Introduction: The Governance of Activation

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This article introduces the central topic of the thematic section of this issue: the governance of activation. It applies the concept of governance to new service provision models and considers why this is a relevant issue for social policy scholars. Then, it provides a brief discussion of several aspects of the new service provision models that are being introduced all over Europe, where income protection schemes and activation policies are concerned. Finally, it introduces the other articles in the thematic section.

Introduction

The themed section of this issue of the Journal of Social Policy and Society focuses on the topic of the governance of activation. As will be elaborated below, this refers to the new ways in which the delivery of activation programmes and services is being organised in countries engaged in a process of ‘activating’ their welfare states. In this introduction article, we intend to introduce this topic, as well as the articles in this themed section. First, we will briefly elaborate the concepts of governance and activation. Then, we will argue that the new models for the provision of activation services – which is the way in which we define ‘governance’ for the purpose of this themed section – are an important research area for social policy scholars. Finally, the articles in this themed section will be presented, against the background of a short introduction of the aspects of new service provision models that these articles focus on.

Governance, social policy and activation

The concept of governance has received increasing attention during the last decade or so, not only by policy makers and politicians, but also by social policy scholars. According to Mary Daly, who explored the relationships between social policy and governance – broadly defined as ‘the organisation of collective action’ – in an article published in 2003, there are two reasons for this. The first reason is related to the study of social policy administration and implementation. Social policy researchers who are doing research into the practical implementation of policies are unavoidably confronted with issues of governance, as these have important consequences, among others, for the agencies and organisations involved in policy implementation and service delivery, the ways in which they operate and co-operate, and the structure of relationships between them. Today, research of social policy administration and implementation is more strongly developed
in the US than in Europe (Jewell, 2007). For example, there is an extensive literature on the implementation of welfare-to-work reforms in the US (e.g. Brodkin, 2007), whereas this issue has received relatively little attention in European social scientific research. Nevertheless, several European researchers have argued in favour of a renewed interest in issues of policy administration (see, among others, Henman and Fenger, 2006). The second reason why, according to Daly, social policy researchers pay increasing attention to governance has to do with the issues governance puts on the agenda, which are directly relevant for welfare state research: the changing role of the state, the relationship between the state, the market and civil society, relationships between citizens and the state.

In order to clarify what this themed section on ‘the governance of activation’ is about, some conceptual clarification is useful. With activation, we refer to social policies and programmes aimed at promoting the (more or less obligatory) participation of people dependent on unemployment benefits or social assistance in work. Work usually means regular paid work, although activation may also be aimed at promoting participation in voluntary work, community activities and other forms of unpaid work (Van Berkel and Hornemann Møller, 2001). This definition includes a variety of work-promoting programmes: it refers to both Human Resource Development approaches of activation (like the Scandinavian active labour market policies) and to Labour Market Attachment approaches (like US workfare or Work First approaches) (Lødemel and Trickey, 2000).

The concept of governance is more difficult to define. In the academic debate in general and social policy analyses specifically, the concept of governance is used in a variety of ways. In the context of welfare state research, attempts have been made to develop more limited and precise definitions. For example, some authors use governance to point at less state-centred modes of welfare provision (‘from government to governance’). For others, the concept refers to a network mode of organising collective action (distinct from hierarchical and market or New Public Management modes of coordination). Alternatively, one could conceive of the concept of governance as embedded in a variety of academic discourses, each of which provides a specific perspective for the analysis of welfare state reforms. In her article, Daly distinguished three discourses:

- First, a discourse that questions the capacities and competence of the (nation) state to provide welfare and to deal with social issues. On the one hand, this discourse focuses attention on the actors – public and private – and their interrelationships that are involved in the provision of public goods and services. On the other, it is concerned with debates on the definition of ‘the public good’ as such. In other words, at the core of this discourse is the issue of ‘public responsibility’ (Gilbert, 2002).
- The second discourse that Daly distinguished focuses on the European Union. This discourse not only pays attention to the EU as a new form of supranational politics, but also to the new modes of governance – multi-level governance – through which the EU governs.
- The third discourse is about the governance of citizens or subjects and ‘reflects an interest in governing as the practices of managing populations and their conduct’ (Clarke, 2004: 111). It is concerned with issues such as the social construction of target groups of social interventions, the definition of their problems and the nature of the social interventions directed at them.
In the context of activation, all these discourses are relevant (see, among others, Newman, 2001; Handler, 2004; Bredgaard and Larsen, 2005; Serrano Pascual and Magnusson, 2007). As was mentioned before, the provision of services aimed at labour-market reintegration is subject to far-reaching reforms in many countries. In addition, the definition of what is considered to be the public responsibility in promoting employability and participation in work itself is at stake. For example, besides public activation programmes, social partners are called upon to take measures to promote the employability of older workers, to reintegrate sick or disabled workers, and to outplace redundant workers, creating a mix of public and private activation and employability programmes. Simultaneously, individual responsibilities of employees and the unemployed in finding and maintaining employment are increased as well. There is also a clear European Union dimension to the introduction of activation policies in the EU countries. The European Employment Strategy is the most important EU governing instrument in this policy domain. Finally, activation and the underlying paradigm shift in welfare state objectives from income protection to labour-market integration is an obvious example of ‘managing populations and their conduct’ (Clarke, 2004). As such, it has also received extensive criticism (see review article).

In this themed section, our focus on governance and its relationships with activation will be more limited. Our point of departure, which can be positioned within the first discourse Daly mentioned, will be service provision models: the new ways in which services in the context of activation (and, inextricably linked with this, of income provisions for people of working age) are provided and delivered. Nevertheless, it will be argued throughout this themed section that this understanding of governance should not be disconnected from the other discourses on governance. This is especially important with respect to Daly’s third discourse, governance understood as managing people and their conduct. ‘Operational’ (how things are done) and substantial policy issues are interrelated (see Carmel and Papadopoulos, 2003): questions concerning the governance and management of agencies and institutions involved in the administration and implementation of activation policies are linked with questions concerning the governance and management of the people at whom the services provided by these agencies and institutions are targeted. We will return to this in the next section.

New service provision models

Why are these new models for the provision of activation services a relevant topic of research for social policy scholars? We believe that there are at least two reasons for this.

First of all, the introduction of new service provision models has become an ever-more important element of welfare state transformations. It is no exaggeration to state that a ‘wave’ of welfare reforms aimed at substantive changes in social policies has been followed by a second reform wave aimed at reorganising the institutional structures through which service provision takes place (‘institutional activation’). This millennium has seen the launch of major programmes in many European countries to reform the delivery and provision of social security and employment/activation services. Of course, the growing appeal of new service provision models is not only relevant for social policies: developments such as increasing dissatisfaction with the functioning of state bureaucracies (that are considered to be non-responsive, inefficient, ineffective, lacking service integration), a growing trust and belief in the virtues of the market, and a neo-liberal
outlook on the role of the state and of public policies that lie at the basis of new service provision models, affect the entire public sector. Thus, the introduction of activation programmes is not the single ‘cause’ of the emergence of these new models. Nevertheless, it has certainly contributed to it. First of all, the provision of activation services requires different ‘technologies’ than the administration of income support systems, triggering a shift from ‘people-sustaining’ activities, that are designed to maintain the well-being of clients without attempting to change their personal attributes, toward ‘people-changing’ or transforming services that are designed to alter the personal attributes, motivation, and behaviours of clients’ (Meyers et al., 1998: 9). This has far-reaching consequences for the core tasks of the organisations involved in service provision, and for the managers and frontline workers in these organisations. Secondly – and related to the former as far as one could argue that benefit administration and activation require different service logics – providers of activation services need opportunities for making services tailor-made, in order to take individual and local circumstances into account. This asks for flexible rather than standardised, strictly regulated policy programmes that leave little room for manoeuvre in the actual service provision process – making devolution and discretion (which in this context means freedom of action of frontline workers) core issues in the provision of activation. Thirdly, it is one of the aims of active welfare states to make income support conditional upon unemployed people’s conduct, attitudes and efforts regarding labour-market integration. This also raises questions concerning the design of the institutional arena through which income support and activation are delivered, particularly regarding the integration of both types of services.

Secondly, and maybe more importantly, the increasing emphasis in activation research on service provision models should be welcomed because these models cannot be considered neutral in terms of their impact on the nature and characteristics of the services provided. As was mentioned before when we discussed Daly’s ‘governance discourses’, the service provision models through which activation services are delivered do – or at least may – have an impact on what activation looks like in practice: the clients that are being served, parked or excluded; the treatment of clients in activation; the activation approach that is being adopted (Sirovátkah et al., 2007; Johansson and Hvinden, 2007; see also the other articles in this themed section). The question of what service provision model should be used, is not simply a ‘technical’ issue about what actors to involve in service provision and how to structure the relationships between them, in order to make services as efficient and as effective as possible. This is clearly illustrated in an article by Denhardt and Denhardt (2000) in which three models of service provision are developed and compared: the old public administration, new public management, and the new public service. The authors show that these models differ on a range of dimensions, such as:

- The concept of the public interest. In the old public administration, this is politically defined and laid down in law, whereas in new public management it is conceived of as the aggregation of individual interests. In the new public service model the public interest is considered to be the result of dialogue.
- The construction of the users of services. Users are clients in the old public administration, customers in new public management and citizens in new public service.
• Mechanisms through which policy objectives are realised: through the public administration of public programmes in old public administration, through incentive structures that should motivate private or public actors to realise policy objectives in new public management, and through building multi-actor coalitions in new public service.

This and similar typologies (see review article) are not only useful in distinguishing service provision models and their underlying service ‘logics’ and ‘philosophies’, they can also help to unravel the often hybrid or contradictory nature of the service provision models we encounter in practice. The introduction of new service provision models is often interpreted as a move away from, in Denhardt and Denhardt’s (2000) terminology, the old public administration towards the new public management model, inspired by market mechanisms and based on separating the roles of purchasing and providing services (see Osborne and Gaebler, 1993). However, attractive as this ‘from A to B’ type of picturing institutional transformation processes may be, as soon as we start studying specific institutional configurations for providing social services, we encounter complex mixes of various service provision models, which may vary from country to country, from social service area to social service area, or from one point in time to another. In Martin’s (2001: 209) words: ‘This suggests not the arrival of a new, hegemonic “outcome-focused paradigm” but a more gradual transition characterized by the co-existence and interaction of hierarchical, market based and collaborative frameworks for co-ordinating service delivery.’ Thus, we think it is more useful to study countries in terms of the provision model mixes they have adopted, the tensions and problems these produce, the effects these have on the nature of activation and the ‘publicness’ of activation services, and the measures taken to cope with ‘perverse’ effects of specific service provision models, than in terms of their transition from one ideal-typical model to another.

The articles: aspects of the new service provision models

Each of the articles in this themed section will, from an international comparative point of view, discuss aspects of the new service provision models being introduced in the context of activation policies. In this section, we will first provide a short introduction of these aspects. Then, a brief presentation of the articles will follow.

Rescaling welfare

The first aspect of new service provision models is what has been called the ‘rescaling of welfare’ which, in this context, refers to processes of localisation or decentralisation. This aspect is discussed in the articles by Genova and Bonvin.

Decentralisation can in general be described as a devolution of responsibilities for, and/or of authority in the design and delivery of social policy programmes from the national state to the regional or local level. The issue of decentralisation in social policies is an important one in all member states of the EU (Thuy et al., 2001; Sultana and Watts, 2006; Giguère, 2005; also see Genova’s article in this issue). Focusing specifically on the decentralisation of activation (or employment) services, Grefe (2003) has listed several reasons why national governments decide to opt for decentralisation. Most of them relate to societal changes (and policy responses to these changes) that are seen as requiring
policy making and/or policy delivery processes in proximity to the contexts and collective and individual actors involved. Greffe (2003) mentions the following: the multi-faceted nature of unemployment, the increasing volatility of the labour market in a globalising and knowledge-based economy, the aim to develop innovative solutions through local partnerships, the transformation of passive into active welfare states and – for programmes aimed at promoting social inclusion in a broader sense than paid employment – the identification and development of activities that can promote social participation. In addition, decentralisation can also be motivated by attempts to reduce welfare state expenditures by separating (national) policy making from (local) policy implementation and by introducing forms of new public management (see Bonvin’s article).

In an article that analyses decentralisation in public services in Denmark, Nørgaard and Pallesen (2003) distinguish two forms of decentralisation: internal and external decentralisation. The first refers to processes taking place within national agencies in which regional or local offices get more power to adapt policies to regional/local needs; and the second to processes of devolution from national towards local governments. Both types of decentralisation are clearly visible in the context of activation (e.g., Giguère, 2005). Internal decentralisation takes place when nations with country-wide PES or social insurance agencies decide to give regional/local agencies more room in making decisions regarding programme design and/or programme delivery, in order to increase their possibilities to adapt national policies and the delivery of social services to regional/local circumstances. External decentralisation takes place when, for example in the context of social assistance and the activation of social assistance recipients (for example, Finn, 2000; Van Berkel, 2006; Jewell, 2007), national governments devolve policy competences to local governments.

**Marketisation and competition**

Another aspect of new service provision models in activation, which is discussed in the article by Bredgaard and Larsen, is the introduction of marketisation and competition, accompanied by dividing up the roles of service purchaser (for example, a benefit or local welfare agency) and service provider (for example, a private reintegration company or NGO). In most cases, marketisation involves activation services only whilst the provision of income support remains a responsibility of public agencies (although exceptions exist: see Finn, 2005; Considine, 2001). The ideas behind the introduction of markets for the provision of publicly financed services are well known: promoting competition is expected to have a positive impact on the efficiency and effectiveness of services, on their quality, on their flexibility and responsiveness to local and individual needs and on their price. In most cases, public agencies (benefit and welfare agencies, Public Employment Services agencies) rather than the actual service users – unemployed people – act as the purchasers of services, which is one of the reasons why service markets are qualified as quasi-markets. At the same time, these quasi-markets look quite differently in different countries, as is elaborated in Bredgaard and Larsen’s article. For example, the nature of the service providers may be different, the number of providers may differ considerably, the degree and nature of state regulation these markets are subject to varies, and significant differences may exist in the nature of contracts between purchasers and providers.
Interestingly, marketisation of activation services has taken place now in a variety of welfare state regimes, which is exemplified by the countries discussed in Bredgaard and Larsen’s article: Denmark, the Netherlands and Australia. One might expect that liberal welfare states are most supportive of the introduction of service markets. And, indeed, activation has been marketised in countries such as the UK, Australia and the USA. At the same time, however, similar developments have been taking place in conservative and social democratic welfare regimes, such as Germany and Denmark respectively. The Netherlands, often qualified as a hybrid welfare state combining conservative and social-democratic characteristics, is the most radical example of the introduction of a market for privately provided activation services within the EU.

Interagency cooperation and service integration

A third aspect of new service provision models refers to attempts to promote interagency cooperation and the integration of services targeted at unemployed people, discussed in the articles by Lindsay and McQuaid and Genova. Cooperation between benefit and employment services agencies – especially in countries where employment services and benefit administration are, or used to be, delivered by separate agencies – is considered to be a logical consequence of the activation of income protection systems, as it fits with the aim to develop benefits into springboards towards labour-market participation, to prioritise work before income, and to make benefit entitlements conditional upon participation in activation. European countries have introduced various strategies to promote cooperation between the agencies involved in benefit administration and activation, some of which are discusses in Lindsay and McQuaid’s article. The most far-reaching strategies have been used in the UK, where the introduction of Jobcentre Plus involved a merger between the agencies providing employment services and administering benefits; and in Norway, where the NAV – the Norwegian Labour and Welfare Organisation – is a merger of the National Insurance organisation and the National Employment Service, and has to negotiate forms of cooperation with the Norwegian municipalities. Other countries have used less far-reaching strategies – at least, until now. In these countries, the introduction of one-stop-shops, which co-locate the (gateway to) service provision of benefit and employment service agencies is a popular strategy. The Dutch Centres for Work and Income (CWI) are an example of a gateway agency through which the unemployed ‘enter’ the social security system. In Germany, where the Federal Employment Agency has traditionally been responsible for benefit administration and the provision of labour market programmes for the insured, the debate concentrated on how to provide integrated services to the long-term unemployed dependent on social assistance, nowadays Unemployment Benefit II. Most municipalities have introduced a one-stop-shop system (the so-called Arbeitsgemeinschaften, ARGE), where PES and local social agencies cooperate (Mosley, 2005; Tergeist and Grubb, 2006).

Developments regarding interagency cooperation and service integration are not limited to benefit and employment services only. Many countries that introduced activation reforms have experienced that a considerable group of unemployed people – often dependent on social assistance or other safety net provisions – are confronted with complex social problems and in need of a broader range of social services than employment services, including housing, health services or psychological support. In
order to provide these people with adequate social services, new service provision models are introduced that put emphasis on partnerships and networking, an aspect of new service provision models discussed in Genova’s contribution. The German ARGE is an example of a municipal service organisation responsible for delivering integrated services not limited to employment services only. The Finnish Labour Force Service Centres (LAFOS) have been introduced to provide holistic services to unemployed people confronted with multiple problems (Arnkil, 2007). In Italy, where no national social assistance system exists and the activation of the poor and most vulnerable people has never been as exclusively employment-centred as in many Northern and Western European countries, various local and regional experiments and projects have been developed that provide integrated services (Bifulco et al., forthcoming).

The articles

In the first article, by Thomas Bredgaard and Flemming Larsen, the focus is on the marketisation of activation services. Based on research in three countries (the Netherlands, Australia and Denmark), the authors evaluate whether or not service markets manage to realise what was expected of them. More specifically, three types of potential gains of service markets are analysed: markets improve efficiency and lower the price of services; markets will improve the quality of services; and markets contribute to deregulation and de-bureaucratisation.

The second article focuses on inter-agency cooperation. In this article, based on empirical research in three countries (Denmark, the UK, the Netherlands), Colin Lindsay and Ronald McQuaid discuss the various models of inter-agency cooperation that have been developed in these countries. In addition, the article makes an assessment of the degree to which the potential benefits of inter-agency cooperation have been realised in the three countries.

In the third article, Jean-Michel Bonvin focuses on the notion of responsibility that is central to activation and its governance. Based on a concept of responsibility derived from Sen’s capability approach – which contains two dimensions: the capability to act and the freedom to choose – he analyses the issue of responsibility in various ‘governance models’, paying attention to the responsibility of service clients and of local actors involved in designing and providing activation.

The fourth article, by Angela Genova, analyses the development of integrated services in the context of activation against the background of a decentralisation (but sometimes also (re-)centralisation) of social policies. The article compares this development in two very different welfare states, Finland and Italy, and shows how common governance reform trends within the European Union are implemented in heterogeneous ways in these two countries. Whereas Finland has managed to implement efficient integrated services, the much more fragmented Italian welfare state still lacks the instruments to reach a similar situation.

In the final article, Rik van Berkel and Vando Borghi provide a review of key literature in the field of the governance of activation. The review pays attention to three types of publications: publications on specific aspects of the governance of activation, publications dealing with the implementation of activation programmes and other relevant literature.
References


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