

Chapter Title: Youth employment promotion in the changing welfare state

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1 Youth employment promotion in the changing welfare state

1.1 Challenges at the transition from school to vocational training

Adolescence is considered a phase of transition from childhood to adulthood and an important developmental phase that is particularly vulnerable. While the idea of adolescence is associated with trying out different ways of living and acting, at the same time it represents a phase in which educational processes play a central role and educational decisions set the course for the future (Reinders 2016; Reinders/Wild 2003). The demands of moving through the formal education system and achieving formal qualifications can bring a sense of achievement and self-efficacy, but can also create pressure and uncertainty. Decisions in favour of a particular school or training pathway have a far-reaching influence on the rest of their lives. While young people attending higher education are more challenged by formal learning requirements, young people starting an apprenticeship in the Austrian dual system of vocational education and training are expected to integrate quickly into the world of work (Sting/Knecht 2022). Those young people who are perceived to have “problems” in the transition from school to training and work are particularly burdened and challenged.

In the context of international comparisons, the dual VET system common in German-speaking countries is said to have a high integrative power as it enables a majority of young people who do not want to or are unable to pursue school or academic education to obtain qualifications (cf. AMS Austria 2016: 18; Knecht/Atzmüller 2017: 239). However, the training system itself is under pressure, especially due to an ever-decreasing supply of apprenticeship places, and is undergoing strong changes (Knecht/Atzmüller 2019: 216). In Austria, for example, the number of apprenticeships has decreased from 124,000 in 2000 to 101,700 in the pre-Corona year 2019.¹ In the same period, the number

1 The realized number of apprenticeships results from the supply of and demand for apprenticeship places. The demand for apprenticeship places depends on the number of young people who aspire to an apprenticeship, i.e. on educational aspirations, as well as on the strength of the cohort. Looking at the development of the cohort of 15-year-olds in Austria, their number declined from almost 100,000 to 86,000 between 2008 and 2018. A constant number of about 87,000 per year is expected until 2025 (Dornmayr/Nowak 2019: 50). If the demand for apprenticeships is higher than the supply, this makes it difficult for young people to find an apprenticeship/training place.

of companies providing training places has fallen from 39,300 to 27,800 (Dornmayr/Löffler 2020: 67). The situation in Austria with an unemployment rate of 15- to 19-year-olds in 2019 of 10.9% is nevertheless less problematic in a European comparison, where unemployment rates of young people sometimes exceed 40–50%. The unemployment rates of 20- to 24-year-olds (see Table 1) show that a large part of young adults succeed in integrating into the labour market, but that many young adults are also affected by unemployment and precariousness.

Despite great efforts and a high financial outlay, the youth unemployment rate does not decrease (Tab. 1). Especially during crises, such as the real estate and economic crisis in 2002, the banking and financial crisis in 2008f. and the Corona crisis in 2020/2021, it rises again and again; companies offer fewer apprenticeships. Although it is evident that economic cycles play an important role in (youth) unemployment, in public discourse it is primarily interpreted as a problem of young people with deficits and a lack of training maturity. The frequently discussed thesis that young people are increasingly deficient and that there are more problems filling apprenticeship positions with suitable applicants is, however, paradoxical against the background of a permanently increasing formal education level of youths and young adults and a long-term trend towards ever higher school-leaving qualifications. For example, the rates of early school leavers fell from 10.2% to 7.8% between 2010 and 2019 in Austria (see Tab. 1 and Statistics Austria 2021a). At the same time, there has been and continues to be a strong trend towards higher education, e.g. at universities, universities of applied sciences and colleges, leading to a permanent increase in upper secondary and tertiary level qualifications (see Tab. 2). The proportion of young people in a cohort who start an apprenticeship has remained relatively constant; in Austria it is around 40% (Dornmayr/Nowak 2019: 23).

Despite the high educational aspirations, the picture of a less interested and less educated youth is often drawn or it is assumed that at least the less educated would increasingly show deficits², thus causing unemployment. In the discussion, however, it is neither discussed that the trend of increasing educational levels of young adults during the last years has not led to a decrease in unemployment figures, nor that high rates of higher educational qualifications lead to their devaluation and to an “intensification of the competition on the labour market” (Fasching 2019: 854)³ go hand in hand with this.

- 2 For example, in an interview with the SocIEtY project, a senior administrator pointed out us that “genetically, the distribution tends to go down, so to speak – I don’t want to be judgmental now ...” (quote from the SocIEtY project; Atzmüller/Knecht 2017b: 123), because better students would increasingly choose higher educational careers and school leavers who would have become unskilled workers under earlier conditions would now aspire to an apprenticeship. This interpretation is based on an undynamic notion of competence acquisition.
- 3 All German-language citations are translated by A.K.

The combination of the fact that the apprenticeship market tends to be unbalanced, a changing understanding of social policy as well as the succession of different political coalitions, leads to both a continuing commitment of the government (“governance”) in the area of employment support for disadvantaged young people in Austria – especially when crises occur (Atzmüller/Décieux/Knecht 2019), as well as ongoing (social) policy interventions and permanent changes.

1.2 Changes in the welfare state and the increasing socio-political importance of education

In the 1970s and 1980s, the welfare state was still thought of as an institution that established legitimacy by putting the forces of capitalism in check and limiting its negative excesses (e. g. Esping-Andersen 1990). In the post-war period, Thomas H. Marshall had even modelled the development of citizenship in the (welfare) state as a sequence of steps towards civil, political and social rights (Marshall/Bottomore 1992). Kaufmann (2005) describes in this sense the essence of the welfare state as interventions that improve the legal situation, the monetary situation, the education and the socio-ecological environment of the citizens.

Since the 1990s at the latest, the hitherto prevailing view of the functioning of the welfare state has been questioned and challenged in practically all European countries within the framework of neoliberal arguments. In the Fordist-Keynesian model of the post-war period, the welfare state also had the task of enabling mass consumption in order to moderate the contradiction between the “interests of capital” – i.e. of investors and entrepreneurs – and the interests of dependent workers, as well as the task of bridging demand shortfalls through state spending (investment and social spending) in order to counteract the deepening of crises (Böhnisch et al. 2012). Within the framework of neoliberal projects, however, imperfect markets and the alleged lack of flexibility of the “labour factor” were placed in the foreground; accordingly, the legal protection of labour relations was weakened, transfer payments were cut and thus labour was recommodified (Atzmüller/Décieux/Knecht 2019: 111). In many countries, the transformation of the welfare state⁴ from the 1990s onwards has hardly led to the expected dismantling of welfare state services, but rather to their being restructured. As far as social and educational policies for children and youth are concerned, the strategies of making labour markets more flexible also provided future employees with new ways of adapting, recomposing and

4 See for an overview of the transformation e.g. Götsch/Kessler 2017; Betzelt/Fehmel 2022; Kessler 2013; Nullmeier/Rüb 1993.

transforming labour assets (*ibid.*). Within this framework, education was increasingly considered as a part of social policy (Opielka 2005a; Kohlrausch 2014). In the academic context, this was justified, among other things, by the special role of education in the process of reproducing social inequality (e. g. Fischer 2020: 373). Thus, the expansion of day care centres, all-day schools and an expanded management of transition were associated with hopes of equalising wages and incomes (Esping-Andersen et al. 2002; Esping-Andersen 2003).

As a theoretical model of the welfare state, the social investment approach was then frequently cited – and was partly positioned as a counter-model to neoliberalism (Giddens 2000; critical: Atzmüller/Knecht 2017a). In this approach, profitable investments in citizens, especially in the field of education, serve as a new legitimisation of welfare state activity (Schroeder/Blair 1999). Educational opportunities are supposed to pave the way for a self-reliant life that is economically secured through the utilisation of one’s own educational resources. Day care centres, crèches and kindergartens were discovered to be educational institutions which, by caring for children, at the same time provide a better utilisation of parental educational resources (Esping-Andersen 2002). However, in this context, the resource education is primarily thought of as human capital, which primarily serves to improve the skills that are in demand on the labour market and to increase employability (Knecht/Atzmüller 2017: 245).

These shifts were accompanied by changes in public discourses: Individuals’ lifestyles were now ascribed increased importance. The responsibility for one’s educational and professional career is placed in one’s own hands, and failure in the educational and professional markets is more strongly seen as individualised and be interpreted as “not wanting” rather than “not being able to”, which is sanctioned accordingly (Atzmüller/Décieux/Knecht 2019: 112f.) without taking barriers and unfavourable framework conditions into account. In this context, the welfare state becomes more disciplinary and punitive (see below). The question of who deserves or does not deserve what kind of help has been posed in a new way, and the discourses that distinguish between deserving and undeserving recipients of benefits, which were thought to have been overcome, have been revived (e.g. Knecht 2010: 162f.).

In Austria, too, social policy has developed towards a social-investment and activating social state, even if the term social investment rarely appears in public discourse (cf. Buxbaum 2014) and most developments were implemented with a time lag compared to other European countries.⁵ For example,

5 Compared to the introduction of Hartz IV, Austria seems to confirm the *bon mot* attributed to Karl Kraus: “When the world ends, I’ll go to Vienna. There everything happens ten years later.” With regard to other topics, however, there are also other chronological sequences, e.g. with regard to the development of private

a reform of the minimum income system in Austria similar to the Hartz-IV reform was not implemented until 2018.⁶

In the context of establishing a social investment policy, the importance of promoting the employment of disadvantaged young people has also increased. Vocational training (and in the German-speaking countries particularly: apprenticeships) promises to increase the employability of youths and young adults. On the one hand, employment support is a future-oriented part of labour market policy, and on the other hand it is an area of pedagogical intervention, which is highlighted by the term *Vocational Youth Welfare* (“Jugendberufshilfe”), which is commonly used in Germany (Enggruber/Fehlau 2018). In Austria, the introduction of a training guarantee in 2008 and a training obligation in 2018 (see below, chapter 4.2) points to the growing educational and socio-political importance of this field, but also to new values and standardisations that are part of the transformation of social work taking place in Austria.⁷

1.3 Changes in the framework conditions of social work

With the above-mentioned change in the welfare state, some framework conditions and objectives of social work as well as social work itself have changed, which critical positions assume to be due to the economisation associated with the spread of New Public Management (Eichinger 2009: 58f; Leibetseder 2016: 56) and the implementation of the activation paradigm.

Usually, the introduction of market-based or market-like control mechanisms in the area of social services are understood as part of the economisation of the welfare sector (Hammerschmidt 2014). One of the resulting changes was the introduction of the new public management model which has reformed municipal administration with its features of decentralisation of specialist and resource responsibility, contracts and target agreements between politics and administration as well as between the administrative units, cost and performance accounting, and monitoring/controlling with output and outcome orientation (Kessl/Otto 2002: 446; Hammerschmidt 2014). Economisation and new public

bankruptcy, which was introduced earlier in Austria than in Germany, or the more far-reaching obligation in the area of kindergarten (Atzmüller/Décieux/Knecht 2019).

- 6 A merger of unemployment benefits and unemployment assistance (corresponding to the German unemployment assistance called ‘Hartz IV’) has not been realised (so far), although this was proposed by the last government of the coalition of ÖVP and FPÖ (2017–2019, see chapter 4.3). No work-first policy comparable to the one-euro jobs, which are a kind of forced labour has been established so far.
- 7 Bakic/Diebäcker/Hammer 2008; Diebäcker et al. 2009a; Diebäcker/Hammer 2009; Diebäcker et al. 2009b.

management form the basis of a way of thinking that focuses on economic categories and abstracts from or negates many (social) pedagogical, social work and psychological aspects. Performance agreements, for example, require institutions to achieve formal goals agreed upon in advance. This can be problematic for social work, if the effects consist of changes in people that only become visible in the long term and therefore cannot be presented as short-term goal achievement. In addition, on a very practical level, performance agreements and output monitoring, e.g. for staff, lead to short-term contracts in projects and higher economic pressure – which is on the one hand contrary to longer-term professionalisation and on the other hand problematic when the pressure is passed on to the clients. The neoliberal understanding of the economy (see below) and the “neo-social reprogramming of the social” (Kessl/Otto 2002) are in the background of economisation. This links the economisation to broader changes in the welfare state, such as a.) the orientation of education policy, social policy and societal policy towards the competitiveness of the economy, b.) the expectation that low social benefits generate motivation, c.) the moralisation of societal and financial success and failure, d.) the attribution of increased responsibility to citizens and clients, activation, and e.) increasing monitoring and punishment (Kessl 2018; Forster 2010; Büschken 2017; Hammerschmidt 2014).

The starting point for activation is a reinterpretation of the relationship between citizens and the state, a “shift of the causes of problems and a responsibility to deal with them to those affected [...] – as individual failure, lack of discipline, self-control or activity” (Lutz 2013: 26; see also Kessl/Otto 2002; Kessl 2013; Büschken 2017). Making those affected persons responsible for their situation (“responsibilisation”) negates the significance of unfortunate coincidences, strokes of fate and the social barriers and framework conditions that reproduce social inequalities. Children and young people gradually grow from a state in which, due to their age, no responsibility for their situation is attributed to them, into a situation in which responsibility is attributed to them – without actually (always) having control over the course of their lives.

The increase of control/monitoring, disciplining and sanctioning as part of activation, plays a special role for social work. On the one hand, it must be noted that the exercise of control has always been present as one side of the coin of social work – alongside help as the other side (Lutz 2013) and has also been an ever-present theme of theorisation (s. a. Knecht/Preite 2022: 126) since the formulation of the *double mandate* (Böhnisch/Lösch 1973). On the other hand, help and control/monitoring have different meanings in different fields of action of social work. Open youth work, for example, often claims to be there for the young people in the context of emancipatory youth work (Hartwig 2000), to promote their independence and self-responsibility and to support them in “finding themselves” in identity processes (Knecht 2014: 222), whereas the youth education system fulfils a socialising and controlling/moni-

toring function. (Obviously, the control aspects are more prominent in areas focusing on job placement.)

Kessler (2013) shows that in the context of the double mandate, the two aspects of assistance and control are inextricably linked. A professional approach would take exactly this constellation into account: The “discovery” of the linkage of help and control as a basic challenge of social work at the beginning of the 1970s “marked the provisional end of the punitive programme in the social work/social education professional discussion” (Kessler 2013: 116). Punishment as an educational measure was also viewed increasingly critically until the 1980s (*ibid.*). Since the 1990s, however, a new willingness to control and to punish has been spreading – based on a new way of governing, especially among a newly discovered underclass (Wacquant 2009), which not only affects the framework conditions of social work (Kessler/Reutlinger/Ziegler 2007) but also the actions of social pedagogues/workers and the (social) pedagogical and social work procedures in the institutions (Kessler 2013). However, Kessler agrees with Lutz that there has been a change in the overall construction, in which the “conflict over help and control is now being replaced by the ‘conflict over the legitimacy of the means, resulting in the question of how much coercion is allowed in help’” (*ibid.*: 118, as cited in Lutz 2010: 271), being replaced.

Lutz also points out a difference between support, in which help and control are inextricably interwoven, on the one hand, and social services, which are split into *help for the integrated* and *control for the excluded*, on the other hand (Lutz 2013: 25). In fact, within the framework of the activating labour market policy in Germany, which was advertised as “promote and challenge” (in German: “fordern und fördern”), there were and still are different action programmes designed to either “promote” or “challenge” – the latter having to be translated as “be sanctioned” (cf. Klevenow/Knecht 2013). Ultimately, this could mean – according to Lutz – for social work to distinguish interventions in the following way: “*a.*) voluntary offers for the active who are able and willing to face the demands [...]; *b.*) working with those who are considered to be able to be activated, with integration aids, pressure and disciplinary means to normalise them; *c.*) managing and controlling those who are not able to do so; and *d.*) disciplining or excluding those who are labelled as ‘dangerous’” (Lutz 2010: 206). Economisation, activation and disciplining thus represent different parts of the transformation of social work, which also results from a changed understanding of social policy. Referring to these connections, this paper examines the extent to which changes in the specific field of employment promotion for young people in Austria occur within the framework of changed social policy perspectives, which shall be explained in more detail in the following.

1.4 Structure of the work

Against the background of neoliberal and social-investment trends in social policy and of the changes in the field of social work, this paper brings together my findings of recent years to answer the question of how employment support for disadvantaged young people as part of social policy changed in Austria between 2000 and 2020 and what impact this change has had on the framework conditions of social educators, social workers and other professionals working in this field, as well as on young people.

The theoretical framework of this paper is the Resource Theory (Knecht 2010; Knecht 2012c, 2012b, 2012a, 2011; Knecht/Schubert 2012, 2020; Knecht et al. 2014; Schubert/Knecht 2015; Knecht 2016). As a social political theory, Resource Theory focuses on the question which social processes determine the broad spectrum of resources such as education, income, social resources, health, mental resources etc. that is allocated to individuals. The frequently discussed distributive function of social policy – and in this specific case the promotion of employment for young people – can thus be viewed comprehensively. The Resource Theory is presented in overview in chapter 3. Within the framework of this theory, on the one hand, discourses are considered which deal with the allocation (and, if applicable, the containment) of resources, legitimised them and constitute the basis for their (social) political distribution. On the other hand, state or state-organised institutions that carry out the allocation/distribution of resources are considered (see chapter 2.5).

The employment promotion of disadvantaged young people, which in Germany is also treated under the term “Vocational Youth Welfare” (in German: “Jugendberufshilfe”), represents a special area of youth policy and support for young people: Here, youth policy, general social policy and specific labour market policy as well as economic policy interests converge and have to be mediated. The question of how resources are allocated is therefore subject to a special constellation of influences that make analyses in this area particularly exciting.

From a methodological point of view, the empirical analyses in this manuscript represent interpretative policy analyses within the framework of policy field analyses (see below). They are based on various projects and investigations, namely

- the primarily Austria-related results of the EU-7 framework research project SocIEtY. Within the framework of a policy field analysis, a document analysis⁸ and a content-analytical evaluation of 19 expert interviews were

8 Document analysis of official reports from ministries and administrative bodies, evaluation reports and descriptions of measures and programmes published by actors in the field of youth policy (Knecht/Kuchler/Atzmüller 2014: 495).

conducted (Knecht/Kuchler/Atzmüller 2014; Atzmüller/Knecht 2016a, 2017b; Acconcia et al. 2017; Atzmüller/Décieux/Knecht 2019),⁹

- an exploratory teaching research containing interviews with youth coaches as well as (group) interviews with young people (Knecht/Atzmüller 2019),¹⁰
- Analyses within the framework of a critical discourse analysis, on the minimum income and employment policy of the 2017–2019 government period (Atzmüller/Knecht/Bodenstein 2020),¹¹
- a supplementary document analysis of National Council documents¹² and official reports on labour market policy for young people between the years 2000 and 2020 (see chapter 4).

The period under study from 2000 to 2020 was characterised on the one hand by the two “Black-Blue government periods” of the conservative Austrian People’s Party ÖVP and the populist/extreme right Freedom Party of Austria FPÖ (supplementary: BZÖ) (2000–2007 and 2017–2019), and on the other hand by the “Red-Black government period” of the Austrian Social-Democratic Party SPÖ and the conservative Austrian People’s Party ÖVP (2007–2017). While the promotion of employment for young people in the periods of the coalition of the conservative party ÖVP and the populist/extreme right party FPÖ (called “Black-Blue Coalition”) revolved more around subsidising and promoting companies providing training, the beginning of the period of the coalition of the social democratic SPÖ and the conservative ÖVP was characterised by the rapid introduction of the training guarantee (2008) and eventually turned into a training duty.

9 Reports: Knecht/Kuchler/Atzmüller 2014, Reprint in: Haidinger et al. 2016; Haidinger/Knecht 2015. The SocIEtY project (“Social Innovation – Empowering the Young for the Common Good”) was carried out under the EU’s 7th Research Framework Programme (SSH.2012.2.1-1: Social innovation against inequalities, contract no.: 320136, duration: 2013–2015) and coordinated by Bielefeld University. The consortium consisted of 13 partner institutes in eleven countries.

10 See also AG Jugendforschung 2018. Data used only with student consent.

11 This analysis was based on extensive research on relevant policy documents (e.g. government programmes, legislative texts) as well as on the public and academic debates on the planned and implemented reforms. For the analysis of ideological articulations and images mobilised by the government, we collected all press statements of the coalition parties (ÖVP: N=48; FPÖ: N=49 out of a total of N=312) from APA-OTS (a website of the Austrian Press Agency that publishes press releases) between 1st of Jan. 2018 and 30th of April 2019 that dealt with the ‘means-tested minimum income scheme’ (“Bedarfsorientierte Mindestsicherung” = BMS).

12 In the Mediathek (= electronic archive) of the Austrian Parliament, named National Council, 59 documents (mainly drafts, resolutions, stenographic minutes) were identified in the section “Parlament aktiv”/“alle Verhandlungsgegenstände” with the keyword “Arbeitsmarkt” (“labour market”) and the search term “Jugend” (“youth”) and supplemented e.g. by parliamentary correspondence, press releases, and the like.

The third chapter is devoted to looking at changes in social policy discourses with a focus on youth employment promotion; the fourth chapter examines the institutional changes in this area. These two chapters correspond to the two points of analysis: discourse analysis and institutional analysis. In the fifth chapter, the results of the welfare state analyses are examined in greater depth. The sixth chapter looks at the changes in the framework conditions of social work and the consequences for young people. The seventh chapter summarises the results.