The Impact of Sanctions
Evidence from International Research & WUERC Primary Research

Part of The Condition of Unemployment Series

Prepared by

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WUERC, Waterford Unemployment Experiences Research Collaborative is an independent progressive research group at Waterford Institute of Technology

The authors have asserted their moral rights.
Executive Summary:
Against the adoption of radical active labour market policies in Ireland in 2012 including a widening of sanction practices to change claimant behaviour; this report explores international research and primary data collected in Ireland on the impact of sanctions on claimants.

International research suggests that prescriptive behavioural conditionality and sanctioning of welfare recipients is associated with short-term reductions in benefit use and an increase in exits from benefits; but is also associated with unfavourable long-term consequences, such as lower long-term earnings, lower job quality and undesirable spill-over effects on vulnerable groups, especially lone-parents, children and people with disabilities. Strengthening behavioural conditionality and sanctions contributes to the growth in lower-paid, part-time, temporary contract employment. Such employment is associated with a cascade of further public welfare dependencies – housing, health, childcare and education, with higher medium term costs to the exchequer. This suggests job quality metrics should be integrated into welfare policies.

Our ongoing primary research (conducted at WIT by Waterford Un/Employment Research Collective-WUERC between 2012 and 2016) is designed to complement quantitative and statistical knowledge on welfare and employment, using qualitative research that explains the experience, behaviour and understandings of welfare recipients. It suggests that the impact of welfare reform since the 2012 Pathways to Work extends far beyond what can be captured statistically:

1. Behavioural conditionality and sanctions policies have exacerbated the well-known ‘scarring effect’ of unemployment for many, even among highly compliant, job-ready and work-oriented claimants.

2. The relationship of welfare claimants to their social welfare services changed; with a rise in the sense that the system lacks empathy, is deeply distrustful and suspicious; and that to make the system work they, along with Intreo employees, must engage in a ‘tactical gaming’ of the system.

3. Unemployed and part-time employees report being forced to pursue and accept jobs or training measures or accept chronic association with various schemes without the prospect of a stable job, let alone an career; they are forced into unsatisfactory economic choices with no clear future.
Together these elements promote disaffection amongst those who rely on social protection payments for however long; it is caustic for their sense of citizenship and social cohesion. For those who find work, the reliability of the social ‘safety net’ is called into question.

**Summary of recommendations:**

With both the efficacy in terms of longer term labour market outcomes and values of the policy instrument under question, we suggest revising or withdrawing welfare sanctions. In particular, we suggest that the conditions which need to be met in order to establish eligibility for JA or JB and the nature of the ‘record of mutual commitments’ be amended, to allow claimants choice and agency in finding their own “pathway to work”. In particular we recommend:

1. To amend the ‘record of mutual commitments’ so that claimants have more discretion to accept only suitable employment, and to consider and reject suggestions by the office.

2. Revise the system of independent review and appeal of sanctions, to ensure claimants have appropriate advocacy and that appeals are considered in advance of the implementation of sanctions.

3. Address the ‘natural justice’ problems that are now evident within welfare system, ensuring that processes are fair, transparent, accountable and proportionate.

4. Include the experience of claimants in the re-design of welfare services.

These recommendations can be achieved within existing budgets for welfare services, but more importantly they will improve the lives of citizens, and in the medium term foster more better jobs and moderate the growth in the low-wage economy.

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Part I: Sanctioning in Ireland

Welfare sanctions were revised in Ireland in 2012 as part of a broad strengthening of conditionality; a ‘rights and responsibilities’ approach to the administration of social protection payments, as part of the Pathways to Work (2012 - 2016) policy programme. Although access to social welfare has always been conditional; the sanctioning system was revised to give particular importance to the third and most contentious part of the International Labour Organisation (ILO) definition of unemployment - actively seeking work. Currently the core mechanism of behavioural conditionality is a set of general and specific job-seeking obligations placed on claimants in the attempt to modify their behaviour, and that these obligations are underwritten by sanctions; either a reduction in payment or disqualification.

The system of sanctions in operation today has the following key features:

- **Disqualification from a jobseeker’s payment** (for up to 9 weeks) for leaving work voluntarily and without a good reason, losing work for misconduct, for failing to engage with activation measures or failing to cooperate with DSP identity checking procedures

- **Reduction in payment** can be applied for not adhering to a signed ‘Record of Mutual Commitments’; in particular, failure to attend meetings requested by the DSP or to participate in appropriate employment support schemes, work experience or training, usually for a fixed period.

- Appeals can be raised to the Social Welfare Appeals Office with average processing times taking 21 weeks, but sanctions are generally implemented before the appeal is heard.

The reduction in payment instrument was introduced in the 2010 Social Welfare Miscellaneous Act, making sanctions practical, as heretofore only disqualification was available, a seldom resorted to ‘nuclear’ option (NESC, 2011). Since introduction in 2012, the number of sanctions has risen steadily, despite the backdrop of a large decline in unemployment. It is unclear what is giving rise to increasing use of sanctions – a rise in claimant behaviour, a broadening of the scope of sanctionable offenses, more institutional capacity to engage with the unemployed as the Live Register drops or a broadening institutional tendency to sanction.
There is no natural rate of sanctions which reflects generalised social behaviour; instead, the level of sanctions depends on the policy and implementation approach applied. For instance, in the UK the rate of sanctioning has reached as high as 16%, which surely highlights the tendency for sanctions to become overused (Webster, 2014). Indeed, a recent UN report on the UK expressed concern about the extent of “...sanctions in relation to social security benefits and the absence of due process and access to justice for those affected by the use of sanctions” (ESCR, 2016: 7). In Germany the Hartz IV laws of 2003 introduced sanctions has seen similar rates of sanctioning to the UK (Woltas, 2016). So whilst the rate of sampling in Ireland is still far lower than either Germany or the UK, the growth rate of sanctioning practices indicates the policy trajectory we are on:

<table>
<thead>
<tr>
<th>Year</th>
<th>Penalty sanctions</th>
<th>Unemployed (QNHS@Q1)</th>
<th>% sanctioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1519</td>
<td>312,000</td>
<td>0.49%</td>
</tr>
<tr>
<td>2013</td>
<td>3385</td>
<td>292,000</td>
<td>1.16%</td>
</tr>
<tr>
<td>2014</td>
<td>4325</td>
<td>253,000</td>
<td>1.71%</td>
</tr>
<tr>
<td>2015</td>
<td>6875</td>
<td>212,000</td>
<td>3.24%</td>
</tr>
<tr>
<td>2016 Jan-Jul</td>
<td>4242 (*8484 2016 projected)</td>
<td>181,000</td>
<td>(*4.69% projected)</td>
</tr>
</tbody>
</table>

Sources: CSO, DSP

With high rates of sanctioning over the past decade in both the UK, USA and Germany- there is considerable experience to draw on, and it is worth looking at international evidence. Beyond this, it is also worthwhile to consider the response of users of the welfare system to the recent revisions. Qualitative research, such as Delaney et al. (2011) is important to scope out the range of experience and complex problems and behavioural responses to unemployment. Additionally our research is longitudinal, and thereby charts how the lives of claimants are impacted as Pathways to Work has been rolled out.
Comparison to the UK sanctioning regime:

The Pathways to Work policy was most directly modelled on the UK welfare reforms, which have been underway since the early 1990s. Obvious similarities include the re-modelling of welfare services via the Jobcentre in the UK or the Intreo office in Ireland. In the UK, there was a persistent effort to roll-out conditionality from the core cohort of job-seekers to other groups – lone parents and those on disability benefits. Ireland followed this example by the extension of Jobpath transition payments to lone parents in the summer of 2015.

The UK experience of welfare reform should be cautionary to Ireland, it is important to learn lessons from other jurisdictions rather than repeating their mistakes. There is ample literature criticising the UK system, most particularly a UN report on human rights infringements. What is less well known is that the UK has already begun to pull back from the use of sanctions since 2013, although without political or public signalling of a major change in policy – indeed the Conservative party makes welfare reform a core part of its manifesto. The following table compares the UK and Irish rates of sanction since 2013:

<table>
<thead>
<tr>
<th></th>
<th>GB ILO unemployed age 16-64</th>
<th>No. of JSA claimants sanctioned (after challenges) in GB</th>
<th>Sanctions as % of ILO unemployed in 1st quarter</th>
<th>Republic of Ireland % on similar basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul 11-Jun 12</td>
<td>2,484,800</td>
<td>547,165</td>
<td>22.02</td>
<td>0.49</td>
</tr>
<tr>
<td>Jul 12-Jun 13</td>
<td>2,431,800</td>
<td>570,441</td>
<td>23.46</td>
<td>1.16</td>
</tr>
<tr>
<td>Jul 13-Jun 14</td>
<td>2,135,500</td>
<td>395,155</td>
<td>18.50</td>
<td>1.71</td>
</tr>
<tr>
<td>Jul 14-Jun 15</td>
<td>1,778,200</td>
<td>188,192</td>
<td>10.58</td>
<td>3.24</td>
</tr>
</tbody>
</table>

(Source Webster, 2016 & Department of Work and Pensions, 2016)

These figures clearly demonstrate that the rate of sanctions in the UK is dropping more swiftly than the rate of unemployment, whereas in Ireland the rate is increasing despite the decrease in unemployment. While the actual numbers in the UK obviously dwarf that of Ireland, the rates are beginning to converge, with Ireland on course for 4.6% for 2016. This trend alone should be enough to cause policy makers to rethink sanctions.

NB: Statistical comparison between any two countries is necessarily inexact due to differences in composition and reporting of statistics. Indeed, the statistics above reflect Great Britain rather than the UK as a whole, as the sanctioning regime and statistical reporting in Northern Ireland is different. Also the ILO figure for unemployment is highly constructed by the practices of recording by welfare offices and does not neutrally represent the figures of claimants or unemployed.
Part II. International research on the efficacy of sanctions

Broadly, the trend in welfare policy internationally, for some decades, is towards active labour market policies (ALMPs). However, this is not a homogenous shift with a single model which fits every national economy; indeed, ALMPs broadly fall into ‘work-first’ and ‘human capital’ approaches; the former emphasizing labour market participation, conditionality and sanctions, and the latter addressing skills shortages and shifts in the broader economy. ALMPs also offer important political signals; offering taxpayers ‘value for money’ because they are ‘helping people back to work’ (Watts, et al. 2014).

The primary purpose of behavioural sanctions is to influence the conduct of welfare recipients in ways that incentivise them to take action to move off benefits (Miscampbell, 2014). This ambition comes from the significant evidence that unemployment is harmful to those subjected to it (Jahoda, 1982; Warr, 1987; Kinsella & Kinsella, 2011; Scarpetta et al. 2010, Murphy & Dukelow, 2016). In Ireland, both in the policy documents around the Pathways to Work programme, and the significant research on welfare, behavioural conditionality and sanctions are primarily positioned in terms of the aspiration to improve the lot of welfare claimants (e.g. NESC, 2011, NYCI, 2010, Pathways to Work, 2012, 2013, 2015), but ancillary benefits or reducing welfare expenditure (Griggs and Evans, 2010), and supporting the social contract by offering the sense that taxpayers money only goes to the deserving (Webster, 2014b) are also emphasised.

“Effective activation includes transparent and fair forms of conditionality and recourse to sanctions (lower payments for a period or their temporary suspension); the latter, however, entail ‘surgical’ reductions in welfare payments, not generalised ones.” (NESC, 2011 p 132)

Based on a systematic review of international evidence, Griggs and Evans (2010) conclude that:

“... sanctions for employment-related conditions (full-family sanctions in the case of US welfare systems) strongly reduce benefit use and raise exits from benefits, but have generally unfavourable effects on longer-term outcomes (earnings over time, child welfare, job quality) and spill-over effects.” (p.5)

Negative spill-over effects in the UK are particularly highlighted by Horowitz (2014), charting how sanctions in particular can have knock-on effects increasing reliance on other social services, both in the short term need for immediate support and in the longer term health outcomes. Similarly, Millar and Crosse (2016) highlighted the problematic fit between activation policies and the needs of Lone parents, from childcare to more flexible support. Such a report effectively indicates that welfare payments to this
group – and perhaps all others – should be *unconditional*, and that there is practically no justification for sanctions, as the impact is inevitably negative for children and vulnerable individuals.

Research from the US, UK, Germany and other European states has reached a consensus that imposing sanctions has the very desirable short-term effects of a consistent and substantial increase in employment entry rates and marked reductions in unemployment durations (Abbring et al. 1999, van den Berg et al. 2004; Muller & Steiner, 2008; Hofmann, 2008, Webster, 2014b, and in Ireland Martin, 2015). Indeed throughout the OECD world we note a very strong reliance on both the Abbring and van den Berg studies. Research in the US (Mead, 2011), cautions that sanctions can lead to a decline in the number on a particular welfare programme without a discernible increase in transitions to work.

Beyond simply observing that activation increases exits from unemployment, research is needed into the quality and duration of jobs secured, and the patterns of ‘churning’ that appear to arise between welfare and work. In Ireland, there is emerging work suggesting a rise in flexible, precarious, low paid work (Murphy, 2016), to ‘if and when’ contracts (O’Sullivan et al. 2015) and to involuntary self-employment or ‘flexible’ (Wickham & Bobek, 2016). Government statements have continuously emphasised ‘making work pay’. Yet, Callan et al. (2015) demonstrates that work generally does ‘pay’, even minimum wage work, and furthermore, that most claimants would choose work even *without* a financial incentive.

Research on the longer-term impacts of sanctions is scarce (Dwyer, 2015- Rowntree). A unique study in Switzerland which considered the effect of both the threat and imposition of sanctions found that they lowered the likelihood of sustainable employment and incomes over time (Arni et al., 2009). A longitudinal study in Australia found the long-term health impact of low-quality work over several years to be significantly worse than long-term unemployment (Butterworth et al., 2011).

A broader body of work has considered the ‘spill over’ effects of sanctions- so there has been studies that suggest a link with higher crime rates (Machin and Marie, 2004 in the UK, and Daguerre, 2009 in the USA). There is also well established concerns for the impact of sanctions on child welfare (Paxson and Waldfogel, 2003), caring for other dependents (Griggs and Evans, 2010) and the most vulnerable of claimants (Oakley, 2014). The ESRC funded ‘Welfare Conditionality’ project in the UK (2015) has found that sanctions are overly concentrated among vulnerable groups, and particularly the young, who are especially effected by the double ‘scarring’ effect of both unemployment and sanctions. The UN (2016) criticised UK welfare policies for being disproportionate, lacking independent appeals and infringing on human rights to welfare.

Following the UN report on the UK it would also be beneficial to introduce a system allowing independent appeal of sanctions *before* cuts are made, by Appeals officer, with claimants having recourse to advocates.
The UK’s Social Security Advisory Committee in 2015 reiterated that there is no clear evidence that sanctions actually works to change behaviour, and in any case that it should be a ‘last resort’. Yet, the threat of sanctions is the first, default resort in communications with Intreo.

More fine-grained work on welfare recipient’s understanding of sanctioning protocols raises questions over whether behavioural change can be attributed to sanctions (Miscampbell, 2014). These studies suggest that very few make the active choice not to meet the conditions and obligations of a particular scheme (Goodwin, 2008). Most claimants are aware of penalties, but not the specific way they are imposed, or can be avoided or reversed (Dwyer, 2015). This body of work suggests that sanctions really effect those with more chaotic lives, rather than those who deliberately refuse to comply or engage.

In constructing the sanctioning regime in Ireland it is clear that research relies on the International evidence on the short-term impact of sanctions, with relatively little attention paid to the longer-term impacts; perhaps reflecting the economic crisis at that time (NESC, 2011, Macleer and Doorley, 2011, O’Connell & McGuinness, et al. 2011a, 2011b). This quantitative work made inferences based on statistics about the impact of activation and sanctions, but these should be scrutinised, as they often proceed on narrow economic models, involve guesswork and are framed by a short time line. For instance, Carrots without sticks? (2011b), a much relied on paper by policy makers, presumes that lower exits into employment by claimants in a system with few sanctions possible ‘proved’ that sanctions were necessary; no alternative explanation of this statistical correlation was explored (such as claimants taking time to search for better jobs, undertaking further education or developing their own business).

Ireland’s Pathways to Work drew most strongly on the UK and Australian ‘work-first’ activation models (Murphy, 2016), but in transposing the policy prescriptions from economies with already relatively high levels of sanctioning, social policy has neglected consideration of the longer term impacts on individuals and the economy. Now it is important that the broader impact of ALMPs, particularly sanctions, on the well-being of claimants and the economy in the long-term should be considered.

The evidence base for assessing the impact of Pathways to Work should not be limited to the rate of unemployment or other economic indicators, but include detailed study of the experiences of claimants. One main aim of activation policies is to shape the economic behaviour and choices of welfare claimants. However, the reasons why people make their economic choices really does matter, as surveillance, pressure and threats may have negative long-term impact on health and future earnings. Furthermore, the possibility that individuals might make better economic choices if given more support and less conditionality is not captured in statistics. Thus, qualitative research is important to understand the fine-grained impact of policy, and improve the interface between providers and claimants.
Part III. Our primary research 2012-2016

Since 2012, WUERC has developed large qualitative datasets around the experience of unemployment and work, including interviews, focus groups, media and policy analysis.

Two project directors have supported a further four project investigators and the work of thirty nine research assistants over three research cycles (2012, 2014 & 2016). For this submission we rely on the interview data with unemployed people where the issue of sanctions arose.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>16</td>
</tr>
<tr>
<td>2014</td>
<td>14</td>
</tr>
<tr>
<td>2016</td>
<td>25</td>
</tr>
</tbody>
</table>

Evolving experience

Our interviews span the experience of unemployment before, during and after the roll-out of activation policies, and reveals how policy works out in practice, beyond what is measurable statistically.

Our 2012 tranche of interviews (n=16) confirmed international research on unemployment as a negative experience, leading to financial troubles, social isolation and challenges to mental well-being. Strong work-orientations and extensive job-search activity was also in evidence. Minor elements of suspicion and distrust between claimants and welfare officers were reported, particularly among younger, male and urban jobseekers. In the main the experience of unemployment was narrated as the internalisation of market failure- so typically people felt they lost their jobs because of the recession, but were they to have been better positioned, they might not have become unemployed.

Beyond the financial hardship of losing a job, many expressed problems with mental well-being:

Your sense of self-worth goes downhill very rapidly and your feeling of depression goes up and certainly I’ve been depressed without realising exactly how depressed I was. Because it can manifest itself in a lot of different ways.

It does bear down on you and it takes a huge smack, a huge chunk out of you your self-esteem, you just you just do feel kind of prisoner.

If you’ve got nothing to do yourself to keep yourself occupied you’ll go ‘round the twist. Which you would, you know?
In many cases, the loss of the social dimensions of work were also identified as a difficulty:

But you do miss it.. what you miss is... you miss the work fair enough and you miss the money ... but I think worst of all you miss working with people.. know what I mean.

Yeah that is hard (money) but the funny thing is, its not the worst part! I like working, I love the craic we had a lunchtime and the social life that comes with working! I don't have that anymore;

Some interviewees highlighted distrust in relations with the social welfare office:

Yeah, I hated it. It was shocking, absolutely terrible feeling altogether. Because you feel the people that work there, I don't find them...actually nice. I actually feel like they're giving it out of their pocket

You can actually feel it, its tangible, the kind of resentment coming through from behind the counter...

Or criticised the sorts of training offered:

With regard to the Fas courses that are available, I always thought they were a waste of time and a waste of taxpayers' money.

Far fewer reported on a feeling of social stigma around unemployment, although there were some examples:

Then some people probably think, em, ‘there she is sponging off the state’

In 2012, with unemployment at 14% many of the people we spoke to were very pessimistic about their chances of securing work in the future. Older workers, especially above the age of 55 spoke of being on the metaphorical ‘scrapheap’. Younger people more often raised the possibility of emigration, and were more concerned with their lack of experience, but also wary of internships and other schemes being foisted upon them.

Although many highlighted difficulties with the initial process of establishing entitlements or problems with ‘signing on’, only one of our 2012 respondents reported difficulties with conditionality around actively seeking work:

The ‘social’ would be getting on to you , you know, why aren’t you applying for jobs and you’d say I applied for this job, this job this job, and they’d say where’s your proof, you know. And I don’t have it you know.
While the depressing, isolating elements of unemployment per se somewhat diminished in subsequent years, this sort of stress and pressure around activation became a much more pronounced.

In 2014 jobseekers (n=14) reported very different experiences beyond the ‘scarring’ experience of unemployment. They experienced activation measures primarily as a threat for any non-compliance with the office, which exacerbated stress and in some cases depression. While some were pleased to be ‘put on a scheme’, many others saw activation measures as condescending or even coercive, and reported considering emigration, applying for jobs for which they were unsuited and unqualified. Relations between claimants and the office appeared increasingly strained, with surveillance and pressure from officers, and strategic presentation of job-search activities by claimants.

Higher levels of distrust between claimants and officers emerged in these interviews, around practically all elements of engagement, from contact by letter through to face-to-face meetings.

During that particular presentation that there was kind of, there was an assumption that a few of us in the room were going to be abusing it

This Group Engagement explanation of rights and responsibilities, perhaps unintentionally works to stigmatise jobseekers as potential fraudsters. Training in jobsearch activities was often resented

It’s counterproductive because its people telling me how to make a CV and not realising that I’m not completely brain dead … banal and pointless

There is some crowd offering some back to work, a back to work course and they show you how to write a cv and they do a mock interview with you... it didn’t get me any closer to finding a job.

While this might be explained away as a simple ‘mis-match’ of training and jobseekers, the obligatory nature of these sessions contributed towards negative feelings; as one respondent summed it up:

It's just paying more people...To sit on their arses and make the unemployed feel stupid

More concerning was the emergence of compulsion to seek work, apply for jobs, accept work and even take on internships, by case officers who possessed discretion over the use of sanctions:

I got a good one. I’ve had bastards before who just ‘oh no well you have to do this’ but I won’t be doing it in five weeks’ time ‘still doesn’t matter just do it’.
Anything that would get you off their register. Some of them don't care obviously what your future is. They're just like well no but you need to be working

I was obligated to go to this interview for a receptionist position like I had to go. Like they told me that eh there's a receptionist interview go to this or we will stop your job seeker benefit or whatever

I'd have to do 19 and 1/2 hours work every week for an extra twenty quid on top of your dole...and it was...like it was never stated explicitly but you got the impression that you had to do this, you know

Rather than a collaboratively negotiated job-search strategy, these claimants reflected that their labour market activities were being dictated by welfare officers, often with unsatisfactory or counter-productive results, like constantly applying for jobs for which they were unqualified. Institutional pressure to reduce case loads or to fill places on schemes seemed to override long-term thinking about job-quality and career development.

This clearly has knock-on effects, both in the mental well-being of jobseekers who are subjected to threats of sanctions and compelled to apply for jobs regardless of their likelihood of success, and in ensuring that any job or hours will be filled, depressing wages and more importantly, reducing the onus on employers to provide decent work in good conditions:

I mean, I’ve been for several interviews that I’m over qualified to do and still wouldn’t get the job because I would probably expect the pay to reflect my experience and they don’t want to do that, they just want to employ someone on minimum wage,

Desperation sets in and you’ll apply for anything you know?

The routine is really panically looking for jobs for two hours on jobs online and then crying into your Coco-Pops because you can’t find anything, right? That’s been the, that is the routine.

Before I felt like I was just looking for a job, but now I feel like I’m working for the social welfare officer.

Here we see that the feeling of personal agency of jobseekers is significantly reduced, as is their opportunity to make meaningful choices about their career orientation. Individuals are compelled to waste their time applying for jobs they are unlikely to secure, simply in order to fulfil their obligation to seek work – and we would argue that frequent unsuccessful applications contributes significantly to feelings of personal failure and anxiety, which are counter-productive for actually securing work.

To round this off, consider the experience of one individual who attempted to get involved in volunteering, surely a positive step in staying active and work-ready:
They had a whole load of questions, a lot of demeaning questions about why I was volunteering. One of them was more or less along the lines of ‘why are you volunteering when you could be looking for work?’

The difference between 2012 and 2014 is quite marked; while the 2012 sample largely reflected the economic and social problems of unemployment (see Delaney, et al. 2011) by 2014, processes introduced under *Pathways to Work* were significantly exacerbating these negative experiences, with questionable economic benefits, and creating a climate of distrust between claimants and officers.

Our 2016 sample (n = 25) included unemployed jobseekers, individuals on internships or other schemes and part-time workers seeking further work. Within this sample distrust and underlying hostility towards welfare services were widespread. Individuals narrated their unemployment as being orchestrated by powerful actors in the market economy who were organised against their interests. Individual experiences ranged from highly-qualified individuals being forced to take on low-paid unskilled work to being ‘warehoused’ for years working in government schemes for minimal remuneration. Part-time workers endured effectively ‘zero-hours’ contracts and poor conditions for fear of losing entitlements if they left.

The perverse consequences of blunt conditionality in activation schemes really became apparent in our 2016 corpus. Many individuals found that their skills and professional qualifications were wasted because of the compulsion to seek and accept any work:

> I couldn’t get work. [in industrial design] and they told me to go waitressing. And I was waitressing, and on the dole, and just picking up work when I could. And now my qualifications are no good like.

Or in another instance, the employment conditions for highly qualified roles were reduced to internships, for instance a JobBridge calling for a qualified psychologist:

> I’ve done education, I’ve done my community and education development degree, I’ve done nearly ten years work with youth workers I’ve gone back to college to do psychology to try and improve myself so I can have the qualifications for the job and the experience and another degree. [When] I saw this on Jobbridge I wanted to tear my hair out. What is going on in this country is that we have to keep chasing the cheese no matter what you do somebody moves the cheese to somewhere else so we have to keep climbing and climbing and climbing.

Ironically, the activation policies of the state in creating internships to connect individuals to work have dissolved opportunities for good quality employment for highly skilled and motivated individuals. By 2016 the individual experience of jobseekers began to reflect changes in the way the Irish economy worked, for instance, in the conditions of part-time workers, younger workers, individuals connected to quasi-state ‘schemes’, and in the normalisation of ‘part-time’ even within state education.
I worked on that scheme for four and a half years and afterwards I still did not have a job. That was being with an organisation for approximately nine years and at that stage I still didn’t get a job.

It was only when a contract came up working with one specific person up there that I was able to apply for that job. But even still today, they still have relief workers with zero hour contract hours.

You can decide to take the shift or not but if you don’t take the shift then you don’t get in with the people then if you don’t get in with the people or if some of them don’t like you then you won’t be getting calls very much unless they are desperate and they need you.

While there are many factors which are re-shaping the Irish economy at present, clearly the commitments to employers and tax-payers within Pathways to Work contribute towards the experiences of these jobseekers. The imperative of moving individuals from unemployment into work – any work, and the commitment to provide a steady stream of workers to any employer mean that poor-quality jobs which simply cannot provide a living income, much less security or stability become increasingly widespread, and especially compulsory for young entrants to the labour market, potentially a ‘scarring’ experience.

This relationship between social welfare and the low-wage economy was explicitly recognised by many job-seekers:

It’s kind of like a revolving door, because one person is gone and another person is put in their place.

People of my generation have a strong hard work ethic, but they also want to be paid fairly. Whereas if they employ a young person they are going in at the lowest rate and they can manipulate them.

While all of our respondents were strongly committed to work, and had the ambition of finding decent jobs and would accept contract work or part-time hours as a stop-gap, they increasingly experienced the welfare system and employers as unsympathetic or even exploitative. This took the form of a feeling of alienation, the conviction that the state did not have welfare claimant’s best interests at heart, but was more closely aligned with employers, who in some cases were seen as taking advantage of the system, by turning real jobs into internships or never offering more than the minimum wage even to experienced workers.

Aside from these, and the cumulative intensification of the negative experience of unemployment itself and growing distrust and compulsion by the welfare office, there were a number of minor themes, for instance, the sense of institutional chaos within the proliferation of agencies (TurasNua, Seetec, etc)

To me it just felt like a waste of time going in there.
I got interviewed for one of them and even the person interviewing for the place, he didn’t even know what he was doing.

Furthermore, there was a sense of arbitrariness or capriciousness regarding how stringently the rules around conditionality were applied:

People that I know in family they constantly send out letters now especially in the last two years there has been people hired in social welfare especially to hound people to get jobs or get on schemes or their social welfare will be threatened to be taken away from them or reduced they have to provide letters from employers that they have applied for jobs they have to send back when they have not been offered a job they have to photocopy these and send them into social welfare. That didn’t happen even 5 years ago they didn’t hound people the way they do now.

Overall, our qualitative interviews suggest a very pronounced trend towards negative experiences of welfare services, which arguably exacerbate the negative and scarring elements of unemployment. Decisions to pursue or accept work – or training – are motivated less by rational economic decisions than the demands of case officers and the ever-present threat of sanctions.

Previously high levels of trust have eroded. While difficult to measure empirically, the maintenance of high-levels of trust is essential to a functioning activation policy; in the absence of implicit trust claimants cannot concentrate directly on job-seeking, but become anxiously focused on satisfying the requirements of engagement or providing proof of their jobseeking. The introduction of Turas Nua and Seetec adds cumulatively to this pressure, as individuals must negotiate with new institutions who hold the power of sanction.

By their longitudinal scope, our interviews show the shift in the experience of activation over time. Within this sample, no individual was unemployed uninterruptedly from 2012 to 2016, such long-term unemployment being rather rare. However, many individuals were intermittently unemployed, and they directly commented on the palpable shift in the experience of unemployment. One woman who had been unemployed for a period during the boom and in 2014 stated:

Before I felt like I was just looking for a job, but now I feel like I’m working for the social welfare officer.

Another man who lost his job in January 2014 found his local rural welfare office to be accommodating initially, but incrementally more pressurising; eventually he took a ‘dead-end’ internship as a landscaper. A third individual had his benefit claim suspended after he was unable to attend meetings due to illness, which left him destitute, living off savings and relations, and only the intervention of another agency restored his entitlements.
Well, they funded me for a bit, but then they cut me off for months, and it's only that I went to MABS and MABS got my money re-instated. They cut me off for ages.

Such cases are precisely within the letter of social welfare regulations, and as our research has no access to DSP files, we cannot examine official proceedings or decisions. Clearly, independent research into the practices and decision making within Intreo, Community welfare offices and so forth would be worthwhile. What is abundantly clear is that, over time, the system is becoming more alienating and punitive.

Analysis:

Activation policy is composed of supports – jobsearch guidance, motivation, upskilling etc. – and sanctions. Our research highlights that the threat and implication of sanctions transforms the activity of jobseeking and relations with the welfare office, increasing pressure and distrust. While further research is necessary, we can reasonably argue that harsher activation policy exacerbates the psychological scarring effect of unemployment and forces exits to lower-quality jobs, removing incentives for employers to provide full-time employment with good conditions and longer contracts.

Well-established psychological research suggests that stress is increased by continued and repeated failure in challenges, especially when observed by others (Dickerson & Kemeny, 2004). Such experimental results are borne out by our interview sample, where many respondents found their interactions with welfare services were quite negative, characterised by mistrust, surveillance and pressure. Requirements to apply for specific work, prove jobseeking activity via written evidence, and/or accept alternative training – all backed up with the threat of sanctions – tend to place blame for failure to secure employment on the individual. So too, job-churn between low-pay and no-pay, from short-term contracts to welfare is also a very negative experience, perhaps even more so than continuous unemployment (Butterworth, et al. 2011). While ALMPs intend to alleviate the well-established ‘scarring effect’ of unemployment, the highly conditional welfare processes they engender may well exacerbate it.

While economic and statistical analyses of welfare policies focus broadly on the numbers in unemployment and the swiftness of exit, our research indicates that the ‘street-level’ question of how these policies are implemented genuinely matters. Indeed, the monetary value of welfare payments is not necessarily the only concern of claimants; how they are treated matters, in particular, the conditions under which they receive their payments, and whether the office appears as flexible, decent and humane rather than a bureaucracy. Building unemployed people’s capabilities (c.f. Sen 1999) supporting and empowering them to choose between options has the better potential to lead to positive long-term economic outcomes. Practically, this means that the ‘human capital’ dimension of ALMPs should be emphasised over short-term job churning practices that emerge in a highly conditional system that relies on sanctioning.
Part IV: Recommendations

Both the analysis of international research and our qualitative studies suggest that increased conditionality and sanctions have negative medium-term consequences for claimants, and sub-optimal economic impact. Therefore we recommend the following:

i.) To amend the ‘Record of Mutual Commitments’ so that claimants have more discretion to accept only suitable employment, and to consider and reject suggestions by the office. Job quality concerns should take a greater prominence over the existing commitment to find work at ‘the earliest possible opportunity’, and claimants should have significant discretion as to what placements, training or jobs are appropriate to them.

ii.) Revise the system of independent review and appeal of sanctions, to ensure claimants have appropriate advocacy and that appeals are considered in advance of the implementation of sanctions. Rather than a rarity, an appeal examining the basis for the sanction, ensuring that it was indeed a ‘last resort’ should be normal, applied in all cases, except where a claimant waives their right to an appeal.

iii.) Address the natural justice concerns that have arisen with existing administration of sanctions. The Irish sanctions system is a powerful instrument, and so its administration must be procedurally fair in reaching decisions; it must be transparent, clearly communicated, incorporate fair warnings, be proportional, uniform and accountable. Therefore we recommend redesigning the administration of the sanctioning system to more closely reflect Irish Government traditions of natural justice. At a practical level, there is an immediate necessity to adequate report at a fine-grained level on the current sanctioning system to achieve some form of institutional confidence in its administration.

iv.) There is little or no user involvement in designing the administration of unemployment in Ireland, nor is there much use made of user-oriented research; a strict reliance on quantitative economic data and logics fails to take account of the interpretation that claimants make of the system. User perspectives should inform the design of the service, and a wider range of research should be taken into account in forming policy, processes and the design of offices.
References:


WUERC is a multi-disciplinary research theme of the joint WIT-UCC Centre for Moral Foundations of Economy and Society [www.moraleconomy.eu](http://www.moraleconomy.eu/). Led by Dr Tom Boland, Lecturer in Sociology and Dr Ray Griffin, Lecturer in Strategy; supported by four other project investigators and nine research assistants over three research cycles (2012, 2014 & 2016); the project strives to build understand around the contemporary experience of unemployment and work using large anthropologically orientated datasets. In all this work we aspire to offer a richer voice on the experience of unemployment and work to complement and counterbalance the over-reliance on statistically informed research. Supporting the academic and policy work, WUERC provides considerable popular commentary on social welfare policies, contributing op-ed pieces, interviews and analysis to national and local newspapers and radio; and to television.

**Books**


**Book Chapters**


**Journal Papers**

Special issue on ‘The Experience of the Labour Market’ – Irish Journal of Anthropology


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