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Publication date:
2004

Document Version
Publisher's PDF, also known as Version of record

Link to publication from Aalborg University

Citation for published version (APA):
Larsen, C. A. (2004). *Blessing or Blame? public attitude to Nordic 'workfare' in the 1990s*. Centre for Comparative Welfare Studies, Institut for Økonomi, Politik og Forvaltning, Aalborg Universitet. CCWS Working Paper No. 33

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Blessing or Blame? Public attitude to Nordic 'workfare' in the 1990s

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Abstract

Through out the Western countries welfare policies and in particular labour market policies changes quit dramatically. This is also the case in the Nordic countries, especially in Denmark, even though neo-liberal workfare strategies never have been an option. The aim of this article is to analyse the public attitudes connected to these changes in Scandinavia. Do the general public pity the unemployed? Do the unemployed pity themselves? Are the policy makers blamed or blessed? Based on comparative surveys from Finland and Denmark including both a population sample and a large sub-sample of unemployed the paper shows that in the case of activation both the general public but also the unemployed themselves perceive the intensified 'active' policy as a plus-sum game. In terms of increased control the unemployed is more sceptic whereas the public to a very large extend is in favour – especially in Finland. Thus, the political scene seems much more set for 'credit claming' than 'blame avoidance'. However, this cannot be seen as a road to a real workfare strategy. The country difference between Finland and Denmark and survey results based on Danish election data indicate that public support for 'harsher' labour market policy actually can be mitigated. And when it comes to lowering benefits the electorate in all the Nordic countries is remarkable conservative.

Key words: Workfare, activation, public attitude, blame avoidance, unemployed.

Introduction

Throughout the Western countries most welfare states have been under fiscal pressure during the last two decades. It has forced policy makers to reduce costs, restructure or even retrench a number of core welfare arrangements. In the wake of these fiscal problems a growing literature on the political dynamic of welfare state retrenchment has emerged. Pierson, being one of the pioneers (Pierson, 1993, 1996 and 2001), has argued that retrenchment is a political exercise in blame-avoidance. Retrenchment means taking something away from someone, and those suffering these (concentrated) looses are likely to react negatively. Furthermore, a body of survey studies consistently show that the welfare state is popular with the electorate in general (e.g. Papakis & Bean, 1993; Svallfors, 1997) i.e. not only the 'losers' but also the general public are likely to react negatively to retrenchment. Thus, according to this literature the tension between necessary reforms pursued by the policy elite and a reluctant constituency form a major conflict line in modern politics. The literature often use the label 'the new politics' of the welfare state in contrast to 'the old politics' of the 1960s and 1970s, where politicians fought about getting credit for the pursued policy. Taken this prevailing theory as a point of departure our task is to analyse the interplay between the changed labour market policy and public opinion in Denmark and Finland during the 1990s.

By focusing on labour market policy we enter one of the most tense policy discussions within 'the new politics of the welfare state'. At one hand because increasing unemployment is at the heart of the experienced fiscal problems and at the other hand because policy makers have seen changed labour market policy as a possibility to overcome some of the fundamental problems that face present welfare states. Using the language of policy makers themselves the changes can be characterised as a shift from 'passive' to 'active' labour market policy aimed at re-integration of the unemployed into the labour market. Other use such terms as a shift from 'old-style' policy to 'new-style policy' or 'third way policy'. Especially the latter term implies that these new policies are created to overcome the experienced trade-off between employment and equality (as argued e.g. by OECD, 1994, Iversen & Wren, 1998; Esping-Andersen, 1996).

In contrast, critics see the changed labour market policy as one of the most profound attack on social rights. Using their language the changes are often summarised as a shift from 'welfare' to 'workfare'. In a European context it refers to a harsh shift from previous 'welfare' policies aimed at 'de-commodifying' the citizens from the market (Esping-Andersen, 1990), to new 'workfare' policies that recommodify labour by reductions in social benefits, tighter eligibility criteria and control.

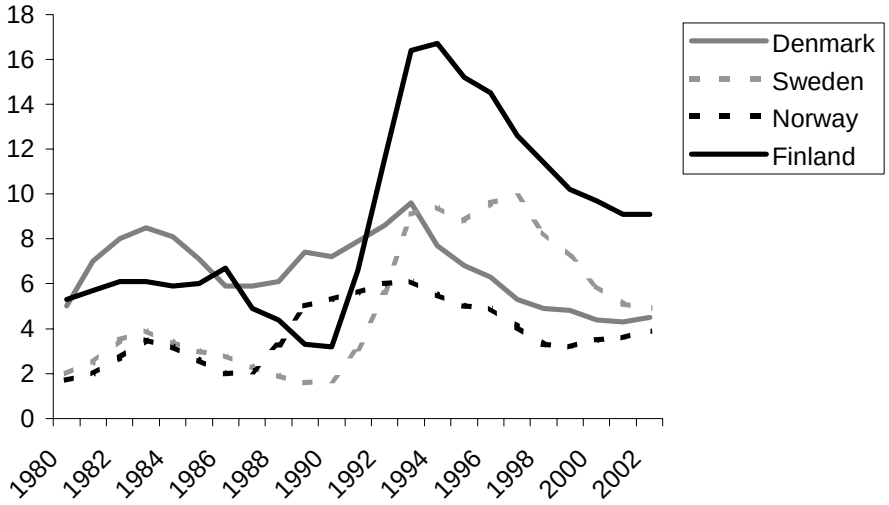
Whether policy makers or their critics are right are not for us to decide.
Our main interest is by means of survey data to analyse how the general public and the unemployed themselves perceive the changed labour market policy in the Nordic countries. By doing so we adopt the framework of blame-avoidance to a field where we from the literature on deservingness criteria have theoretical arguments for the counter thesis; namely that the public actually would be in favour of harsher policy. Therefore we need to open the 'black box' of voter attitude as we, also at a more general level, find it problematic simply to perceive the constituency as a veto-point that react negatively to any change of welfare state policy.

The article is organised into five sections. The first section gives a brief overview of Nordic unemployment experience and the harsher labour market policy pursued especially in Denmark and Finland during the 1990s. The second section asks the simple question whether the public, but also the unemployed themselves, thinks there are anything to blame politicians. If policy makers manage to 'sell' the changed labour market policy as a plus-sum game we should expect the negative reactions to be modest. The third section analyses the attitudes to further control with unemployed and the fourth section analyses attitudes to reductions in the level of benefits. The fifth section summarises the empirical findings.

Unemployment and harsher labour market policy in the Nordic countries

In a Nordic context the harsh neo-liberal workfare policies have never been an option and until the beginning of the 1990s Sweden, Norway and to some extent Finland actually managed to balance low unemployment and highly developed social protection. The Danish welfare state was as developed but already during the 1980s did Danes experience unemployment levels above 8 per cent (OECD standardised unemployment rates standard, see figure 1). However, in the beginning of the 1990's also Swedes and Fins experienced economic crises that generated unemployment levels at respectively 9.4 and 16.7 per cent in 1994. The Danish unemployment rate peaked at a level of 9.6 per cent in 1993, whereas Norway due to oil resources managed to avoid severe economic crisis.

Figure 1: OECD standardised unemployment rates in Scandinavian from 1980 to 2002.



Note: OECD do not have standardised unemployment figures on Denmark from 1980-1987. Instead we have used the common national definition subtracted two per cent points, as this is approximately the difference between the national definition and OECD standardised during the 1990s.

The primary Swedish and Finish policy response was a so-called cost containment policy (Pierson, 2001:423). In Sweden unemployment benefits were lowered from 90 to 80 per cent of previous earnings i 1993 (temporarily to 75 per cent in 1996-97), but the programmatic structure of the unemployment system remained largely intact. In Finland the replacement rates were reduced in 1992 and again in 1994 but the cost containment policy was also followed by stricter requirements as to participation in activation programmes and re-qualification for benefits (Furåker, 2002; Clasen, Kvist & van Oorschot, 2001; Ervasti, 2002). More radical reforms were decided in Denmark as the long period with high unemployment created the perception among policy makers that 'something radical needs to be done' (Albrekt Larsen, 2002) and declining unemployment in the second half of the 1990s (see figure 1) reduced the social costs of harsher policy. Thus, during the second half of the 1990s duration of the unemployment period was reduced from around 9 to 4 years (of which three years in almost permanent activation), eligibility criteria, activation and work requirements were tightened and for some minor groups maximum benefits were reduced (Goul Andersen, 2002b; Albrekt Larsen & Goul Andersen, 2003).

In order to describe public attitude to these changes we primarily make use of a comparative Nordic data set collected in 1999 but unfortunately the questions of our present interest was only asked in Denmark and Finland.[1] Fortunately Denmark and Finland are the most interesting cases as policy shift has been most severe in these two

countries. Harsher policy has been discussed in Norway but not much has been carried through (Halvorsen, 2002) and Sweden has always had a harsh policy when it comes to duty to work. Furthermore, we still find an interesting country difference in unemployment experience as Finland to a much larger extent than Denmark experienced an exogenous economic shock (deep recession in both neighbour economises i.e. Sweden and the former Soviet union). And at time of interview in 1999 the unemployment level was more than twice as high in Finland (10.2) as in Denmark (4.8), see figure 1.

Is there anything to blame?

One can start by asking the simple question whether the public actually think unemployment policy has become harsher in the Nordic countries. It is difficult for politicians to hide the fact that reductions in the level of benefits as undertaken in Denmark from 1982 to 1985 and in Sweden and Finland during the 1990s worsened the situation of unemployed. Just following the political discourse it is clear that the main reference for the policy elite was necessity. The sudden economic crisis in the 1990s in Sweden and Finland made such a reference to necessity credible i.e. immediate cost reduction in order to meet the immediate economic problems of the welfare state. In Denmark it was the long-term balance of payments problems and not a sudden economic shock that made cost containment policy of the bourgeois government during the 1980s credible (Peterson et al, 1989).

However, when it comes to reduction in the unemployment period and tightened eligibility criteria, activation and work requirements the responsible politicians have presented the policy as a two-edged sword where by new obligations are followed by new rights. E.g. unemployed are obliged to work for their money in different activation schemes but at the same time they have a right to 'work'. To put it in other words the elements of 'stick' is compensated by new 'carrots'. The question is whether this argument is 'bought' by the public.

The survey material from Denmark and Finland give us possibility both to describe the perception of the population (18-68 years) and the perception of the long term unemployed (the unemployed were taken from registers in such a way that they as a minimum had experienced 6 months of previous unemployment). Both groups were asked the following question; *'During the last years a lot has been done to get unemployed back to the labour market, activated or educated as soon as possible after they have become unemployed. Do you believe this is an advantage for the unemployed- or is it a disadvantage?'* The basic frequencies are shown in table 1.

Table 1: Perception of new labour market policy being an advantage or disadvantage for unemployed.

	Denmark					Finland				
	Advan-tage	Mostly advan-tage	Mostly disad-vantage	Disad-vantage	N (not weigh-ted)	Advan-tage	Mostly advan-tage	Mostly disad-vantage	Disad-vantage	N (not weigh-ted)
Population (18-66 years)	50	40	6	3	3512	51	44	3	2	1678
Employed	48	39	8	5	1328	52	44	3	2	1096
Long term unemployed	42	38	13	8	376	35	52.	8	5	827
Non-insured	44	39	11	7	46	42	49	6	4	287

As Measured by this indicator it becomes clear that the public do not perceive the changed labour market policy in Finland and Denmark as a workfare reform. In Denmark 90 per cent of the population (18-66 years) indicate that the increased effort to find job, activate or educate is an advantage or mostly an advantage for unemployed. In Finland the corresponding figure is 95 per cent. Only 10 per cent in Denmark and 5 per cent in Finland perceive the effort as a disadvantage for unemployed. These figures are naturally influenced by the positive framing of the question e.g. 'get unemployed back to labour market' whereas harsher obligations are not mentioned. Asked directly about e.g. increased mobility obligations or reduction of benefits the picture would be more negative (as we shall see in the fourth section). However, it is interesting that not even the long-term unemployed themselves find the new policies to be a disadvantage. Even though the share that indicates disadvantage has increased to 21 per cent in Denmark and 13 per cent in Finland an overwhelming majority of the unemployed perceive the effort as an advantage. Even if we only look at non-insured – to whom policy reforms seem particularly harsh – do we only find modest differences. Another target group is the young. But not even among Danish unemployed below 25 years (who were exposed to so-called immediate activation and those without any formal education lost half of their unemployment benefit) do we find mentionable resistance towards the policy. Only 19 per cent sees it as a disadvantage.

Thus, even though some scholars argue that fundamental changes in direction of re-commodification have taken place – at least in Denmark – this is not the perception of the population or the unemployed themselves. Nor do we find any strong political polarisation on the subject. In Denmark the most critical group is voters of the left-wing party 'Enhedslisten' which political leaders repeatedly has argued against the new 'active' policies. Still only 15 per cent of their voters perceive the changed policy as a disadvantage for unemployed. In Finland the voters of the left wing party is also more sceptical (12 per

cent indicate disadvantage) than the Social Democrats (3 per cent indicate disadvantage) but actually it is the Christian Democrats that is most sceptical (12 per cent indicate disadvantage). Thus, the overall conclusion is that the intensified 'active' labour market policy in the Nordic countries much more set the scene for political credit claming than blame-avoidance.

This might reflect that policy is fairly 'soft' by international standards (Lødemel, 2000) (especially if one look at the actual implemented policy), but it might also reflect the almost hegemonic 'active discourse' that emphasis new policies as a plus-sum game. As long as we deal with education and activation this plus-sum idea actually seem rather convincing. However, the reforms also contain a number of harsher elements in terms of access to benefits, control and in some cases reduction of benefits. Therefore we want to explore the limits of the apparent consensus, even between unemployed and the employed. In the next two sections we respectively discuss the issue of control and the issue of reduced benefits.

Deservingness criteria, 'active' rhetoric and public attitude to increased control

There are good theoretical reasons to believe that the public rather than blaming politicians for harsher policy will be willing to support harsher policy towards unemployed. It is a well-know fact that the high public support for the welfare state found throughout the western world and especially in the Nordic countries (e.g. measured on such questions as 'support for maintaining social reforms'; Goul Andersen et. al., 1999) becomes much more conditional when the public is asked about individual programs. Coughlin found what he called a universal dimension of support as the public in all the examined countries seemed to be most in favour of support for old people, followed by support for sick, disabled, needy families with children and least in favour of support to unemployed and people on social assistance (Couglin, 1980, see also Petterson, 1995). Previous studies on deservingness criteria (Cook, 1979; De Swann, 1988; Will, 1993; van Oorschot, 2000) show that especially the issue of control is important. The crucial feature in order to explain modest support for unemployed is the perception that they are much more in control of their situation than e.g. disabled, sick and pensioners. A Swedish Study from 2000 e.g. showed that 73 percent agreed that 'many of those who receive unemployment benefits would be able to get a job if they just wanted to' (Furåker & Blomsterberg 2003:197). Following this line of reasoning we should in general expect the public to be in favour of harsh labour market policy.

Furthermore, one could suggest that the stronger emphasis on supply side problems might enhance the perception of unemployed being in control/responsible. Within the old

Keynesian paradigm it was difficult to blame the unemployed because the crucial (perceived) problem was lack of aggregated demand. I.e. the policy discussions among experts and politicians spread by the mass media would focus on how to stimulate demand for labour power. Within the paradigm of Monetarism the policy discussion is centred on the supply side and how to solve e.g. incentive problems, geographic mobility, professional mobility, reservations wages etc. All these parameters involve the motivation of those unemployed - an implicit accusation that job search is insufficient because people prefer not to work. If such supply-side policy discussion can increase the public perception of unemployed being in control of their situation we should expect (other things being equal) Danes to be more in favour of harsh policy than Fines. We assume that the supply-side explanations has been more influential in Denmark than in Finland primarily because it was obviously that the Finish economic in the 1990s was hid by a sudden exogenous shock due to break down of the Soviet Union and Swedes economy.

When it comes to the issue of control Danes and Finns were asked whether control with the labour market availability of the unemployed should be tightened or loosened (see table 2). The results support the conclusion that according to public opinion there is not much to blame politicians. Only 9 per cent of the Danish population and 4 per cent of the Finish population think that control with the availability of the unemployed should be loosened (measured in 1999). On the contrary a large group in both Denmark and Finland would like to see tighter control i.e. again the political scene is more set for credit claming than blame avoidance.

However, we find a large difference between the two countries. In Finland a majority of 69 per cent would like to see tighter control, whereas the corresponding figure is 45 per cent in Denmark. Taken the differences in business cycle into account the difference is actually rather remarkable. In Denmark the unemployment level was at a modest 4.8 per cent i.e. jobs seemed available which increase the rationality of further control and reduce the social costs connected to harsher policy. In contrast Finland still experienced a rather high unemployment level at 10.2 per cent i.e. if one or two unemployed were not available it probably did not make a difference and due to lack of job the social cost of harsher policy would be severe.

Table 2: Public attitude towards tighter or looser control with the labour market availability of unemployed. 1999. Percentage

	Denmark				Finland			
	Control should be tightened	As it is now	Control should be loose-ned	N (not weighted)	Control should be tightened	As it is now	Control should be loosened	N (not weighted)
Population (18-66 years)	45	46	9	3426	69	27	4	1543
Employed	42	47	11	1336	73	24	3	1027
Long term unemployed	18	59	23	458	33	55	12	713
Non-insured	16	57	28	76	38	54	8	252

'Don't know excluded.

When we turn to the attitudes of subgroups it becomes clear that the consensus shown in table 1 between the population/the employed and unemployed on the intensified 'active' policy is not found on the control issue. This is not to say that the unemployed are in pity of themselves. On the contrary, only 12 per cent of Finish unemployed and 23 per cent of Danish unemployed think that control should be loosened i.e. not even a majority among unemployed think politicians should be blamed for too tight control. What distinguish the groups are the preferences for tighter control. Among Danish unemployed only 18 per cent are in favour of the former compared to 45 per cent in the population. In Finland the share is 38 per cent compared to 69 per cent. Thus, in contrast to the population/employed a majority of unemployed in both countries think that control should be maintained at the present level. But the difference between Finland and Denmark can also be found among unemployed i.e. more Finish than Danish unemployed prefer tighter rules.

Not only the business cycle but also the strong Danish supply side discourse makes this country difference unexpected. One could have expected the supply side rhetoric to put more and more blame on the unemployed and thereby according to the deservingness discussion undermine public sympathy for unemployed (on the British case it has actually been studied how the 'new language' of the 'new left' lead to so-called policy closure, Fairclough, 2000). However, such a self-perpetuating feedback mechanism is probably equalized and even overruled by the effect that harsher policy actually satisfies the public call for control, which we believe is the explanation of the relative low share in favour of further control in Denmark in 1999. In order to substantiate this reasoning we need time series. As always these are hard to find in social science but based on election data from Denmark it is possible to establish time series on perception of misuse of unemployment benefits.

Table 3: Changes in Danish public perception of misuse of unemployment benefits and social assistance. Percentage fully agree and percentage difference (fully or partly agree minus fully or partly disagree).

Survey year:	1973	1975	1977	1979	1990	1994	1998	2001
Statement:								
´Many receive social transfers without needing them'								
Share that fully agrees	70	49	36	42	31	33	27	27
Per cent difference	+81	+54	+41	+44	+40	+43	+38	+31
Statement:								
'Many of those unemployed do in reality not want to take a job'.								
Share that fully agrees						26	20	18
Per cent difference						+13	+5	+1

Sources: Danish election data, partly taken from Goul Andersen fortcoming).

The two available Danish indicators show the same pattern. The indicator 'many receive social transfers without needing them' is more general than the issue of unemployed and do to some extent invite to a political responds but we believe it partly 'taps' public perception of misuse among unemployed. The time series goes back to 1973 but if concentrate on the period from the first Danish labour market reform in 1994 to 2000 we see decrease in the share that fully agree from 33 per cent to 27 per cent.[2] Using the share that partly or fully agree in the posed statement minus the share partly or fully disagree - the so-called opinion balance - the development becomes a bit more clear as we see a decrease from +43 to +31.

For this limited period we also have another indicator - 'many of those unemployed do in reality not want to take a job' – that more specifically measure public perception of misuse among unemployed. In the period from 1994 to 2001 the share fully agree has decreased from 26 per cent to 18 per cent and the opinion balance was decreased from +13 to +1 even though the supply side discussion in the same period has been intense and the number of jobs have increased considerable (OECD standardised unemployment decreased from 9.6 in 1993 to 4.5 in 2002). The most obvious explanation is that the public responded positively or believed in the harsher policy pursued by the Social democratic lead government.[3]

The overall conclusion on the control issue is that a clear majority of the public is in favour of tighter control. Combined with the theory of deservingness criteria and the possible influence of elite supply side discourse this could be seen as unique political opportunity to pursue a real workfare policy even in Nordic countries and the policy development in Denmark since 1999 could actually point in such direction. On the other hand this section

has shown that the pursued policy in Denmark actually 'mitigated' public opinion. Furthermore, control policy can still be seen as a plus-sum game as the 'real' unemployed is believed not to be affected. The real acid test of public support for workfare policy is the readiness to reduce the benefit levels.

Public attitude to lower unemployment benefits and social assistance

As described in the introduction the level of unemployment benefits and social assistance was actually reduced in Sweden and Finland during the 1990s, whereas Norway and Denmark with some exceptions maintained the level in the 1990s. The question is how the Scandinavian public responded to such policies where it is difficult to argue that the unemployed will not be worse off.

From the International Social Survey Program we have a comparative indicator on public attitude towards reduced public spending on unemployment benefit. In the role of government module from 1996 respondents were asked whether they would like to see more, the same or less government spending on unemployment benefits (see table 4, unfortunately Finland is not covered by the survey[4]). Measured on the opinion balance – those who would like to spend more minus those who would like to spend less – the Scandinavians do not, at least at first sight, distinguish themselves as one group. Compared to the other countries the Swedes seem very much in favour of increased public spending – only surpassed by the Spanish that by comparative standards has an undeveloped social security system. The Swedish attitude is probably a response to the reduction of benefits levels from 90 to 80 per cent of previous earnings in 1993 and the further reduction to 75 per cent in 1996 - the same year the ISSP survey was conducted.

Table 4: Public attitude to government spending on unemployment benefits in selected countries covered by the ISSP 1996 role of government module. Denmark 1998 election data. Percentage (don't know excluded) and percentage difference (spend more minus spend less).

	More	The same	Less	PDI
Norway	20	61	19	+1
Sweden	43	42	15	+28
Denmark	12	68	20	-8
Spain	54	37	10	+44
Italy	49	30	21	+28
Great Britian	36	44	20	+16
Germany (west)	29	53	18	+11
USA	28	50	22	+6
France	21	46	33	-12
Canada	17	53	31	-14
Australia	12	48	40	-28
New Zealand	10	42	47	-37

Source: ISSP 1996: 'Please show whether you would like to see more or less government spending in each area' 'unemployment benefits'. Representative population samples N typically 1100.

Measured by the opinion balance the Norwegians and Danes do not seem especially keen on social protection. However, Norway and Denmark with respectively 61 and 68 per cent have the largest share in favour of maintaining government spending at the present level. Measured by the share that would like to reduce spending the Scandinavians are below average even though unemployment benefits still are rather generous and easy accessible by international standards. Thus, the figures on government spending on unemployment duplicate the general finding (e.g. measured on overall questions such as 'has welfare reforms gone too far') that Scandinavians during the lean 1990s changed preferences from welfare expansion to welfare maintenance (e.g. Goul Andersen et al. 1999, Forma 1999:53). So when it comes to reduction of unemployment benefits politicians actually face a remarkable conservative public opinion.[5]

Therefore Nordic politicians actually needed to establish blame avoidance mechanisms if unemployment level was to be lowered. Or in more positive terms politicians were forced to come up with rather good explanations if real retrenchment should take place. The most obvious, and partly also correct, explanation given by Nordic politicians have been that reduction was not a matter of politics but a matter of economic necessity. The sudden economic crises in Sweden and Finland made, as already mentioned, such an explanation credible and the pursued policy that reduced all social benefits made it clear that cuts in

unemployment benefits were not a shift towards a new 'market or incentive strategy' in labour market policy. In contrast a number of labour market specific changes that point in direction of a market strategy was implemented in Denmark e.g. reduction of unemployment period from around 9 years to 4 years, halving of benefits of unemployed below 25 without education and reduced benefits to refugees. One could argue that the persistent economic problems found in Denmark compared to the 'shocks' of the other Nordic countries could have paved for a less conservative electorate in Denmark.

However, measured on the question of less government spending on unemployment benefits in table 4 the Danish public do not differ from the other Nordic countries and time series based on the Danish election surveys actually show that public resistance to reduction in unemployment benefits as well as social assistance was stable through out the 1990s.[6] Nevertheless, these government-spending indicators are a rather indirect method to measure the public perception of a market strategy. Therefore the Danish 1994 election survey asked the public more directly about the expected effects and their attitude to different labour market strategies (see table 5). Unfortunately we are not able to establish time series on these indicators but we can compare the public perception of competing labour market strategies. Furthermore, 1994 is rather interesting year because unemployment at that time had increased since 1987 and culminated at a level of 9.6 in 1993 (OECD standardised) i.e. it seem to be the perfect time for explaining the Danes the necessity of a market strategy.

Table 5: Public attitude to different policies to reduce unemployment and perception of effectiveness in Denmark 1994. Percentage and percentage difference.

	The anticipated effect of proposal					Good or bad proposal			
	Large	limited	no	Don't know	PDI[1]	Good	Bad	Don't know	PDI[2]
'Market proposals':									
Lower unemployment benefit after 1 year	19	31	40	10	-21	24	64	12	-40
Reduced access for young to unemployment benefits	17	30	38	15	-21	23	59	18	-36
Lower wages for young in start period	29	32	28	11	+2	39	47	14	-8
Selected other proposals:									
Job sharing (dustman arrangement)	62	27	6	5	+56	83	10	7	+73
Citizen wage	39	22	27	12	+12	40	46	14	-6
Education and courses	30	33	29	8	+1	57	32	11	+25

[1]No effect minus large effect.

[2]Bad proposal minus good proposal

Source: Goul Andersen 1995:33

The general finding as reported by Goul Andersen (1995) is a clear discrepancy between the public opinion and the ideas among policy makers. The Danish public in 1994 was sceptic about the 'market proposals' and a clear majority was against them. 40 per cent answered that lowering of unemployment after 1 year – a proposal again and again put forward by the Danish Economic Council – would have no effect, 31 per cent answered limited effect and only 19 per cent believed in a large effect. If the share anticipating a large effect is subtracted from the share that anticipate no effect we arrive at an opinion balance at –21. The same is true for reduced access for young to unemployment benefits (-21) whereas lower wages for young in the first period of a job is anticipated to have a larger effect (+2). The survey also showed that the Danish public was clearly against such market proposals. Only 24 per cent and 23 per cent found respectively lowering of unemployment benefits after one year and reduced access for young to be a good idea.

According to public opinion the most effective proposal to reduce unemployment was job sharing – in Denmark labelled dustman arrangement. The proposed idea that was implemented among Danish dustman in one of the larger cities was that three persons reduced their working hours (and their wage) in order to hire a fourth dustman. 62 per cent of the public anticipated this job sharing mechanism to have a large effect whereas only 5 per cent expected no effect. At the same time a huge majority, 83 per cent, was in favour of such a proposal. The respondents were also rather optimistic about the effect (+12) from a citizen wage, i.e. an universal flat rate benefit that would allow people to opt out of the labour market whenever they wanted, even though the public did not like the proposal so much (-6, but still above the 'market proposals').

The results are remarkable as these job share strategies among policy makers both on the left and right side were believed not to reduce unemployment at all or in the long run even to increase unemployment. I.e. the new supply side understanding of unemployment among policy makers did actually not seem to influence the public opinion. The alternative 'increase qualification strategy' instead of lowering wages was more acceptable (PDI +25 on the proposal of education and courses) to the public but the believe in positive effects was not overwhelming; 29 per cent expected no effect, 33 per cent expected limited effect and 30 per cent expected large effect.

The overall conclusion is that not even in Denmark did the public adopt the idea of a trade-off between employment and equality that could legitimise reduction of unemployment benefits and social assistance. Thus, we do not know how the public would react if politicians and other policy makers managed to 'explain' such a trade-off to the public. As a small experiment we tried to confront respondents in the surveys conducted in Finland and Denmark in 1999 with such a trade-off. It is far from straightforward to find a good

question but we asked the respondents to use a scale from 0, meaning one primarily should emphasise to get everybody into work, to 10, meaning that one primarily should emphasise to secure the economic well being of unemployed (see table 6).[7]

Table 6: Public attitudes in the trade-off between an 'active' and 'passive' labour market policy on a. Percentage and average on scale from 0 to 10. Respectively 'get all unemployed in jobs' and 'secure economic well being for all unemployed'.

	0	1	2	3	4	5	6	7	8	9	10	Average	N
Denmark													
Population (18-66 years)	8	2	7	9	9	30	6	11	10	2	6	5.0	4045
Employed	8	2	6	9	8	31	7	11	11	2	7	5.1	1405
Long term unemployed	7	1	4	5	4	31	5	8	15	3	17	6.0	460
Non insured	7	0	7	4	1	32	4	4	14	3	24	6.2	72
Finland													
Population (18-66 years)	18	14	15	12	8	12	5	4	6	3	6	3.4	1673
Employed	21	14	16	12	8	11	4	3	5	2	4	3.1	1069
Long term unemployed	10	8	7	9	3	19	7	7	10	5	14	5.2	815
Non insured	10	11	10	10	3	17	7	6	8	5	13	4.8	286

The logic of the question is to weight the aim of 'passive policy' i.e. secure economic well being against the aim of 'active policy' to get all unemployment into jobs under the assumption of a trade-off and the other way around.[8] Again we have no time series but we can compare the two countries and attitudes among different groups. In the Danish population 30 per cent place themselves in category 5 on the scale, which could be interpreted as equal importance should be given to the two goals. This could also be the interpretation of the overall situation in Denmark as the average of the given answers is 5.0. With an average of 3.4 the Finish population to a larger extent than the Danish population emphasise the aim of getting everybody into jobs. The 18 per cent Finns that place themselves in category zero could be seen as those who in a given situation are willing to sacrifice economic well being for job growth. This interpretation is supported by the fact that both in Denmark and Finland we find a clear left-right wing divide on this question.

The unemployed themselves seem less in favour of sacrificing economic well being for jobs than employed. The averages are respectively 6.0 among Danish long-term

unemployed compared to 5.1 among employed and 5.2 among Finish unemployed compared to 3.1 among unemployed. This fit nicely with the finding that according to the Nordic unemployed themselves economic insecurity is seen as the largest social problem connected to unemployment and economic insecurity is the best predictor of general well being (e.g. Goul Andersen, 2002a, Nordenmark & Strandh, 1999).

Conclusion

With point of departure in the literature on 'the new politics of the welfare state' the aim of this article was to open the 'black box' of public attitudes in relation to the intensified 'active' labour market policy pursued in the Nordic countries during the 1990s. As the Nordic public in general is in favour of the welfare state one could predict a straightforward 'new politics conflict' i.e. at the one side the policy elite taking 'necessary' decisions and at the other side the reluctant voters. The counter thesis was that the public would be in favour of harsher policy because: 1) It is well known that the positive attitude towards the welfare state is not automatically transferred into support for specific welfare state schemes. Especially not support for unemployment benefits and social assistance. 2) One could suggest that the 'new' supply side explanations that especially gained influence among Danish policy makers could reinforce the public perception of unemployed as not deserving. 3) Policy makers have again and again emphasised that the increased use of 'stick' is followed by new 'carrots, which in combination turn into a plus-sum game.

When it comes to activation the political scene is definitely more set for credit claming than blame avoidance. Even though the public (rightly) has been sceptical about the employment effect of these policy measures the Danish and Finish surveys showed that that the general public but also the unemployed themselves perceive these initiatives as an advantage. In more general terms the Nordic public seems to accept the idea of intensified 'active' policy as a plus-sum game. To some extent the same hold for increased control. In Denmark and Finland only a small minority of both employed and unemployed indicated that control should be loosened but the unemployed were much less in favour of tighter control than the general population.

However, this political potential for 'credit-claming' cannot be seen as a road to a real workfare strategy. In the case of tighter control we found a clear country difference between Finland and Denmark, which we explain as a feedback from harsher Danish policy that mitigates public opinion. This interpretation was substantiated by time series that showed that the perception of misuse with unemployment benefits during the 1990s was reduced in Denmark. This limited potential for 'credit claming' becomes crystal clear

when we turn the question of lowering benefits. On this issue the Scandinavian public distinguished themselves as the most conservative among western countries.

Not even in Denmark where unemployment had been high and persistent was the public open to a 'market strategy'. On the contrary, additional questions in the Danish 1994 election survey showed that the public found job sharing arrangements both more effective and desirable. Thus, the Danish public had not even adopted the idea that there is a trade-off between equality and employment. If the public is confronted with such a trade-off the surveys conducted in Denmark and Finland shows a possible future divide between the population and the unemployed, the former being more willing to sacrifice economic well being for jobs, but such a forecast is highly speculative. At the moment the Nordic economies show good performance and the lesson from the lean 1990s seem to be that even in hard times the Nordic public avoid blaming the unemployed and stick to solidarity.

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Notes

[1] For a presentation of the data and the subsamples please see http://www.socsci.auc.dk/ccws/projects/BChangingLabourMarkets/b2.htm. In order to obtain the larger picture we supplement with other data sources.

[2] Compared to 1973, where 70 per cent 'fully agreed' in the statement, the reduction in public perception of misuse seems tremendously strong but in Danish political history 1973 must be perceived as a deviant year.

[3] The same development is found in Sweden (Svallfors 1999) but in this case changed public opinion of misuse has probably more to do with worsened labour market situation than pursued policy.

[4] But we know from national Finish surveys that that opinion balance has been in favour of increasing public spending on unemployment benefits expect in 1995 (Forma 1999: 51).

[5] So do politicians in Spain, Italy, Great Britain, Germany and apparently even USA according to the ISSP 1996. By contrast the public of New Zealand and Australia seem much more in favour of reduction. Such differences might partly be explained by the institutional set up of the unemployment benefits systems as means testing, which is extreme in Australia and New Zealand as they do not have an insurance based scheme at all, is believed to create a more negative image of unemployed (e.g. Rothstein 1998:157).

[6] Percentage differences (spend more minus spend less) were respectively for unemployment benefits and social assistance 1990: +2/-11, 1994: 0/-11, 1998: -7/-19, 2000: +5/-8 and 2001 –1/-13. In contrast to a survey from 1985 that showed a clear majority in favour of spending more. Probably – like in Sweden in the ISSP 1996 survey – a public response to the general reduction that in Denmark was undertaken by the bourgeois in 1982.

[7] The wording was a bit different in Denmark and Finland. The former had longer introduction. Danes were asked 'Even though both can be important it is still a question what to emphasise in policy towards unemployed. If you imagine a scale from 0 to 10 where 0 means that one primarily should emphasise to get everybody into work whereas 10 means that one primarily should emphasise to secure the economic well being of unemployed where would you place yourselves?'. Fines were asked more directly; 'In a scale 0 to 10 what do you think should be the most important aim of labour market policy, ensuring jobs for all unemployed or securing economic well being for unemployed'.

[8] High economic security will diminish the possibility to get unemployed into the labour market due to low economic incentives and high labour costs that grow out low wage jobs (for a critic on the Danish and Finish case see Goul Andersen & Albrekt Larsen forthcoming).