Social Construction of Policy Repertoire

The Political Economy of OECD’s Activation and ALMPs in the Past Three Decades

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A. The Development of the Activation Policy and ALMPs
(Reflection of major principles at the OECD Employment Outlook Series)
- Labour Market Literature; The Welfare State.

B. The Development of the Epistemic Communities in a Global Context
1. How was Activation Policy socially constructed?

- Rational Choice Theories (employment, unemployment, income-support)
- Socially Construction of Policy Repertoire:
  - Inner bureaucratic conflicts and epistemic (professional) communities
  - Geopolitical landscape
“Current strong employment growth provides both the opportunity and a particular need to reactivate the long-term unemployed.”
Activation and Countries
Ranking among OECD Countries
(Number of Quotations in Relevant Paragraphs)

Denmark, 8
Ireland, 3
Korea, 2
Sweden, 1
United States, 3

Rank #1
Rank #2
Global Diffusion/Translation of Policy Paradigms

Global level
- US
- Sweden
- UK

Local level
- OECD
- France, UK, Germany, Canada, etc.

Direct pressures:
Pressures to adopt certain policy paradigm

Indirect pressures:
Narrows and frames (Goffman) the menu from which countries can choose to adopt

OECD Peer Review

Sifting-out and framing
Generating Global Discourse Through the Prisms of the OECD

- Global level analysis: the role of IOs

Do International Organizations are detached from the local sphere?

- Sifting-out and selection process of alternatives

"selectively punctuate and encode objects, situations, events, experiences and sequences of actions" (Snow & Benford, 1992:137)

- A Global ‘super’ policy paradigm?
  - Discourse, terminology, social problem, set of alternatives
  - Path Dependency and Policy Sequences
Activation Policy Revisited

Conditionality Level

How strong is the linkage?

Human Capital Development

What countries want to achieve?

Train-first & Long Term oriented approach

Workfirst & Short-term oriented approach

Loose Coupling

Strong Conditionality

More About the Typology

Multiple Typologies and Numerous Researches


Holzer (2004, 2009)

Pascual (2004, 2007)

Bonoli (2010)

Kildal (2001)

Peck and Theodore (2000)

Classen & Clegg (2006)

Lerman & Watson 1998

Van Berkel & Borghi (2008)

Eichhorst & Konle-Seidle (2008)

Lodemel and Trickey (2001)

Verschraegen & Vanhercke (2011)

Geldof (1999)

Ochel (2005)

Weishaupt (2011)

Graziano (2012)

Pascual & Magnusson (2007)

Zohar & Frenkel (2011)

And many more….
OECD Employment Outlook Series

Number of Chapters by Main Subjects*

* Some chapters have 2 main subjects

Total

Labour force - Basic
Skills, Occupations, and Training
Compansation Programmes
Financial Incentives to Work
Wage & Salaries
EPL (Flexicurity and Leave Practices)
Enterprises and Workplaces
Sectores
Periodical
Institutional Landscape (PES, etc)
Collective Bargaining and Policies
Working Hours and Part-Time Work
Self-Employment and Entrepreneurship
Individual and ALMP, 5
Activation and ALMP, etc
Household
Informal Employment
Other Fields (Capital, Trade, etc)
Reciprocity of Labour Market
Economic and Other Fields
Temporary Employment
Poverty
Other Supporting Services

Employment Analysis and Perspectives
Activation Policy Regimes (main principles)

Activation Policy Revisited - OECD Activation Policy Regimes: Conditionality Level & Human Capital Development

~ Social Democratic

~ Neo-Liberal

~ Inclusive
Chronicle Development of the OECD Activation Policy
Chronicle Development of Activation’s principles: Conditionality and HCD 1960-2008

Human Capital Development Approach
Conditionality

5th Order Polynomial Trendline

Conditionality Level
Human Capital Development Approaches
The OECD: Innovator or Early Adopter?

Chronicle Development of Activation’s principles: Conditionality and HCD 1960-2008

The Ministerial Meeting: the mandate to develop an independent study

Rogers - Diffusion of innovations (1995)

Innovators: 2.5%
Early adopters: 13.5%
Early majority: 34%
Late majority: 34%
Laggards: 16%
Unemployment Rate (OECD Average 15-65) and the Development of Activation Policy Recommendations

5th Order Polynomial Trendline

Human Capital Development Approach

Conditionality
Chronicle Development of Activation’s principles: Employment Rate

(OECD Average 1987-2008)
Chronicle Development of Activation’s principles:

Out-of-Work Income Maintenance and Support

(Expenditures as a % of GDP)
Social Construction of Policy Alternatives

- Professional Decision making (Rational Choice Theories)
- Social Constructivists Theories

- Inner bureaucratic conflicts: Triangular (ELS-ECO-Secretariat) and the role of Institutional Entrepreneurs
- Geopolitical landscape: OECD’s autonomy from its member countries; status of countries among members and non-members (incl. super-power struggle)
The OECD as an Organizational Reflection of the locals institutional landscape

ELS as part of the A-Grades (%)
Conversion of policies?
More variations within narrow domains

Activation Policy Revisited - OECD Activation Policy Regimes:
Conditionality Level & Human Capital Development

- Neo-Liberal
- Inclusive
- Social Democratic

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Final notes

- The paradigm shift begun during the 1980s
  - From encouraging early retirement to foster Activation
  - From a ‘naïve’ to a more mature Activation (Martin 2014)
  - A renew “Full Employment Policy”?

- The future of ‘Labour’?
  - Employment, Skills, Local, Entrepreneurship, Health

- The role of the employment outlook – and the OECD Annual Reports

- Organizational questions – Tackling built-in biases

- The next part of the research: Finding the model can explain the process.
THANK YOU!

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Global Fashion with local Policy Paradigms

1. Structures vis-à-vis Agents
   1. American Fountainhead (practice and discourse)
   2. Followers and Antagonists (Autonomous role)

Now the Wisconsin Plan is being adopted all around the world… we are the first one to adopt it outside of the US”.