

SEVENTH FRAMEWORK PROGRAMME
THEME SSH-2007-3.2.1
Youth and social exclusion

YOUNEX
www.younex.ch

Starting date of the project: 1 May 2008

Overall duration of the project: 40 months

EXECUTIVE SUMMARY REPORT

Workpackage n°6

Name: Policy and practical implications

Deliverable n°16

Name: Executive summary report

Due date: 31st August 2011

Submission date: 30th July

Dissemination level: PU

Organisation name of lead contractor for this deliverable: UNIGE

The research leading to these results has received funding from the European Community's Seventh Framework Programme (FP7/2007-2013) under grant agreement n°216122.



The YOUNEX Project at a Glance

Younex aims at providing new knowledge on the causes, processes, and perspectives for change related to social and political exclusion of unemployed youth. It will provide an integrated approach to the study of unemployment effects on youth exclusion from social and political spheres.

The research has three main objectives:

- To generate a new body of data on the personal life of young unemployed and precarious youth by focusing on: their perception of their situation; their life projects; their identity development; the intensity and quality of their social relations; their political participation; and their attitudes toward political institutions and society at large.
- To advance theory and extend knowledge on social and political exclusion of young unemployed and precarious youth.
- To provide practical insights into the potential paths for social and political integration of young unemployed and precarious youth. These findings could be used both by public authorities and non-state welfare organizations to improve youth inclusion in social and political life.

The overall design of the research has three main components:

- A multidimensional theoretical framework that integrates different explanatory factors (public policies and institutions, organized civil society, and the situation of individual unemployment) while taking into account various dimensions of exclusion (political exclusion, social exclusion, and individual well-being).
- A cross-national comparative design that includes six European cities in countries with different institutional approaches to unemployment: Geneva (Switzerland), Cologne (Germany), Turin (Italy), Lyon (France), Karlstad (Sweden), Kielce (Poland).
- An integrated methodological approach based on multiple sources and methods: an analysis of state policies and practices towards unemployment, a survey of organizations active in the field, a survey on representative samples of young long-term unemployed and precarious youth, a series of in-depth interviews with young long-term unemployed, an analysis of EU policies and practices towards unemployment, and focus groups with stakeholders.

The workplan has six workpackages:

- Institutional analysis. Gathering information on state policies and practices towards unemployment and precariousness.
- Organizational survey. Gathering information on activities and networks of organizations dealing with unemployment and precariousness.
- Individual survey. Gathering information on young unemployed and precarious youth about their situation, their attitudes, and their behavior.
- In-depth qualitative analysis. Providing a more detailed account of the social and political exclusion of young unemployed and precarious youth based on a qualitative analysis of their individual trajectories.
- EU-level analysis. Studying the goals, strategies and problems of EU policies and practices on youth unemployment and precariousness.
- Policy and practical implications. Spelling out the policy and practical implications of our research, including running three focus groups.

Summary of Policy Relevant Results

Local and National Level

Unemployment and precariousness are not only a matter of unemployment benefits and social aid, but labor market regulations, civil society organizations, education, child care and other issues are part of the solution (or the problem) as well. Civil society organizations effectively deal with problems in this field and should be involved in the design and implementation of related policies.

Broader perspective needed

Unemployment benefits and social aid are certainly important when dealing with unemployment and precariousness, but they are only part of a larger picture, which also includes labor market regulations, wages, assistance from civil society organizations, and other issues such as education and child care. It is the combination of these elements which is crucial for the social and political inclusion of youth.

Some of these combinations are more effective than others. For instance, in Geneva a flexible labor market regulation is combined with an inclusive unemployment scheme. This means that young adults can be dismissed quite easily, but they are not left without financial resources. In contrast, the Italian model studied in Turin leads to the exclusion of youth, as they are not able to access a protected labor market with rigid regulations and they do not have access to unemployment benefits, leading to a long-lasting process of dependence from the family and higher risks of social and political exclusion.

Divergent conditions across Europe

Political opportunities for precarious and unemployed youth vary greatly, depending on the country they live in.

The differences relate to five dimensions:

- Unemployment regulations: access to unemployment schemes, extension of unemployment benefits and level of coverage, and public and private institutions working with unemployed.
- Labor market regulations: dismissal procedures and the development of temporary and flexible employment patterns.
- General political opportunity structure: access to government and institutions for both individual citizens and civil society organizations.
- Unemployment-specific opportunities: access of civil society organizations to public institutions dealing with unemployment at the local level.
- Opportunities in related issue-fields: education, child care, discrimination and others.

Unemployment regulations are highly inclusive in France and Sweden, highly exclusive in Poland and Italy (with Switzerland and Germany providing an intermediate situation).

Labor market regulations are flexible in Switzerland and Sweden, rigid in Italy (with Poland, Germany and France providing an intermediate situation).

The general political opportunity structure is highly open in Switzerland, highly closed in France, Sweden and Poland (with Italy and Germany providing an intermediate situation).

Unemployment-specific opportunities are numerous in Switzerland and Germany, scarce in Italy (with France, Sweden and Poland providing an intermediate situation).

Finally, opportunities in related issue-fields are numerous in Sweden, France and Germany on the one hand, scarce in Switzerland, Italy and Poland on the other hand.

Exploit civil societies' expertise

We found that civil society organizations are important actors in the field of unemployment and precariousness: they are essential partners for policy change in the field of unemployment and precariousness, they complement or substitute provisions of the state, and they have extensive knowledge about unemployment and precariousness.

Therefore, civil society organizations should be included not only in the implementation of policies, but they should already be involved in their design. They have field knowledge and expertise that are important for the creation of effective policies. The inclusion of civil society organizations in the policy-creation process should be implemented at local, national, and European levels.

Think globally, act locally

Furthermore, a multi-level governance should be developed that includes not only regions, but also municipalities. The principle of subsidiarity should be implemented once the best level of collaboration or delegation is identified.

Problems stemming from unemployment and precariousness are often best solved at the local level. However, a closer collaboration between actors at the local, national, and European levels could yield a more effective approach to unemployment and precariousness of youth and improve the responses to their social and political exclusion.

How civil society organizations work

The organizational survey has shown that civil society organizations support the integration of young unemployed and precarious workers in two ways: by fostering individuals' engagement and political or public awareness on specific issues like unemployment; and/or by delivering services related to welfare provisions.

We found that civil society organizations are important vehicles of people integration in case of unemployment and precariousness, because they fill different gaps. They provide services that a poorly developed or scarcely funded welfare state does not or cannot provide or, conversely, they are almost a component of the public welfare state.

Civil society organizations interact with local governmental levels to stimulate policy solutions via project proposals. Even where access to policy-making for civil society actors is restrained, their capacity to be active in liaison with local powers make them essential partners for policy change.

When one considers the organizations' perceptions about the motivations according to which people join them, one sees that civil society organizations offer also concrete opportunities for people engagement. By doing so, they increase people's awareness about their position and role, but they also foster face-to-face interaction yielding social capital.

Civil society organizations work for better social cohesion, and their work is influenced by their political and institutional embedding, by the local political and cultural tradition, by the type of relations they establish with their institutional counterparts or among themselves.

European Level

How can European institutions set an agenda and formulate and adopt innovative policies which could help member states better address common societal challenges? This question has been raised with the evolution of a European layer of employment policies, especially via the Open Method of Coordination (OMC) launched at the end of the 1990s. One of the most striking problems among these common challenges has been the overall diffusion of high youth unemployment rates throughout Europe since the early eighties.

Considerable progress has been made in identifying youth unemployment as an important policy target

One decade ago, youth unemployment was not on the agenda of EU institutions. This changed in 2005, when first initiatives concerning youth unemployment were issued, like the European Youth Pact. And in reaction to the economic crisis in 2008 and the subsequent increase in youth unemployment rates, the European Commission, Parliament and Council of Ministers have committed to tackle this problem. During the review of the Lisbon Strategy and the follow-up EU 2020 Strategy, policy initiatives related to youth have been fully incorporated into the European strategies for employment, the Social Inclusion Strategy, and the Education and Training 2010 work programme.

EU initiatives have developed a proactive approach regarding the transition from education to work, yet, they need to be developed in relation to job and social security

The Lisbon 2020's initiatives on youth and employment (i.e., Youth on the Move and New Skills for New Jobs) are committed to facilitate the transition from education to work by improving qualifications and skills, and accelerating the access to the labour market. They promote a more proactive approach by identifying tangible recommendations (e.g., the youth guarantee). However, what these initiatives address only superficially are the problems of precarious jobs, segmented labour markets, and limited entitlement and coverage by social security systems. Consequently, these initiatives need to be developed in order to generate a more balanced and comprehensive policy strategy.

Several processes of European policy coordination have been launched, yet, they do not address employment and youth in an integrated manner

The Open Method of Coordination (OMC) has been firmly established as a means of policy coordination and development in the field of employment, youth and social inclusion. However, the youth OMC does not focus explicitly on employment, while the employment OMC has no specific policies related to youth. What is needed is an integrated European policy approach that addresses both unemployment and youth in a coordinated way, without neglecting job and social security.

European policy coordination is well accepted, yet, its effectiveness needs to be improved

Policy actors agree that EU policies in the field of youth unemployment have little impact at the national level, because they are badly implemented by national governments. This is due to the fact that the EU lacks authority in this policy field, thus relying on voluntary processes of policy coordination amongst member states. As long as authority is not shifted to the EU level, the OMC needs to be applied more consistently and rigorously. In fact, while policy actors laud the OMC's strengths in the area of information exchange and agenda-setting, peer learning is not exploited thoroughly as a means of policy improvement and coordination. National governments do not examine each other's policies and practices in depth, and few incentives or sanctions are in place to increase learning. A more rigorous and critical process of monitoring, learning and mutual surveillance should be developed.

Conflicts of interest hinder the formulation and implementation of a comprehensive European policy on youth unemployment

Progress has been made in identifying youth unemployment as an important policy issue, and in defining overarching objectives and policy areas. However, conflicts of interest obstruct the development of a strategy on youth unemployment with a tangible course of action. These conflicts are apparent between member states and are due to the differences between their educational systems, labour markets, social security programs and financial capabilities. But also the social partners (the employers and trade unions), welfare

associations and social advocacy groups disagree about the necessity to develop youth-specific unemployment policies. More incentives and deliberations should be advanced in order to overcome this situation.

Civil society organizations are part of issue-specific consultations and deliberations, yet, they need to be involved in a more generalized and structured manner

Civil society organizations (CSOs) play a crucial role in representing and servicing young and disadvantaged people. Moreover, they have valuable knowledge about the social reality at the local level. European CSOs are consulted by EU institutions in many areas of policy-making, and are formally included in the “structured dialogue” on youth since 2007. However, their involvement in the field of unemployment policies and measures is rather limited. CSOs should be included more proactively in this issue field in order to tap on their knowledge, experiences and contacts, and exploit the potentials of policy learning within the OMC more intensely. Moreover, a structured “civil dialogue” across policy areas should be established in order to promote cross-sectoral policy deliberations.

Policy Recommendations

Local and National Level

Unemployment and precariousness should be dealt with at all levels (international, national, regional), including all relevant stakeholders (policy-makers, practitioners, unemployed) and taking into account all related issues (unemployment benefits, social aid, labor market regulations, child care, education etc.).

National and local governments have very different ways to deal with youth unemployment and precariousness. In particular, they have very diverging unemployment and labor market regulations. While this is in part unavoidable given the peculiarities of each specific national and local context, it also points to the difficulty to harmonize policies across Europe and to move towards a European-level approach to youth unemployment and precariousness.

All the actors involved can and need to contribute to improve the situation of young unemployed and precarious youth: policy-makers, civil society actors, and unemployed and precarious youth themselves.

Civil society organizations can contribute to reduce the social and political exclusion of young unemployed and precarious youth in various ways. As our findings show, this can take basically two paths: fostering individuals’ engagement and political or public awareness on specific issues like unemployment; and/or by delivering services related to welfare provisions.

Better collaboration between policy-makers and civil society actors is required in order to improve the situation of young unemployed and precarious youth (particularly that of long-term unemployed youth). Policy-makers have the power to enact policies, while civil society actors have the practical knowledge of the field.

State policies provide important institutional opportunities for the social and political inclusion of young unemployed. In particular, they can offer channels for social and political participation to youngsters who feel alien to the political system and the society at large. This includes measures and provisions improving the organization of the unemployed.

Young unemployed and precarious youth themselves can become important actors on their own rather than simply being an object of state policies and interventions by civil society actors. They can do so in a variety of ways, including by participating more actively in politics.

European Level

On the whole, policies regarding youth unemployment have been in process since 2005 and are still in progress. Member states are developing a series of measures, and the EU institutions have committed themselves to advance and coordinate these reforms by developing youth-related objectives, guidelines and recommendations (e.g., Youth Pact 2005, Youth strategy 2009, the flagship Youth on the Move 2010). However, our analysis identifies several issues that require improvement.

Integrate the various coordination processes regarding youth unemployment

So far, the European Employment Strategy (EES) is a policy strategy oriented to combat the general problem of unemployment.

There are good reasons to have a policy operate on such a general level. For example, proponents of the current EES warn against including too many specific target groups, indicators, and measures, complaining that the EES has grown incrementally too much. In this regard, a lot seems to speak for a lean, clear and manageable strategy.

However, those interested in the situation of young people, amongst them young unemployed, criticize that there is no specific strategy on youth that considers the particularly high rates of exclusion and the specific problems of this group. They criticize that there is just a number of (disjoint) measures in various neighboring policy fields. Additionally, the EES and the most recent flagships (Youth on the Move, and New Skills for New Jobs) privilege some areas of action (i.e., education), while putting less emphasis on others (e.g., social security, stable contracts, wages etc.).

Both positions are plausible. Moreover, there is a trade-off between the parsimoniousness and consistency of a general employment strategy, and the specificity and effectiveness of policies targeting young unemployed. A way out of this dilemma could be to put more effort into the identification and coordination of target-specific policy initiatives within the EES. If youth unemployment is to be taken seriously, there needs to be at least a more coherent review and coordination process that ensures that the various priorities and measures (education, entrepreneurship, social inclusion, and anti-poverty) are integrated into a consistent policy-approach.

Hence, what is needed is an integration of the various coordination processes (e.g., employment, social inclusion, youth) relevant to youth unemployment. This would help to prevent the biased approach followed so far, which privileges the idea of education as the primary road to salvation for youth, migrants, older workers of women. The problem of youth unemployment is multidimensional, which calls for a youth-specific strategy with a cross-sectoral approach of problem-solving. The alternative, a “One Size Fits All” strategy, will fail.

Increase peer-learning in the Open Method of Coordination

Our report has demonstrated that the OMC is generally appreciated by member states and has many advantages. However, weaknesses remain, which are mainly related to the voluntary nature of this process. These shortcomings have been well documented by scientific research and public debates, and were replicated by our interviews. But what can be done?

On the one hand, we might want to hope that the discussion about more European “economic governance” will enlarge the competencies of the EU also in the field of employment.

On the other hand, it might be necessary to think about improving the OMC and its peer learning exercise. This seems advisable. Our interviews have illustrated that there is a lot of monitoring and bench-marking going on, also in regard to youth unemployment, and participants evaluate positively the flexibility and openness of the process. But paradoxically little learning is happening. In particular, national governments prioritize the “selling” of

existing policies and measures, while the knowledge about other countries' practices is very limited, if not inexistent. If learning is happening, it seems to happen rather on the level of practitioners, who are less under the pressure of "selling" national policies and more interested in improving implementation.

Moreover, learning is too much oriented towards identifying good practices, discouraging countries to speak about problems, shortcomings and imperfections.

Finally, countries with a good standing in regard to policy performance (e.g., those with low unemployment rates) tend to lean back in peer learning, preventing a critical evaluation of their policies' effectiveness. The unemployed in these countries do not seem to benefit from the OMC.

We thus recommend to fully exploit the potentials of peer learning within the OMC. This can be done in different ways. First, it can mean to increase the peer-learning exercise on the level of practitioners and less the one between government representatives. The proposal within the EU flagship Youth on the Move to include experts from public employment services is a first step into this direction. Second, a more proactive practice of "naming and shaming" based on a more critical and rigorous analysis of member states' political policies and measures is needed. And finally, we advise to integrate civil society organizations more actively into these exercises, because they are closer to the vulnerable groups at stake. Moreover, they are able to raise new views, insights and pieces of information. Finally, they allow putting into practice a more critical review of national policies.

Involve civil society organizations

In general terms, there is a broad consensus within the European Union that civil society organizations (CSO) play a crucial role in regard to political advocacy and social services, and must be involved in consultations and policy deliberations. However, there is disagreement about the extent of their involvement. Our field-work has illustrated that CSOs are integrated in some policy fields (e.g., the OMC on Social Inclusion, the structured dialogue on youth), but not in others. In particular, they are not part of employment related consultations within and around the European Employment Committee. EU institutions do not intend to better involve CSOs at the EU level in a generalized and structured way. A recurrently named reason for this is that the social partners are already institutionally integrated. Any other involvement would make consultations inefficient. However, the advantages of a stronger involvement over-compensate this technical and organizational disadvantage. On the one hand, we have argued that CSOs have important resources to contribute, thus helping to improve the knowledge base of peer learning and the quality of policies considerably. On the other hand, a stronger involvement would help to reduce the existing gap between the EU and the local civil society, where the EU is a marginal reference point for CSOs.