ON EMPOWERMENT AND HEALTH EFFECTS OF TEMPORARY ALTERNATIVE EMPLOYMENT

Some reflections on the general implications of the experiences from an experimental labour market project in West Sweden

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Abstract: Comparatively very high unemployment figures in the wake of the economic crisis in the 1990’s have prompted new initiatives in Swedish labour market policy. One such initiative, aimed at creating alternative employment in the third sector, is discussed in terms of empowerment and health effects. The project, called Use for Everyone (UfE), is open to all people who are involuntarily excluded from the active labour force, mainly long-term unemployed and disabled persons, plus immigrants. UfE advocates a bottom-up perspective based on solidarity to stimulate empowerment, and is implemented through two associations representing authorities and participants respectively. The evaluation of UfE, which has been conducted with a combination of quantitative and qualitative methods, including a longitudinal biopsychosocial study, shows significant gains in self-rated health and quality of life, but also physiological indications of adaptation to a situation characterised by powerlessness. It is argued that the projects has been hampered by lacking resources and restrictive rules and regulations pertaining to the unemployment insurance system, but also that the experimental nature of the project highlights a number of important questions about activation and labour market policy.

Key words: unemployment empowerment health, psychophysiology, third sector

1. BACKGROUND

For many years, Sweden was known for its successful implementation of an active labour market policy. Despite internationally very high employment rates, comparatively equally distributed between men and women, the government maintained large-scale vocational training programmes, thus effectively ensuring a good match between labour demand and supply. A large and growing public sector in combination with markedly
Keynesian economic policy also contributed to keeping unemployment at bay, even in the wake of the 1973 oil crisis. Long-term unemployment did exist for especially vulnerable groups and in certain geographical areas, but its consequences were mitigated by generous unemployment benefits, various activating schemes and public relief work for the most disadvantaged.

The situation changed drastically in the beginning of the 1990’s. Unemployment rose steeply as Sweden entered its worst economic crisis since the thirties. Although efforts were made to counteract unemployment, largely with the same instruments that had been successful before, the government’s freedom of action was severely restricted by large budget deficits and earlier market deregulations. In fact, cuts in the public sector significantly contributed to unemployment.

Although still active in scope, the labour market policy was by necessity becoming increasingly concerned with alleviating the social consequences of long-term unemployment—which was rapidly growing into a major problem—rather than focusing on labour market demands. Cheaper activating schemes were radically scaled up to accommodate more people and keep them from demoralising passivity, leaving less resources for specialised vocational training. Consequently, the policy lost some of its effectiveness, among other things leading to visible bottleneck problems despite high open unemployment.

For the individual unemployed person, however, these changes had other consequences. Due to the severe shortage of job openings, many people did not find a job despite participating in various activating schemes and training programmes. Indeed, because periodic activation was required for continued unemployment benefit, these measures tended to become little more than formalities to ensure survival for many people. The fact that hopes were raised and repeatedly frustrated could for some individuals even make the activating schemes counterproductive, in effect reinforcing learned helplessness and passivity.

Another result of rising mass unemployment was that the employment offices had less time and resources to spend on each individual, leading to a decrease in guidance and placement quality. A major problem seems to have been that action plans, although formally required, were often not properly implemented. Since unemployment among other things is characterised by a state of financial and psychological dependence, however, these inadequacies might have had ramifications that are even more serious. Not infrequently, people felt disempowered and subjected to the decisions of the employment office rather than actively involved in their own processes, which in turn may lead to further resignation and passivity (Westerlund, 1999; cf. Fryer, 1999).