

8. Levels and levers of conditionality: measuring change within welfare states

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INTRODUCTION

Bold claims are often made about the current development of welfare states, both by critical theorists of social policies and by the politicians that are reforming them. But characterizing the nature and magnitude of the changes that welfare states have undergone in recent decades seems to pose major problems for empirical – and particularly comparative empirical – analysis. The lively debate concerning the range of factors that may result in (more or less) change in social protection arrangements – including most importantly structural socioeconomic forces, changing power resources, new ideas, party competition, institutions, policy legacies and path dependence (for overviews, see van Kersbergen, 1995; Amenta, 2003) – is complicated by the fact that analysts struggle to agree on what, exactly, is the real character and extent of change to be explained. Controversies and contradictory readings abound in the comparative social policy literature. Have we, as some maintain, witnessed a ‘paradigm shift’ in the techniques and strategies for managing social risks, or merely a series of adjustments at the margins? And if recent reforms are leading to the emergence of a distinctively new ‘type’ or ‘form’ of social policy, is this equally true in all developed welfare states, or only (to date) in some?

While in social sciences there is always scope for differing interpretations, convincingly and consistently answering these kinds of questions arguably turns first and foremost on the identification of the most appropriate data for examination. Differently put, the key challenge for assessing the extent of certain hypothesized or postulated changes in welfare state programmes is not so much one of accurate measurement, but rather of developing more adequate conceptualizations and operationalizations of the possibly variable qualities of welfare state programmes. Arguments about new forms of social policy provision or regulation speak to certain welfare state properties in

particular, and not necessarily those for which comparative indicators are most readily available. Only by focusing on the most salient dimensions of social policies, and developing truly relevant comparative benchmarks, will compelling cross-national assessments of arguments about the direction and implications of ongoing welfare reforms be possible.

Without pretending to present a 'best' or 'definitive' solution to the inevitably thorny problem of characterizing dynamic patterns of policy provision and regulation in welfare states, this chapter advances one possible analytical framework which, we argue, can usefully complement indicators more habitually used in cross-national comparisons of welfare state arrangements. This framework is based on the analysis of the degree of *conditionality* that is written into the design of all social programmes. By paying close attention to changes in time across what we call the *levels* and *levers* of conditionality, we argue that it is possible to identify the extent and pace of changes in the management of social risks that are implicit in the reforms to welfare state programmes that have been implemented in some – but not all – countries in recent decades.

The argument is organized in three sections. In the first of these, some of the measures and indicators that are most widely used in cross-national welfare state analysis are discussed to highlight their limitations in capturing the more qualitative shifts that are widely argued to be occurring in the contemporary period of welfare state reform and change. As a possible complement, rather than alternative, the second section then presents our framework for conceptualizing and analysing (changing) patterns of conditionality in benefit provisions. This framework distinguishes notably between three discrete levels of conditionality which we call conditions of *category*, conditions of *circumstance* and conditions of *conduct*, each having distinctive levers in legislative provisions for social security. Drawing on data from four European countries, the third section applies the framework to an analysis of change within unemployment protection since the early 1980s, measuring the extent to which each of the different conditionality levers has been loosened or tightened in recent reforms, and examining the patterns across all three levels. We conclude with a brief summary of the merits and limits of the approach.

THE PROBLEM OF CHANGE IN COMPARATIVE WELFARE STATE RESEARCH

While much academic debate in recent years has been focused on the extent to which the welfare state has been rolled back – a veritable 'retrenchment business', as Hinrichs and Kangas (2003: 574) have called it – other scholars

have been exploring more complex shifts in the profile of social provision. Contemporary welfare state change is not (only) about retrenchment, but (also) about the more structural agendas that terms such as 'modernization' and 'recalibration' seek to capture (cf. Pierson, 2001). Some have argued that the welfare state is being superseded by an 'enabling state' (Gilbert, 2002), while others have spoken of the emergence of a 'social investment state' (Esping-Andersen et al., 2002) or an 'active social state' (cf. Vielle et al., 2005). These leitmotifs of welfare state change suggest not merely a modification in the scope or reach of the welfare state, but instead a structural transformation – or paradigm shift – in ways of managing and regulating social risks. Although they have stimulated a lively normative debate, it has proved more difficult to provide systematic evidence of these leitmotifs influencing actual social policy reform. For if disagreements and disputes over the most appropriate indicators has been a characteristic of the retrenchment business (see Green-Pedersen, 2004 and Chapter 2 in this volume), the 'dependent variable problem' is arguably even more acute when it comes to the comparative analysis of more qualitative and structural changes in social policy.

Considering the three main types of indicators that are most widely used in comparative research on social policy and welfare states – social expenditure, social policy institutions and 'social rights' – helps to highlight the problem. The first of these, social expenditure, is the most traditional measure of comparative social 'effort', at either the aggregate (welfare state) level or at the level of particular social risks and individual social programmes. Having been somewhat discredited as an inadequate proxy for the development of social rights in earlier comparative work (cf. *infra*), the analysis of levels of social expenditure has been revitalized by the retrenchment business, and is today used in increasingly sophisticated statistical analyses of welfare state development (e.g. Kittel and Obinger, 2003). Furthermore, closer attention to the impact and extent of tax breaks, direct and indirect taxation and mandatory private expenditure (e.g. Hacker, 2002; Adema and Ladaique, 2005), on the one hand, and the integration of cross-national variations in risk intensity (e.g. Siegel, 2002 and Chapter 4 of this volume), on the other, has helped to enhance the descriptive accuracy of social expenditure comparisons. It remains the case, however, that even the most sophisticated indicators of overall effort capture only the quantity of investment in collective social protection, are still one-dimensional and can say little about the risk management strategies underpinning social interventions on which the leitmotifs of welfare state change often turn.

Focusing on the *structure* rather than the level of social expenditure may offer a potentially more fruitful strategy. As Castles (2002) has pointed out,

certain changing priorities of policy makers may well be captured by examining the (appropriately 'adjusted' or 'standardized') share of expenditures on the different social programmes, covering different social risks, in disaggregated data sets such as the OECD's social expenditure database (SOCX, OECD, 2005a). For example, an increasing share of spending on rehabilitation programmes or active labour market policies relative to unemployment or disability benefits could be seen as indicators of a shift to an 'active welfare state', and a shift from expenditure on pensions to child care or education proxies for the development of a 'social investment state'. It is not certain, however, that this kind of macro-level, expenditure based approach is really capable of capturing ongoing changes in a timely fashion. There is potentially quite a long causal and temporal chain between the legislative changes that concretely reflect changing public priorities and shifts in the structure of social expenditure (see also Chapter 4 by Siegel, Chapter 5 by De Deken and Kittel, Chapter 6 by Kangas and Palme, this volume). This may explain the fact that although data of this sort suggest that there has been minimal 'structural change' in, for example, the German welfare state (Castles, 2002), recent research using more case oriented approaches has arrived at very different conclusions (e.g. Bleses and Seeleib-Kaiser, 2004; Clasen, 2005).

The second important family of indicators that are increasingly used in comparative welfare state research are derived from broad institutional characteristics of welfare state programmes. For example, following Ferrera (1996), Palier (2002) has suggested that national profiles of social policy arrangements can be captured according to the dominant values taken on four institutional variables in social protection: the financing system (social contributions, general taxes, co-payments), the management structure (state, social partners, local authorities), the type of benefit (flat-rate, earnings related, means tested) and the mode of access to benefits (citizenship based, contribution based or needs tested). Considered at either the whole system or sectoral level, these variables combine to demarcate different 'ways of doing' social policy in different national contexts. For Palier, evidence of significant qualitative change in social policy arrangements is accordingly most convincingly highlighted by changes in the values taken – measured according to the appropriate structural indicators – on one or more of these variables.

This framework for analysis has proved very useful in capturing some developments in social protection systems, not least because it integrates 'input' dimensions of social policies (such as financing or management) that were often neglected in previous comparative research. It establishes very demanding conditions for the identification of change, however. Thus, a change in the type of benefit deployed to manage a given social risk would

only be identified on the basis of a shift from, say, a primarily earnings related (social insurance) to a primarily means tested (social assistance) approach. Though of course possible in the longer term, such wholesale 'regime' shifts remain rather unlikely in the short term. Furthermore, as Leitner and Lessenich (2003) have argued, the nature and quality of a particular social insurance benefit can vary quite considerably over time according to the setting and resetting of its lower-level institutional parameters. Perhaps more importantly for current purposes, a related risk of the approach is that it seems to reduce possibilities for identifying change to shifts within the standard palette of already existing institutional ways of doing social policy, and may thus fail to capture forms of innovation that introduce entirely novel arrangements. Thus, if Palier's (2002) suggestion may prove useful in showing that country *x* is increasingly using a risk management strategy conventionally associated with country *y*, it would have difficulty showing that either country *x* or country *y* is groping towards a quite new model of risk management. Because they cannot easily capture either subtle but potentially significant shifts within relatively stable macro-institutional parameters or forms of institutional innovation that touch only marginally on the standard ('golden age') variables of welfare state structure, the use of only broad institutional indicators of welfare state quality may lead to an exaggeration of the extent of stability in welfare state programmes.

The final family of commonly used approaches to comparative social policy mapping and analysis are based on what Siegel (2003) calls 'social rights' indicators. Though indicators such as benefit levels and replacement rates also belong in this family, the most sophisticated and probably best known social rights indicator is the measure of 'decommodification' first devised by Esping-Andersen (1990; see also Scruggs in Chapter 7 of this volume). Criticizing expenditure indicators for failing to capture the essence of social policies, and the political struggles that surround them, Esping-Andersen combined information from a range of quantifiable micro-institutional parameters of social policies (e.g. replacement rates, contribution conditions, waiting days) to develop a measure of the extent to which welfare states decommodify individuals, that is free them from dependence on the sale of their labour power in the market. He was then able to place countries on decommodification scales, again in respect of both particular sectors of social policy and their entire welfare states.

Decommodification specifically, and measures of the generosity of social rights more generally, remain crucial benchmarks of the quality of different social programmes and welfare states. Moreover, their ability to quite directly tap into the question of social citizenship – the role of the state in furnishing individual opportunities and resources – in many respects gives

them a better 'handle' on the themes at the centre of more normative discussions about the 'new welfare state' than expenditure or broader institutional indicators. That said, however, these indicators are arguably also increasingly wanting. Political discourse within social policy has in recent years been progressively shifting away from rights and towards 'responsibilities', and an assessment of the changing 'social citizenship relationship' requires attention to both. Although measures such as decommodification are flexible enough to incorporate measures of changes in certain responsibilities (or conditions) for benefit receipt, they cannot capture all of these. Most importantly, measures of social rights take the notion of social risks largely as given, while much current political discourse concerns the need to reconceptualize and reorganize the boundaries of risk categories, and to make their collective treatment more individual and less social. Capturing the extent and progress of these themes in actual policies arguably also requires additional indicators (see Scruggs in this volume).

To summarize the discussion above, the main kinds of indicators used in comparative welfare state analysis capture different dimensions of welfare state variation, and each is valuable for understanding of particular kinds of social policy performance and development. Each, however, also has more or less severe weaknesses as empirical indicators of change in the structure and form of welfare provision and regulation that dominate much of the more normative or critical discussions of contemporary social policy reform dynamics. Though social rights approaches probably operate at the level most apt to analyse the changes in the social citizenship relationship that this literature prescribes, describes or decries, they lack the conceptual focus necessary to empirically capture salient dimensions of this relationship. It is in this context that the analytical framework that we present below can perhaps enhance our capacity to comparatively assess both the scope and the implications of ongoing transformations in the architecture of social programmes.

A CONDITIONALITY APPROACH

This framework or approach is centred on the notion of conditionality. Conditionality has been something of a 'buzzword' in recent welfare state discourse, and some scholars have even presented 'conditional aid' as representing a new paradigm for social policy (cf. Dufour et al., 2003). Our approach to this issue is somewhat different. We depart from the observation that, firstly – and contrary to the impression that is given by some more recent discussions of conditionality – individual rights to social benefits have always and everywhere been conditional in some ways, and conditionality is

as such a cornerstone and basis of risk management in welfare states (cf. also Goodin and Rein, 2001). Secondly, however, there are several dimensions as well as a range of possible 'levels' and 'levers' of conditionality in social policy, and differing balances between these levels and levers can tell us something potentially important about the pattern of risk management that is institutionalized in and through social policies. Evidence of variation in this balance, therefore, can – thirdly – generate benchmarks for assessing the direction and scope of change in the comparative analysis of welfare reform.

It should be emphasized that assessing modifications in the conditionality underpinning welfare provision is not intended to serve as a substitute for other indicators but as a complementary measure, albeit an important one. As will become apparent, the conditionality of a cash benefit, for example, says nothing about its generosity (which might be measured as a replacement rate) or about the institutional structure through which it is delivered. Nevertheless, a focus on the conditionality of welfare state programmes does help to capture changes in the relationship between rights and responsibilities, and thus provides an empirical basis for gauging the reality of 'transformations' in social citizenship often heralded in welfare state literature and debates. For this to be possible, it is first necessary for the various ways that conditionality can be adjusted in welfare reforms to be defined and distinguished analytically.

Conditions of Category

The first, or primary, condition for the receipt of social security is always membership of a defined category of support; being past retirement age for retirement pensions, having some form of disability for incapacity benefit, being unemployed for unemployment benefits and so on (Bolderson and Mabbett, 1996). Even so-called universal benefits do not entirely abolish 'categorical gateways' to support (cf. Gal, 1997; Goodin, 2000; Kiddal and Kuhnle, 2005); universal health care is of course only available to the sick, and even a basic income 'for all' is confined by citizenship or residency conditions.

Though risk or membership categories are often taken as given in measures of social rights, it should be remembered that they are in fact socially constructed and politically managed, and thus subject to potential change, either in a more restrictive or more expansive or encompassing direction. An obvious case is pension age, which has been the subject of pressures for (mainly restrictive) reforms in most countries in recent years, and actual reforms in many. But governments have also changed definitions of risk categories such as unemployment, for example by excluding certain social groups or categories of worker (single parents, older people, students. . .)

at certain times and reintegrating them at others. Even where categorical gateways have professional gatekeepers – for example doctors, as in the cases of health care or disability benefit programmes – politicians have often changed directives and guidance they give to these professionals in an attempt to use the lever of category definition to impact on inflows into benefit receipt.

Conditions of Circumstance

Analytically secondary to conditions of category are conditions of ‘circumstance’ or, in more common social security parlance, eligibility and entitlement criteria. The fact that this type of conditionality has always underpinned welfare state provision is most obvious from the fact that some of their (potentially varying) settings and codifications have traditionally been integrated in the calculation of synthetic indicators of social rights, such as Esping-Andersen’s decommodification index referred to earlier (again, see Scruggs in Chapter 7 of this volume). For social insurance benefits, for example, legislation has long included rules regarding the extent to which and how a claimant’s work history determines access to benefit rights. The pertinent and potentially varying considerations in social security legislation include the number, or value, of contributions and/or full days of labour that are required in a given time period to open access to benefits, as well as the extent to which these contributions must be real (from paid work) or can also be fictitious and credited (i.e. related to non-work activities such as child rearing, home work, education etc.). Accordingly, individual access to a social insurance benefit can be more or less conditional, with the polar extremes of the range sometimes captured in the distinction between ‘Beveridgean’ and ‘Bismarckian’ social insurance, i.e. loosely or tightly conditional on paid employment (cf. Clasen and van Oorschot, 2002).

Though it is less often remarked (and far less well integrated in cross-national indicators of social rights), it should be pointed out that means tested (or assistance based) benefits have also always incorporated potentially varying degrees of a structurally similar – though necessarily operationally different – form of conditionality. Though still conditions of circumstance, the circumstances in question are not – as with classic social insurance benefits – work histories, but instead the claimants’ degree of financial need. But the definition of need can vary in both extensity (narrow or wide definition of family obligations to support; many or few types of income and wealth taken into consideration) and in intensity (level of income and wealth disregarded; level of marginal tax applied) (cf. Eardley et al., 1995). Following from this, the risk management in assistance based

benefits can serve either to 'screen in' only the poorest and most needy population or to 'screen out' only the richest and least needy (Castles and Mitchell, 1992; Mitchell et al., 1994).

Indeed, it is only in a 'pure' case of universal benefits that we find no conditions of individual circumstance whatsoever in the design of social security benefits. In the two other main kinds of social security programme, the various levers of work- or need-related eligibility criteria can be tightened or loosened to make social rights more or less accessible for the individual and thus more or less encompassing for society as whole. For social insurance benefits this can happen independently of changes impacting upon the benefit's formal generosity (or level of entitlement) as measured through e.g. replacement rates.

Conditions of Conduct

The third and final level of conditionality is for its part logically subsequent to the others, intervening only after eligibility for benefit has been otherwise established, and having the function of regulating the *ongoing* benefit receipt. It pertains to what could be called conditions of 'conduct', with the policy levers being the tightening or loosening of behavioural requirements and constraints imposed upon different kinds of benefit recipients through legislation or administrative guidance. This is the form of conditionality that has featured most prominently in recent discussions of the 'new welfare state' and the changing nature of risk management and the social citizenship relationship. The most obvious case of a growing emphasis on this tertiary level of conditionality in policy reforms are so-called activation policies for the unemployed, under which unemployment benefit and unemployed social assistance recipients are, for example, obliged to provide evidence of job search activities, participate in training programmes or agree to specialized counselling (cf. Lødemel and Trickey, 2001; Dufour et al., 2003; Barbier and Ludwig-Mayerhofer, 2004). But this kind of conditionality has also been sporadically mooted, in a variety of different countries, in relation to policy themes as different as the use of family benefits to promote good parenting, the modification of conditions for access to certain health benefits to produce healthy lifestyle choices, or the conditioning of housing benefits on good neighbourliness and the avoidance of 'anti-social behaviour'.

Our overall specification or conceptualization of the universe of levels and levers of conditionality in social programmes is summarized in Figure 8.1. As the two closed arrows in the figure are intended to suggest, these three types of conditions and conditionality can further, and importantly, be understood as occupying distinctive positions on the spectrum of underlying

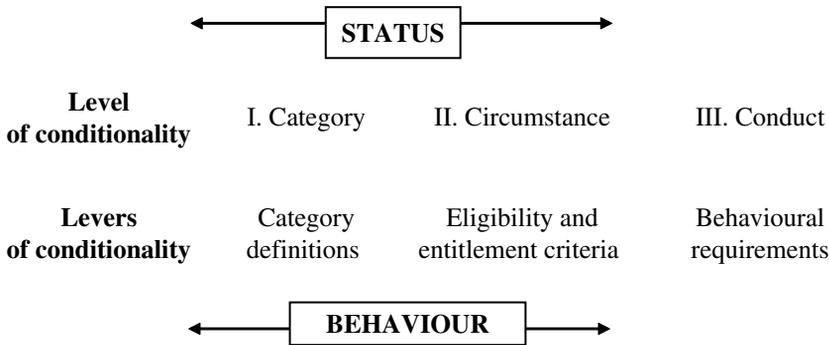


Figure 8.1 Levels and levers of conditionality in social programmes

bases for risk management in welfare states. While an emphasis on risk or membership category definitions thus confirms the basis of the risk management in socially defined *status*, an emphasis on constraints or requirements related to conduct gives more weight to individual *behaviour* as the basis for access to social resources and goods. The standard eligibility criteria for social benefits occupy a somewhat intermediate and indeterminate place on this spectrum; though eligibility criteria are largely impersonal and their fulfilment gives automatic access to a status, they have often been defined in practice – as the traditional basis of social insurance in past work performance best demonstrates – to simultaneously but indirectly place certain kinds of behaviour (i.e. ‘good work habits’) at the centre of the social citizenship relationship, too.

Notwithstanding such ambiguities, we can nonetheless hypothesize that a shift in the nature of the social citizenship relationship should in principle be reflected in a changing balance between category, circumstance and conduct conditions, and thus be identifiable by scrutinizing actual changes in the setting of category definitions, eligibility and entitlement criteria and behavioural constraints in a particular social programme. It is to applying the conditionality framework to look for shifts of this kind in reforms to provision for the unemployed in four European countries that the remainder of this chapter is largely devoted.

APPLYING THE FRAMEWORK: THE CASE OF UNEMPLOYMENT PROVISION

The case of unemployment provision is likely to offer a good test of the utility of our framework for a number of reasons. Firstly, unemployment

is perhaps the social risk for which calls for, and critiques of, a 'new paradigm' of social protection have been most insistent in recent years (see also Kvist in Chapter 9 of this volume). It is also an area where there has been – in a context of historically high unemployment and (in part a result of other reforms) rapidly changing labour markets – quite considerable legislative activity, but where the real impact and thrust of changes in different national contexts often remains unclear (e.g. is activation a form of retrenchment?). Finally, unemployment protection is a sector in which legislators could plausibly adjust all three levels and levers of conditionality, and where any cross-national similarities and differences in patterns of readjustment and deployment should thus be particularly evident. This will be illustrated below.

To capture such patterns, a relatively long time period is required. Our analysis covers the roughly quarter-century from the beginning of the 1980s to around 2004 or 2005. It includes four European welfare states, Denmark, France, Germany and the UK. Though we acknowledge that certain levers of conditionality can in the sphere of unemployment policy only be effectively turned at the 'street level' – one thinks here of the effective implementation of behavioural conditions by employment service officers or unemployment benefit administrators – for feasibility the data used are based only on major legislative changes in unemployment insurance.¹ Below we sketch profiles of legislative trajectories oriented to our framework on the basis of these data, which are listed in full in the chapter appendices.

Two points should be noted here. First, the following discussion is based on legislative activity that affected one or several aspects of conditionality within unemployment support in four European countries (see Appendices A to D). The appendices therefore are not intended to cover all major type of legislation in the field. Once again emphasizing the complementary nature of the conditionality approach suggested here, any decisions regarding the level of benefit, for example, are excluded because changes therein do not affect the conditionality as defined above. Second, the appendices document legislative changes, and the direction of changes (tightening or relaxing benefit conditionality). They thus document politically binding decisions over time within a particular country, rather than actual degrees of conditionality that could be compared across countries. In other words, legislative activity monitored here allows statements about the trajectory and frequency of changes in, for example, eligibility requirements, but does not provide information on the actual specification of such requirements in the four countries. In principle such information, as well as data relevant for other levels of conditionality, could also be collected, allowing comparative judgements to be made regarding the strictness of national welfare state

programmes at a particular point in time, as well as relative to the direction and nature of change over time. While such an endeavour is beyond the remit of this chapter, the following analysis can be regarded as a first step for such a comprehensive cross-national analysis of conditionality.

The United Kingdom

A conditionality framework sheds light in a particularly interesting manner on the nature of the British trajectory of reform in unemployment protection over the past 25 years. At a time of very high and persistent unemployment during the 1980s and early 1990s, UK policies concentrated mainly on tightening conditionality at the first and second levels (see Appendix A). For example, important category redefinitions reduced the potential pool of people eligible for unemployment support through the introduction of incentives to the over 60s to retire early (1981), the exclusion of almost all those under the age of 18 from eligibility to unemployment support (1988), and the removal of students from the unemployment risk pool a few years later (1990). The second level of conditionality (governing eligibility) was also frequently and consistently tightened between 1980 and 1996 when the Jobseekers Allowance was introduced. Numerous adjustments resulted not only in the abolition of (limited) 'Bismarckian' elements of British unemployment insurance (notably earnings related supplements), but also in a substantial erosion of the traditional 'Beveridgean' insurance logic. This has been achieved through a series of curtailments and by making the system less accessible for those with less stable employment and contributory records. As a result, means tested benefits have become the clearly dominant form of support available to unemployed people in the UK today. Whereas in the late 1970s more than half of all unemployed received contribution based support, twenty years later the rate had declined to about 16 per cent (Clasen, 2005: 59).

Interestingly, since 1997 Labour governments have refrained from further adjustments of the second level of conditionality, i.e. leaving benefit eligibility and entitlement criteria unchanged. However, both the first and third levels of conditionality have moved to centre stage. Regarding the third level (conditions of conduct), Labour continued and reinforced a trend which had already begun under Conservative governments in the late 1980s, namely influencing the behaviour of unemployed benefit claimants by tightening the conditions of active job search, relaxing the definition of appropriate employment and toughening sanctions for non-compliance (Finn, 1998). More 'positive' forms of activation were essentially limited to providing increased help with job search, through initiatives such as 'Restart' interviews. As well as making compulsion in labour market policy

more explicit, Labour's New Deal initiative since 1997 has built on the Restart concept with respect to intensive counselling and employment guidance for the unemployed; but it has also reintroduced a few investment intensive training and job subsidy programmes.

This growing emphasis on activation has, in turn, encouraged further reform initiatives at the first level of conditionality. In a de facto reversal of the tightening of category membership during the 1980s and early 1990s, the Labour government has increasingly widened the remit of New Deal programmes, from the unemployed originally to potentially all working-age beneficiaries of social support (the disabled, lone parents, jobless partners of the registered unemployed) today. At the delivery level, the so-called Jobcentre Plus is now the point of contact not only for the registered unemployed, but for all working-age benefit claimants. We see a loosening of the definition of unemployment, or at least blurring of the boundaries between unemployment and other social risks. This has allowed UK labour market policy to gradually shift from an emphasis on unemployment to an increasing emphasis on 'worklessness' (Clasen, 2005). In other words, having settled on a new and seemingly stable level of secondary conditionality, with strict access to insurance and a dominant needs based approach, recent activities have focused on the first and third levels of conditionality.

Notably, this means that past activities – the status and origin of claimants (contributions, employment status) – have all but become irrelevant. Instead, the new British conditionality logic is both wider (beyond unemployment) and more focused on work tests and employability criteria than previously. Over the past 25 years, the overall pattern could thus be described as a gradual progression down through the levers of conditionality, from adjustments at the primary level (category definition), accompanied and gradually superseded by successive initiatives tightening conditionality at the secondary level of conditionality, before finally a concentration on tertiary conditions (activation) took over. This activation logic has seen a small move 'back up' the levels of conditionality, with a partial reversal of earlier changes to primary-level (category) criteria.

Germany

Also faced with fast rising levels of unemployment during the early 1980s and even more so the 1990s, the reform profile in Germany differed considerably from that in the UK. As a more Bismarckian social insurance oriented country, German unemployment insurance offers a multitude of levers at the second level of conditionality, i.e. those that govern eligibility and entitlement criteria. In addition, the governance of unemployment support as a whole (until recently a de facto three-tier system) has provided

particular incentives for adjusting levers that would result in cost transfers between the federal level, the unemployment insurance fund, other social insurance funds and local authority budgets (Clasen, 2005).

The annual budget of the unemployment insurance fund triggered several adjustments at the second level of conditionality during the 1980s and 1990s. Some of them relaxed conditions of benefit receipt, through for example the repeated prolongation of entitlement for older unemployed with longer contribution records between 1985 and 1987 (see Appendix B). By contrast, incremental legislative change tightened eligibility conditions of unemployment protection at the margins of the labour market, e.g. for those with shorter contribution periods such as job starters and those with repeated spells of joblessness (1982, 1994, 1998).

Unlike in the UK, the first level of conditionality remained largely off the reform agenda during the 1980s, at least within unemployment insurance and notwithstanding the *de facto* category redefinition of older benefit claimants who made use of extended unemployment benefits as a form of quasi pre-retirement (Trampusch, 2005a). As for the third level of conditionality, tighter suitability criteria (governing regulations of job offers which can be turned down without risk of benefit sanction) were introduced as early as 1979 (Clasen, 1994: 153), and redefined again in later years (1982, 1998). There was, however, little emphasis on behavioural job search or activation criteria at federal level until the late 1990s, and the activation type policies were introduced with much less vigour than in the UK. While local authorities have had the right to 'activate' long-term unemployed persons for some time, and some have made extensive use of this not least on the basis of financial considerations (Buhr, 2003), prior to 2005 claimants of unemployment insurance have not been subjected to a routine form of mandatory activation.

The major recent labour market reform in Germany (the so-called 'Hartz' reform) has however had a considerable impact on all three levels of conditionality. Apart from other changes (see Kemmerling and Bruttel, 2006) legislation merged unemployment assistance and social assistance into unemployment allowance II (ALG II) for 'employable persons', thereby expanding the category of unemployed welfare state clients (first-level conditionality). This change resulted in a steep and sudden rise in official unemployment in January 2005 when the legislation came into effect. Recipients of ALG I were affected by a shortening of benefit entitlement while the means test for claimants of unemployment assistance was tightened significantly (second-level conditionality). Moreover, benefits payable under the pre-existing unemployment assistance arrangements were earnings related, whereas the new ALG II is flat rate and no longer related to former earnings. Finally the reform has made steps towards an

activation oriented policy regime that regulates behavioural aspects of job seekers more strictly. This applies to ALG II recipients and benefit claimants under the age of 25 in particular, who are supposed to be offered, and to accept, a job or an 'activation' programme instead of benefit receipt. At the time of writing it remains unclear whether this regulation is being implemented accordingly.

France

The recent trajectory of unemployment benefit reform in France in many respects parallels that seen in Germany, not least in the overwhelming concentration of reform initiatives at the second level of benefit conditionality. The contribution financed French unemployment insurance system has, furthermore, in the main coped with a context of consistently high unemployment since the early 1980s by tightening eligibility conditions rather than reducing benefit rates. Important reforms over the period 1982–84 tied benefit eligibility and entitlement more closely to prior contributions, and created a separate tax financed and less generous system (the 'solidarity system') alongside unemployment insurance for some of those with inadequate contributory records. Further reforms in 1992 tightened the contributory requirements for unemployment insurance once again, and deepened the dualism of the unemployment protection system. Although some of these cuts have been partially repaired by other reforms, enacted notably in the period of stronger economic growth at the end of the 1990s, the dualism has not been challenged. Indeed, spare resources have as often been devoted to improving benefits for certain groups of insured claimants, as was the case for example of a 1997 reform which created a special, more generous, unemployment benefit payable up to the age of 60 for workers with long contribution records. Meanwhile, coverage of unemployment insurance fell by around 10 percentage points in the 1990s. In sum, similarly to Germany, the main story of French unemployment benefit reform in recent decades has been one of using the levers of secondary conditionality to increase the differentiation in rights to unemployment benefits (cf. Daniel, 2000).

Explicit reforms to the first level of conditionality have been far more rare, though – as in Germany – the unemployment insurance system was used in the early 1980s to encourage the effective withdrawal of older workers from the labour market (Daguerre and Palier, 2006). These incentives remain in place today, and were in fact somewhat strengthened by a reform in the late 1990s. Another form of category redefinition has been more implicit, with the progressive institutionalization of the *Revenu Minimum d'Insertion* (RMI), introduced in 1988, as the 'third tier' of the

French unemployment protection system (Audier et al., 1998). Though the recipients of the RMI may remain registered as unemployed, unemployment is not itself a condition for the receipt of the RMI. Furthermore, this benefit still rests on a mix of rights and responsibilities that are quite distinct from those found in formal unemployment protection.

This is notably the case with respect to tertiary forms of benefit conditionality. Although the RMI has always been – at least formally – conditional upon the beneficiary agreeing to individualized reintegration activities, this principle had until very recently gained little ground in formal French unemployment benefit policy. Only in 2000 was a bolder proposal for the systematic conditioning of unemployment insurance benefits on positive job search activities brought forward, with the creation of the so-called PARE (*Plan d'Aide au Retour à l'Emploi*) (Freyssinet, 2002; Kerschen, 2005). Though there have been difficulties in the implementation of the latter measures, and the corresponding capacity of the unemployment insurance system to oblige participation in training or job search activities remains uncertain as a result, initiatives outlined in the recent 'law on social cohesion' and intensified by the new de Villepin government suggest that tertiary conditionality may belatedly be – again, as in Germany – becoming a more important lever in the reform of French unemployment benefits.

Denmark

As in the UK, a clear Danish reform profile can be detected since the early 1980s, with similarities in both the first and the third level of conditionality. However, unlike in the UK there has been no effective shift in distributive principles as a result of tighter conditionality at the second level. Instead, the social insurance notion within unemployment support has been maintained, albeit in a form that is still distinctively different – and much more 'Beveridgean' in character – than the one in Germany or France. Danish unemployment benefit entitlements are thus still among the most generous in Europe, though not for short-term unemployed persons on above average earnings since benefit thresholds and ceilings make transfers resemble a flat-rate system for a large section of unemployed persons.

Danish governments tightened the definition of unemployment in the late 1970s and early 1980s, making considerable use of labour market exit strategies in the face of high unemployment. The early retirement programme *efterløn* was introduced in 1979 with the explicit aim of redrawing the category definition of 'unemployment' for workers of age 60 and over (first-level conditionality). However, unlike in the other three countries, thereafter several other levers were adjusted at the first level of conditionality which were aimed at widening or at least consolidating the potential membership

in unemployment protection, particularly for long-term unemployed (1985) and younger age groups with the introduction and later extension of the 'youth benefit' and 'youth allowance' (1990–92), albeit coupled with the right and obligation to accept activation offers. Thus, in common with the UK, Denmark tightened the third level of conditionality as early as the late 1980s and early 1990s, and concentrated increasingly on this strategy from 1993 onwards. Also as in the UK after 1997, the focus on activation was coupled with a reversal of the previous policy direction at the first level of conditionality, making *efterløn* financially less attractive (1998–2000) or extending the activation principle to social assistance (1997).

There has been rather less reform activity at the second level of conditionality in Denmark than in the other three countries. Furthermore, the direction of change has not been unequivocal, as in the UK. Thus, though eligibility conditions for unemployment insurance were tightened in 1985, and a lower-rate benefit was introduced for those who no longer had access to full benefits, this reform was overturned in 1988, when full-rate benefits were reinstated. In the second half of the 1990s, Danish governments made considerable cuts in unemployment benefit rights. The bulk of these, however, have come neither through selective reductions in benefit levels nor in tighter eligibility criteria. The latter became stricter in a reform in 1994 (Kvist, 2002), but remain relatively loose in comparative perspective. Supporting about 85 per cent of all unemployed in 2004 (Danmark Statistik, 2005: Table 160), the Danish unemployment insurance system remains one of the most encompassing programmes in Europe. Nevertheless, second-level conditionality was tightened via several changes in the maximum duration of benefit entitlement, which was reduced in successive stages from seven to four years between 1993 and 1998.

Danish reform efforts have concentrated not so much on preventing inflows into unemployment benefit but more on speeding up outflows, through considerable reform activity at the third level of conditionality, i.e. the turn towards activation principles in the 1990s. Since 1993 there has been a vast expansion of activation measures, with a particular emphasis on training programmes, which are both a 'right and a duty' for the unemployed (e.g. Goul Andersen, 2002). The length of time that it is necessary to be unemployed before being subject to this 'right and duty' has been reduced in successive reforms, and since 1998 is one year for the adult unemployed and six months for the young.

Summary

How can these stylized and necessarily simplified reform trajectories be compared? Based on the discussion above and information provided in

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Countries		1980-85	1986-90	1991-95	1996-2000	2000-05
UK	I	-	-	/	+	+
	II	-	-	-	/	/
	III	/	-	-	-	-
Germany	I	/	/	/	/	+
	II	-	(-; +)	(/; -)	(/; -)	-
	III	-	/	/	-	-
France	I	-	-	-	-	/
	II	(-; +)	/	-	+	(-; /)
	III	/	(-; /)	/	/	-
Denmark	I	-	(-, +)	-	+	+
	II	-	+	-	/	/
	III	/	-	-	-	-

Notes: I, II, III = primary, secondary and tertiary levels of conditionality (see text); - = tighter/more intensive conditionality; + = looser/ less intensive conditionality; / = no significant change, or major changes in different directions cancelling each other out within period (+; -) = differences between groups of unemployed.

Figure 8.2 Conditionality shifts in unemployment benefit reforms in four countries

Appendices A to D, Figure 8.2 provides a rough picture of legislative profiles. It shows that in all four countries reforms can be identified which altered all three different levers of conditionality, i.e. category definitions (first level), eligibility and entitlement criteria (second level) and behavioural conditions (third level) attached to continuous benefit support. A chronologically sequential path is conspicuous in the UK where governments focused on the first and second levels during the 1980s, on the third level in the late 1980s, and completed the second level in 1996. Since then Labour governments have almost exclusively altered the first and third levels in a drive towards what is now called 'activation'. The Danish reform profile is very similar to the British at the first and third conditionality levels, but diverges at the second level. Unlike in the UK, there has been little tightening of the conditions of circumstance required for access to the unemployment protection system and the traditional notion of unemployment insurance has remained dominant, albeit coupled with a stronger conditionality at the third level.

Very much in contrast to both the UK and Denmark, French and German reforms were distinctive in three respects. First, the second level of conditionality (eligibility and entitlement criteria) remained the privileged policy lever in these two countries. Second, within this domain, policies had a 'differential' focus in France and Germany, altering access to unemployment support relatively little for some groups (typically workers with long

contributory work records) but tightened eligibility conditions for groups which are less firmly entrenched in the labour market. Both Germany and France have thus deepened the dualism of their respective unemployment protection systems in recent decades. By contrast, both Denmark and the UK have maintained or created much more uniform conditions within their respective systems (see Clasen and Clegg, 2006a). Finally, while all four countries made use of labour market exit strategies by (de facto or de jure) changes in the category definition of unemployment support (first-level conditionality), France and Germany maintained such approaches for much longer during the 1990s, and also turned to 'activation' strategies (tightening third-level conditionality) much later than Denmark and the UK.

This framework for analysing change in the conditionality of unemployment support helps to highlight a certain number of potentially salient cross-national similarities and differences. Firstly, until 1995 there appears to be no particularly strategic reorientation in the management of the risk of unemployment in any of the countries, with the main focus being a general tightening of available conditionality levers – retrenchment – across all cases, albeit with a generally broader range of conditionality levers being used to this effect in Denmark and the UK. Since 1995, however, it is possible to identify a clear change in the way that unemployment is managed in these two countries, with levers of eligibility or entitlement increasingly untouched on the one hand, and with status based risk management conditions becoming less, and behaviour based risk management conditions more, relevant. Over and above the continuing and often highlighted differences between the approaches to unemployment policy in the UK and Denmark (e.g. Torfing, 1999; Barbier, 2004), the framework shows a certain structural affinity in the way that the management of the unemployment risk is being reconceptualized in these two countries. This distinguishes them very clearly from France and Germany, although the recent reforms in Germany – and notably the broadening of the definition of unemployment and concomitant tightening of behavioural requirements – suggests that the Federal Republic too may be increasingly shifting towards a new model of risk management in unemployment, rather than merely adjusting the existing framework.

CONCLUSIONS

The aim of this chapter was to try to elaborate a framework through which the extent of certain changes in welfare states, and notably the widely touted notion of an emergent new 'model' or 'paradigm' within the social

citizenship relationship, could be empirically investigated and scrutinized in cross-national analysis. As argued in its first part, these kinds of changes are difficult to capture with the standard expenditure, macro-institutional or 'social rights' based dependent variables that are commonly deployed in welfare state research. By identifying lower-level institutional features that are more pertinent to the dynamics expressed by the qualitative leitmotifs of welfare state change, we have shown that it is possible to develop comparative benchmarks against which policy trajectories can be judged, concentrating on particular policy programmes and their inherent dimensions and dynamic balance of conditionality. As its application in the analysis of unemployment benefit reforms in four countries has shown, such benchmarks are capable of systematically identifying patterns of similarity and difference in legislative activity and direction of welfare state change.

Viewed in isolation, such a framework of course has a number of limitations. As emphasized earlier, it is mainly a device for comparing the emphasis, direction and structure of national reform trajectories over time. It thus can obviously not help analysts interested in a direct comparison of policy outputs. The conditionality framework could not tell us, for example, that unemployment benefits remain much more generous and encompassing in Denmark than in the UK. Nor could it tell us that levels of investment in active labour market policies for every unemployed person are far lower in the UK than in Denmark, and indeed than in Germany or France. Our motivation here, however, has not been to develop a 'competitor' to the more habitual indicators that can better inform us of these dimensions of cross-national variation (in these two examples, social rights indicators and 'adjusted' social expenditure indicators, respectively). Rather, it has been to develop a framework that could complement these more standard indicators by capturing other dynamics of change within which other dimensions of variation can be nested. Though, say, the British situation seems as unlike the Danish as it is possible to be on indicators of the generosity of social rights for the unemployed or investment in active labour market policies, it is important for our explanatory perspectives and causal analyses to know – and be able to show – that the UK is in certain structural respects following a much more similar reform trajectory to Denmark than is either France or Germany.

The above indicates another advantage of the framework suggested here, namely that of giving rise to new research perspectives or questions. In our example, it would lead us to ask about the causes of cross-national similarities and variation, linking the Danish and British reform profiles in contrast to the French and German. In keeping with Part I of this volume, directed at the 'dependent variable' problem in comparative welfare state analysis, this chapter has deliberately not engaged in explanatory analysis

(for this, see Clasen and Clegg, 2006b). Instead, it has sought to highlight the substantive advantages of a framework that can be used to tease out and demonstrate the patterns and logics at work in social policy reform that are either missed or not systematically treated within more standard analytical approaches. Though we have focused here on unemployment benefits, our framework could indeed usefully be applied in a similar way to enrich cross-national analysis of a number of other areas of welfare state reform – such as family benefits, disability provision etc. – where similar or equivalent qualitative shifts in risk management, or the social citizenship relationship, seem likely. At a minimum, and more methodologically, this kind of framework can help to steer and discipline qualitative cross-national analysis, limiting the number of potentially relevant observations and organizing findings on a common analytical grid. This in itself would help to promote the generation of more systematic cross-national knowledge on the very many areas of welfare state variation and dynamics of welfare state change that are easily overlooked when it is the available dependent variables that guide the questions we ask in comparative analysis, rather than the other way around.

NOTE

1. The data were collected as part of a UK ESRC commissioned research project (project no: R000223983) that investigated legislative changes in three social security branches (family, pensions and unemployment) in five European countries. National legislative and secondary sources were used to compile the data, with the help of respondents from each of the countries.

APPENDIX A

Table 8A.1 Major legislative changes in the conditionality of unemployment support, 1980–2005 (United Kingdom)

Year	Level*	Direction**	Measure
1981	I	–	Higher Supplementary Benefit for unemployed over 60 year olds who chose to retire early.
	III	+	Registration at Job Centre becomes voluntary for the unemployed.
1982	II	–	Abolition of Earnings Related Supplement (ERS) to Unemployment Benefit (UB).
1985	III	+	Exemption from disqualification provisions in UB for those accepting voluntary redundancy.
1986	III	–	Increase in maximum disqualification period in UB from 6 to 13 weeks.
	II	–	Abolition of $\frac{1}{4}$ and $\frac{1}{2}$ UB rates for those with incomplete contribution records.
	III	–	Introduction of 'Restart' programme.
1988	II	–	Tighter contribution requirement for UB.
	III	–	Increase in disqualification period for UB from 13 to 26 weeks.
	I	–	Exclusion of 16 and 17 year-olds from UB and Income Support (IS), except in special circumstances.
1989	III	–	Introduction of 'Actively Seeking Work' test. After 13 weeks of unemployment, conditions defining suitable work (i.e. limitation of possibility to place limitations on 'suitable' or 'acceptable' work) abandoned.
1990	I	–	Students no longer eligible for unemployment support.
	III	–	Reductions in Income Support made possible for unemployed claimants failing to attend Restart interviews.
1992	III	–	Further tightening of disqualification conditions in UB.
	II	–	Reduction of UB for recipients of occupational pensions over 55.
1996			Introduction of Jobseekers Allowance (JSA), consisting of 'contributory JSA' and 'income-related JSA'.

Table 8A.1 (continued)

Year	Level*	Direction**	Measure
	II	–	Reduction of maximum duration of contributory benefit from 1 year to 6 months.
	II	–	Reduction of contributory benefit rights for unemployed recipients of occupational pensions of all ages.
	III	–	Introduction of requirement to sign a jobseeker's agreement; and obligatory jobseekers' directions.
	III	–	Introduction of a 'permitted period' of 13 weeks for restriction of job search.
	III	–	Introduction of 'project work' pilots for long-term unemployed, (13 weeks compulsory supervised job search followed by 13 weeks work experience).
1998	III	–	Introduction of New Deal programmes for young people under 25 (NDYP) and long-term unemployed (NDLTU) (out of work for 2 years).
1999	III	–	New Deal for Partners (NDP); joint claim required for those with partners claiming JSA for over 6 months (for those without children and under 25).
	I	+	
2001	III	–	NDLTU revamped as ND 25+ (compulsory after 18 months unemployment within past 21 months).
	I	+	Introduction of NDDP – New Deal for Disabled People (voluntary).
2002	I	+	NDLP: introduction of compulsory job related interview and interview with personal advisor every six months.
	I	+	NDP mandatory for JSA claimants under 45 years of age (if no children).
2004	III	–	Entry into NDYP and ND25+ after 3 months of unemployment (piloted in certain areas).

Notes: * first level: condition of membership; second level: conditions of eligibility and entitlement; third level: conditions of behaviour/conduct; ** '–' represents a tighter/more intensive conditionality; '+' represents a more relaxed/less intensive conditionality.

Sources: *Journal of Social Policy*, 'Social Policy Review'; CPAG, *Welfare Rights Bulletin* (1980–2003); Clasen (2005).

APPENDIX B

Table 8A.2 Major legislative changes in the conditionality of unemployment support, 1980–2005 (Germany)

Year	Level*	Direction**	Lever
1982	II	–	Increase of minimum contributory period (<i>Arbeitslosengeld</i> , ALG) from 6 to 12 months.
	II	–	Increase of contribution period (from 70 to 150 days) for means tested unemployment assistance (<i>Arbeitslosenhilfe</i> , ALH).
	III	–	Increase of benefit suspension period (4 to 8 weeks) and tighter suitability conditions.
1983	II	–	Stricter differentiation of duration of entitlement (ALG) in accordance with contribution record (ratio of former to latter changed from 1:2 to 1:3).
1985	II	+	For employees older than 49: increase in ALG entitlement (max. 18 months; dependent on contribution record).
1986	II	+	For employees older than 43: increase in ALG entitlement (max. 24 months for those older than 53); dependent on contribution record.
1987	II	+	For employees older than 42: increase in ALG entitlement (max. 32 months for those older than 53); dependent on contribution record.
	II	+	Ratio of entitlement to contribution period reverts back to 1:2.
1994	II	–	Entitlement to ALH limited to 1 year for those without prior receipt of ALG (indefinite before).
1998	III	–	Tighter suitability criteria (suitability of job offers defined merely in monetary terms; previous qualification irrelevant; after six months: any job deemed suitable with net earnings higher than benefit). Proof of active job search required; stricter benefit sanctions introduced.

Table 8A.2 (continued)

Year	Level*	Direction**	Lever
	II	–	Longer ALG duration restricted to over 45 year olds (previously over 42); max. 32 months only for 57 year olds (previously 54).
	II	–	Participation in approved training no longer recognised as equivalent to insured employment (i.e. no longer establishes benefit eligibility).
	III	–	Stricter work test imposed on ALG recipients (for ALH claimants since 1996). Employment office can request temporary participation in low-paid seasonal jobs.
1998	III	–	Introduction of 'reintegration contract' stating responsibilities of job seeker and employment office.
	II	+	Improved entitlement for claimants who accept less well paid job (and then become unemployed within 3 years) and for those who lose part-time job.
2000	II	–	ALH (for those without prior receipt of ALG) abolished.
2002	III	–	<i>Job-Aktiv</i> legislation (more emphasis on activation: job placement, profiling, job search vouchers, temporary work options, job rotation, also training).
2003	III	–	Tighter suitability criteria for younger unemployed; new job placement and counselling instruments; new options for business start-ups; temporary work placements. In disputed cases, proof of acceptability of job offers transferred from employment office to job seeker.
2004/05	I	–	ALG duration fixed at standard max. 12 months (max. 18 months claimants aged 55 or older).
	II	–	Introduction of ALG II:
	I	+	ALH and social assistance (for employable claimants) to merge into a single scheme

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Table 8A.2 (continued)

Year	Level*	Direction**	Lever
	II	–	(wider definition of 'unemployed'; tighter means test).
	III	–	Tighter job suitability criteria for ALG II recipients (any legal work and wage level suitable even if below collective wage agreement or standard wages paid in locality).
	III	–	Young unemployed (under 25) eligible for ALG II only if they accept offers of training, suitable employment or other job integration measure.

Notes: *: first level: condition of membership; second level: conditions of eligibility and entitlement; third level: conditions of behaviour/conduct; **: '–' represents a tighter/more intensive conditionality; '+' represents a more relaxed/less intensive conditionality.

Sources: information derived from Clasen (2005) and www.bundesregierung.de.

APPENDIX C

Table 8A.3 Major legislative changes in the conditionality of unemployment support, 1980–2005 (France)

Year	Level*	Direction**	Measure
1981	II	+	Creation of an <i>Allocation Exceptionnel de Secours</i> (ASE), for unemployed having exhausted rights to contributory benefits. Based on conditions of age, contribution and income.
1982			Introduction of <i>filières d'indemnisation</i> , linking duration of entitlement to contribution conditions (instead of age previously).
	II	+	Benefit duration increased for longer contributors.
	II	–	Benefit durations reduced for some shorter contributors.
1984	II	–	Reduction of entitlement periods for unemployed with less than 12 months of affiliation to the system, and for those aged 50–55.
	I	–	Introduction of a mechanism allowing individuals over 55 to maintain their unemployment benefit entitlement, without needing to look for work, by withdrawing from the labour market.
1988	I	–	Introduction of <i>Revenu Minimum d'Insertion</i> , minimum income benefit subsidiary to the others, paid to 'the excluded'.
	III	–	RMI includes formal obligation to sign an 'insertion' contract.
1991	I	–	Reduction of minimum age to benefit from higher rate of <i>Allocation de Fin de Droits</i> (AFD) (flat-rate minimum benefit in insurance regime), for those deemed effectively out of the labour market: from 55 to 62.
1992			Replacement of existing insurance benefits by <i>Allocation Unique Degressive</i> (AUD)
	II	–	Increase in minimum period of contribution from 3 months in last 8 to 4 months in last 8.
	II	–	For each of the different <i>filières</i> , there is an increase in the number of contributions required

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Table 8A.3 (continued)

Year	Level*	Direction**	Measure
			for an equivalent maximum period of entitlement.
	II	–	Significant reduction (from 21 months to 7 months) in the duration of benefit entitlement for those with between 6 and 12 months of contributions.
	I	–	AI unemployment assistance benefit no longer available to young job seekers aged 16–25 or to single mothers who have been seeking work for less than 5 years.
1997	II	+	Degressivity mechanism (whereby benefit levels are reduced periodically during an unemployment spell) is suppressed for those with very short contribution histories.
	I	–	Introduction of <i>Allocation des Chômeurs Agés</i> (ACA) maintaining full rate AUD until age 60 for those with 40 years of contributions.
1998	I	–	Introduction of <i>Allocation Equivalent Retraite</i> (AER), a more generous ASS for people with 40 years of pension contributions.
2001			Replacement of AUD with new <i>Allocation de Retour à l'Emploi</i> (ARE).
	II	+	Minimum contribution period changed from 4 months in previous 8 to 4 months in previous 18.
	III	–	Introduction of an individual return to work plan (<i>Plan d'Aide au Retour à l'Emploi – PARE</i>), which is compulsory for new claimants of ARE.
2003	II	–	Across the board reduction in maximum ARE entitlement durations, varied according to age of claimant.
2003/ 2004	II	–	Introduction of a maximum duration for previously unlimited <i>Allocation Spécifique de Solidarité</i> (unemployment assistance, means tested but contributory) benefit, of 3 years (for those currently in receipt) or 2 years (for new claimants). Only applies to those under 55 years of age.

Table 8A.3 (continued)

Year	Level*	Direction**	Measure
	III	–	New <i>Revenu Minimum d'Activité</i> (RMA), turning RMI into an employment subsidy for those who are in receipt of it for more than 2 years and (likely) for those newly excluded from the ASS.
2005	III	–	Decree on the control of the unemployed, tightening of sanctions for insufficient job search.

Notes: *: first level: condition of membership; second level: conditions of eligibility and entitlement; third level: conditions of behaviour/conduct; **: '–' represents a tighter/more intensive conditionality; '+' represents a more relaxed/less intensive conditionality.

Sources: *Liaisons Sociales* (various years); *L'Année Politique, Economique et Sociale* (various years); Daniel and Tuchsirer (1999).

APPENDIX D

Table 8.A.4 Major legislative changes in the conditionality of unemployment support 1979–2005 (Denmark)

Year	Level*	Direction**	Measure
1979	I	–	Introduction of <i>efterløn</i> ; a new benefit giving the unemployed the chance to retire after age 60 and remain on benefit until retirement age, at 67.
1985	I	–	De facto shortening of duration of benefits by ending the possibility for people to requalify for unemployment benefit by participating in public job schemes.
	I	+	Introduction of special extended benefits (lower-rate) for those who have run out of entitlement to normal unemployment benefit due to reform above.
1989	I	+	Introduction of youth allowance within social assistance for those aged 16 and 17; paid at a lower rate than normal social assistance.
1990	I	+	Introduction of a 'youth benefit' in unemployment benefit system for 18 and 19 year olds.
	III	–	Claimants obliged to accept an offer of work or education from the municipality to receive benefit (50 per cent of unemployment benefit).
1991	I	+	Youth benefit in unemployment benefit system extended to 20 year olds.
	III	–	'Education offers' (normally available only after a second exhaustion of benefit entitlement, and after completion of a work offer) extended to non-educated unemployed after 12 months (before first work offer).
1992	I	+	Extension of the 'youth allowance' (lower rate) in social assistance to 18–24 year olds.
	I	–	Introduction of transition allowance for the elderly long-term unemployed, giving possibility for effective retirement (on unemployment benefit) at age 55.
1993/4	II	–	<i>1994 Labour Market Reform</i> Duration of unemployment benefit reduced to seven years (4 years + 3 year 'active period')

Table 8A.4 (continued)

Year	Level*	Direction**	Measure
			(possible extensions: of up to 2 years extension for educational leave, up to one year in the case of parental leave, and 6 months for maternity leave).
	II	–	Limitation of possibilities to requalify for benefits through supported employment: 6 months non-supported ordinary employment now necessary.
	III	–	Introduction of individual action plans for the long-term unemployed and the right and duty to activation after 4 years unemployment.
	I	+	Extension of rights to unemployment benefits for 50 to 59 year olds.
1994	II	–	Unemployment benefit receipt limited to a maximum of 5 years (2 years + 3 year 'active period').
	II	–	Eligibility for unemployment benefit requires 52 weeks ordinary employment in 3 years (instead of 26 weeks in 3 years previously).
	III	–	Right and duty to activation after 2 years.
	III	–	Youth benefit extended: unemployed people up to age 25 must participate in education after 26 weeks.
	III	–	More restrictive definition of acceptable work introduced for those unemployed for more than 6 months. Strengthening of sanctions for those refusing activation.
1996	III	–	Activation principle extended, for the first time, to people aged 50–59.
1997	III	–	Act on 'Active Social Policy' in social assistance. Compulsory labour market activation or 'social activation' for recipients of social assistance. Target group for priority activation shifted from recipients of youth allowance to all unemployed receivers under age 30.
1998/ 99	II	–	Duration of unemployment benefit receipt limited to a maximum of 4 years (1 year + 3 year 'active period').

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Table 8A.4 (continued)

Year	Level*	Direction**	Measure
	II	–	Abolition of longer rights to unemployment benefits for 50 to 54 year olds.
	III	–	Right and duty to activation after one year.
	III	–	Right and duty to activation for all young unemployed after 6 months. More restrictive definition of acceptable work for those unemployed for more than 3 months.
	III	–	Registration at unemployment office required from first day of unemployment.
2000	III	–	Activation principle extended to 60 year olds.
2002	I	–	Reforms to social assistance and 'introduction allowance' (for non-EU nationals). Availability for work requirements strengthened.
2003	III	–	Tighter suitability for work criteria (travel to work) introduced.

Notes: *: first level: condition of membership; second level: conditions of eligibility and entitlement; third level: conditions of behaviour/conduct; **: '–' represents a tighter/more intensive conditionality; '+' represents a more relaxed/less intensive conditionality.

Sources: Goul Andersen (2002); NOSOSCO (various years).