Index

abbreviations
Dutch 251
German 214–15
ABM programmes 78–9, 94, 110
activation, through co-operation 219–51
active labour market policies (ALMPs) 1–6
agenda for research and policy 304–8
AIA
models 19–45
France 49–74
Germany, LTU 77–110
Netherlands 115–36
Spain 137–59
conclusions 293–9
implementation see implementation
social exclusion 6–8
Sweden, objectives 262
transitional labour markets 8–13
adverse selection 170
agency relationships 169–70
aggregate impact analyses (AIA) 5
models 19–37
modelling implementation 37–40
empirical results 40–44
France 49–74
Germany, LTU 77–110
Netherlands 115–36
Spain 137–59
conclusions 293–9
aggregation approach 26–8, 32
AIA see aggregate impact analyses
ALMPs see active labour market policies
AMV see Labour Market Policy
Activities Ordinance
apprenticeship contracts 142
basic co-operation 232, 233–6
Belgium, poverty 7
beneficiaries, Netherlands 115
Beveridge curve 22–3, 34, 38, 60
bipartite boards (uvis) 220
blue-collar workers, Germany 88, 92–3, 98
BOR district 199–200
co-operation, PES and municipalities 208, 209, 210–11
implementation, ALMP 206
PES director 202
regional employment response 200
role of PES 202
targeting 204
budgeting process, PES, Germany 180–81
Calmfors’ criticism 60, 61
career flexibility 11–12
centres for work and income (CWIs) 221, 222, 241
colocation, co-operation through 233, 238–9
cooperation
adverse effects 265–7
between two or more parties 264–5
thoughts on 223–5
transitional labour markets 219
see also local level co-operation;
network-based co-operation
co-operation structures
measuring and scaling 243–4
performance comparison 244–7, 248, 249
co-operatives, employment promotion 144
coopordination failure 37–8
collective action problem 172–4
conflicts
local and national interests 269
network-based co-operation 210–11
contracting out 168–70
contracts
  with economic incentives 141–2
  without economic incentives 142–3
  cosmetic versus productive effects, AIA 60–61
county labour boards 259, 260
coverage indicator 244
  Cox proportional hazard model 279, 280–83
creaming 170
decentralization
  ALMPs, France and Sweden 55–6
  management by objectives 167–8
  Netherlands 119, 221–2
  PES, Germany 181–2
demand conditions, LTU 87–91
  Denmark, ALMPs 13
deregulation
  new dynamic ALMPs 270–71
  placement services 119
direct effects, ALMPs 20
directives
  management by 267–70
  need for 270–72
disabled
  labour market integration, Spain 144
  unemployment, Netherlands 115
disadvantaged persons, reintegration 4, 5
disequilibrium, labour market, analyses 24–37
displacement, of employment 12, 20
double fixed effect model 67–70
duration
  performance indicator 244
  unemployment, France and Sweden 56–8
vacancies and unemployment 25, 30
  dynamic unemployment 8
economic cycle, employment 156–7
economic turbulence 9, 13
economies of scale 211
economies of scope 211–12
effectiveness, ALMPs 297, 298
effectiveness indicator 244–7
efficiency
  ALMP implementation 38–40
  labour market 23, 24, 116–17
empirical results, aggregate models 40–44
empirical studies, aggregate data 25
employability 4
employers, ALMPs 55
employment
  ALMP effects 20
  displacement of 12, 20
  economic cycle 156–7
  patterns 8–9, 11
  socially useful 143
see also
  local employment; self-employment; total employment;
  unemployment
employment equation 28–30, 34
employment offices, Sweden 260
employment promotion
  France 54
  Spain 138–40, 141, 151–6
Employment Services Act (1991) 119
endogeneity problem 32, 126, 145, 297
entitlements 11
entrepreneurial initiatives, Spain 140, 143–4
equal opportunity 4, 10
equity, labour market 117
estimation problems, AIA 32–3
EU Observatory on National Policies to Combat Social Exclusion 7
Europe, policy discourse, exclusion 7
European Commission 19
European Social Fund 164
expenditures, ALMPs
  European countries 2, 3
  France and Sweden 50–54
  Netherlands 120–24, 130
  Spain 139, 140, 145
  Sweden 262–3
experimental municipalities
  and comparison municipalities 279–86
  intensified local co-operation 274–6
federal aid programme 79–80
federal employment office (FEO) 77, 78, 79
financial data 120–22
fixed effect models 32, 67–70, 83–6
fixed-term employment promotion
  contracts 142–3
Index

flow model
approach 28–32, 45, 73
programme participation and unemployment 134–6
FORCEM 140
France
AIA
model 59–62
data and estimated equation 62–8
results 68–73
conclusions 73–4
main features 295–6
ALMPs 49, 50–58
poverty 7
social exclusion 6, 56–8
unemployment 2
friction, in labour market 26–8, 32
frontier approach 39
gaming 170
Germany
AIA
level, structure and dynamic of unemployment 83–99
unemployment outflows 99–109
conclusions 109–10
main features 295–6
ALMPs 78–83
delivery system 182–5
implementation case studies 199–212
regional profiles 185–98
bureaucratic administration 180–82
poverty 7
unemployment 2, 9, 10
government agencies, co-operation 264–5
Greece, poverty 7
guaranteed youth employment act (GYEA) 226–7, 228, 229, 230
co-operation
failure 234
in implementation 231
in a joint venture 240
performance 245, 246, 247
through co-location 238
through joint staff 236
see also Youth Work Guarantee Act
hidden unemployment 24, 115
hiring functions 29–31, 45, 124
hirings
AIA, Netherlands 115–36
matching technology and ALMPs 59–60
human resources, co-operation through 236–7, 243
impact analysis, programme-oriented 163–5
implementation, ALMPs
France, institutional arrangements 54–6
Germany
decentralization and co-operation 178–215
long-term unemployment 94, 98, 104, 110
modelling 37–40
Netherlands 122, 219–51
process evaluation 163–5, 299–303
Sweden
institutional arrangements 54–6
local level co-operation 256–89
trends in 166–75
impulse response functions 35–6, 37
incentives, for co-operation, Germany 207–10
income arrangements 11
income maintenance policies 137
indirect effects, ALMPs 20, 21, 33–4
INEM 140, 143
informal contacts 242
information exchange, co-operation 243
information function, ALMPs 4
insecurity, in labour markets 10
institutional arrangements
France 54–6
Germany 183
Netherlands 220–21
Sweden 54–6, 258–61
transitional labour markets 11–12
institutional fragmentation, co-ordination problems 171, 172–3
institutional reform, Sweden 256–7, 267
insurance organizations (invis) 118, 220, 221, 222
intensified co-operation 264, 267–8
estimated effects 274–87
Index

inter-organizational co-operation 224
inter-organizational co-ordination 172
International Labour Organization (ILO) 1
Ireland
ALMPs 13
poverty 7
Italy, poverty 7
job brokering 3, 4, 120, 122
job centre, with mixed teams 238
job-creation schemes 3, 12
France 54, 71
Germany 78–9, 94, 110
job seeker numbers 37
Netherlands 119–20, 121, 131, 133–4
Spain 143–4
Sweden 51, 71
total employment 20
see labour pool programme
job hirings see hirings
job opportunities 4
job search assistance 13
job seekers
effects of ALMPs 127–30
job creation 37
Netherlands 122
Job Training Partnership Act 170
Job-pool 119–20, 121
joint consultation, co-operation through 243
joint staff, co-operation through 232–3, 236–7
joint venture, co-operation through 233, 239–40
Kooiman–Kloek model 26–8
labour contracts
Spain 141–3
standard 11
labour and employment offices 56
labour market
disequilibrium
aggregation approach 26–8
flow model approach 28–32
u/v-analysis 24–5
economic turbulence 9, 13
effect on ALMPs 20
efficiency 23, 24, 116–17
equity 117
exclusion from 8
outcomes
ALMP influence 20, 21
social exclusion 6, 7
state intervention 3
supply and demand 5, 22, 23, 26–8
see also market co-ordination;
transitional labour markets
Labour Market Policy Activities
Ordinance (AMV) 258, 259
labour pool programme 225–9, 230
co-operation
failure 234
in implementation 231
in a joint venture 240
performance 245, 246, 247
through co-location 238
through joint staff 236
see job-creation schemes
labour promotion act, Germany 78–80, 184
labour supply effect 12
LAR region 199, 201
co-operation, PES and municipalities 208, 209, 210, 211
level of ALMP 203
PES director 202
professionalism 204, 205
regional employment response 200
role of PES 202
targeting 204
lay-offs 29, 31, 32
Layard–Nickell approach 34, 35
local authorities see municipalities
local employment, promotion of 144
local employment agencies, France 56
local employment service committees 259–60
local level co-operation 267–8
estimated effects 274–87
lognormal employment function 26–8
‘long’ long-term unemployed 86–7
long-term unemployed, recruitment 5
long-term unemployment (LTU)
European countries 2–3
France 56–8
Germany
AIA 77–110
ALMP participation 193–8
Index

targeting, ALMPs 189–91, 192, 193, 213
social exclusion 7, 115
Spain 151, 153, 156
Sweden 56–8
LTU see long-term unemployment
lump-sum funding 221
Luxembourg, poverty 7
macroeconomic evaluations 138
macroeconomic models 34, 35
macroeconomic variables, ALMP effects 20
management culture 166
management by objectives
decentralization though 167–8
Sweden 56, 257–8, 260–61, 267–70
manpower policy 10
MAR region 205
market co-ordination
contracting out 168–70
problems 170–73
strategies for improving 173–4
market mechanism, socio-economic
problems 3
matching functions, regional data 72–3
matching models
ALMPs and unemployment outflows
100–102
policy change and search efficiency
103–4
policy responsiveness 102–3
technology and ALMPs 59–60
matching process 22–3, 25
mathematical programming 39–40
Melkert 1 measure 228, 230
co-operation failure 235
co-operation in implementation 231, 232
co-operation in a joint venture 240, 241
co-operation through co-location 238
joint staff co-operation 237
Melkert 2 measure 228, 230
co-operation failure 235
co-operation in implementation 231, 232
co-operation in a joint venture 240, 241
co-ordinating actor 239
joint staff co-operation 237
methodological considerations, AIA
60–62
micro-studies 5, 19
micro-markets 32
mixed programmes 49, 51
modelling, implementation 37–40
models, AIA 19–37
moral hazard 89–90, 170
multivariate analysis, municipalities,
Sweden 279–86
municipalities
co-operation between 265
Netherlands
implementation, ALMPs 119
implementation, passive LMPs 220
performance indicators, ALMP
programme 246, 247
unemployment benefits 118
see also local level co-operation;
network-based co-operation
mutual communication, co-location 239
national employment agency (ANPE)
56
National Labour Market Board (AMS)
55, 259, 260
National Plan for Labour Market
Training 140–41
national policy discourses, social
exclusion 6–7
National Social Insurance Board 261
NES region 199, 201
co-operation, PES and municipalities
208, 209, 210, 212
professionalism 204–5, 206
regional employment response 200
Netherlands
AIA
main features 295–6
conclusions 133–4
data and estimation 127–33
flow model, unemployment and
programme participation
134–6
model specification 123–6
ALMPs 13, 117–23
institutional setting 220–21
decentralization 221–2
implementation, ALMPs 173
Index

development of 219–23
co-operation study 222–33
case study results 233–42
comparing co-operation structures
243–7
conclusions 247–51
unemployment 2, 8, 9
network-based co-operation
Dutch study
ALMP measures 225–31
implementation structures 231–3
research aim and design 222–3
results 233–42
German study 184–5
conflicts 210–11
gains 211–12
incentives 207–9
patterns of 209–10
market co-ordination 170–74
new public management 166–7, 168
OECD 19, 145
office activities, integration of 241
older generations, unemployment 9, 80,
115
on-the-job-training 78
outcome functions 264–5
output-related funding 170
part-time employment 89, 93
participants, ALMPs
creaming 170
data 298
European countries 2, 3
Netherlands 122
participation
Germany
ALMP measures 80–83
analysis results 191–8
levels 183–9, 203, 206
Netherlands, unemployment outflows
134–6
Spain, unemployment rates 145, 146
passive policies
France and Sweden 52
Netherlands 220
Spain 137
PER programme 143
performance comparison, co-operation
structures 244–7, 248, 249
permanent contracts 141
physical organizational features, co-
operation 243
pilot projects, co-operation 256, 257
placement officers, REOs 91
placement services 4
contracting out 169
deregulation 119
private agencies 3, 117–18
policy
discourses, exclusion 6–7
flaws, ALMPs 37
interventions 89–90, 94, 98
organization, and outcomes 163
portfolios 77, 91, 99
provisions 11
responsibility, Spain 159
uptake 244
policy reaction function 145
political consensus, ALMPs, France and
Sweden 54–5
political gains, co-operation 212
pooled cross-section analysis 83
pooled data 67
Portugal, poverty 7
positive outflow rate 244
poverty
social exclusion 7
Sweden 261
practice contracts 142
prisoners’ dilemma game 266
private placement agencies 3, 117–18
process evaluation, implementation
163–5, 174, 299–303
production function 264
productive wage cost subsidies 80
professionalism, organization of ALMPs
204–6
programme-oriented impact analysis
163–5
public agencies, co-operation between
264
public employment offices 3
public employment services (PES)
changes in 166
contracting out 168–70
Germany
best practice cases 179, 199–201
budgeting process 180–81
decentralization 181–2
<table>
<thead>
<tr>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>district offices as policy actors</td>
</tr>
<tr>
<td>level of ALMP</td>
</tr>
<tr>
<td>local ALMP</td>
</tr>
<tr>
<td>professionalism</td>
</tr>
<tr>
<td>reform trends</td>
</tr>
<tr>
<td>role of directors</td>
</tr>
<tr>
<td>role in local ALMP networks</td>
</tr>
<tr>
<td>scope and limits of local ALMP</td>
</tr>
<tr>
<td>targeting ALMP</td>
</tr>
<tr>
<td>management by objectives</td>
</tr>
<tr>
<td>Netherlands</td>
</tr>
<tr>
<td>ALMP implementation</td>
</tr>
<tr>
<td>evaluation of ALMP</td>
</tr>
<tr>
<td>purchaser-provider model</td>
</tr>
<tr>
<td>new public management</td>
</tr>
<tr>
<td>Sweden</td>
</tr>
<tr>
<td>see also network-based co-operation</td>
</tr>
<tr>
<td>public relief work, VAR model</td>
</tr>
<tr>
<td>public sector jobs</td>
</tr>
<tr>
<td>purchaser/provider model, PES</td>
</tr>
<tr>
<td>quasi flow model approach</td>
</tr>
<tr>
<td>quits, from employment</td>
</tr>
<tr>
<td>random effect models</td>
</tr>
<tr>
<td>recruitment, of unemployed</td>
</tr>
<tr>
<td>recruitment subsidies</td>
</tr>
<tr>
<td>regional boards (RBAs)</td>
</tr>
<tr>
<td>regional employment offices (REOs)</td>
</tr>
<tr>
<td>regional variations, Germany</td>
</tr>
<tr>
<td>ALMPs</td>
</tr>
<tr>
<td>long-term unemployment</td>
</tr>
<tr>
<td>registered unemployment</td>
</tr>
<tr>
<td>ALMP impact</td>
</tr>
<tr>
<td>financial data</td>
</tr>
<tr>
<td>regulations see rules and regulations</td>
</tr>
<tr>
<td>reintegration, of unemployed</td>
</tr>
<tr>
<td>4, 5, 79–80</td>
</tr>
<tr>
<td>reintegration balance sheets</td>
</tr>
<tr>
<td>reintegration budget</td>
</tr>
<tr>
<td>relief contracts</td>
</tr>
<tr>
<td>research, ALMP impacts</td>
</tr>
<tr>
<td>retraining, Germany</td>
</tr>
<tr>
<td>returns matching function</td>
</tr>
<tr>
<td>revolving door effect</td>
</tr>
<tr>
<td>Riksdag</td>
</tr>
<tr>
<td>rules and regulations, management by</td>
</tr>
<tr>
<td>267–70</td>
</tr>
<tr>
<td>rural employment programme</td>
</tr>
<tr>
<td>SAM see structural adjustment measures</td>
</tr>
<tr>
<td>search efficiency, and policy change</td>
</tr>
<tr>
<td>103–4</td>
</tr>
<tr>
<td>segmentation theories</td>
</tr>
<tr>
<td>self-employment, promotion of</td>
</tr>
<tr>
<td>short long-term unemployed</td>
</tr>
<tr>
<td>short long-term unemployment</td>
</tr>
<tr>
<td>blue-collar workers</td>
</tr>
<tr>
<td>policy interventions</td>
</tr>
<tr>
<td>short-term unemployment</td>
</tr>
<tr>
<td>poverty and social exclusion</td>
</tr>
<tr>
<td>younger generations</td>
</tr>
<tr>
<td>simultaneity bias</td>
</tr>
<tr>
<td>social assistance</td>
</tr>
<tr>
<td>Germany, local ALMPs</td>
</tr>
<tr>
<td>182–5, 204–7</td>
</tr>
<tr>
<td>Netherlands</td>
</tr>
<tr>
<td>administration</td>
</tr>
<tr>
<td>effect of ALMPs</td>
</tr>
<tr>
<td>system</td>
</tr>
<tr>
<td>Sweden</td>
</tr>
<tr>
<td>social consensus, ALMPs, France and Sweden</td>
</tr>
<tr>
<td>social exclusion</td>
</tr>
<tr>
<td>ALMPs 6–8</td>
</tr>
<tr>
<td>France and Sweden</td>
</tr>
<tr>
<td>LTU 115</td>
</tr>
<tr>
<td>social insurance</td>
</tr>
<tr>
<td>Netherlands</td>
</tr>
<tr>
<td>Sweden</td>
</tr>
<tr>
<td>social insurance council, Netherlands</td>
</tr>
<tr>
<td>AIA</td>
</tr>
<tr>
<td>regional, multivariate setting</td>
</tr>
<tr>
<td>conclusions</td>
</tr>
<tr>
<td>main features</td>
</tr>
<tr>
<td>ALMPs 137, 138–43</td>
</tr>
<tr>
<td>poverty</td>
</tr>
<tr>
<td>unemployment</td>
</tr>
<tr>
<td>standard labour contracts</td>
</tr>
<tr>
<td>state intervention</td>
</tr>
<tr>
<td>co-operation</td>
</tr>
</tbody>
</table>
labour markets 3, 54–5, 260
stipulations, LMP activities 268
structural adjustment measures 80
structural equation model 83–6
dependent variables 86–91
results 94–9, 109
structural issues, implementation 165
structural policies 90
structuralization 99, 109
sub-markets, labour performance 26–8
subsidies, wage cost 79–80, 94, 98, 110
subsidized labour schemes 4, 71, 118, 132
substitution effects 12, 20
supply and demand, labour market 5, 22, 23, 26–8
supply-oriented policies 90
Sweden
AIA, main features 295–6
ALMPs 49, 50–58
crisis of the 1990s 262–3
institutional framework 258–61
institutional reform 256–7, 267
intensified local co-operation
analysis, experimental and comparison municipalities 279–86
development of target variables 276–8
experimental municipalities 274–6
social insurance and assistance 261
unemployment 2
targeting, ALMPs, Germany 189–91, 192, 193, 198, 203–4, 213
technology, and ALMPs, matching 59–60
temporary work agencies 117–18
theoretical considerations, AIA 60–62
three-variable VAR model 37
time-series analysis 32, 35–7
total employment, effect of ALMPs 4, 5, 20, 21
training programmes 3
contracting out 169, 170
employability 4
France 51–4, 72
Germany 78, 96, 98, 99, 109
Spain 138, 140–41, 151–6
Sweden 71

transaction cost theory 169
transitional labour markets and ALMPs 8–13, 158
alternative to ALMPs 5
cooperation 219
transitions 44–5
turnover effect 12
two-step approach 38
u/v-analysis, traditional 24–5
u/v-curve, matching process 22–3
unemployment
European countries 2–3
Germany 9–10
Netherlands 9–10, 115–16
participation rates 145, 146
Spain, ALMP effect 151, 152
Sweden 262
transitional labour markets 12
see also dynamic unemployment;
employment; long-term unemployement; registered
unemployment; short-term unemployment
unemployment benefits
activation of 171
Netherlands 115, 118, 125, 131–3, 134, 220
Spain, capitalization 143
Sweden 263
unemployment outflows
ALMP impact
France and Sweden 71–2
Germany 99–109
Netherlands 134–6
Spain 154, 155, 156
ALMP provision 145
unions, ALMPs 55
United States
Job Training Partnership Act 170
social exclusion 6
unskilled workers, Germany 88, 92–3, 98
uvis 118, 220, 221, 222
vacancies
REOs, Germany 92
and unemployment 25, 30
VAR models 35–7
vocational training 54
Index

wage cost subsidies 79–80, 94, 98, 110
wage setting equation 34
wage setting principle 54
wages, effects of ALMPs 20
willingness, to co-operate 224–5, 240–41
women
  as peripheral labour force 10
  permanent contracts 141
short-term unemployment 9
work experience 3–4
work organizations 11

work promotion see employment
  promotion
younger generations
  FIP plan 141
  unemployment 9, 156
youth counters 234
Youth Work Guarantee Act (JWG)
  expenditure 119–20, 121
see also guaranteed youth employ-
  ment act