

# **Beyond Activation ?**

## **Factors that impede or facilitate post-crisis labour market and welfare adjustment**

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*The Political economy of labour market policy reform*  
Labour Activation in Times of High Unemployment  
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# Emergence of activation

- Nordic universalistic ex-ante approach
  - employment flexibility and security

- Anglo-Saxon ex-post activation to limit benefit dependency

- EU – Flexicurity
  - employability replaces security

**EU 'flexicurity'**  
relies on Relaxing EPL and welfare  
to increase employment rates

**Resilient economies**  
rely on a broader policy-mix

**But also face problems**

# What lessons ?

- **Activation has limits**
- **institutional frameworks**
  - **Fair distribution of burden**
- **Labour market segmentation**
- **Employment security - necessary**

# Conclusions

## Policy review necessary

- **Perverse effects of segmentation**
- **LLL : better jobs + less skill mismatch**
- **Flexible use of strategy components**
- **Social safety net in changed LM**
- **« Reinvent » social dialogue**
- **Focus on labour demand +SMEs**
- **Global policy coordination**