Welfare-to-Work Caseworkers in Malmö, Sweden: The Emergence of Individualized Employment Services in Municipal Activation Agencies

I was quite displeased with the Employment Office. They forced a lot of recipients to go into computer training even if they didn’t want to. They didn’t have much to offer and so they didn’t provide as much help as people needed. But those who come here, we can offer other solutions because there are a lot of other options. When you have a conversation with the individual and have a more complete picture of them, you can find other variations that are better for the person. It’s not so much that there are now new resources; the difference is that you use them in a different way.¹

Introduction

Sweden’s world-renowned social security system—with its redistributive income policies, generous replacement rates, and relative equality among benefit levels (Esping-Andersen 1991)—has been made fiscally possible by the nation’s ability to maintain high levels of work participation and an economy operating at close-to-full employment. This strategy has depended upon coordinated wage agreements, forcing less efficient firms out of business, and exceptionally high levels of spending on “active labor market” policies to retrain unemployed workers for the changing labor market. A second distinctive feature of the Swedish model emerged in the 1970s when, in an effort to combat unemployment and increase female labor force participation, Sweden greatly expanded public services, including public childcare.² This approach provided the means for women to juggle their responsibilities as mothers and workers, by socializing many of the
responsibilities of family care, and by providing comparatively well-paying, protected state jobs. As a result, by the late 1980s, labor participation rates were the highest in the world at 75 percent of the working-age population in 1988 and 80 percent of working-age women (Esping-Andersen 1996).³

But in 1990, with the onset of an unprecedented economic recession, the system began to unravel. Locally funded social assistance programs were inundated with large numbers of the “simply unemployed.” And the Employment Office (EO) increasingly targeted its insufficient resources at the new demand for those with unemployment insurance benefits, leaving unemployed welfare recipients with little tangible assistance for finding work. By the mid-1990s, in response to the continuing high fiscal burden of their welfare programs and limited offerings of the EO, municipal governments entered the field of labor market policy by establishing their own “activation” programs.

In Malmö these projects were initially small, short-term, in-house measures. But by the late 1990s, more focused local government activation efforts and new national funding commitments were leading to greatly expanded and more institutionalized forms of service provision. In many district offices staff have built a network of contacts within the vast public service sector as well as increasingly with private employers to provide work experience and temporary job placements in a variety of occupational areas. In-house vocational counselors facilitate participants’ entry into training programs. Free public education and the availability of student loans from the national government (considered a typical part of the Swedish career track) mean that further education is an important activation emphasis for all recipients. In an effort to broaden this focus on “competence” to those with basic education deficits, in the late 1990s the national government also greatly expanded adult education funding. Finally, the allocation of new state funding through the five-year “City Investment Initiative” (Storstadssatsningen) has also facilitated organizational innovation in the most adversely affected districts in Sweden’s largest cities.

In this emergent setting, activation caseworkers in many districts have considerable resources to tailor services to the needs and interests of their clients, more so than in California or Bremen, and at a scale that is beginning to approach California’s program. They also generally have enough opportunity and the skills necessary to develop familiarity with their clients and provide them individualized attention in order to personally help them through the process of transitioning into work or education. Thus, activation caseworkers in Malmö are able to be much more responsive to their clients than their counterparts in California and for a larger number and wider range of recipients than in Bremen.