment say a lot about the intended content and scope of a policy. Objects and tools of evaluation reveal what really matters for decision-makers, thereby they also give good insights about the probable behaviour of local agents when implementing activation programmes – since the evaluation results will impact on the available funding at a later stage. In Switzerland, the implementation of the unemployment insurance programmes is ruled by a provision agreement between the confederal state and the cantons. This agreement mobilises four criteria to assess the regional jobcentres’ efficiency in terms of activation: a) the duration of the unemployment spell before a job-seeker finds her way back to the labour market (weighing for 50 per cent), b) the number of entries into long-term unemployment (20 per cent), c) the number of unemployed ending up their entitlement to benefits (usually after a 20-month period – also 20 per cent), and d) the number of people getting back to unemployment benefits within four months after their return to the labour market (10 per cent). The respective weighting of

10 Maeder & Nadai 2009.

11 Ibid, 79.

these indicators clearly sets the speed of the jobseeker's return to the labour market as the most important target of the LACI. Indeed, the qualitative side of the placement, or its durability, is taken into account only via the least weighted indicator. As a consequence, quickness of professional re-integration is often privileged by local agents in charge of implementation, at the expense of quality, especially if the difficult situation of the unemployed (whatever the reason: economic recession, lack of competencies, etc.) results in a seemingly insurmountable trade-off between the quantitative and qualitative dimensions of the placement activity. Such a conception of activation resorts to the neo-liberal discursive frame in which 'workfare programmes have the limited objective of speeding up clients' reemployment.'¹²

The recent development by the Swiss Disability insurance (AI) of a new set of professional reintegration measures was also presented as a way to decrease the growing AI costs by diminishing the caseload. From the creation of the AI in 1959, the guiding principle of this insurance has been 'rehabilitation before pension', but the latest (2008) revision of the AI law strengthened this view and the guiding principle became 'rehabilitation rather than pension.' From that time on, the AI activation strategy is focused on rehabilitation measures that aim at improving durably and significantly the recipients' earning capacity on the first labour market or preserving it from a noticeable weakening. Eligibility for an AI pension applies only when rehabilitation proves not to be possible (in case of severe disability for instance) or when the rehabilitation measures haven't reached their objective. These measures aim at allowing the largest number of disabled people to regain their

12 Dostal 2008, 24.

former capacities or develop new abilities, so that they can live as independently as possible. The equivalence principle applies, which means that recipients are entitled to find a job with a remuneration equal to what they got before their disability (whereas the 'suitable job' criterion in the AC requires a remuneration at the level of 70 per cent of the former wage). The target group for activation measures is smaller in the AI than in the AC, because some disabled people are not able to work at all. Moreover, there is a wider range of active measures that do not pursue the same goals: while training programmes and employment measures in the AI aim at improving the probabilities to find a job on the first labour market, professional integration measures often boil down to creating protected jobs in the associative sector for disabled people unable to reintegrate the first labour market because of their impairment. Following the recent reforms, the share of the protected sector in the AI activation programmes went down from 50 per cent to 20 per cent of the placements realised by the AI, which denotes a paradigm shift. Indeed, the informational basis of activation in the AI is getting closer to that of the AC, insofar as quick integration into the first labour market increasingly features as the key objective.

With regard to evaluation, the AI uses a specific indicator for assessing efficiency in terms of professional reintegration. It is defined as follows: the success of vocational rehabilitation programmes is measured by the possibility to avoid the payment of AI benefits at a later stage or to reduce their amount for recipients who have followed such measures. Again, financial aspects are prominent and the quality of professional reintegration does not matter as much. Such a focus on budgetary aspects is made easier by the fact that quality is harder to measure and quantify. Moreover, since 2008 management by objectives

has been introduced in the AI. From that time on, the sections of the AI offices in charge of rehabilitation are evaluated according to three criteria: a) their 'cost vs. efficiency' ratio (i.e. a professional measure is considered as successful if it allows to prevent the payment of a disability pension), b) the percentage of new pensions, and c) the quickness of the intervention. Regional AI offices are benchmarked along each one of these criteria. In order to improve efficiency, these are then translated into internal directives fixing for instance the expected placement rate on the first labour market, the expected speed of file-processing, etc. Such indicators and directives put financial aspects at the foreground, and push AI offices to impose the same kind of financial pressures on all institutions depending on AI money (medical institutions, training providers...), more often than not at the expense of more qualitative aspects.

Since the 1990s, Swiss cantons have reformed their social assistance systems, following the general evolution toward activation policies. Thus, all Swiss cantons now require some kind of effort from social assistance recipients. They have also developed several programmes intended to encourage the claimants to return to the labour market. Activation measures often take the form of financial incentives to resume or keep a professional activity, or even to participate in social and professional integration programmes; indeed, such measures are supposed to increase the beneficiaries' probabilities to find a job and thus the possibility that they can leave social assistance. By contrast with the other two regimes, activation in social assistance does not have to lead to employment. As a matter of fact, there has been during the last years a stronger emphasis on subsidiarity, which does not mean that decisions ought to be made at the lowest possible level (i.e. as close

as possible to the recipient), but that social assistance benefits are only served when no other private or public actor can step in. Accordingly, some cantons, like Basel-Stadt, mobilise most of their social workers to find other income sources for claimants – their family, their actual or former employer, other social regimes, etc.¹³

There is no single system for the evaluation of re-integration measures in the field of social assistance. However, in most cases, providers of social integration measures are evaluated against two main criteria: the so-called rate of ‘filling-up’ (i.e. the ratio between the number of active measures bought by the public authority and those actually occupied by beneficiaries) and the re-integration rate (i.e. the proportion of beneficiaries who find a job during or just after having followed an activation programme). These two indicators are somehow contradictory, since people leaving the programme for a job diminish the ‘filling-up rate’ as a result, because their post in the programme becomes vacant. In practice, the respect of budgetary rules or items is also a very important criterion, and good book-keeping often proves more important than actual social outcomes when it comes to assessing the performance of active labour market programmes.

Within all three institutions, there is an increasing emphasis on professional reintegration. Activation is conceived as the best way to reach this goal, at the expense of so-called ‘passive’ measures. Such a move was made mostly for budgetary reasons, as activation was seen as a way to decrease the caseload. The evaluation processes implemented in the three regimes illustrate this narrow definition of efficiency in

13 Claimants can be helped when suing former employers who did not fulfil their legal obligations, for instance unpaid or underpaid wages or abusive firing. In theory, social workers should also help working poor to increase their earnings: finding a higher activity rate and/or getting better paid.

activation programmes. By contrast, social integration policies could be considered as successful when certain more general abilities or skills are developed, for instance when the beneficiary becomes able to make an informed decision, or when she shows an increased job readiness or when she gets the skill, the ability and the confidence to get and keep a job. However, the present focus on accountability in the management of public policies often leads to concentrate on the most measurable objectives.

What balance between individual and social responsibility?

Activation programmes have been developed in a context of growing unemployment. There were fewer available jobs for more job-seekers. Consequently, public employment services had to adapt their activities in all OECD countries. Research in the French ANPE evidences a shift in the institutional intervention from placement on the first labour market to maintenance and/or improvement of employability.¹⁴ Investigations conducted in Belgian agencies similarly show that local agents turned into caretakers for the unemployed people with the most reduced employability.¹⁵ Moreover, there has been a general tendency to individualise and even personalise the follow-up of unemployed people. This trend toward individualisation has often coincided with

14 Demazière, Didier (2007) 'Une Institution à l'Épreuve du Marché de l'emploi. L'ANPE aux Prises avec Les Chômeurs'. Paper presented at the *Journée Approches du Marché du Travail*, Poitiers, 30-31 May 2007. Online. Available HTTP: <<http://www.guidanceineurope.com/doc/seminar/Demaziere.pdf>>.

15 Orianne, Jean-François (2005) 'Troubles de l'employabilité et traitement clinique du chômage : une analyse d'agents d'insertion en action'. In Vielle, Pascale, Pochet, Philippe & Cassiers, Isabelle (eds) *L'Etat social actif: vers un changement de paradigme?*. Bern, Berlin, New York, Oxford: Peter Lang, 179-207.

increasingly selective practices, leading agents to concentrate their attention on the individuals more likely to fulfil the labour market expectations.¹⁶ The European research project ‘Guidance in Europe’ comparing five countries – France, Germany, Spain, Slovenia, and the UK – demonstrates that one of the key goals of public employment services faced with the new situation is to alter and adapt the beneficiaries’ expectations. It is also claimed that job-seekers need to assume their own responsibility for changing their situation.¹⁷ The Swiss case does not significantly differ from these observations.

The activation-based intervention model leads to put a stronger emphasis both on individual responsibility and on the relevance of tailor-made programmes. Social inequalities tend to be attributed to individual shortcomings (lack of motivation, insufficient work ethics, under-qualification, inappropriate behaviour, etc.). Such a view contributes to legitimate social interventions aimed at changing individual attitudes toward work, and it puts a greater emphasis on individual responsibilities.¹⁸ In the Swiss unemployment insurance, the dimension of individual responsibility is central. Job-seekers, even when they are not made responsible for their situation, undergo strong pressures to adapt their behaviour to the labour market expectations. Since 1996, the AC legal provisions increased the requirements on benefit recipients, whose behaviour needs to be directed toward

16 Demazière 2007.

17 Wright, Sharon and Bertram Christine (2007) *Defining Successful Outcomes for Users: A cross-national comparison of stakeholders’ perspectives on the purpose of employment advice and career guidance for people who are out of work and workers at risk*. Leonardo Programme: Guidance in Europe Project – ES/04/C/F/RF-80900, WP3 report.

18 Serrano Pascual, Amparo (2007) ‘Reshaping Welfare States: Activating Regimes in Europe’. In Serrano Pascual, Amparo & Magnusson, Lars (eds) *Reshaping Welfare States and Activation Regimes in Europe*. Brussels, Bern, Berlin, New York, Oxford: Peter Lang, 11-34.

their quick reintegration on the labour market by attending monthly interviews, carrying out job searches, and accepting any suitable job or active measure. The law clearly stipulates that people who do not abide by these rules are to be sanctioned through temporary benefit suspension. Indeed, participation to an active labour market programme is not optional; refusing to attend such measures is equivalent to refusing a suitable job, and the law imposes heavy sanctions in both cases – benefit suspension from 1.5 month up to 3 months in cases of repeated refusal.

Besides, participation to active programmes is not a right for job-seekers. It is the local agent's prerogative to grant them or not, for instance to decide whether or not a training programme suits the individual professional trajectory and the needs of the local labour market. Such discretionary power is all the more problematic, that the efficiency of these constraining measures is doubtful: for example the monthly job queries required from jobseekers mainly contribute to swamp firms with job queries, and very rarely result in a hiring. Indeed, the limited availability of jobs on the primary labour market results in active measures being often used as a tool to test the beneficiaries' effective availability for a job as well as their motivation and goodwill.

As Wright and Bertram put it, there is a cross-national discourse according to which 'unemployed people are held to be unaware of their real needs and it is seen as the appropriate role of the adviser to reveal these to them.'¹⁹ Advisers have to improve the job-seeker's knowledge of the labour market, so that she adapts (i.e. most of the time lower) her expectations, especially in terms of what jobs can

19 Wright and Bertram 2007.

be assessed as suitable for her. This is not different in Switzerland, where the relationship between individual beneficiaries and welfare institutions mainly takes the form of the ‘constrained individual’²⁰, insofar as local agents of public employment services are conceived as promoters of the work ethics among the beneficiaries, if possible via persuasion, if necessary through constraint and pressure. For the most qualified recipients, those closest to the labour market, these agents may improve their situation vis-à-vis the labour market, but for the others, the vast majority of their clientele, their action mostly boils down to checking behaviours – via requirements concerning active job search while available jobs are very scarce – and sanctioning them in case of non-compliance with administrative regulations. In such cases, the paradox of activation consists in imposing a specific behaviour in terms of job-readiness, the efficiency of which depends on the state of the labour market. Public action, then, often amounts to constraining (or helping) the beneficiaries to become attractive commodities on the labour market. This will be done in the best cases via qualifying measures, and in the most usual situations via an adaptation of their wage or mobility expectations or an improvement of their ‘marketing’ skills – those abilities that matter for a more convincing self-presentation in front of a potential employer. In many instances, indeed, improving marketability features as a more important target than the enhancement of employability.

Hence, the available measures essentially focus on the supply side, and the issue of creating jobs and/or improving their quality (demand

20 Bonvin, Jean-Michel & Moachon, Eric (2007) ‘The Impact of Contractualism in Social Policies. The Case of Active Labour Market Policies in Switzerland’. *International Journal of Sociology and Social Policy*, Vol. 27, Issue 9/10, 401-412.

side) is mainly a prerogative of market actors. Some demand-side measures such as job subsidies also exist, but they are parsimoniously used (roughly 5 per cent of all active measures) and only concern low-skilled and low-qualified workers. Also, interventions with a view to reducing social inequalities are poorly developed in the Swiss AC. Our fieldwork, conducted in five jobcentres in two Swiss cantons, showed that the individualised follow-up of jobseekers, rather than creating equal opportunities for all target groups, tends to reinforce existing inequalities. For instance, executives are less often assigned to a job (i.e. compelled to apply for a job), because for them being explicitly labelled as unemployed in front of a potential employer might be damageable to a future hiring. Training opportunities are also more attractive for people who already own high degrees, while low qualified job-seekers are mostly taught how to candidate themselves in a more efficient way or sent to mass courses like language training sessions, where people with slightly under average writing abilities are mixed with illiterate students.

In much the same way, the recent AI revisions clearly emphasise individual responsibility. First, eligibility conditions to so-called 'passive' benefits have been hardened, via the extension of the minimal contribution period. Also, more rigorous instruction phases have been implemented, with the use of stricter criteria for health examination and working capacity evaluation. The duty to collaborate imposed on disabled people has also been reinforced. As the federal administration insists,

The claimant is responsible for her health status and her rehabilitation. (...)
Via an active collaboration with the AI and by complying with her obligation

to cooperate, the recipient demonstrates that she is willing to reintegrate active life, with the support of competent people, in short that she assumes her responsibility.²¹

If the claimant repeatedly doesn't fulfil the requirements imposed on her, the benefits can ultimately be suppressed. The objective of these stricter conditions is to promote the recipient's active cooperation and to stimulate rehabilitation efforts by stressing individual responsibility. The reinforcement of the fight against fraud, with a view to improving the AI legitimacy among the public opinion, shows a similar trend. Investigations for dubious cases can now mobilise police investigation methods. New surveillance organs are allowed to access every document – including the residence and working permits – and to collect all necessary information. When a recipient seems suspect, an expert can proceed for example to secret inquiry, unexpected visits at home or in the workstation and can also, as a last resort, put a tail on her. In our view, the use of such methods fails to bring more legitimacy, but rather leads to more suspicion against AI claimants among the population.

The latest AI reform also led to the introduction of preventive programmes such as early detection and intervention. Within the framework of early detection, each person incapable of work for four weeks or more or who experiences repeated short absences, can report herself (or be reported by her doctor, her employer, her family, etc.) to the AI. This involves a stronger collaboration between the employer and the AI, and an early follow-up of the person. Regarding the content, the early intervention tools (i.e. workplace adaptation, training

21 Federal Social Insurance Office (2005) *Message concernant la modification de la loi fédérale sur l'assurance-invalidité (5e révision de l'AI) du 22 juin (005.052)*. Berne: FSIO. Online. Available HTTP : <<http://www.admin.ch/ch/f/ff/2005/4215.pdf>>, 4281.

courses, vocational guidance, socio-professional rehabilitation and occupational measures) are not distinct from the 'usual' rehabilitation measures. But they can be implemented quickly, without a long preliminary instruction (i.e. even before having submitted an AI-pension request). They have a limited duration and are not very expensive (in the average 3 000 Euros, at most 12 500). They do not lead to the payment of cash benefits and are not a right. It is to be emphasised that in the framework of these preventive measures, some action is taken on the demand side in order to preserve employment or reintegrate people in another job, for instance the insurance can finance the adaptation of the workplace.

The employer's responsibility has also been reinforced by the recent AI revisions, but it clearly comes after that of the claimant. On the one hand, the employer's responsibility to promote the health of employees only comes, so to say, 'in addition to the individual responsibility to adapt and match the requirements of the labour market.'²² On the other hand, there is no obligation to hire disabled people in the Swiss legislation, and employers are entirely free in this field. No wonder then if AI recipients, regardless of the effective limitation of their ability to work, are often faced with reservations and prejudices. Thus, responsibility lies mainly on the recipient – insofar as she complies with the obligation to collaborate – and on the agents in charge of the rehabilitation and placing activities undertaken by the AI. If individual and public responsibility have been developed significantly by the latest revision, corporate responsibility remains a matter of initiative and goodwill. A recent study, commissioned by the federal authorities,

22 Dummermuth, Andreas (2006) *Une assurance-invalidité dépassée ? Défis – obstacles – esquisses de solutions*. Fribourg: Foi et économie, 23.

shows that greater involvement of employers is essential, and that an individualised follow-up of beneficiaries will not by itself change the social context of reintegration.²³ Thus, the issue of legitimacy is mainly related to the recipients' behaviour and the financial efficiency of the AI, while the legitimacy of corporate actions or decisions is not questioned.

As the last safety net, social assistance is responsible for guaranteeing a subsistence income to its beneficiaries. In such a framework, the focus on individual responsibility should be lesser than in the social insurances, since social assistance has a duty to take care of these people. The social assistance beneficiary is not the disembodied worker of the AC, insofar as extra-professional difficulties can be taken into account. Nevertheless, as it is the case in the two social insurances, social assistance recipients are called to deploy their best efforts to reduce or eliminate the assistance need. Sanctions can be taken against those who do not fulfil their collaboration and information duties. Besides, in social assistance programmes, collective responsibility is supported by fewer cash resources than in the two social insurances. Hence, the services provided by these programmes tend to be less wide-ranging and ambitious than those proposed by the unemployment and disability insurances. As a matter of fact, the trend in social assistance programmes is quite clear: significantly increasing pressures imposed on beneficiaries and slightly higher availability of activation programmes. Here too, the new welfare contract imposes heavier burdens on recipients while it opens, though to a smaller extent, access

23 Guggisberg, Jürg, Egger, Theres & Künzi, Killian (2008) 'Evaluation du placement dans l'assurance-invalidité'. *Sécurité Sociale CHSS*, Vol. 3, 157-161. Online. Available HTTP: <http://www.buerobass.ch/pdf/2008/evaluation_arbeitsvermittlung_iv_chssd_0308_f.pdf>

to new measures and programmes. Furthermore, the success of such programmes depends on the availability of adequate professional and social opportunities for their beneficiaries, and the fact that the creation of such opportunities follows mainly a market logic, along selective and competitive lines, does not provide adequate guarantees in that respect.

What voice for local agents and beneficiaries?

With regard to the beneficiaries, all three programmes present striking similarities. In the unemployment insurance, local agents are in charge of assessing job-seekers' skills and needs and of designing individual plans taking into account this information as well as the circumstances of the local labour market. In such tailor-made interventions, the job-seeker is allowed to be a partner, provided she accepts the informational basis of activation imposed by the legislative provisions. Reluctant beneficiaries, for example those expressing opposing views and refusing to comply with the administrative requirements, may undergo severe sanctions. Thus, voice is granted only within the cognitive and normative framework defined by the officially designed AC informational basis of activation.

A similar pattern can be observed in the disability insurance, where strategies close to the case management logic have been developed for a few years with the same kind of ambivalent results as in the AC. Indeed, at the same time when individuals are allowed to express their needs and expectations, since case management goes hand in hand with some individualisation of the AI informational basis of

activation, their obligation to collaborate, especially with regard to the disclosure of all information that can prove useful for their follow-up, has been reinforced. For instance, medical secrecy has been partially lifted in order to allow house doctors to transmit their medical records to the AI medical staff. And new sanctions have been introduced for those who do not collaborate. It should, however, be emphasised that the culture of sanction is not so firmly established within the AI as is the case with the AC, and their implementation is still exceptional. Just like in the AC, voice is allowed provided it fits within the official informational basis of activation.

By contrast, personalised intervention and individualised follow-up have always been a feature of social assistance systems. Recent introductions of formalised individual action plans or contracts in most Swiss cantons are congruent with this trend. However, these new modalities of intervention also introduce more constraint and obligations vis-à-vis the beneficiaries, with a reinforced possibility to sanction those who do not fulfil their duty to collaborate. Hence, social assistance is increasingly conceived along contractual lines, where the beneficiary needs to do something in exchange of cash benefits. In this case, the informational basis of activation encompasses other issues than work or employability, and the efforts required from the recipient can relate to other fields such as housing. Here too, then, the increased opportunities offered by the public bodies coincide with reinforced and more encompassing duties imposed on recipients. Under such circumstances, voice is conditional upon the acceptance of the official informational basis of activation: in other words, needs and expectations are envisaged as legitimate only if they fit in this framework.

To sum up, the three programmes converge to a large extent with regard to the voice granted to the beneficiaries. In all three cases, though an individualisation of the informational basis of activation is promoted via the adoption of more personalised and tailor-made modalities of intervention, voice is allowed within specific limits defined by the legal-administrative cognitive and normative framework. This also means that not all beneficiaries are equal in terms of voice: those complying with the administrative framework and expectations (or those successfully pretending to be compliant) enjoy more voice and freedom of expression. This is further evidenced by the opportunities offered to the beneficiaries to appeal against an official decision. In the unemployment insurance, many jobseekers do not know their rights and duties with regard to possibilities to contest decisions. Besides, they are often reluctant to go against their officer's will, all the more so since the first appeal body is an administrative instance that rejects about 90 per cent of complaints. This does not imply that these appeal mechanisms are partial, but rather that they require a specific language or argumentation that jobseekers barely master. In the disability insurance, recent modifications, introducing the obligation to pay for being allowed to resort to appeal bodies, with a view to diminishing the caseload of these institutions, have also reduced the recipients' right to appeal against AI decisions. Such amendments impact negatively on the recipients' ability to defend their rights and constitute a discriminating factor. This applies even more strongly to the social assistance systems, where the ability of certain recipients to resort to judicial mechanisms and appeal bodies is very limited. Then, their voice very much depends on the mobilisation of other people or associations. As a consequence,

in many Swiss cantons, social assistance systems are used as a kind of laboratory for social experimentalism.

With regard to local agents, the three programmes also follow similar patterns toward the introduction of managerialist tools, but the pace of these evolutions differs to a large extent. The unemployment insurance has introduced the most refined managerial tools, e.g. an extensive computer system allowing a centralised monitoring of all regional employment offices. This elaborated system allows to measure performance and benchmark local offices along the four indicators mentioned above, with a view to identifying the best practices (i.e. those of the most performing actors according to the selected informational basis) and promoting or trying to impose them on the others. The federal administration has access to all data compiled on the computer system, and if practices do not comply with the directives, inspectors are mandated to investigate the situation and, if relevant, inflict penalties. This is a rather authoritarian way to implement 'new public management' principles, that leaves little voice to local agents. No wonder then if it is in the AC that ritualistic behaviours, e.g. complying with the indicators though one knows that they do not allow an adequate intervention, or resistance, for example cheating with the indicators, are most developed among local agents. The other two programmes are much less advanced with respect to managerial principles, though recent evolutions also go in this direction. As mentioned above, the disability insurance has also introduced managerialist techniques, but this a very recent trend and it is not implemented as strictly as in the AC. Indeed, local actors enjoy a higher margin of manoeuvre when implementing the AI provisions and they also have the possibility to discuss and negotiate the content of the directives. This may be due to

the experimental stage in which the AI is with respect to managerialist techniques. Social assistance programmes are also striving to adopt systems more clearly geared towards efficiency. Protocols of social intervention are being designed in many cantons, asking local agents to comply with new and more precise requirements: the claimant's assessment is to last no more than a determined number of hours; it has to end up in a precise action plan jointly signed by the local agent and the beneficiary, etc. Such tools follow a twofold objective: on the one hand allow a more efficient monitoring of the local agents' work, via the introduction of precise data in a computer system, on the other hand diminish their discretionary power with a view to ensuring equality of treatment. Both objectives converge toward a reduction of the local agents' margin of manoeuvre. To sum up, the unemployment insurance features as a pioneer in the field of managerialism, while the other two programmes adopt such tools at a slower pace and with more reluctance on behalf of the field actors.

Conclusion

In all three programmes, the issue of legitimacy is primarily envisaged in relation with the 'cost vs. effectiveness' ratio, and effectiveness is first and foremost interpreted with respect to the capacity to reduce expenses and diminish the caseload. Accordingly, the two main dimensions of workfare, compulsion and emphasis on work, are presented as efficient ways to contain rising costs. And all three issues presented in the introduction are framed against this background: a) the informational basis of activation increasingly focuses on quick professional

reintegration, and other possibly relevant information tend to be excluded; b) the intervention of the state mainly aims at promoting the recipients' individual responsibility with regard to the enhancement of their employability and of probabilities to get a job in the short run; c) voice is granted to benefit recipients and local agents insofar as they comply with these prerequisites concerning the informational basis of activation and the balance between individual and collective responsibility. The outcome is that, even though these policies claim that they are individualised and tailor-made and help everyone with adequate means, in many cases the beneficiaries' needs are pre-defined or reinterpreted according to existing categories of intervention by the local agents in charge of their follow-up. In other words, the content of the individual intervention is not decided according to the recipients' needs, but to the available means and programmes. The AC is certainly closer to a strict workfare logic, insofar as the duration of help is limited and the activation rhetoric insists on quick action. By contrast, the AI and the social assistance programmes use the time variable more flexibly and develop a more encompassing comprehension of social integration as a long process with many steps and possible kickbacks. All the same, recent evolutions show that all three programmes follow the same patterns, though at various paces and with different degrees of strictness in the implementation.

As a result, many negative by-side effects can be observed. They go from ritualistic practices – strict compliance with the institutional directives whatever their outcomes in terms of professional integration – targeting and selectivity in favour of the most employable job-seekers, systematic and standardised application of the rules without taking into account individual or local features (e.g. working for the

indicators), up to the refusal to comply with institutional requirements perceived as disconnected from local circumstances and needs. Such negative outcomes are not grasped by the performance indicators usually resorted to when assessing social integration policies. Indeed, if the legitimacy of such policies is framed exclusively with regard to the reduction of the caseload, in positive terms the reinsertion rate, and the diminution of social expenses, as is most often the case, this implies that issues such as equality of treatment, quality of activation programmes and of available jobs on the labour market, citizenship, agency, voice etc. are not adequately tackled. Therefore, an alternative view of what is a legitimate social integration policy needs to be promoted. Our contention is that three conditions are key in this respect²⁴: a) the setting up of a genuine discursive space guaranteeing that all partners' point of view is duly taken into account; this implies that activated people are genuine partners of the activation process and that too restrictive quantitative targets or indicators, such as those mobilised in the Swiss AC, do not impede such participation; b) the adoption of a long-term perspective: cut-off dates may work very well for many unemployed, but they push the most deprived to feel blameable and undeserving, and paralyse their capacity for initiative. By contrast, if time is considered as a resource, the jobseeker's evaluation follows a different logic, much more respectful of the individual circumstances and conducive to step-by-step social integration. With respect to this second condition, the Swiss AI and social assistance experiments offer stimulating avenues for reflection, insofar as cut-off dates are used in a

24 Bonvin, Jean-Michel & Farvaque, Nicolas (2007) 'A Capability Approach to Individualised and Tailor-made Activation'. In Van Berkel, Rik & Valkenburg, Ben (eds) *Making it Personal. Individualising Activation Services in the EU*. Bristol: Policy Press, 45-65.

much more flexible way; c) an adequate articulation between individual and collective responsibilities, implying the need to considerably improve the tools of collective responsibility in all three programmes surveyed in this paper. If local institutions are not to act as disciplining agents whose main function is to guarantee social peace, then they should be equipped with adequate tools, on both the supply and the demand sides, in order to efficiently pursue all jobseekers' integration. In case of repeated failure, institutions are not there only to sanction, but to empower, i.e. to restore the conditions for professional and social integration. Such an enabling view of public action is in our view the very condition of its legitimacy.

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Social work-fare? Social workers' views on the poor, the unemployed and workfare-related measures in Finland*

Christian Kroll & Helena Blomberg

Introduction: social work-fare

This chapter investigates the determinants behind and legitimacy of workfare-related measures among social workers in a Nordic welfare state, namely Finland. We believe this issue to be of interest, since the principles behind workfare policies have often been regarded as an incompatible with those of the Nordic welfare state model.

One of the traditional characteristics of the Nordic welfare model has been a 'structural' view on social problems according to which the individual is not primarily to be held responsible for a variety of social needs or problems that he/she may come to face, including, among other things, a lack of sufficient economic recourses to lead a decent life, and/or a lack of possibilities for gainful employment.¹ One of the central ways of promoting the situation of individuals facing or being in risk of facing such problems has been through measures related to another central goal of the welfare state, namely to (at least) further full

* An article, partly similar to this chapter, has appeared in Kroll, Christian & Blomberg, Helena (2010) 'Socialarbetares syn på fattiga, arbetslösa och ökade krav på klienterna i Sverige och Finland'. *Socionomens Forsknings supplement*, Issue 4, 90-99.

1 Kautto, Mikko, Fritzell, Johan, Hvinden, Björn, Kvist, Jon & Uusitalo, Hannu (2001) *Nordic welfare states in the European context*. London: Routledge.

employment. Through a wide variety of active labour market and social policies, the state has tried to further full employment and to meet the demands of the labour market alike. Only in the case of inability to work, social security has been thought to be the primary solution to the above problems.

The traditionally central position given to work-life participation in the Nordic welfare model has led to a scholarly debate concerning whether the policy reforms enacted in the individual Nordic countries during the last decade, inspired by ideas of various variants of 'workfare' policies, with their roots at least partly outside the Nordic countries and in differing institutional settings, should be considered a break with the above mentioned traditional principles of the Nordic model or not.

While the requirement that has followed from the above policy, namely every individual of working age to be willing to work, is a common feature to the traditional work-line, *arbetslinjen*, approach of Nordic social and labour market policies to combating social exclusion and/or secure the financial durability of the welfare system and to the 'workfare-approach', it is often pointed out that the coercive elements of the latter, which include, for instance different kinds of 'punishments', mainly in the form of reduced, or even abolished economic benefits in case of a non-compliance with different measures thought to strengthen the position of the individual in the labour-market, are not commensurable with the traditional values of the Nordic welfare model.² According to some scholars, this type of shift in policies

2 Dröpping, Jon Anders, Hvinden, Björn & Vik, Kirsten (1999) 'Activation policies in the Nordic countries'. In Kautto, Mikko, Heikkilä, Matti, Hvinden, Björn, Marklund, Staffan & Ploug, Nils (eds) *Nordic social policy. Changing welfare states*. London, New York: Routledge; Abrahamson, Peter (2001) 'Den nordiske velfærdsmodels fremtid'. *Nordisk Sosialt Arbeid*, Vol. 5, Issue 1, 7-15.

marks a change in the political elites' views on people's behaviour in regard to the welfare system in general and regarding disadvantaged groups, like the poor and unemployed, in particular. This shift stresses a logic of incentives in 'choosing' between work and benefits and a greater emphasis on the individual's own responsibility for being unemployed.³ Thus, as discussed further below, while the traditional Nordic approach may be seen to stress structural explanations for social problems, workfare measures have instead been linked to individual explanations.⁴

Often, workfare-related issues are analysed by scholars from a perspective of employment policies and/ or a general social/labour market policy, while the fact that a substantial share of those citizens belonging to the main target groups of various kinds of new 'activation' measures (workfare) today, are so through being clients of the personal social services (social work) is given less attention. Thus, like in many other countries, this means that social workers within the social services have been given a central role in the implementation of 'activating' the client in Finland.

This fact has some implications which are not always highlighted in the general social, or labour market policy debate. Firstly, the nature of the target groups for measures of the most pronounced workfare-type can be assumed to be somewhat divergent as compared to the target groups in countries outside the Nordic countries. Since the amount of working poor seems to be limited in the Nordic countries, most of those

3 Julkunen, Raija (2006) *Kuka vastaa. Hyvinvointivaltion rajat ja julkinen vastuu*. Helsinki: Stakes.

4 Bullock, Heather E. (2004) 'From the front lines of welfare reform: an analysis of social worker and welfare recipient attitudes.' *The Journal of Social Psychology*, Vol. 144, Issue 6, 571-588.

being 'poor' are also (mainly long-term) unemployed, which for various reasons lack income-related unemployment insurance⁵. In addition, this group can be thought to consist, to a fairly large extent, of individuals with below-average chances of employment, due to lacking relevant labour –market skills and/or due to various personal social problems.

Secondly, the workfare-related policy changes tied to social assistance seem to have changed the personal social services more generally; the (new) type of active labour market policies have been followed by an 'active social policy'. Thus, also within social work, a new ethos has been said to have emerged, which underlines a transition from dependency to responsibility.⁶ In such a context, dependency is made synonymous with exclusion, and social work is expected to end this dependency through making the clients take responsibility for their situation.⁷ On the other hand, also from this perspective, it remains somewhat unclear, just how profoundly new this task is perceived within social work. According to a study by Giertz, at least in Sweden, there were a large number of local 'welfare-to-work' measures implemented decades before the term workfare was even introduced in the Nordic countries.⁸ Some of the low-level programmes that were introduced at the municipal level already in the 1980's had obvious similarities with workfare in the USA. Thus, these municipal programmes were implemented before the economic recession of the early 1990's which hit both Finland and Sweden in particular, and before the previously unknown levels of mass unemployment which were a result of it.

5 Thus, far from all the unemployed can be considered to be 'poor'.

6 Juhila, Kirsi (2006) *Sosiaalityöntekijöinä ja asiakkaina. Sosiaalityön yhteiskunnalliset tehtävät ja paikat*. Tampere: Vastapaino, 77.

7 Julkunen 2006, 208.

8 Giertz, Anders (2004) *Making the Poor Work. Social assistance and Activation Programs in Sweden*. Lund Dissertations in Social Work, No. 19. Sweden: Lund University, 31.

At that time, these measures were, as a rule, not met by any massive criticism by the implementing bureaucrats. Although they were formally voluntary to the clients at the time, social workers had obvious possibilities to persuade recipients of social assistance to participate, including the fact that the recipient might suspect that denial of participation could affect future decisions on social assistance negatively.⁹

Thirdly, the role and position of social workers within the Nordic welfare system in general is a question which is subject to a constant academic and professional debate within the field of social work. The perspectives discussed within this debate, however, are often not considered in the general social policy/employment policy debate. For instance, some researchers point at international influences in the development of social work, which are thought to imply that the view of social workers should be fairly similar all over the world.¹⁰ On the other hand, some observers of social work in the Nordic countries have instead pointed out that the personal social services in the Nordic countries have their roots in traditional, pre welfare-state municipal poor-relief, based to a much larger extent on individualistic views on the reasons for social problems – a tradition that is said to have influenced this part of the service system until our times.¹¹

All in all, the fact that social workers within the municipally organised personal social welfare services have a central role in the

9 Ibid, 29.

10 Heatherington, Rachel (2002) Learning from Difference: Comparing Child Welfare Systems. Keynote address at the Positive systems of child welfare conference, Waterloo 20-21 June, www.wlu.ca/pcfproject.

11 Sunesson, Sune, Blomberg, Staffan, Edebalk, Per-Gunnar, Harrysson, Lars, Magnusson, Jan, Meeuwisse, Anna, Petersson, Jan & Salonen, Tapio (1998) 'The flight from universalism'. *European Journal of Social Work*, Vol. 1, Issue 1, 19-29.

implementation of 'workfare-type' policies in a broad sense in the Nordic countries makes it interesting to study the attitudes and possible mechanisms for attitude formation towards workfare-related measures within this group. Since social workers have in practice a fairly large discretion in the treatment of their clients, their views can be assumed to have an influence on the services provided.

By combining perspectives on the role and position of social workers within social services and general perspectives on factors influencing attitudes to welfare policies, the ambition is to shed some light on the question of the legitimacy of (some) workfare-related policy measures among social workers in Finland.

The chapter addresses the following questions, utilising data from a nationwide survey among professional social workers in Finland, which included questions on perceptions of poverty and of the unemployed, as well as attitudes towards some workfare-related policy measures:

1. How do social workers perceive the poor and the unemployed?
2. What are the attitudes of social workers towards workfare-related measures in social work?
3. How do the perceptions of the poor and the unemployed affect the attitudes of social workers towards workfare-related measures?
4. Are there other factors, as reflected in the individual characteristics of the social workers, which seem to affect their attitudes towards workfare-related measures?

Attitude formation among social workers

In the following, a brief summary will be made of some various *types* of explanatory factors for social worker's attitudes that in this study are assumed to be of potential importance.

In an Israeli study on social workers attitudes to welfare policies, Weiss-Gal and Gal (2007) make a distinction between 'predictions' of welfare policy attitudes of social workers which are related to: a) the values and mission of the social work profession (here, the values and mission of the social work profession are thought to result in social workers having attitudes strongly supporting government involvement in the redistribution of wealth through taxes and services and the like); b) to 'negative theories of professionalisation' (here, a strive for professional recognition is assumed to result in social workers embracing views of ruling elites instead of identifying with their clients); c) to the fact that social workers are members of the middle class (which would imply that they would hold similar attitudes as other members of the middle classes).

While the first kind of prediction is clearly related to values or normative factors only, the two latter include both normative and self-interest related considerations of social workers. Furthermore, while the first two factors are related to specific professional considerations, the third is concerned with the general position of social workers within the societal structure.

In her study on social worker and welfare recipient views on issues related to welfare reform in the USA, Bullock (2004) compared social workers' and welfare recipients' *'attributions'* to poverty, *'beliefs'*

about the welfare system and welfare recipients and *attitudes* towards welfare policy reform and the interrelationships between these factors. Regarding attributions to poverty, a distinction is made between individualistic, structural, fatalistic and cultural explanations.¹² While individualistic explanations stress personal deficiencies such as laziness, financial irresponsibility, substance abuse, among many, as the reasons for poverty, structural explanations blame macroeconomic and social conditions, for example low wages, inadequate schooling etc. Fatalistic explanations, in turn, blame factors such as bad luck and illness, while cultural explanations emphasise factors related to the American welfare reform discourse of the 1990's, such as intergenerational welfare dependency, inability to defer gratification and anti-work attitudes. The cultural explanation is thought to 'cross-cut' the structural and individual explanations, acknowledging the consequences of structural deprivation, yet placing the blame for poverty mainly on the individual. The questions on beliefs included a variety of questions, among them the use of welfare and honesty of recipients.

While most of the prediction discussed by Weiss-Gal and Gal¹³ are mainly 'universal' in nature, in the sense that they could be assumed to affect the welfare policy attitudes of social workers with different personal characteristics (age, education, employment sector, sub-field of work, etc.) within a country, but also across countries, in similar ways, Bullock's focus and use of variables seem clearly more related to the specific *institutional* structure of the American welfare system, in which

12 The distinction resembles the one used e.g. in Oorshot, Wim van & Halman, Loek (2000) 'Blame or fate, individual or social? An international comparison of popular explanations of poverty'. *European Societies*, Vol. 2, Issue 1, 1-28.

13 Ibid.

individualistic attributions are said to dominate, especially among those holding institutional power.

In a study on what explains welfare state attitudes among the general public in various welfare state models, Albrekt Larsen (2006), building partly on the same literature as Bullock¹⁴, focuses precisely on this fact from an international perspective, when he assumes that institutional settings, through their varying design¹⁵ in different types of welfare models, create different reactions, which he calls *perceptions*, of the poor and the unemployed. These welfare-policy dependent ‘perceptions’ of the deservingness of welfare recipients, which are thought to be less stable than, and not necessarily as clearly normative as, general values held by the individual, are presented as the ‘missing link’ that has troubled earlier welfare state research when it comes to explaining the detected inter-model variations in welfare policy support.¹⁶

The welfare state-model dependent interaction between social policies and the labour market are thought to create perceptions of deservingness regarding the poor and unemployed on five different dimensions, namely the perceived degree of control over the problems at hand (‘control’), the perceived degree of need of benefits (‘need’), the degree of perceived identification with this group (‘identity’), the degree of perceived reciprocity in the help given to this group (‘reciprocity’) and the perceived degree of a demand for gratefulness shown by the receivers of benefits (‘attitude’). While the conditions in an ideal liberal regime,

14 While using neither identical terminology nor the same operationalisation of the factors discussed.

15 The dimensions identified which vary between welfare models, are 1) the degree of job opportunity 2) the difference in economic resources between ‘the bottom’ and ‘the majority’ and the degree of selectivism.

16 Albrekt Larsen, Christian (2006): *The Institutional Logic of Welfare Attitudes. How Welfare Regimes Influence Public Support*. Hampshire: Ashgate Publishing Limited, 49-50.

to which the USA studied by Bullock comes closest, the domination of selective welfare policies is believed to result in the poor and unemployed being viewed as a special group in relation to the rest of the population, to highlight the boundaries between those who give and those who receive, and to open up for a discussion on whether benefits and services are received with a grateful and compliant attitude. In the ideal 'social democratic' welfare model, which comes closest to the Finnish system, the mainly universal welfare policies are thought to produce opposite perceptions on these dimensions. The greater differences in economic resources in the former than in the latter model are thought to contribute to the poor and unemployed being viewed more often as different as compared to the rest of the population, but also to create perceptions of recipients being in greater need of benefits and service. Finally, the greater job opportunities for the poor and unemployed¹⁷ in the liberal model, are thought to result in more frequent perceptions of the poor and unemployed being in control of their own circumstances in this model than in the social democratic, but also to create more frequent perceptions of need in the former than in the latter model.¹⁸

While the above regime-dependent effects on perception of the poor and unemployed are generally supported by Albrekt Larsen's empirical analysis, it seems, in light of the other approaches referred to above, to not be very clear what to expect from our case concerning social

17 In low-skill, low-wage jobs that are not common in the other models.

18 Albrekt Larsen 2006.

workers, since different empirical studies indicate that one might not talk about a profession characterised by similar and coherent values.¹⁹

However, since factors of the kind called perceptions or attributions and beliefs clearly seem to influence attitudes towards various welfare state issues, this type of approach seems to provide one important source to explain more concrete attitudes towards welfare policy solutions. Thus, the solutions are thought to be interesting in the present context, both *in themselves*, through providing knowledge on perceptions that can be expected to be in relation to a variety of welfare policy attitudes, and also serve as relevant explanatory factors regarding the specific workfare-related attitude questions included in the present study.

Since the above cited research on social workers indicates that fairly large variations in attitudes towards welfare policies among social workers might be expected, other explanations for such differences in attitudes, besides the effects of perceptions of the poor and unemployed, also seem worth exploring.

One possible reason for variations in attitudes towards workfare-related policy measures could be related to the *age* of the social worker, reflecting various forms of secondary socialisation, through mass media and the public debate at large; age has in a bulk of studies been shown

19 Weiss-Gal, Ida & Gal John (2007) 'Social workers' attitudes towards welfare policy'. *International Journal of Social Welfare*, Vol. 16, Issue 4, 349-357; Skogens, Lena (2005) 'Socialsekreterares bedömningar – finns det någon form av konsensus?'. *Socialvetenskaplig Tidskrift*, Vol. 4, 328-345; Stranz, Hugo (2007) *Utrymme för variation – om prövning av socialbidrag. Rapport i socialt arbete nr 119*. Doktorsavhandling, Institutionen för socialt arbete, Stockholms universitet.

to influence attitudes to various aspects of welfare policy.²⁰ However, social workers of different ages might also have been socialised to the thinking within the organisation in which they function.²¹ On both arenas, workfare-policy ideas and ideals can be assumed to have been more visible during the last decade in Finland than before, which would lead to the assumption that the youngest social workers would display attitudes more in line with workfare ideals than those who had earlier been socialised 'traditional' Nordic activation policies.

If the organisational setting is of importance for attitude formation, it follows that the *type of work task*, or sub-field within social work, could also be of importance.²² Social workers within fields practising workfare-related policies, such as income support, might be expected to have been influenced more by the present trends in activation policies than social workers engaged mainly in other types of tasks.

Since in practice not all social workers have enjoyed the same amount or type of education²³, the educational background of the workers might also contribute to attitudinal variation. There are some

20 For further reading see: Blomberg, Helena (1999) *Kosta vad det kosta vill? Attitydmönster och attitydförändringar hos befolkning och eliter beträffande välfärdsservicen i nedskärningarnas tid*. Akademisk avhandling i socialpolitik. Helsinki: Universitetstryckeriet; Inglehart, Ronald (1990) *Cultural Shift in Advanced Industrial Society*. Princeton: Princeton University Press; Sihvo, Tuire & Uusitalo, Hannu (1993) *Mielipiteiden uudet ulottuvuudet. Suomalaisten hyvinvointivaltiota, sosiaaliturvaa, sekä sosiaali- ja terveystalveluja koskevat asenteet vuonna 1992*. STAKES Reports 33. Helsinki: Stakes.

21 Byberg, Ingrid (1998) *Arbetsmetoder och socialbidrag: en studie av olika faktorerors betydelse för kommunernas socialbidragskostnader*. Stockholm: Socialstyrelsen.

22 Ibid.

23 While positions as a social worker within public social services in Finland today require by law an MA in social work, requirements used to be less strict and many older social workers are regarded qualified holding a BA-level social work education from a university. In addition, persons lacking (at least a completed) education in social work (or often with an education from a polytechnic or within another academic field), are allowed to serve as substitute social workers for limited amounts of time; a common practice today due to a serious shortage of qualified social workers.

studies which have indicated that social workers with a short education displayed more moralising attitudes towards clients²⁴.

Even though the above mentioned explanatory variables naturally cannot be expected to cover all known factors of attitude variations, they are still believed to cover a variety of different perspectives central to the attitude formation of social workers. In the following, we turn to a more detailed presentation of the data and methods used in the analyses.

Data and methods

The data used in this chapter is based on the Finnish part of a survey aimed at people professionally engaged in social work in the Nordic countries. The questionnaire was placed on the Internet, and an e-mail containing the link to the electronic questionnaire, which allowed respondents to answer anonymously, was sent to all Finnish social workers being trade union members of the National Association of Social Workers and having an e-mail address (about 70 per cent of members) in the autumn of 2007. The data was stored in a specially constructed database on a University of Helsinki server. About 60 per cent of the members receiving the questionnaire took part in the survey (N=1299).

The questionnaire included a large number of questions concerning the social workers' perceptions and attitudes towards social work and social policies. In this chapter we have chosen to focus on questions concerning the perceptions of reasons for poverty, perceptions of the

24 Holm, Ulla (2002) 'Empathy and professional attitude in social workers and non-trained aides'. *International Journal of Social Welfare*, Vol. 11, 66–75; Skogens 2005.

unemployed and attitudes towards different workfare-related measures in social work. The questions concerning the perceptions of the poor and unemployed have been used in the Comparative Questionnaire Module on Welfare Values and Opinions.

The questions on the reasons for poverty resemble those used in the above cited studies by Bullock and Larsen, among others, which thus are assumed to be able to measure the views on the reasons for poverty (see questions about poverty in Table 1 below). With reference to Bullock's approach, we are here mainly interested in the support for individualistic and structural explanations for poverty respectively, and with reference to Larsen, especially in those embracing individualistic explanations, since it should be able to serve as a proxy for his 'control' dimension of perceptions, thought to be central for explaining attitudes on welfare policies. One interesting difference in relation to some earlier studies which have used variants of these questions is that respondents have not been asked to choose the explanation(s) considered most important. Instead, respondents were asked separately to state whether they agreed or disagreed with each type of explanation²⁵. Although perhaps seemingly logically inconsistent at first glance, the possibility to find many relevant explanations was expected to reveal interesting findings in an institutional setting. Furthermore, in light of the fact that the opinions were from a professional social workers, it does not seem very likely that any substantial amount would embrace solely 'individualistic' explanations for poverty. It was assumed, that

25 The questionnaire also included questions measuring 'fatalistic' explanations for poverty. Since analysis showed that many respondents embraced both fatalistic and the two 'voluntaristic (individual/structure)' explanations simultaneously, but with no clear pattern as regards choice of either 'voluntaristic' explanation, this type of explanation was not considered central to the present research questions.

respondents who accept (with different subgroups of poor in mind) both structural and individual explanations, would still represent a different type of thinking than those emphasising solely structural explanations.

Secondly, the survey included questions regarding the unemployed²⁶, which can be assumed to tap on other dimensions (control, reciprocity, identity etc.) as discussed by Bullock and Albrekt Larsen (Table 1 below).

Our dependent variables differ from the ones used in many previous studies, since they are concerned with workfare-related measures within the personal social services, not with general social policy issues. However, we find it reasonable to expect that the independent variables used should, on theoretical grounds, be expected to correlate at least as strongly to these questions as they do with more general issues of welfare policies.

Perceptions of reasons for poverty and unemployment

Turning to the results from our empirical analyses, let us begin by looking at how social workers perceive the reasons for poverty and unemployment.²⁷ As shown in Table 1, most social workers perceive poverty to be connected to ‘injustice’ in society, rather than to individual

26 Here, it has to be noted that the question talks about unemployment in general, not those being poor and unemployed. Since the questionnaire used was presented as concerning issues of social work and considering that (long-term) unemployment correlates with client hood in the personal social services (cf. ch. 1), it is here assumed that respondents have mainly had groups of ‘poor and unemployed’ in mind when answering these questions, rather than other groups of unemployed, enjoying income-related unemployment benefits.

27 Respondents had to choose between five alternatives when answering these questions; these five categories have been merged into three alternatives in the tables.

attributes (laziness and lack of will power). However, rather many of the respondents supporting individual explanations for poverty also supported structural explanations (figures not shown), which might indicate that these respondents had different client groups in mind when answering the questions.

Concerning perceptions of the unemployed, a rather small share, 8 to 15 per cent, of the social workers thought that the unemployed should be grateful for the benefits they receive, that the unemployed get more out of the welfare state than those who have work, that the desire and readiness to work is much lower among the unemployed than among those who have jobs or that many of the unemployed manage to receive benefits that they are not entitled to.

On the other hand, on some questions, the attitudes of the social workers' were clearly divided: 43 per cent of the respondents agreed with the statement 'most unemployed people would get a job if they were willing to do any work at all' while 38 per cent disagreed with the statement. The question does of course not capture the respondents' perceptions of whether the unemployed *should* take any kind of job.

Furthermore, also the question measuring 'identification with the unemployed' leads to diverging attitudes: nearly 30 per cent of the social workers perceived that they didn't have much in common with the typical unemployed person, while about 40 per cent perceived that they had much in common.

Table 1. Perceptions of poverty and unemployment respectively (in %) among Finnish social workers

	Agree	Neither agree/disagree	Disagree
<u>Poverty:</u>			
People in this country live in poverty because of laziness and low will power	17	19	64
People in this country live in poverty because there are great injustices in our society	73	16	11
<u>Unemployment:</u>			
Most unemployed people would get a job if they were willing to do any work at all	43	18	38
The desire and willingness to work is much lower among the unemployed than among those who have jobs	13	26	60
I don't have much in common with the typical unemployed person	28	32	40
The unemployed get much more out of the welfare state than those who work	10	20	70
Many unemployed people manage to receive benefits and services that they are not entitled to	8	20	72
The unemployed should be grateful to society for the benefits and services they receive	15	34	51

Number of respondents: 1299

Attitudes towards workfare measures in social work

As shown above, the dominating explanations of poverty and the images of the unemployed were fairly well in line with the normative standpoints of the Nordic welfare model. Let us now turn to Table 2, which shows social workers' attitudes towards more concrete policy measures with 'workfare-related elements' in social work.

As shown in the table, the attitudes towards workfare-related policy measures among the social workers are rather divided, at least compared to their perceptions of poverty and unemployment: the support for a policy linking cash benefits *more to obligations* receive strong support among the social workers, about 50 per cent of the social workers supporting and only 22 per cent resisting this type of measure. Furthermore, about 26 per cent of social workers think that *more sanctions* should be introduced against clients who do not follow agreements, while 37 per cent of the social workers are of the opposite opinion. The rest, 36 per cent, neither agree nor disagree to such a policy proposal. Concerning the third attitude question presented in Table 2, we can, however, discern that only 14 per cent of the social workers support the idea that those (clients) who have caused their problems themselves should receive lower benefits than today. It should, however, be noted that the share of social workers neither welcoming nor opposing such a policy is fairly high, 26 per cent.

Table 2. Attitudes towards workfare measures in social work (in %) among Finnish social workers

	Agree	Neither agree/disagree	Disagree
<u>How should social work be developed:</u>			
Cash benefits should be linked more to obligations	48	30	22
More sanctions should be introduced against clients who do not follow agreements	26	36	37
Those who have caused their problems themselves through substance abuse and bad behaviour should receive lower benefits than today	14	26	60

Number of respondents: 1255

Thus, comparing the different *types* of policy measures suggested in Table 2, it seems as though a rather significant minority of the social workers are in favour of the principle of ‘no rights without duties’, but also with the principles of ‘contractualism and incentive thinking’ as discussed in Kildal’s chapter in this volume.

Explaining divergent attitudes towards workfare

After an overall descriptive presentation of social workers perceptions and attitudes, we will now look at attitude differences between different groups of respondents. One could, for example, expect that different educational backgrounds, differences related to age and the fact that social workers are part of different organisational contexts with different tasks, could – through various socialising mechanisms – result in attitude variation. We have, therefore, analysed whether attitudes towards workfare vary among different age groups, among social workers with different educational backgrounds and according to the main tasks within social work.

For this purpose, we have created an attitude index²⁸ in the following way. Respondents supporting at least two (out of three) workfare measures in social work were given value ‘1’, the rest of the respondents were given value ‘0’. In this way we want to identify the social workers that seem to display a fairly consistent positive attitude towards workfare in social work. The reported cumulative odds ratio shows how much (more, or less) the odds ratio for the variable category in question deviates from a reference group which served as a benchmark

28 Factor loadings between 0.75-0.82: 62 % of the variance explained.

(for this reference category the odds ratio was set at 1.00). The higher the odds, the stronger the support for workfare-related measures.

Table 3. The connection between individual socio-economic background variables and attitudes towards workfare measures in social work. Logistic regression, odds-ratios (1.00=ref.category)

	Workfare-index
Age group:	
29 or under	1.00
30-39 years	1.13
40-49 years	0.54*
50-59 years	0.71
60 +	1.63
Gender:	
Male	1.00
Female	1.12
Education:	
Social worker	1.00
No social worker education (degree from polytechnic)	1.52*
Main task:	
Income support	1.00
Other task	0.81
Nagelkerke R	4,4 %

N=1075, *=P<0.05, **=p< 0.01 ***=p< 0.001

Table 3 includes ‘individual’ variables, discussed above, which might be assumed to have an impact when explaining divergent attitudes among social workers. According to the results, respondents with a social worker education are less eager to accept workfare measures than respondents with no social worker education. Concerning the

impact of age, it is interesting to note that it is the youngest and oldest respondents that are most inclined to support workfare measures, while respondents born during the 1950s and 1960s are least inclined to support workfare measures.

Further, there are no attitude differences between male and female social workers. Neither are there any significant attitude differences between social workers working directly with income support (social assistance) and other social workers (working within the field of child welfare, substance abuse etc). Everyday work with social assistance recipients does, in other words, not seem to lead to specific attitudes towards more concrete workfare measures (on the other hand, one should remember that social assistance recipients constitute a large share of the clients also within the field of municipal child welfare, substance abuse etc).

Finally, we will study whether different perceptions about high-risk groups seem to explain social workers' diverging attitudes towards workfare measures. In order to analyze the importance of poverty perceptions a dichotomous index (respondents embracing structural explanations vs. other respondents) was created. The index measuring perceptions about the unemployed was additive and consisted of the following categories: category 1=respondents who do not agree on any of the individualistic statements concerning the unemployed, category 2=respondents agreeing with one individualistic statement, category 3=respondents agreeing with two statements and category 4=respondents agreeing with at least three statements.

As shown in Table 4, perceptions about poverty and unemployment are strongly connected to more concrete attitudes concerning workfare elements in social work: respondents with an individualistic view on

the causes of poverty and the situation of the unemployed have clearly more positive attitudes towards workfare than social workers with a more 'structural' view.

Table 4. The connection between perceptions of poverty and the unemployed and attitudes towards workfare measures in social work, controlled for individual socio-economic background variables. Logistic regression, odds-ratios (1.00=ref.category).

	Workfare-index
Poverty perceptions:	
Structural	1.00
Individualistic	1.83***
Unemployment perceptions:	
Strongly structural	1.00
Structural	1.78**
Individualistic	2.83***
Strongly individualistic	7.67***
Nagelkerke R	20 %

N=1075, *= $P < 0.05$, **= $p < 0.01$ ***= $p < 0.001$

Discussion

In the present scholarly debate about social work and workfare, attention has been paid especially to the impact of the organisational context, which is thought not to give the social workers the practical prerequisites for furthering the values and ethical guidelines of the social work profession.²⁹ Without denying the importance of organisational

²⁹ Thorén, Katharina H. (2009) 'Socialt arbete och aktiveringens praktik'. In Johansson, Håkan & Hornemann Möller, Iver (eds) *Aktivering – arbetsmarknad och socialt arbete i förändring*. Malmö: Liber. See also Lipsky, Michael (1980) *Street-Level Bureaucracy: The Dilemmas of Individuals in Public Services*. Cambridge: MIT Press.

factors for social work practices, we want to stress that social workers do not necessarily embrace any uniform normative standpoint in the matters at hand: Despite the fact that many social workers embrace explanations of poverty and the images of the unemployed which are fairly much in line with the normative standpoints of the Nordic welfare model, it is still difficult to talk about a uniform professional view. The attitudes of social workers towards workfare-related measures, display an even more divided consensus: the principle of 'no rights without duties', not of 'social rights' in a more unconditional sense, is rather strongly supported but so are – at least among a rather significant minority of the social workers – ideas of 'contractualism and incentive thinking' (c.f. Kildals chapter in this volume).

One should of course take into account that the present study has not included only social workers presently working with social assistance but also social workers working within other fields of social work. However a large share of the clients dealt with by social workers within other fields of social work, such as child welfare, are usually also social assistance recipients. Moreover, obligations and sanctions (if contracts between social workers and clients are broken) have become rather common also within other fields of social work. Thus, it seems relevant to study the whole social worker profession and their attitudes towards workfare-related measures.

Concerning possible explanations for the social workers' diverging attitudes towards workfare measures, perceptions of the poor and the unemployed are shown to be of great importance. Among those social workers who had an individualistic view on the poor and unemployment, the support for 'workfare elements' within the personal social services was usually much higher than among those

not displaying such perceptions. The 'deservingness-logic' found in previous empirical studies³⁰ among general citizens thus seems to be at play also among professionals within the services: perceptions of the poor and unemployed with regard to them not fulfilling different deservingness criteria are connected to a positive attitude towards 'harsher' measures within social work.

One should, however, stress that more individualistic perceptions of 'high-risk groups' alone do not explain why some social workers support workfare measures. For example, the share of social workers supporting the ideas that 'cash benefits should be linked more to obligations' and 'more sanctions should be introduced against clients who do not follow agreements' is usually higher than the share of social workers having a negative image of the poor and unemployed. Thus, workfare measures are also supported for other reasons than due to a certain (negative) view on the poor and unemployed.

Our study also indicates that not only perceptions of the poor and unemployed but also more traditional individual socio-economic factors such as education and age are of importance for social workers' attitude formation. Due to a serious shortage of qualified social workers in Finland (i.e. persons having a social worker degree from a university) non-qualified persons have been allowed to serve as substitute social workers. According to our results, there are however rather significant attitude differences between formally qualified and non-qualified social workers, the latter having more positive attitudes towards workfare-related measures in social work. This might be an effect of secondary socialization, since it has been shown that more

30 See van Oorshot & Halman 2000; Albrekt Larsen 2006.

attention is paid to structural and societal issues within the Finnish social work programmes (at universities), than e.g. within other social service related programmes (at polytechnics).³¹

We could also see that 'age' is of importance for attitudes towards 'workfare elements'. The social workers most critical towards workfare measures are those who grew up during the expansion of the Finnish welfare state, while the oldest and the youngest 'generations' are rather positive towards workfare measures.

For the individual clients within the social assistance system however, the explanations as to why social workers with different educational backgrounds or of different ages have varying attitudes towards workfare measures are not of central importance. But the fact remains that at present there might be very big differences in the attitudes of the social workers', differences which might have a great impact on the measures taken towards their clients.

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31 Vuorensyrjä, Matti, Borgman, Merja, Kemppainen, Tarja, Mäntysaari, Mikko & Pohjola, Anneli (2006) 'Sosiaalialan osaajat 2015. Sosiaalialan osaamis-, työvoima- ja koulutustarpeiden ennakointihanke (SOTENNA) loppuraportti'. *Sosiaalityön julkaisusarja*. Jyväskylän yliopisto, Yhteiskuntatieteiden ja filosofian laitos 4.

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APPENDIX 1

Table A1. Attitudes towards policy measures and conditionality in social work accord to social workers' individual characteristics and perceptions. Proportion (%) agreeing with the following statements.

	Benefits linked to obligations	More sanctions	Self-caused problems, lower benefits
Age group:			
under 29	53	37	25
30-39	51	32	18
40-49	44	22	12
50-59	46	22	11
60+	64	33	10
Main task:			
Income support	53	34	15
Other social work tasks	47	24	14
Education:			
Social worker (master)	48	25	14
Social worker (bachelor)	50	27	11
No s.w. education	58	41	28
Perceptions:			
People in this country live in poverty because of laziness and low willpower			
Yes	66	49	32
No	40	19	8
People in this country live in poverty because there are great injustices in our society			
Yes	45	25	13
No	60	32	16
Most unemployed people would get a job if they were willing to do any work at all			
Yes	60	38	21
No	34	15	7
The desire and willingness to work is much lower among the unemployed than among those who have jobs			
Yes	76	51	34
No	39	17	10

I don't have much in common with the typical unemployed person			
Yes	56	31	20
No	43	21	11
The unemployed get much more out of the welfare state than those who have work			
Yes	78	52	37
No	41	19	9
Many unemployed people manage to receive benefits and services that they are not entitled to			
Yes	81	60	39
No	41	18	9
The unemployed should be grateful to society for the benefits and services they receive			
Yes	61	45	32
No	40	18	9

(Significant differences, **p at least > 0.05, in bold.**)

Constructing the capacity of employability, and the government of inclusion

Mia Arp Fallov

Introduction

This chapter investigates the connections made between the concept of employability and the government of social inclusion, and especially how local neighbourhoods are constructed as mechanisms or ‘apparatuses’ for manufacturing the included and employable subject. The concept of ‘employability’ has become a cornerstone of contemporary European workfare strategies and central to what I shall call third way rationalities of ‘governing through the capacities of the governed’ (and of the governors). That is to say, a central characteristic of the contemporary mode of third way government is the building of the capacities of the excluded, their local communities, and the local government agencies that are to facilitate this capacity building. The meaning of the concept of employability is somewhat fluid and has changed over time; there is, therefore, a need to investigate the assumed connections between what it is to be an included and employable subject and the role local neighbourhoods play in developing these capacities in their residents. This investigation is based on a comparative study of neighbourhood regeneration policies in Denmark and England and their implementation

in two local neighbourhoods: Vollsmose in Denmark, and Hathershaw and Fitton Hill in England, respectively.¹ Such an investigation will highlight not only the practices and thinking implied in producing the included subject, and their implications, but will also address the specificities of the national articulations in Denmark and England in relation to the broader European rationality of governing through capacity building.

The first section of this chapter is concerned with outlining the variations in how the workfare strategies of the English and Danish third-way paths construct a correlation between social inclusion and the capacities of employability, and how this result in slightly different governmental rationalities of capacity building. The second section uses a Foucaultian understanding of government, comprehended in the broad sense of ‘a “conduct of conducts” and a management of possibilities’² as a grid of intelligibility for rendering intelligible third way rationalities of government. The third section explores the concept of employability and its distinctive national articulations. Here, I argue that a narrow conceptualisation of employability is construed in the two countries, which focus exclusively on developing and sustaining a circumscribed range of individual skills, behaviours, and attributes. The fourth and

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- 1 The choice of comparing England and Denmark was related to the possibility of comparing similar rationalities of regeneration, despite representing different welfare regimes, the possibility of comparing varying international influences on national paths, and the differences in local-national relations. The study was carried out using a dual method of discourse analysis of policy documents, speeches and strategy documents combined with semi-structured interviews with agents at all levels involved in the articulation and implementation of neighbourhood regeneration policies in two case sites. The study was organised around four themes: neighbourhood capacities, capacities for inclusion, community capacities, and governance capacities. These four themes were analysed in a context of the history of urban regeneration and the characteristics of the third way paths of Denmark and England.
 - 2 Foucault, M. (2000) ‘The Subject and Power.’ In Faubion, James D. (ed.) *Power – Essential works of Foucault 1954-1984*. Vol. 3. London: Penguin, 341.

final section focuses on the connections that can be made between this emphasis on employability as the route to inclusion and the privileging of the local scale in the fight against exclusion. Here, I outline the ways in which the capacities of neighbourhoods are constructed as mechanisms for developing the capacities of employability and self-government by way of examples from local cases. Throughout the chapter, I mobilise ethnic minorities as an exemplary, and somewhat extreme, example of a group of residents perceived to be in need of inclusive measures and thus subject to capacity building strategies. I do this both because such an extreme example is useful in highlighting the naturalizations of the specificities of this rationality, and because there is a tendency whereby the practices employed in relation to this group become deployed in relation to other perceived problematic groups, and finally to the broader population more generally.

Third way paths and employability as the route to inclusion

The phrase ‘third way’ signifies the alternative paths of revived European Social Democratic politics in the mid-to-late 1990s. ‘Third way’ political strategies aim to provide an alternative both to ‘state-centred’ Keynesian universalism and to ‘market-centred’ neo-liberal strategies.³ In this respect, they are closely related to the national articulations of what Jessop calls the ‘Schumpeterian Workfare Postnational Regime’ (SWPR for short). Such a regime is characterised, among other things, by its prioritization of active intervention on the supply side of the labour force instead of management of national demand on the one

³ The more market oriented neo-liberal governments where themselves a response to the crisis of Fordism and the universal welfare states characterising the Fordist Golden era.

hand, and the subordination of social policy to concerns with economic growth and competitiveness on the other. The SWPR also marks a changed relation between different scales of governance, with the renewed emphasis on the local scale.⁴ Needless to say, these tendencies toward the SWPR are given specific national expressions.

In this section, I will characterise the two national third way paths of England and Denmark⁵, in terms of how they construct a correlation between work and inclusion, where to become an included subject entails the development of circumscribed capacities of employability and self-governance. I will discuss the similarities in the English and Danish articulations of an individualised understanding of social exclusion, their varied strategies for access to the paths of inclusion, and their different privileging of preferred governing actors and scales of action.

Welfare through work

Important for New Labour in their transformation of the political scene of Britain since their victory in 1997, was to improve the efficiency and flexibility of labour markets, not by state interference on the demand side but, rather, through more indirect measures

4 Jessop, B. (2000) *Globalisering og interaktiv styring*. Frederiksberg: Roskilde Universitets Forlag; Jessop, B. (2002) 'Liberalism, Neoliberalism and Urban Governance: A State-Theoretical Perspective.' *Antipode*, Vol. 34, Issue 3, 452-472.

5 I reserve the capitalized version for New Labour's Third Way.

of economic regulation mediated through the supply side.⁶ This is particularly visible in the stress on education, ‘life-long’ training, and employability in the language of New Labour. Thus, the New Labour Government was explicit about its intention to ‘rebuild the welfare state around work.’⁷ Instead of emphasising economic maintenance, New Labour stressed the development of individual and communal *capacities* as routes out of poverty and as mechanisms of inclusion in the labour market. Social justice has been re-articulated from the Old Labour value of ‘equality of outcomes’ to a concern with ‘equality of opportunity.’⁸ New Labour has thereby committed itself to pursuing a line of welfare ‘modernisation’ that pushes it towards a neo-liberal SWPR strategy, coupled with neo-communitarianism.

Fitting with their commitments to build welfare around work, exclusion from the labour market is presented as the major cause of social exclusion; with other factors, such as poor housing and bad health, seen as deriving from unemployment and the ‘waste of talent and opportunity’ this entails.⁹ This ‘ethic of work’ places New Labour’s policies firmly in the perspective of what Levitas terms a ‘social integrationist discourse’¹⁰; a

6 Much has been written about New Labour’s pragmatic repositioning which involves both continuities with and rearticulations of the Thatcherite emphasis on market efficiency and competitiveness and Old Labour’s values of equality (Powell 1999, Prideaux 2005, Lund 2008, Jessop 2003, to name but a few). I will not enter that debate here (see Fallov 2006 for a more thorough outline of New Labour). Since this chapter was written the Conservatives have regained power in coalition with the Liberal Democrats. This does not make the above obsolete, as the Conservative Government place even greater emphasis on ‘big society’, and thus on the development of individual and communal capacities as solutions to social problems. However, is still too early to say how New Labour’s language will change being in the position of the opposition.

7 Department of Social Security (1999) *Opportunity for All – Tackling Poverty and Social Exclusion, The Changing Welfare State, 1st annual report*. London: DSS.

8 Driver, S. & Martell, L. (2000) ‘Left, Right and the third way’. *Policy & Politics*, Vol. 28, Issue 2, 147-161.

9 DSS 1999.

10 Levitas, R. (1998) *The Inclusive Society? Social Exclusion and New Labour*. London: Macmillan Press Ltd.

discourse, that is, that gives centrality to the capacity of employability. New Labour's version of the social integrationist discourse is, without doubt, influenced by European discourses¹¹; however, American policies and discourses, in my opinion, have had a greater impact.¹² Social exclusion is understood to be inherited, creating cycles of dependency, and resulting in deficient character traits. In this way, one can detect the intertwining of a social integrationist discourse with a moral underclass discourse. Fighting social exclusion, then, implies changing what is perceived to be the core capacities of the individual, their horizons, expectations, and 'self-esteem'.¹³ This influence from the moral underclass discourse leads to a focus on individual and communal cultures of 'worklessness' as causes of exclusion and detachment from society. Additionally, there are strong influences from American communitarianism, represented by Etzioni (1995), in the emphasis on 'rights and responsibilities', and in the emphasis on communities as central to the Third Way as a means to bind people to society, to transmit a shared moral culture, and as central agents in government in order to reduce the burden of the welfare state and secure local control and safety.¹⁴ In New Labour's language, Etzionian communitarianism is given a twist that recontextualises it to fit in with the English context with its stress on individual and personal

11 See, for example, European Commission (2000) 'Inclusive Cities: Building local capacity for development', *Regional Development Studies*, Vol. 32.

12 Deacon, A. (1999) 'Learning from the US? The influence of American ideas upon "new labour" thinking on welfare reform'. *Policy & Politics*, Vol. 28, Issue 1, 5-18. This is visible in the new importance given to the Third Sector as a source of employment and training for those outside the Labour market, and thus as important agents of delivery of the British workfare programme. For sources of 'local innovation' and 'best practice' see Theodore, N. & Peck, J. (1999) 'Welfare-to-work: national problems, local solutions?'. *Critical Social Policy*, Vol. 19, Issue 4, 485-510.

13 Blair, T. (1997) Speech at the launch of the Social Exclusion Unit, 8 Dec. 1997.

14 Etzioni, A. (2000) *The Third Way to a Good Society*. London: DEMOS.

duties. Thus, New Labour can be associated with a conditional, morally prescriptive, conservative, and individualist communitarianism.¹⁵

The present Danish Liberal-Conservative Government came into power in November 2001, following an election campaign dominated by the alleged threat from immigration to the cultural homogeneity and identity of Denmark.¹⁶ This strong anti-immigration discourse was part of a strategy to win the votes of workers and secure the support of the Danish Folk Party, which was gaining in influence at this time. It has underpinned its middle position by leading moderate welfare policies, thus continuing its predecessor's overall macro-economic policy of moderation with an emphasis on lowering taxes, workfare, and increasing flexibility and efficiency of the public sector. This is a third way path that tries to reconcile the broad consensus behind universal welfare with the perceived need for modernisation due to predicted pressures from an ageing population and increasing global competition.¹⁷ Therefore, a pragmatic combination of economic efficiency and social justice, here understood as generous welfare security and shared responsibility in the new 'social economy', is central to contemporary Danish third way rationality of government. An increasing emphasis on personal development and responsibility, and the introduction of a language of opportunity similar to that of New Labour's are the basis of this reconciliation. Although not yet replacing the language of equality, it increasingly places this under

15 Lund, B. (2002) *Understanding State Welfare: Social Justice or Social Exclusion*. London: Sage ; Driver, S. & Martell, L. (1997) 'New Labour's Communitarianism.' *Critical Social Policy*, Vol. 17, Issue 52, 27-46.

16 Hedetoft, U. (2003) *Cultural transformation: how Denmark faces immigration*. Online. Available at: www.amid.dk.

17 Velfærdskommissionen (2004) *Fremtidens velfærd kommer ikke af sig selv*. Online. Available at: www.velfaerd.dk.

pressure. This is a strategy that is still committed to the 'Flexicurity model'¹⁸, and the commitment to dialogue that this entails, but has introduced a stricter workfare regime imbued with conservative moral values.

As with the English articulation of Third Way government, the Danish third way path mobilises a social integrationist discourse, however, this discourse has been influenced by European exclusion debates and is, in its supportive and neo-statist elements, closer to the French version of this discourse than the version mobilised by New Labour. Nevertheless, the increasingly tougher workfare policies introduced by the present government signify a move towards a more neo-liberal emphasis on opportunity and enticement, often in the guise of immigration and integration policies. This is visible in their emphasis on incentives to work; for example, in the re-introduction of a reduced benefit rate for immigrants under the heading 'start-help', and in the increased conditionality of social assistance (in the 2002 reforms).¹⁹ Moreover, this stricter workfare strategy is manifest in the increased control over the unemployed, the tightening of duties of education for young people, and initiatives to reduce immigration, as well as in increased negative selectivity in relation to ethnic minorities, making their capacity development the criteria for eligibility to social

18 The Danish 'Flexicurity model' signifies the introduction of workfare programmes by the previous Social Democratic Government in a labour market with a relatively high minimum wage and a strong tradition of trade union membership and influence. Therefore, generous levels of unemployment benefit, wage bargaining, wage moderation and flexibility are some of the distinctive features of this model (Madsen 2006).

19 Some of its elements were a reduction of social assistance for families, where both spouses receive benefits, a ceiling over the level of social assistance resulting in actual cuts for families with high expenses (CASA, Socialpolitisk Forening 2004), and withdrawal of the social assistance for house wives, replacing it with a house wife supplement (this aimed especially at immigrant populations as they count 2/3 of this segment). Moreover, conditionality was tightened so that the unemployed had the duty to be activated after 6 months.

support. The duty to work to maintain assistance was underlined in the 2005 reform with the 300 hours rule²⁰, and the introduction of ‘match groups’ differentiating groups receiving social assistance according to their degree of employability.²¹

Where the English workfare strategy can be characterised as a ‘work first’ approach, the Danish model can be characterised as relying more on ‘human capital development’.²² The English third way rationality is framed by its liberal welfare regime, and thus places more emphasis on individual responsibilities on the one hand, and those of the community and the third sector on the other, not only as welfare providers but also as vital agents in risk prevention and capacity building. In contrast, the Danish third way rationality is still marked by the universal welfare regime that frames it in the increased emphasis on individual responsibility and enticement is heavily state sponsored, although more and more in partnership with third and private sector organisations.

20 Households where both spouses receive social assistance have the duty to work 300 hours in a two-year period to maintain social assistance (very recently this has gone up to 450 hours).

21 Goul Andersen, J. & Pedersen, J. J. (2007) ‘Continuity and change in Danish active labour market policy: 1990-2007 The battlefield between activation and workfare’. *CCWS Working paper*, No. 2007-54. With the municipality reforms in 2007 the corporatist system of implementation was transformed into a single-stringed institutional arrangement under the remit of the new municipalities. Thereby, the influence of the unions was curbed and the previous gap between retrenchment in the formal rules and actual outcome probably reduced.

22 Vis, B. (2008) ‘The Direction and Scope of Social Policy Change: Regime-specific or Radical Shift towards Workfare?’ *Journal of Comparative Policy*, Vol. 10, Issue 2, 151-169.

Fighting exclusion through work inclusion

The resulting strategy for fighting social exclusion in both countries is individualised in terms of their respective focus on disciplining the excluded in relation to the work ethic and the norms of self-governance. Their strategies differ in the privileging of actors of responsibility in relation to developing the capacities of employability.

In England, the strategy for fighting social exclusion can be understood as consisting of four main elements. First, in addition to fighting worklessness through various New Deals, New Labour has introduced various fiscal measures to ‘make work pay’, for example working tax credits and a minimum wage. These measures are also intended to improve conditions for poor families and break cycles of poverty. Second, New Labour has focused on security for those who cannot work, e.g. by introducing a minimum income guarantee for pensioners.²³ However, these supportive measures are complemented by a tougher regime with regards to reintroducing disabled people and lone parents to the labour market.²⁴ A third element of New Labour’s strategy is to improve services in deprived areas and make services more inclusive, for instance, by joined-up local government and neighbourhood managers, improving education, and child care provision.²⁵ Finally, New Labour has targeted local deprived areas through a number of initiatives; primary amongst which is the New Deal for Communities.

23 Department of Work and Pensions (2003b) *Opportunity for All – Fifth Annual Report*. London: DWP.

24 Lund 2002.

25 Department of Work and Pensions (2003a) *National Action Plan on Social Inclusion 2003-5*. London: DWP; Hills, J. & Stewart, K. (2005) *A More Equal Society? New Labour, poverty, inequality and exclusion*. Bristol: Policy Press.

The Danish social exclusion discourse is more recent and less pronounced than its English counterpart. Firstly, it focuses on localities that are characterised by concentrations of perceived social problems; the Kvarterløft programme and the ‘cities for all’ programme are the most prominent of these. Secondly, it focuses on the most vulnerable who have fallen through the welfare net and are excluded, such as the homeless, drug abusers, alcoholics, the mentally ill, and prostitutes.²⁶ Attempts are made to reintegrate these socially excluded groups into the social and economic sphere through programmes funding the ‘inclusive’ labour market and various social projects, which are intended to prompt participation in voluntary organisations and associations.²⁷ The latter consists of a strategy to develop the capacities of employability of these groups located in the third sector, but centrally defined and heavily state funded.

Building the capacity of employability

The political strategies of both third way paths are related to a mode of government that governs through the *capacities* of the governed. What Foucault terms government or ‘a “conduct of conducts” and a management of possibilities’, understood as the structuring of the possible field of action and thinking/knowing of others, can be applied as a grid of intelligibility for this mode of third way government as understood in the broad sense of the term mobilised by Foucault

26 Socialministeriet (2003) *Denmark's National Action Plan to Combat Poverty and Social Exclusion (NAPincl) 2003/2005*. Copenhagen: Socialministeriet. The Danish exclusion policy discourse shares with the English discourse an emphasis on intergenerational transmission of the risk of social exclusion.

27 Socialministeriet (2001) *Denmark's National Action Plan to Combat Poverty and Social Exclusion (NAPincl) 2001/2003*. Copenhagen: Socialministeriet.

and others.²⁸ This third way mode of government works through the formation of forms of subjectivities by imposing particular capacities as the path to inclusion; that is, the capacities of employability and self-government. Additionally, this perspective focuses not only on how action is conducted through the constitution of particular forms of circumscribed subjectivity, but also on how the very horizon of these forms of subjectivity are delimited. As Judith Butler so eloquently put this, '[t]o be governed is not only to have a form imposed upon one's existence, [it is] to be given the [very] terms within which existence will and will not be possible.'²⁹ The rationality of this mode of government thus presupposes that a particular curriculum of capacities is induced to secure legitimate types of behaviour, modes of action, and forms of conduct. It is a perspective that focuses on all the 'practices that try to shape, sculpt, mobilise and work through the choices, desires, aspirations, needs, wants and lifestyles of individuals and groups.'³⁰ In other words, on the governance of the practices of self-governance on behalf of both the governed and the governors in and of themselves, and as enablers and facilitators for the development and sustaining of the capacities of the governed. It is to conduct the conduct of others through a management of possibilities, which connotes the construction of particular horizons for inclusion, and thus the attainment of particular *modes* or forms of subjectivity in terms of employability and self-government.

The present mode of third way government works through the construction of a legitimate set of normative criteria which stipulates

28 Foucault 2000, 341.

29 Butler, J. (2002) 'What is critique?'. In Ingram, David (ed.), *The Political*. Oxford: Oxford University Press, 220.

30 Dean, M. (1999) *Governmentality – Power and Rule in Modern Society*. London: Sage.

certain forms of subject positions in relation to what it is to be included – that is, an employable and self-governable citizen – and thus what will be excluded.³¹ These subject positions are related to the construction and mobilisation of a curriculum of capacities that fit within the tactics and strategies of the two national third way paths outlined above. Capacity formation and development thus becomes a process that legitimises the curriculum itself and the forms of knowledge this entails. The processes of acquirement result in the legitimisation of the privileged access of some groups and the improbability of attainment of other groups, both in terms of self-censorship and in terms of lack of access to the sphere of acquirement. At the same time, negative sanctions are imposed on those unable to gain the necessary capacities – those who exist beyond the horizon of possibility – those excluded from that horizon precisely because they do not meet the criterion with which to cross the threshold of normativity. To be included means to acquire the curriculum of capacities of employability, and failure to do so is negatively sanctioned by impeding on the rights to social assistance. The excluded are constructed as excluded precisely because they do not meet the criteria for the capacity of self-government underpinning the contemporary third way modes of government.

The government of inclusion as this pertains to the aforementioned excluded groups, is, therefore, premised on disciplinary mechanisms which can ‘correct’ the excluded into governable subjects. The government of the excluded thus represents a paradox inherent in the present form of governing through capacity building. The construction

31 Academic research has underpinned policy understanding of work as the only thinkable option in relation to being an integrated and included member of society, see Cole, M. (2008) ‘Sociology contra government? The contest for the meaning of unemployment in UK policy debates’. *Work, employment and society*, Vol. 22, Issue 1, 27-43.

of a legitimate curriculum of capacities of inclusion excludes, in and of itself, specific groups, which are then subjected to practices of correction and normalization in order to produce included subjects subjectable to the mechanisms of security characterizing the government of the included. That is to say, 'governing at a distance' concomitantly requires the 'government through proximity' of those groups that do not have the capacities assumed necessary for self-governance.

What is employability as a capacity?

In the past couple of decades, the notion of employability has become the cornerstone of national as well as supra-national labour market and social policies. It is applied to a range of contexts and is a somewhat fluid concept to which is attached a variety of meanings and practices. The dominant usage in both the English and Danish third way rationalities is related to the development of individual capacities. This narrow definition, revolving around the individual's comportment, characteristics, and readiness for work, is likewise dominant in the EU, UN and OECD definitions of employability.³² This is not surprising considering the international tendency to focus on moulding the supply side to lower structural unemployment, as discussed above. The concept of employability is not new but has been attached with meanings that coincide with the dominant understanding of the problem of unemployment through time.³³ Gazier (2001) suggests that the meaning of the concept has changed in waves from an early

32 McQuaid, R. W. & Lindsay, C. (2005) 'The Concept of Employability.' *Urban Studies*, Vol. 42, Issue 2, 197-219

33 Theodore, N. & Peck, J. (1999) 'Welfare-to-work: national problems, local solutions?'. *Critical Social Policy*, Vol. 19, Issue 4, 485-510.

simplistic version differentiating the employable from those in need of assistance, through a definition identifying the distance between individual characteristics and labour market demands, to a third wave focusing on individual responsibility and flexibility. The last wave has also left room for a more interactive definition of employability emphasising that the individual's employability is relative to labour market demand and opportunities. This more interactive version tends to become somewhat one sided in both English and Danish labour market policies because emphasis is placed upon individual adaptability and development, and thus on individual capacity development.

The recent popularity of the concept of employability also relates to the increased emphasis on learning in the knowledge economy. To remain employable the individual has to show willingness and engagement in learning and adaptability in the usage of competencies in a labour market with uncertain and fast changing structural arrangement. What has become important in this arrangement is the learning of transferable skills and the ability to learn in a non-standardized labour market. The concept of learning has changed from an emancipatory project of self-fulfilment backed by public investment to an individualised, marketized discourse closely related to ideas of human capital and economic growth. Responsibility for life-long learning is no longer primarily placed on public investors; rather, it is seen as something the individual has to embrace in order to grasp opportunities.³⁴ In this view, employability is no longer a discourse directed solely at the unemployed or deployed in differentiating the

³⁴ Garsten, C. & Jacobsen, K. (2004b) 'Learning to Be Employable: An Introduction'. In Garsten, C. & Jacobsen, K. (eds) *Learning to be employable*. Basingstoke: Palgrave Macmillan, 1-23.

deserving from the undeserving. It is now directed at the population as a whole.³⁵ This corresponds with a shift away from the problem being a lack of jobs to being a lack of employability. Consequently, the policy solution is to provide employability not jobs, to provide capacity development rather than protection against social risks. Individual development of employability is seen as the best form of security, and individual solutions, such as job plans and personal job search courses, are seen as legitimate measures. As a result, the capacity of employability takes on the dual role of being a tool for individual empowerment of a more existential form on the one hand, and a tool for securing economic growth and efficient resource management of welfare means on the other.

The capacity of employability is a fluid concept with both normative and formal connotations. It refers to formal skills of education and job training as well as a range of personal traits and capacities. As a normative category, it refers to adaptability and flexibility, to social skills such as communication, team working, and problem-solving, and to emotional labour in relation to self-observation and the self-governance of capacity development.³⁶ As discussed above, the capacity of employability becomes an element in the construction of what is acceptable behaviour, and thus to possible and legitimate routes to inclusion. Employability here refers to a discourse about specific capacities; not only skills and character traits deemed normative and legitimate, but also to particular modes of practicing these capacities: adaptability, flexibility, reflexive self-monitoring, and self-control. The

35 Garsten, C. & Jacobsen, K. (2004a) 'Conclusion: Discursive Transformations and the Nature of Modern Power'. In Garsten, C. & Jacobsen K. (eds) *Learning to be employable*. Basingstoke: Palgrave Macmillan, 274-290.

36 Ibid.

concept thus refers both to ways of thinking inclusion, and to inclusive ways of doing. In this way, it is closely related to the present mode of third way government, and its reliance on self-government and individual responsibility. Its fluid and ambiguous character makes it amenable for policy makers, but it also adds to the insecurity of the governed as it is not always clear what type of capacity development – forms of subjectivity – are required. Moreover, there is a tension between the notion of employability's advocacy of the enterprising and autonomous individual and the conforming curriculum of capacities and adaptability required by a competitive labour market.

I have argued for the dominance of the employability discourse trans-nationally; however, this discourse is translated in relation to the specificities of national contexts and the specific strategies of national third way governmental rationalities. In the Danish 'human capital' approach, the concept of employability is closely connected to an emphasis on training backed by public support. This is materialized in policies supporting job training and flex-jobs for the less directly employable. Such efforts are especially emphasised and publicly supported in periods of labour-shortage where the duty to work is also emphasised for those with health problems, the 'mentally ill', and people with 'disabilities'. Other initiatives to develop employability emphasise access related capacities and consist of job-search and CV related courses. These are initiatives that co-exist with a strong emphasis on the duties of training, adaptability, and mobility on behalf of the unemployed. In relation to the immigrant population, the employability discourse is especially intertwined with a discourse emphasising the need for culture change and behavioural adaption, which are underpinned by disciplinary measures. Although introduced

in relation to immigrants, such cultural and behavioural discourses influence the understanding of employability applicable to the general population more broadly.

In comparison, the stricter English ‘work first’ approach has a more individualised understanding of employability, with more obligations placed upon the unemployed, and where disciplinary mechanisms are set in place for those perceived not able to acquire the capacities of employability. New Labour employability policies address mainly basic gaps in the skills-sets of the unemployed with little public support. England is also among those countries using the least public resources on active programmes.³⁷ This is legitimised by a strong discourse on the importance of labour market attachment. This discourse implies that disattachment from work leads to the deterioration of skills and capacities, and most importantly, to the emergence of cultures of worklessness.³⁸ This strong cultural and moral discourse is closely connected to the communitarian influence upon New Labour, and the persistence of ideas of the moral underclass; it is also connected, as we shall see below, to a particular conceptualisation of local communities.

In developing the capacities of employability, both English and Danish national strategies deploy what McQuaid and Lindsay term a narrow understanding of the concept of employability which prioritizes the supply side of employability and the development of individual access and attachment to the labour market. Although Danish policies rest on a Flexicurity model that includes the dual responsibility of

37 List-Jensen, Ann (2008) ‘A New Employability Paradigm – Cross-cutting Measures of Retrenchment/restructuring of European Employment Policies’. *CCWS Working paper*, No. 2008-58.

38 McQuaid & Lindsay 2005.

employers and unemployed, emphasis is placed on an individualised approach to employability. Such an approach omits factors such as particular labour market demands, contextual features (such as family and caring responsibilities), geographical factors (such as access to mobility resources), as well as personal circumstances in terms of health.³⁹ It is, therefore, an approach to employability that prioritise a strict 'work ethic' and which results in an ideological ethos that blames individual failure of capacity acquirement for lacking labour market attachment.

Neighbourhoods as mechanisms for manufacturing employability

I have argued above that the contemporary third way government of social exclusion focuses on the development of the capacities of employability and self-governance. I have discussed how entitlement in both England and Denmark is increasingly dependent on employability, and that this capacity of employability, despite differences in national articulations, prioritize an individualised approach to capacity development. In this section, I will show how this individualised approach is intimately related to the governing of communities and a particular understanding of social exclusion as locally fixed.

In both English and Danish third way strategies, social exclusion is seen as locally constituted and synonymous with the exclusion of particular neighbourhoods and areas. This suggests that policy discourses have appropriated the theoretical notion of 'area effects'.⁴⁰

39 Ibid.

40 Atkinson, R. & Kintrea, K. (2001) 'Disentangling Area Effects: Evidence from Deprived and Non-deprived Neighbourhoods'. *Urban Studies*, Vol. 38, Issue 12, 2277-2298; Lupton, R. (2003) "'Neighbourhood Effects": Can we measure them and does it matter?'. *CASE paper*, No. 73; Skifter Andersen, H. (2003) *Urban Sores - On the interaction between segregation urban decay and deprived neighbourhoods*. Aldershot: Ashgate; Power, A. (2000) 'Poor Areas and Social Exclusion'. *CASEpaper*, No. 2000-35.

Broadly speaking, the idea is that social exclusion is caused by the interaction of social, economic, and physical changes, and that excluded or deprived neighbourhoods constitute an element in this interaction and, therefore, that neighbourhoods themselves contribute to exclusion.⁴¹ The argument proposed here is that this notion of ‘area-effects’ has been recontextualized⁴² by policy makers as a justification for area-based efforts that aim to develop the capacity of employability of individuals by developing the capacities of the neighbourhoods in which they dwell. By recontextualization, I am referring to the fact that the importance assigned to spatial exclusion in the area-effect literature has been appropriated and inserted in third way governmental policy narratives of social exclusion. The result is an emphasis on the agency-focused explanations for area-effects, rather than a focus on structural causes linked to lack of jobs and opportunities. This fits with the individualised version of social exclusion dominant in both English and Danish third way rationalities. Area-effects are, in this way, used to legitimise an area-based approach to tackling social exclusion that aim to develop the capacities of the neighbourhoods in order to improve the capacities of its inhabitants. The capacities of the neighbourhood are understood here as the coupling of regeneration of the built environment with the development of local social economies characterised by high levels of social capital. At the same time, building of, for example, aggregate capacities of employability in the neighbourhood is seen as having a positive effect on the capacities of the neighbourhood itself – and thus on its occupants. Consequently, in both countries targeting the most deprived areas through a dual

41 Skifter Andersen 2003.

42 Bernstein, B. (1996) *Pedagogy, Symbolic Control and Identity*. London: Taylor & Francis.

strategy of developing the capacities of the area and of its people is seen as an effective, just, and acceptable means to tackle social exclusion.⁴³

The strategy of the contemporary mode of government is to reinvent the role of the Government and the political apparatus as the facilitator, stimulator, and instigator of self-governing activities through decentralization, privatization, and devolving power to intermediate bodies and citizens, as well as controlling and shaping the development of their capacities.⁴⁴ There is a slippage in this mode of governance between the individual and community. This means, firstly, that the imposition of subjectivities is paralleled by the limitations of constructions and imaginations of communities through the articulation and instrumentalization of communities into knowable and governable objects. Community capacity building is a central part of the process of empowering and disciplining of communities to be capable of self-government. Secondly, this implies that communities become the onto-political field in relation to which subjectivities are to be constructed and understood. This means that the communities become the central medium of constituting the capacities in the employable and self-governable individual and that communities themselves are understood as central actors in neighbourhood regeneration: in short, communities are constructed as the ontological

43 For a detailed discussion of how contemporary neighbourhood regeneration policies differ and repeat previous efforts in their triple focus on developing the neighbourhood, its residents and the governance capacities of local areas, see Fallov, M.A. (2006) *Speaking the Language of Capacity: Neighbourhood Regeneration and Social Exclusion in Denmark and England*. Unpublished PhD thesis, Department of Sociology, Lancaster University; Fallov, M.A. (2010, forthcoming) 'Community capacity building as the route to inclusion in neighbourhood regeneration'. *International Journal of Urban and Regional Research*, Vol. 34.

44 Raco, M. & Imrie, R. (2000) 'Governmentality and rights and responsibilities in urban policy'. *Environment and Planning A*, Vol. 32, Issue 12, 2187-2204; Rose, N. (2000a) 'Community, Citizenship and the Third Way'. *American Behavioural Scientist*, Vol. 43, Issue 9, 1395-1411.

horizon of subjectivities, acting upon the actions of individuals, and conducting their conduct in very specific and delimiting ways.

The role of local communities as both part of the problem and part of the solution to social exclusion is more explicit in the English area-based approaches to tackling social exclusion than it is in Denmark. Although, in the most recent area-based initiatives under the present Danish Liberal-Conservative Government, there is an explicit mobilisation of local neighbourhoods as contributing to exclusion and as necessary agents in developing capacities. These differences in the appropriation of the notion of area-effects, and the different political space created for capacity building, reflect variations in the politics of scale and the national articulations of the 'new localism'.⁴⁵ In the English case, for example, the particular Third Way strategy results in the tactic of centrally defined policies, and criteria for regeneration localized in the place-bound social economy of neighbourhood community and third sector organisations, backed by public funding. This implies a turn to the neighbourhood and to the local community as the onus of responsibility and action controlled by central government.⁴⁶ Hence, localism is overshadowed by central regulation. In relation to Denmark, intervention at the neighbourhood scale represents a particular national path in which the local scale is related to a wider universalistic regime based on equity, and where the new local policies are negotiated to fit with already relatively autonomous local politics and strong local governments.

45 Amin, A. (2005) 'Local community on trial'. *Economy and Society*, Vol. 34, Issue 4, 612-633; Brenner, N. & Theodore, N. (2002) 'Cities and the Geographies of "Actually Existing Neoliberalism"'. *Antipode*, Vol. 34, Issue 3, 349-379.

46 Jones, M. & Ward, K. (2002) 'Excavating the Logic of British Urban Policy: Neoliberalism as the "Crisis of Crisis-Management"'. *Antipode*, Vol. 34, Issue 3, 473-494.

Despite these national differentiations, local neighbourhoods and local communities have been assigned a central role in the development of the capacities of employability in both third way governmental strategies. This role is explicit in the Danish ‘cities for all’ initiative, which emphasise local creation of labour market integration, and in the English ‘working neighbourhoods’ initiative aimed at fighting neighbourhood wide cultures of worklessness. The justification of the area-based approach to tackling social exclusion constructs a strong relation between building, simultaneously and reciprocally, the capacities of individuals and of local communities. Local neighbourhoods are mobilised as both ‘container’ for the capacities of inclusion, and as machines or ‘apparatuses’⁴⁷ for manufacturing these capacities. As I have argued elsewhere, local communities and local neighbourhoods become, in different ways in the two national third way paths, a central part of the process of disciplining individuals to be capable of self-governance. Common to both countries is the positioning of local neighbourhoods as a central actor of government, and the construction of local neighbourhoods as the ontological field in relation to which the subjectivities are both understood and made possible. They become ‘the horizon of possibility’ through which the conduct of conducts is developed, controlled and practiced. What differentiate the two third-way governmental rationalities of social inclusion are the particular discourses of community forming this horizon of possibility.⁴⁸

47 Agamben, Giorgio (2009): *What is an Apparatus? And other essays*. Stanford California: Stanford University Press:14.

48 For a more detailed discussion of the differences in relation to community, see Fallov 2010.

The function of the local scale in the development of the capacities of employability is expressed at different levels. Firstly, the unwillingness to directly intervene in local labour markets means a reliance on the local social economy as the site for job creation and for the development of the capacities of employability through job training. In both English and Danish case areas, local job centres have been established. The rationale behind the localized initiative is that a local centre will improve the governing capacities of local governors as they will gain access to *residents who are not reached* by local authority-wide initiatives and enable possibilities for a personalised and uni-stringed interface for providing individualised guidance toward training and employment.⁴⁹ In both case areas, these initiatives for localized and individualised job search and job match were supplemented by various mentor and job training schemes. Individuals perceived as belonging to risk groups were targeted in order to support the formation and development of employable subjects. In the English case, ‘The Connexions project’ aimed to establish contact and training for young people who were presently not enrolled in education. In Vollsmose the ‘social mentor scheme’ was created to target young criminals, to create social support, and to maintain their attachment to training and job offers. This initiative is an expression of the attempt in this local regeneration effort to create counter-discourses to the national immigration discourses that emphasise assimilation. Another example of this is the establishment of a ‘forum of dialogue’ with women and

49 Depending on the strength of local counter discourses they could potentially widen the narrow understanding of employability prevailing at the national level of policy by increasing the focus on personal circumstances as barriers for acquiring the capacities of employment. Thorvildsen, M. (2002) ‘Lokale beskæftigelsesindsatser og lokale jobformidlinger’. København: Statens Sekretariat for Kvarterløft.

men from various ethnic backgrounds to explore what they perceived to be the barriers to labour market attachment. Among other things, what came out of this was the need for greater recognition of the double expectations on behalf of ethnic women, as the demands on their capacity as wives and mothers are, at times, at odds with the normative rules that underpin the duty to work in the Danish workfare strategy. Furthermore, that it is not enough to create local job shops if the cultural understanding of the functions and possibilities of job consultants is underdeveloped among some ethnic minority groups.⁵⁰ In other words, if ethnic minorities have limited access to the normative legitimised forms of knowledge and conduct involved in acquiring the capacities of employability, and involved in the relationship between the subjectivities of governors and governed.

Secondly, the development of local social capital through the fostering of loose ties is perceived as helping to secure aggregate individual chances of access to the labour market. A problem in both Vollsmose and Hathershaw & Fitton Hill is that success in the efforts to create mobility in relation to the labour market is followed by the socially mobile residents moving away while new unemployed residents arrive. Consequently, the net amount of people without connection to the labour market conceals any success of such initiatives and makes it harder for sustainable positive development to take hold in these neighbourhoods. Therefore, the strategy for constructing the capacity of the neighbourhood was altered in Vollsmose from a normalization strategy to a strategy whereby the neighbourhood is viewed as an 'integration mechanism'. In that way, it became possible to view the

50 Fallov 2006; Vollsmosesekretariatet 2004.

developments in relation to moving people out of the need for social assistance as a success, since it is construed as benefitting society at a wider scale⁵¹, although such developments undermine efforts at the local scale.

Thirdly, a lively and engaged civil society is understood as spurring the development of a range of personal traits closely related to employability across the neighbourhood, such as social skills, communication skills, responsibility, and the capacity for self-monitoring and self-government. In the English case, for instance, there is an ethos of training people within the programme as part of a 'job ladder'. The idea is to promote people already hired and thereby create room for the unemployed to fill vacancies within the same organisation. Residents claim that stigma excludes local people from entering this job ladder while prioritizing middle-class professionals coming to the area from the outside. Whereas the professionals express enthusiasm about this idea of a job ladder, but are sceptical about the residents' capacities for climbing on to the first rung: 'I thought...well we did think, well, my goodness is there going to be anybody out there, this is a very deprived area'. What this community officer goes on to note, however, is how they were surprised by the amounts of people who were engaged in all sorts of community work. This shows how the residents in the area, in spite of, or even because of, low employment rates had high rates of activity, albeit ones that were not employment related. This undermines the picture of passive benefit receiving 'scroungers' spending their days hanging on street corners as constructed by the moral underclass discourse. Residents

51 Vollsmose sekretariatet (2005) Helhedsplan for den kommunale indsats i Vollsmose 2005-2010 – strategier og rammer for indsatser. Online. Available at: www.odense.dk.

might have few formal employability related capacities (i.e. do not meet the normative criteria), such as formal skills; this does not equate, however, with being incapacitated, as some residents have organizing capabilities, or other forms of community related competencies. Such capacities could be related to the more normative parts of employability, such as, for example, social skills, communication skills, and team working. The neglect of these residential capacities highlights the paradox that although there is a strong national prioritization of the social economy, policy discourses and local professionals tend to be blind to the resources involved in innovative 'coping' strategies, and in activities found in the informal part of the local social economy. The delimited horizon of possibility constructed through the legitimate curriculum of employability, therefore, narrows the possible paths to inclusion, and thus sustains mechanisms of exclusion.

Fourthly, a lively civil society is thought to counteract cultures of worklessness. Moreover, improving the image of neighbourhood is thought to work against problems of experiences of address discrimination on behalf of the employers. In both countries, the national policy emphasis on fighting dependency caused by lacking labour market attachment and self-governing activities filters down to the local level, and to the understanding among professionals of resident 'ways of being'. In the English case, the promotion of anti-dependency discourses informs even the residents' own perceptions of residential subjectivities. Thereby, long-term dependency on benefits and social transfers is, in both cases, seen as producing inactivity and passivity, and because dependency is perceived as being widespread within the neighbourhood, it is seen as bringing down the area as a whole. This dependency discourse is associated with particular

implications. The positioning of 'a culture of dependency' as the *root cause* of exclusion leads to the individualisation of both causes and solutions, thereby mobilizing the moral underclass discourse and the distinction between the 'deserving' and 'undeserving' poor. Although the tendency to produce a rank of deservingness is stronger in England than in Denmark, where exclusion is still connected to social causes⁵² it is mobilised in both localities. It is this ranking of deservingness that places immigrant populations at the bottom of the social pile, emphasising their cultural difference as the main barrier for participation in regeneration work and therefore to their access to the employability related capacities gained through such work – and thus to their status as included or excluded. According to Haylett this assumption of a culture of passivity among residents is typical of the influence of cultural discourses on regeneration policy.⁵³ The flipside being the articulation of a culture of active participation and self-help as the capacities necessary for inclusion, thereby neglecting structural explanations of dependency, agents of stigmatization, and processes of resistance and strategies for coping that always co-inhabit the neighbourhood space.

Local professionals and people involved in regeneration processes construe ethnic minorities as in need of, what Bourdieu terms, forms of cultural capital that are transmutable into symbolic capital; that is, are legitimate from the perspective of the dominant national cultures.⁵⁴ Ethnic cultures are not valued as symbolic capital in the orthodoxy of

52 Oorschot, W. v. (2005) 'On the cultural analysis of social policy.' *CCWS Working paper*, No. 2005-35.

53 Haylett, C. (2003) 'Culture, Class and Urban Policy: Reconsidering Equality.' *Antipode*, Vol. 35, Issue 1, 55-73.

54 Bourdieu, P. (1991) *Language and Symbolic Power*. Cambridge: Polity Press;
Skeggs, B. (2004) *Class, Self and Culture*. London: Routledge.

the host cultures' democratic institutions and forms of participation. Their cultural capital does not enable entry to the routes of influence. This points, also, to the naturalization of cultural explanations and the naturalization of the access points and gatekeepers of access to the capacities of inclusion.⁵⁵ The cultural knowledge of democratic practices and forms of participation is transmitted in places to which ethnic minorities often do not have the same kinds of access. Correspondingly, these forms of knowledge and practices are taken-for-granted by professionals and such naturalizations or taken-for-grantedness makes it harder for such professionals to imagine a 'third space' with other forms of participation, and thus with a different valuation of cultural capital.⁵⁶

Stigma is not the only barrier for residents in their route to employment (that is, their attainment of employability); the techniques involved in the employment process themselves can be a barrier for local residents, as expressed by this regeneration officer:

We haven't got a legal entity so we're not able to employ people directly. So, that means we have to go through all the procedures that a local authority normally goes through. For instance, I got feedback from the health trainee post that people found the application form daunting...I was using a standard OMBC application form...So, in a way, we're working with principles that are not really backed up by the machinery in the big organisation. So that's been quite a problem, I think, getting people to apply in the first place for posts.

55 Bourdieu 1991, 22.

56 Bhabha, H. (1990) 'The Third Space – Interview with Homi Bhabha'. In Rutherford, I.J. (ed.) *Identity: community, culture and difference*. London: Lawrence and Wishart, 207-221.

From the above it becomes apparent that it is not enough for a regeneration project to initiate employment projects or induce an ethos of employing local people if the formal structures concerning internal employment exclude local residents. Local residents still need to acquire the dominant form of cultural capital in order to apply for the few jobs that are created through the regeneration effort. They have to include vacancies in their horizon of possibility, be able to decode the application forms in order to make a successful application, or make it at all. This can be difficult if you cannot read, if you have never applied for this kind of job, or have no one to guide you through the experience – that is, if your horizon is elsewhere. Ethnic minorities are doubly marginalized by these barriers of stigma and formal criteria as they face both discrimination and unequal access to the connections between the arenas of acquirement of the legitimate social and cultural capital.

These different roles for the local social economy and the local neighbourhood are not always mutually reinforcing. Rather, experience shows that there is a contradiction between the initiatives that aim to socially empower local residents and develop social capital on the one hand, and initiatives that aim to develop local entrepreneurs and which link local strategies to wider strategies of economic growth and development on the other.⁵⁷

57 Andersen, J. (2004) 'Social exclusion and inclusion in the Globalised City'. *Research Papers from the Department of Social Sciences* 3. Denmark: Roskilde University Center.

Conclusions

The above comparison of English and Danish third way governmental rationalities have shown the close connections between the moves towards stricter workfare regimes and a strategy to fight social exclusion through building the capacities for employability and self-government. I have shown that each of the third way paths is framed by a different welfare regime and different international influences. The strategic selectivities of the liberal regime in England results in the tactic of privileging market generated employment, moral obligations, punitive features for the unemployed, a strong role for the third sector in sustaining, and building the capacities of employability. The Danish third way path, on the other hand, is framed by the generous benefits of its universal regime and strategic selectivities of the Flexicurity model, but the ever-stricter workfare arrangements underpin increasing emphasis on opportunity and enticement.

Common to both third way paths is a rationality of government that is based on the constitution of a particular and normative curriculum of employability and self-government that favours individualised training, obligations and responsibilities. In both third way rationalities, the strategies to fight exclusion are based on the tactic of the imposition of particular forms of subjectivity and the construction of particular horizons of inclusion. Although the English social integrationist discourse is relatively more influenced by the moral underclass discourse and the moral implications of American communitarianism, emphasis in both third way paths is on the role of local communities in fighting cultures of worklessness, and thus as

necessary agents of capacity building, and as storehouses of aggregate local capacities. In Denmark, this is most visible in relation to ethnic dominated local communities, but the implications of this cultural discourse of the value of employability as an integrative factor is more widespread.

Local counter-discourses have revealed the paradoxical position of the local social economies in both national third way paths. On the one hand, local social economies are construed as the privileged site for building and sustaining the capacities of employability, relating both to the formal and the normative aspects of employability. In both case sites, there is evidence of innovative and empowering projects that reveal local strategies in relation to the imposed subjectivities; although the tendency to emphasise a narrow understanding of employability that focus on individual capacities leads to the neglect of gains from activities in the more informal parts of the social economies. On the other hand, however, issues of stigma, in combination with the naturalizations of the forms of knowledge and types of behaviour, and the forms of social and cultural capital necessary for the *practicing* the capacities of employability in the local social economies, have disempowering and excluding implications for marginalized groups which such efforts initially were intended for. A worthwhile question for future research is, therefore, *how* such excluding and disempowering implications of the strategy to develop employability map out in specific localities due to the differences in the national frameworks these strategies are implemented within. Provisionally, it can be argued that in a framework, as in the Danish third way rationality where the reliance on local social economies are underpinned by state funding and relatively generous levels of social assistance, such disempowering effects of the strategy

of building the capacity of employability is potentially less severe when compared to the English 'work first' framework with its reliance on the integrative functions of the moral local communities.

The analysis of the constructed connection between employability and the government of inclusion in both countries has, once again, revealed the inherently moral and ethical character of the strategies to fight social exclusion: moral in relation to the government of others, ethical in relation to the government of oneself. The horizon of possibility of inclusion is shaped by conceptions of what characterises capacities of the governable subjects. Those groups of residents who exist outside this horizon, and therefore do not meet these criteria, are engaged through disciplinary practices; their willingness to engage in practices that transform themselves are secured by making their eligibility for social assistance depend on transformations towards the employable and self-governable subject.

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Re-thinking the welfare state: workfare and the question of ‘rights-claims’ for welfare recipients

Sherrow O. Pinder

One of the distinctive features of the modern welfare state is the provision of welfare benefits for its citizens. Even though, in many cases, welfare benefit is means-tested and subject to conditionalities of some form or another including residency requirements and the legality of citizenship, this seems on the surface to be irreconcilable with T.H. Marshall’s idea of social rights, because ‘rights,’ in essence, are unconditional. However, if the conditions outlined above are met, then the notion of social rights as the right of citizens to have a ‘reasonable’ access to welfare is quite understandable and acceptable. Welfare provision by the state partly accounts for the moral viability of the state, which it must uphold as a way of adhering to its redistributive function.¹ Also, in an important way, welfare helps to alleviate the threat of poverty both materially and morally to civil society. Welfare, then, is not only a means to the common good, but it is a good in and of itself. Hence, the fundamental question is whether the state has the right to deny the poor welfare?

1 I am aware that the moral basis of the welfare state poses a dilemma for the Kantian notion of morality. In Kant’s writing on the *Metaphysical Foundations of Morals*, a further contextual reading of Kant (1949: 145-146) shows that the welfare state prohibits the poor from being self-sufficient and thereby makes the moral actions of the state problematic. The welfare state creates not a new kind of citizenship, but reinforces second class citizenship.

What conditions, if any, should be imposed on welfare recipients? We shall return to these questions later in this discussion.

Recently, the nature of the challenges confronting the welfare state is properly complex.² Against this background, B. Jessop draws our attention to the fact that there is ‘the hollowing out or erosion of the Keynesian welfare state, which has resulted in a Schumpeterian workfare state.’³ The transformation of welfare into workfare, in my mind, raises an essential question as to the responsibility and role of a democratic government in terms of providing social assistance for the poor.⁴ As the name implies, workfare means one thing: in

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- 2 Many works have looked at the impact of globalisation on the welfare state. In my previous work, I try to make sense of the transformation of the welfare state into a workfare state in Canada and the United States. My overriding argument is that soaring budget deficits, combined with neoliberal economic reform in both Canada and the United States, produced a conservative discourse about government spending on social programs that legitimized welfare cuts. Nevertheless, such cuts need not automatically imply a shift to workfare policy, especially since workfare raises practical issues, such as the shortage of affordable, reliable child care for single mothers who are forced to work outside the home in exchange for receiving welfare assistance. A variety of more progressive alternatives could have been imagined. That workfare was the option that was implemented is partly a result of globalization. State governments have been aggressively pushed to implement policies that are responsive to capital needs. One pressing need in the face of such free trade agreements as the Canada-United States Free Trade Agreement (CUFTA) and the North American Free Trade Agreement (NAFTA) is for cheap labour. Workfare provides an underclass of labour that is essentially trapped in jobs that pay well below the minimum wage. This permanent underclass is distinctively gendered and racialised. Workfare workers, moreover, have inevitably displaced the working poor from the jobs that they already have.’ See Pinder, Sherrow O. (2007) *From Welfare to Workfare: How Capitalist States Create a Pool of Unskilled Cheap Labor (A Marxist Feminist Analysis)*. Lewiston, New York: Edwin Mellen Press, 1-2. Also, see Schram, Sanford F. (2005) *Welfare Discipline: Discourse, Governance, and Globalization*. Philadelphia, PA: Temple University Press; Mishra, Ramesh (1999) *Globalization and the Welfare State*. Cheltenham, UK: Edward Elgar Publishing.
 - 3 Jessop, Bob (1993) ‘Towards a Schumpeterian Workfare State? Preliminary Remarks on a Post-Fordist Political Economy’. *Studies in Political Economy: A socialist Review*, Vol. 40, 10.
 - 4 In most western democracies, the poor, in this case, are mostly women. Women were considered as unemployable because of their child-rearing responsibilities. And when they did enter the paid labour force, they were treated as secondary workers. It is precisely for this reason that women have relied on the welfare state for some kind of support.

order to receive social assistance, the welfare recipients must work. There are two key components of this definition of workfare: a) it is a work activity, and b) participation is compulsory.⁵ Workfare's more usual meaning, it seems to me, is the reorganisation of the state's role in promoting social reproduction within a neoliberal model of welfare restructuring. The aim of the neoliberal model is to valorise and promote the provision of welfare on a market basis. The idea is that a lack of government interference with the market mechanics enables the market to provide the most efficient use and allocation of resources. In fact, it is a grave mistake to relying on market forces to address social inequalities because 'the market has a force of its own, which it imposes on everyone, capitalists as well as workers, certain impersonal systemic requirements of competition, accumulation, and profit-maximization.'⁶ It is on these grounds that workfare should not be a substitute for welfare.

With the implementation of workfare, the crucial question, then, is whether the state has lost its legitimacy by failing to provide welfare for the poor? Is workfare excluding or discriminating against citizenry in morally troubling ways when it restricts basic 'rights-claims' for welfare recipients? Should 'rights-claims', which are systematically undermined under the new workfare regime be contested, since 'rights-claims' are located within liberal democratic structures? Should any constraints be placed upon these claims? What are the implications for accelerating poverty and segregated social exclusion among the poor? In framing

5 Lightman, Ernie S. (1995) 'You Can Lead a Horse to Water, but . . . The Case against Workfare'. In Richards, John, Vining, Aidan, Brown, David et al (eds) *Helping the Poor: A Qualified Case for Workfare*. Toronto: C.D. Howe Institute, 154.

6 Wood, Ellen Meiksins (2003) *Empire of Capital*. New York: Verso.

this discussion, these are some of the questions that I will attempt to explore.

In this chapter, by drawing on the importance of social rights against the vagaries of the unfettered market, I will provide a critical analysis of workfare and what it means for the poor, thus illustrating the state's role of providing a social safety net for the poor. The chapter seeks to broaden the discussion of the nature of the welfare state in terms of upholding one of its main functions, which is to provide a safety net. If, in fact, the state, because of its capitalistic and rigorous nature, has to fulfil its redistributive/legitimation function by providing welfare for the poor against the accumulation of capital by the dominant class, it is clear then, with the implementation of workfare, the state not only withdraws from its legitimation function, but in fact it sends a clear signal that 'rights-claims' for the poor is of lesser importance against market values. Furthermore, if I am right in my contention that workfare impacts the poor and civil society as a whole, and that the poor, for the most part, experiences a gratuitous banishment from the social and institutional bases of society, by partly drawing from the repercussions of workfare in United States, then the upshot is to make a case for 'rights-claims' for all members of a democratic polity, including welfare recipients.

I am attempting to describe and explain rights-claims as those rights that protect the necessities of the 'good life', which vary by time and place, and include at a bare minimum the right to economic security, adequate nutrition, housing, health and safety at work, education, privacy, general well-being, bodily integrity, and the protection of

one's personhood that is basic to the liberal traditions.⁷ In fact, rights-claims provide for the foundations upon which human development can occur and human freedom and dignity can thrive. Accordingly, such basic rights-claims are conceptualised in terms of an entitlement secured by the government so that all persons can be equal as humans and to be equal as members of a liberal democratic society.⁸ In a liberal democratic polity, rights-claims become a major part of the political discourse and actions. Because of the demands of political life, the idea of retaining welfare as a guarantor of social rights should be at the centre of social and economic arrangements in a society that is marred by gross inequalities. Hence, there is a dire need for a social contract that properly invokes and communicates rights-claims as a positive right to welfare, especially within the present context of mounting social and economic inequalities.

It is not a secret from anyone that there is global economic crisis. In the United States, for example, this crisis has manifested itself through high unemployment. In other words, many people have lost their jobs and are now collecting unemployment insurance. The US Department of Labour reported, for the week ending 25 April 2009, that unemployment claims were 631 000. Unemployment insurance is not considered 'welfare'. This is not surprising. The perception is that earned benefits rest on the idea that individuals should get back from the benefits system merely what they paid in and no additional benefits. It corresponds to what G. Mink (1998) calls 'the ethic of contract'. In addition, because many middle and upper class Americans are

7 The concept of rights is vital to the liberal traditions.

8 Macklem, Patrick & Scott, Craig (1992) 'Constitutional Ropes of Sand or Justifiable Guarantees? Social Rights in New South African Constitution'. *University of Pennsylvania Law review*, Vol. 141, 9-10.

receiving unemployment benefits, unemployment insurance has now earned a new form of legitimacy. However, there are certain restrictions on unemployment benefits, including a limited period of time for a person to receive such benefits. When unemployment insurance is no longer available, many people would have to turn to welfare if they cannot find a job. Given the state of the American economy at the moment, adequate welfare programs are fundamental. By providing adequate welfare for its citizens, the democratic state enhances its egalitarian norm of adhering to the legitimisation of rights-claims for all members of society.⁹

The claim that citizens of a democratic polity are entitled to social rights is an important one, and it warrants a more expansive analysis, particularly an analysis that is situated within the neoliberal model of welfare restructuring. The aim of the neoliberal model is to valorise and promote the provision of welfare on a market basis.¹⁰ The argument presented by neoliberals is that welfare erodes market incentives because it provides people with a guaranteed income, a narrative that is rooted in classical liberalism. This guaranteed income acts as a detour from Weber's work ethic and prevents them from securing low-skilled and low-wage jobs. As C. Cleaveland points out, there are not many jobs in the present post industrial economy that pay enough to enhance the living standards of the poor.¹¹ Hence, the preceding argument must be considered, if we are to present an adequate justification for social

9 Hibbert, Neil (2008) 'Citizenship and the Welfare State: A Critique of David's Miller Theory of Nationalism'. *Canadian Journal of Political Science*, Vol. 41, Issue 1, 172.

10 The neoliberal model of welfare restructuring has fallen prey to the larger, continuous challenges of global capital. Capitalists have to be provided with cheap labour, an indispensable commodity for capital's restoration.

11 Cleaveland, Carol (2007) 'Without Wages or Benefits: Disconnected TANF Recipients' Struggles to Achieve Agency'. *Affilia*, Vol. 22, Issue 4, 322.

rights. N. Hibbert reminds us those social rights of citizenship must be extended 'into a greater sphere of social and economic rights'.¹² Social rights are necessary to offset the vagaries of the unregulated market as well as an inherently unjust system of production and distribution.

In the following section, I will examine the concept of social rights. In this paper, I will draw our attention to the importance of the social rights of citizenship to include welfare assistance for all members of a democratic polity.

The concept of social rights

Welfare, as a social contingency, has determined the shape of the modern welfare state.¹³ In western democracies, because there are different welfare systems, I am employing A. Briggs's definition of a welfare state. Briggs defines a welfare state as

a state in which organised power is deliberately used [through policies and administration] in an effort to modify the play of market forces...by guaranteeing individuals and families a minimum income irrespective of the market value of their work or their property.¹⁴

Hence, the welfare state is required to secure a wider set of rights, including the right to welfare. If one is entitled to these rights, then receiving welfare should not be demeaning. P. Dwyer tells us that many scholars, especially on the right of the political spectrum, have denied the validity of social rights and have presented strong arguments that rights

12 Hibbert 2008, 172.

13 Briggs, Asa (2000) 'The Welfare State in Historical Perspective'. In Pierson, Christopher & Castles, Francis (eds) *The Welfare State Reader*. Cambridge: Polity Press, 19.

14 Ibid, 18.

should be ‘balanced by responsibilities.’¹⁵ ‘Welfare contractualism’ is ‘a new contract between the citizen and the government, which is based on responsibilities and rights.’¹⁶ Hence, welfare contractualism marks a clear shift from the concept of social rights of citizenship. Nonetheless, ‘a positive right to welfare is not, at least in principle, conceptually or logically incompatible with our ordinary understanding of what is involved in possessing such a right.’¹⁷

The rights of citizenship were foremost civil and political, and were eventually extended to include and strengthen what Marshall calls the ‘social rights of citizenship.’¹⁸ He defines social rights as ‘the right to a modicum of economic welfare and security... and the right... to live the life of a civilized being according to the standards prevailing in the society.’ The right to welfare as a minimum standard of income assists people in living their lives as decent human beings. Consequently, social rights are the egalitarian principles that are embedded within the concept of citizenship.¹⁹ Marshall defines citizenship as:

A status bestowed on those who are full members of a community. All who possess the status are equal with respect to the rights and duties with which the status is endowed. There is no universal principle that determines what those rights and duties shall be, but societies in which citizenship is a developing

15 Dwyer, Peter (2004) ‘Creeping Conditionality in the UK: From Welfare Rights to Conditional Entitlements?’. *Canadian Journal of Sociology*, Vol. 29, Issue 2, 276.

16 White, Stuart (2000) ‘Social Rights and Social Contract—Political Theory and the New Welfare Politics’. *British Journal of Political Science*, Vol. 30, Issue 3, 508-512.

17 Moon, J. Donald (1988) ‘The Moral Basis of the Democratic Welfare State’. In Gutmann, Amy (ed.) *Democracy and the Welfare State*. Princeton: Princeton University Press, 11.

18 Marshall, Thomas Humphrey (1950) ‘Citizenship and Social Class’. In Marshall, Thomas H. *Citizenship and Social Class and Other Essays*. Cambridge: Cambridge University Press, 11. There is no disagreement that in the United States, for example, blacks and other minority groups are excluded from the rights of citizenship. They are treated as second class citizens. There were past laws in the United States that allotted this status upon blacks.

19 Inescapable issues of citizenship are embedded in rights-claims for the poor.

institution create an image of an ideal citizenship against which achievement can be measured and towards which aspiration can be directed.²⁰

For Marshall, citizenship is a status that entailed both rights and responsibilities. However, as P. Dwyer draws to our attention, Marshall was more concerned with 'social rights rather than responsibilities'.²¹ Yet, for some scholars rights and responsibilities are not mutually exclusive. The interconnectedness of rights and responsibilities entitles individuals to be incorporated within the democratic polity. Even though these rights and responsibilities are not reciprocal²², there is a strong link between rights and responsibilities, and it has given way to the 'third way' welfare reforms, which also 'stress reduced access to public welfare provision'.²³ The third way has presented an important challenge to the Keynesian welfare state and the idea of social rights as a derivative of the rights of citizenship.²⁴

What constitutes citizenship is an important and highly contested issue. Accordingly, it is beyond the scope of this paper to adequately account for the various articulations of citizenship, since citizenship is both universalistic and legalistic.²⁵ However, C. Pateman writes:

The Patriarchal Welfare State, [makes clear that the difficulties of understanding] citizenship today without taking the position of women

20 Marshall 1950, 28-29.

21 Dwyer 2004, 267.

22 In the United States or Canada, for example, the right to vote does not oblige us to so.

23 Mead, Lawrence M., (1997) 'Citizenship and Social Policy: T. H. Marshall and Poverty' *Social Philosophy and social Policy*, Vol. 14, Issue 2, 197-230; Giddens, Anthony (1994) *Beyond Left and Right: The Future Of Radical Politics*. Cambridge: Polity Press; Dwyer 2004, 266.

24 Cox, Robert (1998) 'The Consequences of Welfare Reform: How Conceptions of Social Rights are Changing'. *Journal of Social Policy*, Vol. 21, Issue 1, 3.

25 In examining the conceptualisation of citizenship, a feminist critique is particularly essential because, for good reasons, it scrutinises and dissects the scope of rights, in the sense of who is to have what rights. Marshall's conceptualisation of citizenship, for feminists, is far too narrow.

into account are not hard to illustrate, because contemporary feminists have produced a large body of evidence and arguments that reveals the importance of women in the welfare state and the importance of the welfare state for women.²⁶

Pateman explains this paradoxical relationship quite well. She acknowledges that on the one hand, the welfare state is a large source of employment for women and on the other hand, a large percentage of welfare recipients are women. One of the reasons why women are more likely than men to receive social assistance is because women are more likely to be poor.²⁷ Today, in most western democracies, what D. Pearce has labelled ‘the feminisation of poverty’ is more visible than ever. ‘The feminization of poverty’ is not a new phenomenon in the industrialised West. In the United States, for example, the ‘feminization of poverty’ was already institutionalised with the implementation of welfare programs for women —Mothers’ Pensions, Aid to Dependent Children, and Aid to Family with Dependent Children (AFDC).²⁸ In fact, women were identified with the social function of mothering rather than as individual citizens and paid workers.

For Marshall, there is the fusion of social, political, and judicial rights.²⁹ He explains this quite succinctly by noting that

a man’s social rights, too is a part of the same amalgam, and derived from the status which also determined the kind of justice he could get and where he

26 Pateman, Carole (1988) ‘Socializing the Welfare State’. In Gutmann, Amy (ed.) *Democracy and the Welfare State*. Princeton, N.J.: Princeton University Press, p. 232.

27 Ibid, 233.

28 With the implementation of the Personal Responsibility Work Opportunity Reconciliation Act, AFDC was replaced by Temporary Assistance to Needed Family (TANF). For a more comprehensive reading on TANF, see Pinder 2007, 124-126.

29 Marshall 1950, 11-12.

could get it, and the ways in which he could take part in the administration of the affairs of the community of which he was member.

Social rights allow citizens to more effectively use their civil and political rights. For Marshall, rightfully so, this is a good thing because these rights will act as a gateway for moderating the insecurities created by the market. More specifically, if one has a right to welfare, then forcing welfare recipients into mandatory work programmes create a problem for the welfare state.

If the provision of welfare is one of the principal objectives of the modern welfare state, then the right to welfare for everyone is essential. Its goal is not to triumph over poverty and inequality as an overriding aspect of social organisation that deprivation promotes at all levels — social, economical, and political; it is, in part, to improve the human condition by emancipating the poor from the self-regulating market. K. Polanyi (1957) puts it best when he notes that the poor has to be protected against the ravages of the self-regulating market. In this sense, when social rights are undermined by the operation of the market, it sets in motion the moral dilemma for the welfare state. To limit one's right to welfare is to reduce one's existence as an upright human being. In addition, because rights are universal, we are, in theory, equal as citizens of a democratic polity.

There is a real emphasis on the principle of social citizenship that promotes one's entitlement to welfare, which has the effects of universalising the social rights of citizenship. For D. S. King and J. Waldron, 'to associate welfare provision with citizenship is to

make a proposal about how welfare should be handled in society.³⁰ Hence, welfare, in the words of King and Waldron, ‘cannot simply be abrogated or whittled at the whim of a particular government.’³¹ And in spite of the influences of Thatcherism in Great Britain and Reaganomics in the United States in restricting welfare for the poor, they did not fully succeed in the dismantling the welfare state. In fact, in the United States, there exists what B. J. Nelson refers to as the ‘two-channel welfare state.’³² The first channel is ‘male, judicial, public, and routinised’ and the second channel is ‘female, administrative, private, and non-routinised’. Under the Reagan administration, the second channel welfare state was under severe attack. Aid to Families with Dependent Children was reformed twice, first by the Omnibus Budget Reconciliation Act of 1981 and second by the Family Support Act of 1988. Nonetheless, K. Offe’s observation that ‘capitalism cannot coexist with, neither can it coexist without the welfare state’ is not without any basis.³³ Mishra elaborates on Offe’s observation. He points out that ‘the welfare state cannot therefore be dismantled.’ It is necessary for the dominant class to accumulate capital in the face of the changing requirements of production.³⁴

Under the new workfare regime, social welfare is now to be determined by market values. Work outside of the home is viewed as the marker for promoting personal responsibility and self-sufficiency.

30 King, Desmond S. & Waldron, Jeremy (1988) ‘Citizenship, Social Citizenship and the Defence of Welfare Provision.’ *British Journal of Political Science*, Vol. 8, Issue 4, 415-443.

31 Ibid, 417.

32 Nelson, Bahara J. (1990) ‘The Origins of Two-Channel Welfare State: Workmen’s Compensation and Mother’s Aid.’ In Gordon, Linda (ed.) *Women, the State, and Welfare*. Madison, Wisconsin: University of Wisconsin Press, 124.

33 Offe, Klaus (1984) *Contradictions of the Welfare State*. London: Hutchinson, 153.

34 Mishra 1996, 329.

The question then, which I think is a good one, is whether social values should be determined by the market or a democratically elected government. T. J. Lowi, even though he is upfront about the role of the government not as a charitable agency transferring income from the rich to the poor, for good reason, sees the government's provision of income and services as an alternative to the unfettered market.³⁵ The market, when left to its own devices, does not guarantee full employment. The fluctuations of the capitalist system between growth and depression (boom-and-bust cycles) is one of the bases of Keynesian policy. Hence, the government's intervention into the market is necessary if we are to safeguard citizens against the market mechanisms. Social programs, including welfare, were developed to protect citizens against the vagaries of the market. In this sense, welfare is not inexorably a socialist endeavour, but it is necessarily tied to the capitalist market because it guarantees a healthy and complacent working class.³⁶ Welfare does not work in tangent against the capitalist's goal of replenishing capitalism, which is a system of preserving and maintaining social class inequality. Hence, the task of the welfare state is not so much to equalise society as much as possible, but to partly adhere to capitalism's boom-and-bust cycles. Providing welfare for the poor is a large part of the state's redistribution function as a way of managing social conflict within society.

Ages ago, in *The Philosophy of Right*, Hegel warns that economic life through the market appears unavoidably to create and maintain great poverty alongside great wealth. The market itself, unimpeded by an

35 Lowi, Theodore J. (1969) *The End of Liberalism: Ideology, Policy, and the Crisis of Public Authority*. New York: Norton, 63-64.

36 Offe 1984.

interventionist state, operates in a way that deprives some people the equal opportunity to acquire the resources that would enhance their basic well-being and thus creates social exclusion, with full view, at all levels — political, economic, and social. Nonetheless, for proponents of workfare, work in their view is good for the poor. It promotes self-sufficiency and good work ethics, which will inevitably lead to the good life. Certainly, as J. Wolff points out, there are various ways for us as human beings to conceptualise what is of value to one and what constitutes the highly contestable conception of the good life.³⁷ Not to mention, every individual has a different desire and one must be free to choose one's desire. Even if there are, certain universal desires such as happiness, one still has a particular understanding of what happiness means. Rather than promoting a particular concept of the good life, is it in the best interests of all members of a given polity for the state to promote the ideals of the common good? In any case, if the poor are consumed by the pressure to provide the basic necessities — food, clothing, and shelter — for themselves and their families, they cannot develop into 'moral citizens' who are equipped to contribute to the communitarian notion of the common good.

In this view, there is a particular cultural value that is associated with the promotion of the common good, nonetheless. Personal responsibility for self and social responsibilities towards others and the community are the necessary virtues for promoting the common good. Hence, rights cannot exist by themselves. They have to be recombined with the recognition of personal responsibilities, including one's duty to work. Working for your welfare check is perceived as a justifiable tool

37 Wolff, Jonathan (2003) *The Message of Redistribution: Disadvantage, Public Policy and Human Good*. London: Catalyst Working Paper, 7.

for ending dependency on public handouts.³⁸ Hence, 'welfare should become more focused on helping people to become independent, rather than locking them into dependency.'³⁹ In addition, if Marshall is correct that one's duty as embedded in the concept of social right is 'the duty to pay taxes and insurance contribution', then paid work in the words of Marshall is of 'paramount importance'.⁴⁰ Hence, the direct exchange of work for your welfare check forfeits the preceding claim. In the United States, as S. Greenhouse of the *New York Times* points out, welfare workers cannot increase their earnings with overtime or promotion.⁴¹ They have no right to a day's vacation, and they do not accrue Social Security or the Earned Income Tax Credit.⁴²

In fact, the provision of social assistance is viewed as eroding market incentives because it provides people with a guaranteed income, which acts a detour from Weber work ethics and promotes dependency on the system. The logics behind the welfare dependency discourse, to use the words of M. R. Somers and F. Block 'is impeccable. If assistance is actually hurting the poor by creating dependence, then denying it is not cruel but compassionate.'⁴³ More importantly, M. Friedman's

38 In the United States, for example, since the 1960s, the federal government has concentrated on tightening welfare eligibility and forcing welfare recipients into the workforce, even though it was not mandatory. Waivers were given to states if they adopted policies that recognized public work as an obligation. In 1987, President Reagan created the Low Income Opportunity Advisory Board to expedite the states' requests for welfare waivers. In 1991, President George H. W. Bush made waivers easier to get, and by 1996, under the administration of President Bill Clinton, 43 states had some form of waivers.

39 Chan, Chak Kwan, Cole, Bankole & Bowpitt, Graham (2007) 'Welfare State Without Dependency: The Case of the UK Chinese People'. *Social Policy and Society*, Vol. 6, Issue 4, 504.

40 Marshall 1950, 79-80.

41 Greenhouse, Steven (1997) 'City Labor Director Backs Effort to Organize Workfare Participants'. *New York Times*, 9 Feb 1997, 39.

42 Congress originally approved the income tax credit for low-income working individuals and families in 1975.

43 Somers, Margaret R. & Block, Fred (2005) 'Markets and Institutions Over 200 Years of Welfare Debate'. *American Sociological Review*, Vol. 70, Issue 2, 265.

(1982) view, the market as the primary guarantor of political liberty and economic prosperity is delimited by welfare provision. A clear problem, which this model isolates, is the manner in which the self-regulating market operates. It deprives some people of the equal opportunity to acquire the resources that would enhance their basic well-being and thus creates exclusion. It is not far stretched, then, to recognise that President Bill Clinton's statement in signing the Personal Responsibility Work Opportunity Reconciliation Act of 1996 that 'no one who works full time and has children at home should be poor anymore' is wrong.⁴⁴ Paid work alone does not benefit the poor. It creates more hardship for them by expanding their expenses including childcare provision and transportation. Paid work is often lacking in prestige and it is isolated. In the absence of recognised rights to welfare, equal citizenship is undermined. Hence, it is important to connect the poor's 'rights within welfare to their right to receive welfare in the first place', as Mink makes quite clear.⁴⁵ Forcing welfare recipients to work is another way of policing the poor.

In the following section, I will examine workfare and its implications for the state's legitimacy. By failing to provide a social safety net for the poor in the face of capitalist exploitation, I will point out that the state has withdrawn from its legitimisation function. However, before I move forward, I will highlight some specific characteristics of workfare.

44 See Bill Clinton, 'Statement on Signing the Personal Responsibility and Work Opportunity Reconciliation Act of 1996'. In *Public Papers of the Presidents of the United States*. (Washington, D.C.: U.S. Government Printing Office, 22 Aug. 1996).

45 Mink, Gwendolyn (1998) *Welfare's End*. Ithaca, New York: Cornell University Press, 15.

Specific characteristics of workfare

Workfare is a retrieve back to the 1834 Elizabeth Poor Law⁴⁶, which Marshall notes ‘treated the claims of the poor, not as an integral part of the rights of the citizens, but as an alternative to them.’⁴⁷ It renounced all claim to interfere with the forces of the free market, which, at its best, is the core of market liberalism. Even though the pressures on the state are far more complex, the aim of market liberalism is to confine the state ‘to a rigid political agenda within which flexible market forces will generate the social order.’⁴⁸ As S. White draws to our attention, workfare forces the poor to work, while those who are super rich can ignore work all together.⁴⁹ It is sufficient to say that workfare, which has little to do with uplifting the poor from social and economic inequalities, in the end, only creates more plights for them. For this reason, workfare cannot be compared with other welfare reform programs of the past under liberal welfare regimes where job training and education, were huge parts of welfare restructuring in western democracies including Canada, Australia, Britain, and the United

46 The Elizabethan poor law of 1601 had made a distinction between the ‘deserving’ and ‘undeserving’ poor. The deserving poor were those individuals who were ensconced in poverty and were seen as incapable of supporting themselves and their families through paid work, and as such were indeed worthy of welfare assistance. As for the ‘undeserving’ poor who were able-bodied men, they were expected to support themselves and their families through wage labor. When the Elizabeth poor law was amended in 1834, it added the principle of ‘less eligibility’. As such, the living conditions of the malingering poor must be superior to that of the able-bodied person receiving public assistance. The key point here is that welfare assistance must never be more attractive than paid employment.

47 Marshall 1950, 24.

48 Drache, Daniel & Gertler, Meric S. (1991) ‘The World Economy and the Nation-State: The New International Order’. In Drache, Daniel & Gertler, Meric S. (eds) *The New Era of Global Competition State Policy and Market Power*. Montreal: McGill-Queen’s University Press, 7.

49 White, Stuart (2004) ‘What’s Wrong with Workfare.’ *Journal of Applied Philosophy*, Vol. 21, Issue 3, 278.

States. Today, for instance, in the United States and Ontario, Canada, the governments have implemented workfare policies. In the United States, workfare is the generic term for the Personal Responsibility Work Opportunity Reconciliation Act (PRWORA) implemented under the Clinton administration in 1996, which has a five-year limit. In Ontario, Canada, under the Harris government, the Ontario Work Act (OWA) came into full effect on 1 May 1998.

Workfare redefines the expectations of work for welfare recipients within the context of a full-fledged neoliberal model. Within the neoliberal paradigm where workfare has nourished and blossomed, in the words of Adolph Reed Jr., ‘neo-liberals are not necessarily concerned with directing public policy to inculcate virtue.’⁵⁰ It is the unfettered market that provides a framework for promoting virtue. The neoliberal model of welfare restructuring, which has fallen prey to the larger, continuous challenges of capitalism’s expansion, is providing capitalists with cheap labour, an indispensable commodity for capital’s restoration. It is precisely for this reason that J. O’ Connor’s warning that ‘a capitalist state that openly uses its coercive forces to help [the dominant] class accumulate capital at the expense of other classes loses its legitimacy’ is more fundamental than ever.⁵¹ With the implementation of workfare, there remains little doubt that the state’s legitimacy is greatly undermined.

50 Reed, Adolph (1999) ‘The New Liberal Orthodoxy on Race and Inequality.’ In Reed, Adolph (ed.) *Without Justice for All: The New Liberalism and Our Retreat from Racial Equality*. Boulder, Colorado: Westview Press, 3.

51 O’Connor, J. Sila, Orloff, Ann Shola & Shaver, Sheila (1999) *States, Markets, Families, Gender, Liberalism, and Social Policy in Australia, Canada, Great Britain, and the United States*. New York: Cambridge University Press, 6.

Workfare and state legitimacy

A distinctive feature of the welfare state has been its success in performing its accumulation and redistributive function⁵², even though these two functions are dissimilar and paradoxical.⁵³ In fact, because of the state's capitalistic and rigorous nature, it has at its disposal an array of coercive forces, which it, at least in principle, cannot openly use to ensure that the dominant class accumulates capital at the expense of the masses. In other words, the state has to create conditions in which capitalists accumulate capital by making a profit and conversely ensure, through unemployment insurance, welfare programs, and subsidy for the poor, that social harmony is completed and maintained among capitalists and workers so that the state's accumulation and legitimisation functions can be fulfilled even though these two functions are contradictory. J. Quandagno explains this quite succinctly. She writes that 'the welfare state dispels the motives for class conflict otherwise implicit in the commodification of labour by granting concession to both capitalists and workers.'⁵⁴ Mishra acknowledges that the dominant class, for the most part, had accepted the state's redistributive function of welfare entitlement. In liberal democracies, the resurgence of the market-led strategy of welfare restructuring has put the state on the defensive.⁵⁵

In a contemporary setting, capital has not only framed the state's agenda, but posits that a redistributive welfare state is not in capital's interests. It is for this reason that L. Panitch, in a careful and detailed

52 Mishra 1996, 325.

53 Take the case of Canada. Its social welfare spending has always served its accumulation and legitimisation functions.

54 Quandagno, Jill (1987) 'Theories of the Welfare State.' *Annual Review of Sociology*, Vol. 13, 114.

55 Mishra 1996, 325.

analysis, rightly insists that the state has always been ‘a fundamental constitutive element in the very process for extending capital’s interest.’⁵⁶ As such, the concerns of capital must be actively articulated. While the state continues to perform its accumulation function by making sure that cheap, unskilled labour is available through its workfare program, the state has withdrawn from its legitimisation/redistributive function. The government has been cutting back on social spending, curtailing welfare benefits, and in some cases, especially in the industrialised West, the governments have implemented workfare, which denies benefits to welfare recipients and forces them into a low-wage labour market. Workfare, an anomalous detour from the longstanding tradition of providing basic assistance to society’s poorest members, forces all welfare recipients into the labour market.

In fact, the government has to find a way to reconstruct not the ‘old’ state, but a ‘new’ state that should dedicate itself clearly, seriously, and constitutionally to promoting market values. Since social policies are to be determined by the flawed characteristics of market values, E. Shragge’s summation that

workfare represents a departure from the post-war welfare state, and it is leading us in the direction of a punitive system in which welfare will no longer be a right, but instead will become contingent on a type of work that is “paid” at a rate far below the social norms

is not without warning.⁵⁷ The state’s function of legitimisation is no longer a pressing issue. Within the framework of a neoliberal model

56 Panitch, L. (1997) ‘Rethinking the Role of the State’. In Mittelman, James H. (ed.) *Globalization Critical Reflection*. Boulder, Colorado: Lynne Rienner Publishers, 109.

57 Shragge, Eric (1997) ‘Workfare: An Overview’. In Shragge, Eric (ed.) *Workfare Ideology for a New Under-Class*. Toronto: Garamond, 12.

of welfare restructuring, one of the roles of the state is to support and maintain capitalism as a doable economic system by acquiescing to capital's demand for cheap labour. Welfare recipients are forced to work for their pay checks, and are not protected by collective bargaining. In Ontario, Canada, for example, welfare workers are exempted from the protection of the Employment Standards and the Labour Relations laws, which protects the rights of workers. In addition, the provincial government passed the Prevention of Unionization Act in 1998 as an extended way to deny the rights of collective bargaining to welfare recipients working as a part of their workfare assignment. It is clear, then, that the neoliberal model of welfare restructuring becomes incompatible with the state's legitimisation function. Hence, the state withdraws from direct welfare provision, and consequently the market and not the state determines social values.

The impact of workfare on the poor

Workfare inaugurates a new social contract that compliments the market ideology whereby social values are to be determined by the market ethos instead of a democratically elected government. In fact, in the United States workfare 'has simply forced a larger proportion of the poor from welfare to work that pays poverty-level wages, and has left many without Medicaid or food stamps.'⁵⁸ While Clinton's rhetoric was wilfully couched and posed in readable but interpretive terms such as promoting the self-sufficiency of welfare recipients, as has come to be expected, welfare dependency became a pejorative discourse that

58 Neubeck, K. J., & Cazenave, N. A. (2001) *Welfare Racism: Playing the Race Card against America's Poor*. New York: Routledge, 218.

stigmatised society's poor as undeserving of welfare/redistributive-claims. J. Peck makes a remarkably good observation when he informs us that⁵⁹

workfare . . . functions to reconstitute the problem of poverty as a problem of welfare, thereby achieving the simultaneous objectives of directing reform efforts in a regressive direction (against welfare), rendering tractable the immediate policy objective (dismantling welfare), and creating the space for an alternative model (building workfare).

With the implementation of workfare, welfare recipients are forced into the low-waged labour market. Working at these jobs, I suspect, will not improve their economic status. Neubeck and Cazenave confirm my suspicion that these jobs 'provided recipients with little or no useful work experience or skill development.'⁶⁰ It deepens their marginalisation and thus situates them in a subordinate and incommensurable position, even though positionality is further discursively constructed and intertwined by the specificity of racial, ethnic, religious, and sexual identities to the point of intersectionality in some cases, especially in the United States, Canada, Britain, and Australia.

Despite the fact that a highly competitive labour market controls wages and working conditions, the link between welfare and low-wage markets has been commonly recognised. The employers can draw upon a large number of welfare recipients for job placements.

If two million [welfare] recipients are forced to accept jobs . . . employers might modify some existing jobs and develop new ones to take advantage

⁵⁹ Peck, Jamie (2001) *Workfare States*. New York: Guilford Press, 219.

⁶⁰ Neubeck & Cazenave 2001, 198.

of the abundance of less-skilled [welfare recipients], but a likely long-term effect of an influx of lessskilled workers is a reduction in hourly wages.⁶¹

In the United States, an increasing number of companies are recognising welfare recipients as an untapped resource. Many are employed in low-waged jobs without benefits or stability.⁶² The Committee for Economic Development emphasises this point. It acknowledges that:

Burger King has hired more than 6,300 [former welfare recipients] as fast food workers; TJX clothing stores more than 4,400 as sales clerks; Borg Warner Protection Services, 1,950 as security guards; and CVS, 850 as sales clerks in its drug stores. Other employers have placed recipients in a broader range of occupations, some beyond entry-level. United Airlines has hired 1,000 welfare recipients as aircraft servicing personnel, customer service representatives and reservations agents; Cessna Aircraft, 320 for airplane manufacturing; and Salomon Smith Barney, 65 as data clerks, secretaries, and customer service representatives.⁶³

Also, as a Manpower Demonstration Research Corporation evaluator in the United States observed ‘almost half of [the welfare recipients are] in the service industry, either maids at hotels or busboys, things like this, or in fast-food restaurants. These are not great jobs. These are jobs that have high turnover and are very sensitive to how the economy is going. . . . The bottom line is that they are just not good

61 Burtless, Gary (1995) ‘The employment Prospects of Welfare Recipients.’ In Nightingale, Demetra S & Haveman, Robert H. (eds) *The Work Alternative*. Washington D.C.: The Urban Institute.

62 Gilbert, Dennis (2008) *The American Class Structure in an Age of Growing Inequality*. Thousand Oaks, CA: Pine Forge Press.

63 Committee for Economic Development (2000) ‘Welfare Reform and Beyond making Work’. Online. Available HTTP: <<http://www.ced.org/projects/welfare.shtml>>, p. 25.

jobs.⁶⁴ According to C. McCall (1996), the earnings gains from these jobs ‘rarely permit escape from poverty’. Indeed the unrelenting story of Glover captures well this heartening plight of poor people.

When Glover saw welfare reform coming in Massachusetts a few years ago, ... she decided to get her high-school equivalency degree at a local school. That helped the mother of six landed a job at a Salem day care center in 1995 after 14 years on welfare. But far from lifting her out of poverty, Glover now takes home \$353 every two weeks, compared with the \$417 she got on welfare. She also had to buy a used car on credit for transportation to work and pay \$86 a month for after school care for her children, ages 6 to 15. To make ends meet, Glover gets groceries several times a week from a local charity. The material situation of Glover’s family deteriorated in a transition from non-working to working poverty: they are “off welfare and worse off,” according to Bernstein. Massachusetts and federal statisticians chalk her up as a reform victory, as someone who went from dependency to “self-sufficiency,” but her need for private relief mocks that assertion.⁶⁵

Ages ago, in 1821, Hegel’s astute suggestion that ‘the poor will have the needs common to civil society, and yet since society has withdrawn from the natural means of acquisition...and broken the bond of the [poor]...their poverty leaves them more or less deprived of all the advantages of society’, is not without notice.⁶⁶ When the poor are forced into low waged jobs and cannot improve their living standards, they are transformed into, to borrow the words of G. Agamben, ‘bare life’, and marred by O. Patterson’s description of social death. Death, in this sense, has both literal and symbolic meanings. That the poor is dying

64 Ibid.

65 Street, Peter (1998) ‘The Poverty of Workfare’. *Dissent*, Vol. 45, Issue 4, 53-59.

66 Hegel, Georg Wilhelm F. (1952) *The Philosophy of Right*. Trans. T. M. K. Oxford: Oxford University Press, 241.

because they cannot afford health care in the United States, for instance, is not to be discarded.⁶⁷ In 2005, 12.6 per cent of Americans were living below the poverty line. In terms of racial categorisation, 10.6 per cent of whites, 24.9 per cent of blacks and 21.8 per cent of Hispanics were poor.⁶⁸ ‘The significance of poverty’, writes J. D. Moon, ‘is not just the suffering it involves, though that is obviously important, but the fact that it represents an undeserved exile from society.’⁶⁹ Therefore, social rights must be safeguarded and strengthened if citizens’ dignities are to be preserved and maintained.

Conclusion

The implied and unambiguous logic of the Keynesian welfare state is the provision of some kind of a relief for persons who need social assistance. The Schumpeterian workfare state, which clearly contrasts with the Keynesian welfare state’s logic, dictates that all welfare recipients be part of the labour force despite exploitative work conditions. In fact, welfare benefits, as a source of income that does not depend on the market is needed to help address inequality and unjust treatment in the workplace. A social safety net will likely help workers to become somewhat bolder and more demanding in their dealings with their employers and supervisors. The availability of social provisions thus

67 In the United States, welfare provision for the poor is tied to Medicaid.

68 Mishel, Lawrence, Bernstein, Jared & Allegretto, Sylvia (2007) *The State of Working America 2006/2007*. Ithaca, NY: Cornell University Press, 285.

69 Moon, J. Donald (1988) ‘The Moral Basis of the Democratic Welfare State.’ In Gutmann, Amy (ed.) *Democracy and the Welfare State*. Princeton: Princeton University Press, 29.

strengthens the position of workers by making them more secure, and this is especially important for non-union, low-wage workers.⁷⁰

If we are to reorganise and address the deleterious impact of workfare on poor welfare recipients, it is more urgent than ever, I think, to more specifically focus our action and energies on the institutions and ideologies that are shaping the ways in which the workfare state functions and to courageously press for rights-claims to include redistributive resources for the poor. I am not arguing here that redistribution of resources can change, transform, and disintegrate the inequalities that are solidly in place; for the most part, it can at least ease the plights of being poor. The welfare of the poor is the collective responsibility of all members of a democratic polity. In this sense, the politics of welfare reform has to be repositioned in a meaningful effort to confront the structures and process that reinforce and perpetuate the dominant class interests. This is an invigorating new direction, I think, for an incessant analysis of workfare in the age of rising social and economic inequalities. The welfare of each individual is the collective responsibility of all members of a democratic polity. This is what democratic citizenship is about.

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70 Piven, Frances Fox & Cloward, Richard A. (1987) 'The Historical Sources of the Contemporary Relief Debate'. In Block, Fred, Cloward, Richard A. & Ehrenreich, Barbara (eds) *The Mean Season: The Attack on the Welfare State*. New York: Pantheon, p. 6.

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The aim of this volume is to approach the question of the effects of workfare policies on welfare state legitimacy from various perspectives and regarding different policy levels. Rather than providing one perspective on the legitimacy of workfare-measures, it aims at highlighting the multitude of aspects related to the issue, both from a Nordic and a broader international perspective.

ISBN 978-952-10-6758-7 (PAPERBACK)
ISBN 978-952-10-9522-1 (PDF)
ISSN 1799-4691

