Abstract

Labour markets throughout Europe are changing because of globalization. Education and skills are highly important to meet new standards and technology. At the same time, the financial crisis has caused mass unemployment, especially in younger demographics. In this convergence, active labour market policies play an important role for helping people back into the labour market. These policies come with a string of rights and duties for those who are affected by unemployment.

In recent decades there has been a development in the EU of more stringent policy concerning the labour markets. Especially Flexicurity plays a role in proposing an altered way of organizing labour and welfare policy. This thesis uses the United Kingdom as an example of how one demographic, unemployed graduates, are influenced by rights and duties as they collect welfare from the government. The purpose of his thesis is to discuss if altered ways of organizing labour market policy and welfare suggest the emergence of a new social contract for citizens of the EU, generally, and unemployed graduates in the UK specifically. This is discussed through the concepts of Flexicurity and citizenship. This thesis employs Social Contract Theory and Critical Discourse Analysis to present a textual analysis of the current discourse.

This thesis finds that there are elements of a changing social contract in the EU based on Flexicurity discourse. It also finds that demands presented by UK governmental actors towards unemployed graduates suggest that the traditional ways of thinking about citizenship and the welfare state has changed since the start of the financial crisis.

Words: 20 470
**List of Abbreviations**

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<tr>
<td>ALMPs</td>
<td>Active Labour Market Policies</td>
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<td>BBC</td>
<td>British Broadcasting Corporation</td>
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<td>CDA</td>
<td>Critical Discourse Analysis</td>
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<td>DM</td>
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1. Introduction

1.1 Topic Presentation

Europe today is a drastically different continent than it was 50 years ago, or even a generation ago. (If we are to use the conventional 25 years between generations) In many ways, Europe has changed for the better. The majority of Europe has, in large part thanks to the European Union (EU), moved away from the warfare and scepticism which previously was such a factor in dividing the continent. The EU has brought the notion of ‘soft power’, democracy and human rights to the forefront of its agenda for its member countries and beyond. However, the EU is also struggling on many fronts. In the past, Europe was, together with North America, the unrivalled centre of the world. Everything, from military power, cultural impact and economic force was centred and exported from these two parts of the world. This has changed due to globalization.

Globalization has been favourable for Europe’s economy; however, it has also produced some fundamental changes in European society. The labour markets have changed significantly. New technology and new industries have replaced traditional ones, and so the role of workers in Europe has been altered as well. Workers in Europe have had to adapt and adjust to new times and new tasks.

The devastating financial crisis Europe has seen over the last six years will be the point of departure for this thesis, since it has marked the dawn of a new era for the EU where focus will be on restoring the EU economies back to pre-crisis levels and getting people back into employment.\(^1\) The crisis has taken its toll on many economies and has been particularly challenging for younger people. In some countries, youth unemployment has seen figures over 50 per cent.\(^2\) If the EU member states are unsuccessful in this task, the consequences will

\(^1\) European Commission, “Europe 2020 Targets”, 22-06-2015
Another factor is the numerous austerity measures put in place by European governments. The concept of austerity is fairly simple; it is the policy of reducing a country’s budget deficits. Examples of this could be to increase taxes and/or to cut spending on welfare for that country’s citizens.4

One of the tools which many countries in the EU have adopted is Active Labour Market Policies (ALMPs). ALMPs have been defined by the Organisation for Economic Co-operation and Development (OECD) in the following manner:

“Such policies include job placement services, benefit administration, and labour market programmes such as training and job creation.

**Activation strategies** help ensure that jobseekers have a better chance of finding employment. Key features of such strategies are to enforce work-availability and mutual obligation requirements. Benefit recipients are expected to engage in active job search and improve their employability, in exchange for receiving efficient employment services and benefit payment.”5

For this thesis I will attempt to examine and analyze the discourse surrounding these ALMPs. They are fully integrated within the European Commission’s (EC) growth strategy for the EU towards 2020 and are named as one of seven flagship initiatives in order to improve on unemployment numbers.6 They are deemed as important building blocks in order to re-activate those who are unemployed; either fresh out of education or those who are long-term unemployed.

I will perform the analysis by using Critical Discourse Analysis (CDA) as method and by using the United Kingdom (UK) as a case study. The case study will be focused on the demographic of unemployed graduates in Britain and how ALMPs affect their lives as they

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3 Business Insider, “Youth Unemployment Could Tear Europe Apart Warns World Economic Forum” by Sam Dodge, 15-11-2013
5 OECD, “Active labour market policies and activation strategies”, 15-02-2014
seek meaningful occupations. The UK is particularly interesting since it is a country which for some time was considered to be quite late in implementing ALMPs. However, in recent years, the UK has been one of the countries which have sought to implement reforms in the labour market and is now one of the countries in the EU where ALMPs are being pushed through the most, with both positive and negative consequences for the groups they are aimed at.\(^7\)

### 1.2 Delimitations of Scope

The coverage of this study is concentrated on one case; the practical and societal consequences of ALMPs for jobless graduates in the UK.

The empirical material used in this thesis is a mixture of official policy documents brought forward by the EU, primarily from the EC with its sub-division of Employment, Social Affairs and Inclusion, the OECD and media articles written with the labour market situation for graduates in the UK in mind. Official EU policy documents are limited to one status report regarding Flexicurity, combined with a speech from the head of the European Central Bank (ECB), which highlights the EU’s visions of a social contract. In addition, a country specific report from the OECD on UK activation policies will be analysed. The time frame for the analysed documents, including media articles, is from 2009 – 2015, since the financial crisis is this thesis’ point of departure. The group of jobless graduates do tend to include a younger demographic (typically between 22 – 30 years of age), however, there are a number of graduates over 30, therefore this thesis will include articles written on jobless graduates between 22 – 35 in their meetings with UK activation policies for the unemployed. On a general note, most of the material will include graduates who have chosen to study degrees which by some might be considered less useful (Arts & Humanities) than degrees which “guarantee” employment such as medicine and nursing. It is important to recognize that some

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degrees are fairly well known for being “safer” choices than others in regards to possibilities in the labour market. In addition, having a university degree today is far more common than in earlier decades, which means competition in the labour market has increased.

1.3 Ethical Considerations

When working on this thesis there have been two factors which have been present in regards to ethics; transparency and reliability.

I have sought to be utmost transparent in regards to method and empirical material, i.e. citations and other references are correctly cited and used. The sources used are reliable within their context and for the topic at hand.

1.4 Outline of Thesis

This thesis has been separated into eight chapters. The first part is an introduction to the research problem and why it is relevant to European Studies. After the introduction, an extensive background section on how ALMPs have developed in the UK will follow. The third chapter will present previous research on the topic of activation policies on the European labour market and highlights that a number of scholars have found that the EU is offering a new social contract to its citizens. The fourth chapter introduces the research aim and research questions. Then follows a chapter on the theoretical framework used in this thesis, namely that of Social Contract Theory as a way to approach the changing dynamics in the UK labour market in response to ALMPs. The sixth chapter will go into extensive detail on the use of CDA as a method for analysing text documents as well as give an overview of the empirical material. The seventh chapter will allow for the reader to look at the analysis of the chosen empirical material. Finally, chapter eight will present conclusions from the analysis as well as give suggestions for future research.
2. Background

2.1 Activation as a Concept

Activation is a somewhat ambiguous term, without a legal definition. Since the word is so versatile, it is also a vague word in many respects. Eichhorst provides a definition of the term activation in this manner:

“One rarely receives a precise answer to the question what exactly is understood by activation. Instead, a set of measures is mentioned that are meant to integrate jobless people again or for the first time into the labour market. Paraphrasing the objectives to be achieved through activation of jobless people is an attempt to explain the term itself.”

On an EU level, activation can also be understood in a certain way. In the EU, the discourse on activation often revolves around the concept of “Flexicurity”. According to the European Commission (EC), Flexicurity is “an integrated strategy for enhancing, at the same time, flexibility and security in the labour market” and one of the principles of flexicurity is “effective active labour market policies”. The EU has set a goal for all member states to implement flexicurity in their labour markets by 2020.

The concept of ‘activation’ is now a widely recognized form of political discourse within the UK when talking about the labour market and benefits. Activation, at the present, can mean two things; transferring the unemployed from welfare and into employment. However, according to Barbier and Ludwig-Mayerhofer, it can also be seen as “a dimension of the

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9 European Commission, “Flexicurity – What is flexicurity?”, 12-03-2015
10 Ibid.,
reform of social protection in a more or less punitive manner.”¹¹ This implies that the development of the discourse on the subject has moved on from being about the quite basic idea of getting people back into the work force. Now, the discourse has a disciplinary element to it. This has not always been the case.

2.2 Activation as Policy in the UK

As stated in the Topic Presentation, the UK was slow to implement ALMPs. After the Second World War, the country experienced boom times, not just for the fertility rate but also for economic development. Boom times also meant new demands of a growing economy. As we see now, being employed was seen as “the golden way to social inclusion.”¹² Those who found themselves to be on the outside of the labour market were ‘on the dole’¹³ and receiving benefits, without any special set of demands placed on them, until they managed to get back into the labour market. This lasted well into the last decades of the previous century, in stark contrast to for example the Nordic countries. The idea of an ‘active policy’ was born in Sweden and spread to Norway and Denmark, where the goal of full employment has always been integrated as an essential part of social protection in a Keynesian way.¹⁴

Demands and expectations of British benefit recipients were not of any real importance until the Labour Party, led by Tony Blair under the moniker New Labour, in the 1990s started introducing ALMPs. The ALMPs brought forward by New Labour were considered to be of a ‘liberal type’, meaning that they were to provide the individual with short-term vocational training, as well as providing simple matching services and swift information combined with

¹¹ Barbier, Jean-Claude & Ludwig-Mayerhofer, Wolfgang, “The many worlds of activation” published in European Societies (Iss. 6, Vol. 4, 2006) p. 423
¹³ A common expression in the UK for receiving unemployment benefits
¹⁴ Barbier & Ludwig-Mayerhofer, p. 425
benefits under the minimum wage.\textsuperscript{15} This is in contrast to the ‘universalistic type’, which is common in Scandinavia. The universalistic approach gives full and extended services as well as providing the individual with “relatively high standards of living”\textsuperscript{16} through welfare.

The mid-1990s saw unemployed people in the UK being subjected to harsher demands from authorities. The new regime consisted of fortnightly checks to see if the claimant had been active in pursuing work. When thirteen weeks had passed, the jobseekers were demanded to widen the range of job searches they were willing to accept. This process of activation then resulted in the 1995 Jobseekers Act. Officials working at the jobcentres were given the “discretionary power”\textsuperscript{17} to require individuals to participate in training schemes or job search programmes or otherwise direct individuals to look for work in particular ways.\textsuperscript{18}

Whilst the ALMPs introduced by Labour have continued to be of a liberal kind, they have also been re-developed from the ones decided upon in the 1990’s. Still, the benefits paid to recipients continue to be quite low. However, new demands of the unemployed have been brought forward. For instance, the “Willingness to Work” slogan was introduced by the current Conservative and Liberal Democrat coalition government. Besides implying that welfare claimants were not always willing to work, it was also in all practicality a warning to claimants that if they were no ready to take on any job offered, their benefits would be taken away.\textsuperscript{19} In addition, a new focus of the current UK government has taken a coercive approach; quick labour market integration. At the same time, a concern over long-time personal development for the welfare recipient has also been prioritised.\textsuperscript{20}

Today, the main agency concerned with providing help and assistance to unemployed people in Britain is the publicly funded Jobcentre Plus (JCP). Currently it has approximately 800 branches across the country, and is the employer to over 80,000 people. The general rule is

\begin{itemize}
  \item\textsuperscript{15} Ibid., p. 427
  \item\textsuperscript{16} Ibid., p. 427
  \item\textsuperscript{17} Eichhorst, Werner, et. al, p. 305
  \item\textsuperscript{18} Ibid., p. 305
  \item\textsuperscript{19} Spohrer, Konstanze, p. 55
  \item\textsuperscript{20} Ibid., p. 55
\end{itemize}
that everyone who receives benefits must look for work and “the job centre keeps tabs on how they are doing”.  

3. Previous Research

Numerous scholars have performed research on the topic of activation policies within the European labour market. For the most part, research has been carried out with specific countries in mind. This might be due to the large divergence of policies; there is no one single EU activation policy meant for the union as a whole, since the labour markets are so different. They differ both in terms of size, but also in terms of how European economies have fared since the financial crisis – some emerging strong and dynamic, whilst some countries are still officially in recession. The following research presented in this section share common ground in that it represents variation in academic fields, from governance policy to strictly sociological interest. It was also chosen because it describes the current state of affairs rather than being somewhat outdated or not applicable to this challenging time in European politics. The previous research reflects that a journey has taken place for job seeker’s in Europe. New demands of adaptability have risen, and job seekers are expected to ‘return the favour’ when on the receiving end of benefits.

Clasen & Clegg describes in their paper “Beyond Activation: Reforming European Unemployment Protection Systems in Post-Industrial Labour Markets” how activation as a key word in EU labour discourse has gained more prominence in recent years. They claim that one main goal of the EU’s activation policies is to make already established welfare rights “more conditional on job seeking efforts.” In other words, a key feature of activation policy in their opinion is to make certain welfare rights obtainable through being an active job-

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21 The Economist, ”Leaning against the wind” by unknown author, 04-06-2009
seeking individual. It is suggested that should an individual fail to conform to new policies, welfare rights might be at risk of being lost (temporarily) for that individual. Furthermore, Clasen & Clegg point out that Western economies have been on an unprecedented journey in the last thirty years; evolving from industry-based economies into service-based economies. This transition has not been without challenges, as the individual has been forced to change along with the times, in a labour market that is increasingly focused on individual skills rather than people working in a “Ford-esque” assembly line. The volatility of this new labour market is something which the two researchers deem to be badly suited with the current European unemployment insurance schemes. Their main argument is that the unemployment insurance schemes in Europe today is failing to be in symbiosis with a drastically changed labour market – the social and economic objectives are not the same as they were just 20 years ago.23

In relation to this research, van Berkel & Valkenburg published a book called Making it Personal: Individualising Activation Services in the EU. The title itself suggests a highly individualistic discourse has been developing within this field. Here, Valkenburg characterises the concept of activation policies as a somewhat ambiguous concept. It is stated that activation policy is a form of social policy, and for a social policy to reach its goal it has to be realised through the everyday actions of the individual:

“[...] social policy is aimed at individual people and their everyday lives, aspirations, competences, possibilities and impossibilities. [...]In the end, success or failure is ‘made’ by the thoughts, decisions and actions of individuals”24

Valkenburg makes the case that the “rules” applied in social policy are the same rules for activation policy – the institutions of the welfare state that are designed to help people back into the labour market and as such must make activation policies accessible and simple to understand for the individual. Valkenburg makes an interesting and valid point when he goes

23 Ibid., p. 530
24 van Berkel, Rik & Valkenburg, Ben, Making it Personal: Individualising Activation Services in the EU (Policy Press, 2007) p. 25
on to say that behind current activation policies are society’s normative ideas about ‘work ethics’ and ‘social responsibility’. The idea of these normative concepts means that activation policies require more from unemployed individuals other than merely “fulfilment of bureaucratic duties”.25

Furthermore, Valkenburg has identified three modes of discourse which is relevant for the topic of activation policies.26 They are:

- The erosion of the traditional family: most prominent in Northern European labour discourse, where the increasing number of single households and the growing participation of women in the labour market has changed how we talk about unemployment.

- Differentiation and flexibility: this discourse entails how society has become more individualised. In modern society, people see flexibility and change as important components in their individual biography. This discourse is much opposed by “old-fashioned” collectivist groups (unions etc.) who oftentimes focus on what workers have in common, rather than what divides them.

- Privatisation and free market regulation: within this discourse, activation policies are seen as being part of a broader policy discourse of privatisation. Discourses of privatisation often point to the welfare state as being the inventor of its own problems, with issues like paternalism, bureaucracy and inefficiency highlighting the struggles of old-model welfare states.

If we are to determine what factors link these discourses together, it is fairly safe to say that they place a greater responsibility on the job seeking individual. Rather than being a “passive” receiver of welfare, these discourses expect the individual to give something back for the

25 Ibid., p. 25 - 26
26 Ibid., p. 27 - 29
money they receive. These discourses seem to determine this practice more rewarding, not only for the welfare state in question, but for the individual itself. Another factor which comes into play is that recipients of unemployment welfare almost always have to work before they can claim. This means that obligations come before rights in the case of workers. An unemployed graduate who has never held a job cannot expect to receive unemployment welfare before they have worked.

Activation policies began gaining momentum in the EU from the Amsterdam Treaty onwards. The Amsterdam Treaty, drafted in 1997, called upon the EU member states to place more importance on the need for more skilled and adaptable workforces in each country. Right after the financial crisis hit the continent in 2008, the EU pushed for activation policies to be of a more accessible nature than before; focus was placed on offering more “comprehensive and coordinated services”. The EU saw the credit crunch as a chance of re-inventing its activation policies for the unemployed. Labour markets across the continent were to adapt and change into being more competitive. Keywords such as innovation were at the forefront of EU discourse at this time, and the EU deemed that a collective effort was a necessity in making new activation policies work. Then, in 2010, the re-launch of the Lisbon Treaty saw a more individualistic approach from the EU in that “greater employment assistance initiatives” combined with more individual support for job seeking/counselling was emphasized.

Research performed by the EC has found that unemployment is lowest in countries that employ activation policies to a high degree, and also urges countries where this is not the case to speed up the process. The research done by the EC suggests that to counter unemployment, member states should make a shift from passive policies to active policies, though it recognizes that some member states are currently not in a good position to spend money on reform. However, spending money on reforms now might diminish fiscal costs in future years.

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28 Ibid., p. 315
29 Ibid., p. 316
30 Ibid., p. 316
The research also points to an internal North-South divide within the union, which is of course problematic in the sense that it could shift power towards already powerful member states from the less fortunate.31

One of the more prominent researchers on activation policies, Amparo Pascual, has written extensively on the convergence of activation policies within the EU. Pascual seems to have a differing opinion on activation policies than that of the EC; she calls the current re-assessment of welfare models by the EU a new paradigm which is not just about helping unemployed people get back into the labour market.32 This paradigm entails new consequences for citizens:

“This activation paradigm redefines ‘what is normal at work’. It also redefines the representation of citizenship and our understanding of what is fair and justifiable or unfair and unjustifiable, as well as what rights people should be entitled to and the extent to which State intervention should be possible.”33

Pascual suggests that in addition to the EU pushing forward new activation policies as a solution to the woes of Europe, the EU is also pushing for a new form of social contract between citizens and the state.

Pascual has found that there is an element of “deservingness” which follows this new social contract. For instance, citizens will have access to their rights based on conditions such as their behaviour and attitude towards employment.34 Furthermore, Pascual makes the case that activation policies targeted at the unemployed will often diminish the individual’s feeling of control, and then ironically, impede the individual’s job seeking process as people will often feel like they are being micro-managed and supervised rather than be encouraged to be active and free-thinking in the job seeking process.35

32 Pascual, Amparo Serrano, Reshaping Welfare States and Activation Regimes in Europe (Peter Lang, 2007), p. 12
33 Ibid., p. 12
34 Ibid., p. 14
35 Ibid., p. 18 - 19
Pascual is supported by Hamilton, who has written extensively on welfare reform processes in Britain and Australia, two countries where activation policies towards the labour market has been pushed through the most. In the case of Britain, Hamilton found that individuals are asked to follow an extensive program of “job-prepatory” activities and training. In addition, they are also asked to participate in community services and to “accept reasonable offer of work”. Hamilton does not state what the government deems reasonable work offers, however, she makes a point of showing that following these activation policies is a system of penalties. For instance, individuals who do not conform to this type of training can experience reduction or suspension of payments if they fail to be “active”. This shows that there has indeed been a change from older welfare models, where less demanding procedures was the norm.

This chapter on previous research shows that there has been comprehensive discussion from several scholars regarding activation policies that are being promoted by the EU. Amongst their findings, I would highlight that a process from an “old” to a “new” labour market seems to have propelled a development of new demands for citizens. Discourses surrounding labour market policies seem to have shifted from a culture of handing out welfare to a culture of reciprocity, meaning that the unemployed individual is now expected to give something in return for “hand-outs”. In other words, the more active an individual is in the job seeking process, the more the individual is “morally” right in receiving welfare. Implicit in this is that those who fail to meet activation demands will somehow be punished for not following suit. There is a significant corpus of authors who deem activation policies within the EU as a paradigm shift from a passive welfare state to an ‘active’ welfare state. These reforms mainly seem to be a response to a more globalized, and thus, competitive economy. Europe also has a major issue with ageing populations across the board, which will affect the welfare states in ways that are uncertain now, but will most likely force employment reforms whether people like them or not. Contributing to welfare will most likely need to be delegated to older

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37 Ibid., p. 154
generations. One likely assumption is that people will have to work longer. Another could be that welfare is cut down so that the incentive to work is larger.

Based on the findings in previous research, there seems to be a gap in knowledge regarding activation policies targeted at graduates. Current knowledge seems to concentrate on activation policies targeted at unemployed people as a whole. Previous research has not identified how this general tendency towards ‘deservingness’ and punitive measures is also present in regards to graduates. Economic instability will often mean that the number of people in education rises, and as such there will be more, and not less, graduates emerging in future years. I will attempt to examine if and how activation policies are being implemented differently for specific groups or if they are all applied the same regardless of which demographic has to abide to them.

4. Aim & Research Questions

The challenges the EU is facing today concerning the high levels of unemployment, particularly amongst young people, is of grave concern to every EU country. If the EU is not successful in mitigating the current situation, state leaders across the EU are speaking of a lost generation. Salient to the current discussion of unemployment is how EU policy on the subject combined with the implementation of ALMPs best can help in alleviating the situation.

The main aim of this thesis is to contribute to the present discussion of ALMPs in the UK, and Flexicurity the EU, and how they might be seen as a new form of social contract between citizens and governments. By using the UK as an example, I will analyze the discourse on ALMPs in conjunction with how young graduates without jobs are affected by ALMPs in everyday contact with government institutions in that country.
The focus of this thesis’ research problem is concentrated on two subjects that in many situations merge and causes tensions; the problem of having graduates not finding meaningful work, and the problem of ALMPs that are not specifically suited to cater for different groups. The gap in research consists of analysing whether or not the discourse surrounding the ALMPs and Flexicurity brought forward by the EU generally, and the UK specifically, is of such a nature that they imply a new social contract.

By applying CDA as a methodological tool, this thesis will analyse how ALMPs works in either favour or disfavour of the graduate job applicant in one specific country (UK). It will also emphasise the need for ALMPs which are better suited to different groups in order for individuals to find meaningful work within their field. A critical discourse analysis of EU policy documents on Flexicurity and the European social contract may help in identifying if we are witnessing a change in discourse regarding the social contract. Furthermore, using CDA to analyse media articles regarding the plight of jobless graduates in the UK may be helpful in determining if ALMPs are of advantage or disadvantage to the job applicants they are meant to help. My hypothesis is that, indeed, the ALMPs put forward in the UK labour market are designed to work as a tool to get young graduates into the job market. However, the same policies often disregard or do not recognize the graduates specific skill set, forcing the graduate to work or train in irrelevant positions. By examining media articles through CDA with this hypothesis in mind, I will be able to analyse if these ALMPs are viewed as helpful by the group they are meant to help.

The research questions are thus:

Is the discourse on the EU’s approach to Flexicurity and unemployment suggesting that a new social contract is being implemented between citizens and state?

How do UK employment activation policies affect jobless graduates in regards to demands / duties?
5. Theoretical Framework

For this thesis, the fundamental theoretical framework will be Social Contract Theory (SCT). Some scholars also refer to work carried out by using SCT as Contractarianism. SCT is a wide-reaching theory in the meaning that the idea of a social contract is indeed quite old. In its purest sense, this theory is defined as follows:

“Social contract theory, nearly as old as philosophy itself, is the view that a person’s moral and/or political obligations are dependent upon a contract or agreement among them to form the society in which they live.”

Strictly speaking, a social contract in society is only hypothetical and relies strongly on citizen’s will to follow or adjust to such a contract. It is of course not a physical document handed to someone for signing. Social contracts differ widely around the world and must accordingly be seen in light of which nations, cultures and industries they are implemented in. It is implied that when we enter society, be it in school or in the labour market, we must follow a set of normative rules meant to create order. If we follow these rules, the government will then proceed to reward the people with, for example, welfare and safety nets. SCT is in many ways about understanding the relationship between a government and its people:

“It holds that, having agreed upon the need for a government, individuals create a state on the basis of mutual promises. This permits the state to claim that its authority is based on a delegation of people’s rights to pursue their particular interests in their own way.”

This thesis will concern itself with the idea of a social contract within the Western hemisphere, particularly related to the Western world’s definitions and traditions regarding education, labour and unemployment. Western societies place an enormous emphasis on strong work-ethics among its citizens, in a large part due to the capitalist customs of those societies. Citizens are, directly or indirectly, told that education and work goes hand in hand

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and is necessary in order to fulfil one’s part of the social contract and serve the economy and
the welfare state.

The works of figures such as Thomas Hobbes, John Locke and Jean-Jacques Rousseau all
contain elements which describe a form of social agreement between citizens and
government.⁴⁰ It is arguably most protruding in the works of Hobbes, especially in his epic
book *Leviathan*, where he describes the living conditions for man had there been no form of
social contract; “And the life of man, solitary, poor, nasty, brutish and short.”⁴¹ What Hobbes
is portraying is a life led in a state of nature, or in a world where there is no government in
pact with its citizens. Hobbes was responsible for an elaborate development of SCT in the 17th
century and today one can point to modern SCT researchers which follow a Hobbesian strain
of thought in the field. Hobbes advocated a coercive government to make rules and laws for
its citizens as that would be most gainful for all involved and piece in society would be
achieved. His idea was that political order should be granted full autonomy.⁴²

In contrast to this, Rousseau further developed the theory by “identifying the difficulties in
creating rules to ensure safety and property rights, while also enabling individuals to have an
element of freedom.”⁴³ Related to the topic at hand, one can use Rousseau’s account and
development of SCT to argue that the activation policies currently put forward in the UK are
rules which hinder personal freedom. For instance, unemployed graduates are one of the
groups reported by the OECD to most frequently not claim benefits because of the extensive
job-search requirements demanded by the JCP.⁴⁴ This would perhaps tell the reader of that
specific report that the requirements are of such a nature that the unemployed graduates make
the assumption they are better off fending for themselves. However, as being a part of society

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International, 2014), p. 4
Encyclopedia of Philosophy* (Spring, 2014), Edward N. Zalta (ed.)
2014) p. 16
through education, one can argue that they are in practice being denied benefits since the rules that are imposed are experienced as too inflexible and rigid. One might also argue that unemployed graduates are alienated from an aspect of active citizenship by not taking part in what is taken for granted by other groups.

More recently, research on SCT is to a large degree concerned with the idea of a social contract that is founded on principles of justice and fairness in equal societies, far removed from Hobbes’ initial idea that humanity should accept a social contract so as to escape the dreaded state of nature. The foremost researcher in this line of thought was John Rawls, who came up with “The Two Principles of Justice”:

The First Principle of Justice; "First: each person is to have an equal right to the most extensive basic liberty compatible with a similar liberty for others."  

This first principle is a fundamental description of what we can consider the most “basic” rights for man, i.e. freedom of speech and so forth.

The Second Principle of Justice goes further and is divided into two parts. It delves into a more detailed principle of what rights citizens should have when social and economic inequality is taken into account:

“[…] they are to be of the greatest benefit to the least-advantaged members of society, consistent with the just savings principle (the difference principle).”

“[…] offices and positions must be open to everyone under conditions of fair equality of opportunity.”

These principles are fairly easy to agree with from a normative point of view. If we are to take a closer look at the second part of the second principle, it is this point brought up by Rawls which reflect how activation policies are meant to work. Activation policies are, generally,
tools which are intended to help both those employed by governments and those seeking the jobs offered by these agencies. An element of co-operation is needed for activation policies to work. “Fair equality of opportunity” may sound like something that is embedded by law in most modern, industrial nations, but there are of course many exceptions where this does not occur in practice or is at risk. That is why Rawls’ principles play an integral part for a number of SCT researchers. Since the state is responsible for designing, offering and putting activation policies into practice it is important that they work with the people they are meant to help and not against. They should be fair, in that they are offered to anyone who needs them. They should also hold opportunity, in the sense that they bring an individual forward on a chosen path.

Whilst SCT will often be used to explain that if citizens accept the social contract, they have a political obligation to adhere to a government’s laws and deviations are not accepted. However, contemporary SCT researchers tend to see the aspect of “agreement” between government and citizens differently. In current research, “agreement” is used to identify “which political and social arrangements are justified.”

Timmermann revisits Rawls in his book *Moral Contract Theory and Social Cognition – An Empirical Perspective* and finds that whilst Rawls principles of justice are generally agreed upon within the field, different routes are taken concerning morals and ethics. For instance, Rawls relied heavily on the notion of a political contract. Gauthier has further expanded on this element to also include an ethical approach in his work to “generate a complete conception of morality on the basis of the idea of agreement.”

Like most theories, SCT is not without criticism. From a libertarian point of view, the idea of obedience to a government in exchange for welfare or goods is not a welcome one and it is stated that “it is a sociological law of organizational life that the few will govern the many.”

Thus, libertarians view SCT as un-democratic in itself since libertarianism is concerned with

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47 Timmermann, Peter, p. 4
48 Ibid., p. 6 - 7
protection of minorities from a majority and support the smallest government apparatus possible. SCT has also been met with criticism by feminist researchers who claim that there is a patriarchal element to SCT. Feminist theorists argue that there is a “repressed problem which lies at the heart of modern political theory – the problem of patriarchal power or the government of women by men.”

5.1 Social Contract Theory in Relation to the EU

The EU has in recent years begun to speak of a new social contract. László Andor, Commissioner for Employment, Social Affairs and Inclusion at the European Commission, held a speech in October 2014 where he described the road towards a new social contract within the EU:

“Social rights are inseparable from the concept of advance democracy in Europe. A well-functioning democracy requires a set of social rights as a bond between the State and its citizens. The French would speak of a ‘contrat social’. The last 200 years saw the concept of ‘social contract’ taking roots everywhere in Europe. […] But transforming those rights into reality is a big challenge for all of us, especially since the crisis started.”

The EU is finding itself at a crossroads. One can perhaps say that the EU has developed the theoretical framework for the member states through the approach of flexicurity and as such the EU has a kind of normative power to influence the member states. The 2020 Employment Goals are nearing and results must be shown. Developing functioning activation policies in the member states will be the key to improving unemployment numbers in general, but also in helping people find relevant, meaningful work in accordance with their education. The current discourse of a new social contract will have implications for the labour market as it stands, with reforms and revised activation policies in the forefront. Without the promise of

meaningful work after education, one can ask the question if a social contract is applicable to those unfortunate enough to be on the margins of society. Conversely, one can ask if people feel they are on the margin of society because certain discourses and policies define the place they are in as the margin.

On the British national level, the idea of a social contract has also been present for many years. The Labour Party produced an agreement with the Miner’s Union in the 1970’s called the Social Contract, whereby the union agreed to let the government control wages for the industry in exchange for “improved social welfare.” The miners were a group of workers under severe pressure at the time, which would be proven further when Margaret Thatcher came into power in the 1980’s. In the present day, the UK riots in 2011, where disillusioned young people in the thousands looted and torched buildings in cities all over the UK, were partially explained by some to be the result of negligence on the account of the authorities. There were arguments that the UK social contract had been broken between the government and marginalised groups, mostly inner city youth with no real prospects for success in society.

I argue that there exists a social contract in society between graduates and the state. If we imagine citizenship as a sequence of rights and duties within a society, for instance as a social contract, it is fairly clear that there are certain expectations laid upon graduates. Upon completion of a degree, the graduate is expected to enter working society and pay taxes as a way of paying back what society has given to them in the form of a subsidized education. However, one might turn this around in ‘favour’ of the graduate. Though a university education in the UK is subsidized, tuition fees have been rising steadily. The government has put a cap on tuition fees, which now stand at £9,000. (Roughly 115,000 SEK) Education in the UK is hardly free for the student. What can a graduate expect from society and the government in return for the investment of an education?

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53 BBC News, “England riots: Broken society is top priority” by unknown author, 15-05-14
6. Methodology

The following part will present the methodological techniques chosen to answer the research questions. This chapter will begin with an extensive preamble on Critical Discourse Analysis as the main analytical tool. Then, the operationalization and empirical material will be presented along with a section on validity and core concepts.

6.1 Critical Discourse Analysis

CDA will be the approach used to analyse discourses within the EU and OECD on the progression and development of a new social contract for EU citizens. In conjunction with this, CDA will also be the approach to analyse media articles on unemployed graduates in the UK on a national level as this thesis’ case study. Combined, the analysis of these two occurrences may expand on the knowledge we have on the development on new social structures for unemployed graduates.

CDA is a tool for recognizing how power structures in society subsist or evolve through linguistics, separating groups or causing divides. CDA can help to influence “cognition, perception and action within communities of shared discourse.”54 When using CDA as an analytical tool, one is reminded that words are never neutral – the words that are chosen come from a past of different perspectives, background and positions of power. Some examples of how language shapes societal context may be the concept of Nationalism or ‘us vs. them’ rhetoric used by politicians in issues on immigration.

By recognizing this we can go beyond the wording and find societal structures and hegemonic positions that define our cultural and social world as it is now. Definitions of reality, on an individual level (unemployed graduates), national level (UK) and supranational level (EU), are important because how we define things affect the actions taken.

The founder of CDA, Norman Fairclough, points out that the main objective of CDA is to give the most precise accounts possible of social changes through examining the linguistics of

texts. A prominent feature of CDA is intertextuality, which means that a text does not stand alone, but rather it builds on certain discourses used before it in other texts. By combining elements from other discourses, “concrete language use can change the individual discourses and thereby, also, the social and cultural world.” Jørgensen & Philips write that the CDA analysis should be focused on how some statements “are accepted as true or ‘naturalised’, and others are not.” Being a key figure of CDA, Fairclough has developed a three-dimensional model which serves as an analytical framework and is the base for the research carried out in this thesis. It is based, as mentioned above, on the theory that texts are never isolated – they are created within social contexts.

*Fairclough’s Three-Dimensional Model*

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57 Ibid., p. 21
58 Ibid, p. 68
59 Ibid., p. 68
As one can see from the model, the text initially stands alone. However, in the next and larger frame, one can see that the text is being produced and re-distributed by whoever reads it. This can mean that the reader of the text may have taken the textual piece as an account for his or her own views, or disagreeing with it, and subsequently passes it along. This has become very common through the advent of social media, where texts can easily be spread by the click of a button. The largest frame thus places the initial text into a social and historical context, where the text becomes social practice, or the opposite, after being produced.

Furthermore, CDA makes use of discursive practices in a way which allows us to understand “the linguistic-discursive dimension of social and cultural and processes of change in late modernity.”60 For this thesis, it is important to analyze the following: What words are being used in order to describe the problem? Are the demands from ALMPs suggesting a new social reality for British graduates?

Benford & Snow point out that social movements seek to alter issues that are perceived as problematic by the movement in question. For this action to happen, it is necessary to frame it by naming the source of the problem by identifying “blame and/or culpable agents”.61 I will use CDA as a way of examining the texts to further the understanding of the discourse that has taken place and how its wording produces a social reality.

CDA as a method for analysis is not without criticism. A common critique is that researchers who employ CDA are almost always biased in some way, most usually to the left of the political spectrum and is always opposed to powerful groups. Wodak & Meyer has confronted this criticism:

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60 Ibid., p. 61
"[...]critical discourse analysis research combines what perhaps somewhat pompously used to be called ‘solidarity with the oppressed’ with an attitude of opposition and dissent against those who abuse text and talk in order to establish, confirm or legitimate their abuse of power. Unlike much other scholarship, CDA does not deny but explicitly defines and defends its own socio-political position. That is CDA is biased – and proud of it”.62

Unemployed graduates might not be oppressed in the traditional sense of the word, but they certainly are a vulnerable group in any society – this thesis is concerned with the welfare of unemployed graduates and the angle is concentrated on how this demographic fares in meeting ‘the real world’, i.e. facing society with the demands and expectations put on them.

Gee draws attention to the fact that when we say or write something, there is always our own perspective of the world behind what we are trying to communicate.63 Our ideas on what is “right”, “wrong” or “normal” comes from our own point of view and that is the key to understanding CDA as both a method of analysis, but also as a theory. Since the researcher cannot be objective (which is not the focal point of CDA), a part of the challenge of using this method is to reflect on the lens of which one is looking through. The “right answers” to a problem or issue are not simply presented. Rather, the researcher uses different approaches of CDA which are not exclusively “right”, but are subject to a very wide range of questions and issues.

Gee points to politics and policy as areas which draw their “lifeblood” from discourse. Policy is decided and acted upon as a result of language and interaction. Gee writes that it is within this frame we understand that to engage in politics and policy is to engage in the empirical details concerning language and interaction. Through the distribution of social goods “people are harmed and helped.”64 The political game of prioritizing which groups to help, and which to “ignore” can have severe consequences.

6.2 Operationalization and Empirical Material

64 Ibid., p. 2
The empirical material for this thesis was chosen by a certain set of criteria. The media articles are online newspaper sources from the UK. The first criterion for these articles is that they were centred exclusively on jobless graduates who are struggling in the UK labour market. Secondly, the articles needed to say something about the implications the ALMPs had on the graduates. There was no criterion set for if these implications were positive or negative, as I am aiming to prove or disprove my hypothesis. I wanted the media articles to be from a variety of media sources, such as The Guardian, the British Broadcasting Corporation (BBC) and Financial Times. These are (usually) reputed news outlets. I have also included news sources from more tabloid outlets, such as the Daily Mail and The Independent. In order to see if there was a change in discourse on the subject between different media actors, I have divided the media part of the analysis in two. There is a discrepancy within the material, as to where these outlets stand politically, which will be shown in further detail in the analysis. Another criterion was that the articles should mention any implications concerning the welfare aspect of the ALMPs and how it might affect graduates looking for work, since I want to find out if the discourse is implying a new social contract. Finally, the articles are from 2009 – 2015 since the financial crisis will serve as a background and specific social context for the thesis. In total, 14 media articles will be analysed.

Gathering the articles was done by going directly to the sources. Since I knew which news sources I wanted to employ for the analysis I did not use any search engines to find the articles. Instead, I used the search boxes on the respective websites of the outlets. I performed a number of searches using key words such as ‘social contract’, ‘unemployed graduate’, ‘activation policy UK’, ‘graduate jobcentre plus’ and so forth. This was not without obstacles. For example, many articles were on the subject of the words typed in to find them. However, these articles would often be concerned with another demographic or on unemployed people as a whole, which was a limitation.

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65 For complete list of search words, please see Annex
As for the public documents from the EU, EUR-Lex was used. EUR-Lex is the EU’s own search engine for all documents published by the EU web sites. The same search words were used here as when searching for the media articles.

The research produced two EU documents. The first document is a speech on the EU social contract from the ECB. The second document is a report called “Flexicurity in Europe – Final Report”, published by the EC (2013). It addresses some of the key developments within the field of Flexicurity in the EU during the crisis. This report is interesting to analyse as it might reveal a discrepancy on how the EU discourse on Flexicurity is produced and distributed. The report mentions that the views expressed in it do not come from the EC itself.

The report by the OECD was similarly found by going directly to the OECD home page. The report is named “Connecting People with Jobs – Activation Policies in the United Kingdom”. (248 pages, 2014)

One of the most important aspects concerning the empirical material is that the material is linked together by intertextuality, the nature of a text’s meaning by another text. That is to say, the EU documents on flexicurity are overarching documents which help in understanding the EU’s discourse on activation policies. Then, the UK country specific reports from the OECD might show if there is any reflection from the EU discourse on the specific UK activation policies. The media articles will be analysed to see if the media, as agents, project a certain social practice and image onto the reader.

The empirical material was chosen out of a personal interest on the subject. As a soon to be graduating Master’s student, the topic of this thesis could not be more timely or applicable on a personal level. However, the material was foremost selected on the basis of two factors happening currently: the prospect of a changing social contract in Europe and the implications of that for a specific set of the population in a specific country, graduates in the UK. Furthermore, the opportunity for finding relevant work within a chosen field is of great worry

to graduating students all over Europe. The economic climate is still very much in an ominous state, though for the UK there are signs of improvement. The older generation has held higher education as a mantra. Obtain a degree and financial and social security will follow. The UK has seen an up-tick in the economic pace; however, that has not been the case for graduates coming out of higher education. Since I wanted to analyse the conditions and consequences of ALMPs for graduates in the UK, I am confident that my chosen material and sampling will provide a satisfactory insight into the topic.

6.3 Concepts

This thesis will employ two core concepts which will function as the lenses through which the empirical material will be analysed.

The first concept is the concept of citizenship. Citizenship, in the most basic sense, means a person that is recognised as being a member of a state through birth or by law. However, the concept of citizenship is more complex than a simple definition. For example, there is the heated debate in Europe of whether or not the EU can possibly manage to gather people in the member states under the umbrella and notion of a ‘European Identity’. Attempts have been made, though, such as the “Citizenship of the European Union” which was introduced by the Maastricht Treaty in 1992.67 Marshall has written extensively on the concept and development of social citizenship in England, and divided citizenship into three different categories: civil, political and social.68 Recurring in Marshall’s texts on citizenship is that it is “bestowed on those who are full members of a community.”69 Everyone in possession of citizenship is to be equal in regards to the “rights and duties with which the status is endowed.”70 Marshall acknowledges that there is no universal principle which tells us exactly what those rights and

69 Ibid., p 149
70 Ibid., p. 149 - 150
duties are. Fitting for this thesis, however, is Marshall’s take on expectations which follow citizenship: “[...] societies in which citizenship is a developing institution create an image of an ideal citizenship against which achievement can be measured and towards which aspiration can be directed.” 71 This quote is apt as being a graduate is essentially about having achieved a goal (the degree) and about aspiration (future career). I will employ the concept of citizenship in the analysis as a system of rights, duties and expectations in the UK welfare state, and how these might create tension concerning graduates and ALMPs.

The second concept is the previously mentioned concept of Flexicurity (See Background), which is one of the EU’s main approaches in dealing with unemployment in the member states. Flexicurity has often been described as a two-fold approach to improve labour markets, as it recognizes (or some might say it assumes) that labour markets and workers require more flexibility, whilst at the same time it is meant to provide for secure regulation of worker’s rights. 72 Central to the concept of Flexicurity is the following authored in the European Employment guidelines:

‘Member States will facilitate the adaptability of workers and firms to change, taking account of the need for both flexibility and security and emphasising the key role of the social partners in this respect. Member States will review and, where appropriate, reform overly restrictive elements in employment legislation that affect labour market dynamics and the employment of those groups facing difficult access to the labour market, develop social dialogue, foster corporate social responsibility, and undertake other appropriate measures […]’ 73

As one can read from the above quote, it is up to the member states to implement flexicurity within their own labour markets. Special attention should be given to the point on a social profile for different groups having difficulties entering the labour market, but also on the freedom of member states to adjust and reform flexicurity within their own jurisdiction. Flexicurity is connected to SCT because it is in effect a proposed new welfare model for the EU. As such, the proposition might entail possible changes to the social contract in the EU as

71 Ibid, p. 150
73 Ibid., p. 168
we know it. The concept of citizenship is linked to SCT by way of being a ‘formalized’ social contract (even though not judicially recognized as a contract), whereby rights and duties are intrinsic components of being a citizen of a country. These core concepts will answer the research questions in two ways; flexicurity offers a certain discourse and practice which in many ways suggest a change for future workers. Citizenship is essential in understanding how individuals perceive rights and duties in a country.

7. Analysis & Results

This chapter presents the analysis and results of the empirical material. First, the analysis of the EU documents will be presented, to give the reader an overview over the discourse on labour market policy, Flexicurity and the social contract on a European level. Second, the OECD report on ALMPs in the UK will be discussed. Finally, discourse on unemployed graduates in the UK will be analysed by the use of media articles. This allows for an analysis of what the media assume and reproduce as social reality. Further, it will provide for an overview of the expectations put on graduates by ALMPs in practice. The analysis will attempt to show if a discourse on a new social contract for graduates in the UK has developed since the financial crisis. Then, at the end of the chapter the results will be presented. Chapter eight will elaborate on the final results along with conclusions.

I have used the coding scheme (see Annex) both when analyzing the official documents and the articles. The words are highlighted and are the words presented in the coding scheme or variations/synonyms of these. The two categories are ‘Individual’ and ‘Structural’, which is a way to identify the exact and literal discourse that is being used from different actors. The structural dimension is important as it is through this labelling we can see how certain words are being used to describe and re-produce change and social reality from governmental agents. The individual dimension is significant as it shows the words being used primarily by
unemployed graduates themselves and as such is an important factor in how they describe their current situation.

7.1 European Central Bank Speech – “Revisiting the European Social Contract”
The ECB published a speech in 2013 on the state of Europe. It was held by one of its board members, Benoît Cœuré, at a European Conference at Harvard University. In the speech, Mr. Cœuré argued that the economic crisis that had affected the whole of the EU on such a large scale was not purely to be seen in an economic light. Rather, the way the EU handled the crisis had as much to do with social stabilization. The need for a redefinition of the social contract in Europe was also emphasized.\textsuperscript{74}

The speech referenced the Maastricht Treaty, which promotes solidarity between generations and between Member States and not least social justice. For this thesis, the most interesting parts of the speech revolve around youth unemployment, policy implications and how the speaker addresses the European social contract itself.

Regarding youth unemployment, Mr. Cœuré stated: “There are signs of a growing mismatch between worker attributes and job requirements across a number of euro area countries.”\textsuperscript{75} Although the UK is not part of the euro zone, it is fair to imagine that the same applies there. This statement can mean that either the workers are poorly qualified, over qualified or not qualified at all. If we take it to mean that workers are over qualified (which graduates are for many types of entry level jobs), it is perhaps a sign that many EU countries have not specialized their economies enough to go along with general global trends regarding labour markets and serve the people working in them. Of course, it is also a sign of any major financial down turn, namely that there are fewer jobs whilst the labour force remains the same.

The speech said that “future growth depends on human capital being cultivated and expanded.”\textsuperscript{76} For human capital to be cultivated further there must necessarily be a reform of policies, both on the EU level and on the national level. Some might question the legitimacy of the EU when it comes to implementing supranational policies. However, I would argue that

\textsuperscript{74} European Central Bank, “Revisiting the European Social Contract”, speech by Benoit Cœüré, member of the executive board of the ECB, March 2013
\textsuperscript{75} Ibid.,
\textsuperscript{76} Ibid.,
the prosperity of (most of) Europe before the economic crisis is wholly due to the implementation of the single market and the right of citizens to seek labour within the whole of the European Economic Area. Freedom of movement in the EU is in many ways essentially about releasing citizens with skills and knowledge throughout the Member States at their own discretion. It is of course also an integral part of the idea of a European citizenship. The EC, however, has not fully recognized this freedom for EU citizens. There are still some restrictions such as occupation status and meeting several administrative formalities.  

The speech recognizes that the social contract in Europe is, to a large degree, very much present on the national level and in the nation’s dealings with each other. On an EU level, though, the speech stresses this point:

“The EU can in fact be regarded as perhaps the most ambitious example of the philosophical theories that underpin the social contract. As Thomas Hobbes remarked in his Leviathan, sovereign states are established to regulate social interactions and avoid the “war of all against all” that would prevail without the rule of law. States, however, compete with each other and therefore may even resort to arms in the absence of a supranational body imposing social contract laws.”  

The above quote underlines the importance of a social contract in societies that is not only recognized by all citizens, but also upheld and followed. Hobbes’ Leviathan is the grounding body of work for SCT (see Theory) and is applied here for effect. Without a social contract, society will be in a state of nature, a state of war. The quote rightly recognizes the EU as a purveyor of peace in Europe, though, the EU discourse on the social contract will often bring up this point and the right to work and protection from social exclusion. The speaker reproduces and projects the EU as a peace-keeping agent in Europe, saying without the EU there would be more conflict. Connecting to Fairclough’s three-dimensional model  

80 Mr. Cœuré takes his account of Leviathan and projects it to the audience using the EU as a

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77 European Commission, “Movement and residence”, 07-07-15  
78 ECB Speech  
79 European Commission, “Towards a new social contract for Europe”, speech by László Andor  
80 See Fairclough's Three-Dimensional Model
positive example. However, there might be disagreement in whether or not this account is in order with the social and practical reality for EU states and citizens. EU discourse will sometimes refrain from developing further measures, perhaps to do with accountability and producing real, tangible measures. On the other hand, this speech calls for a complete overhaul of the social contract in Europe, spurred on by the crisis. Some of its main points are about the legitimacy (or lack thereof) of the social contract in Europe felt by citizens. This legitimacy can be on many levels, such as democracy, financial development and social stability. As the speaker says:

“The social contract also needs to be rebalanced between the generations alive today. There is ample room for a debate on the distributional impact of fiscal and economic decisions. […] A reduction of rents and entry barriers, which notably disadvantage younger men and women on the labour market, is in that sense fully consistent with the objective of fairness, while also making the economy more competitive by setting the right incentives.”

These are some tangible measures that are being suggested in the discourse. If a European social contract is to have any real legitimacy among European citizens, and foremost the younger generation, there has to be change in the re-distribution of wealth, opportunities at entry level for young people in the labour market and specialized support for those who are graduates with skills that the EU needs in a globalised labour market. The ECB recognizes something must be done concerning the barriers that are perceived as too high for many young people in the EU.

The next part of the analysis will concentrate on the discourses of Flexicurity and ALMPs in the EU.


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81 ECB Speech
The report “Flexicurity in Europe – Final Report”, published by the EC (2013), addresses some of the key developments within the field of Flexicurity in the EU during the crisis. The report has compiled statistics for each member country along with an analysis of some of the main tenets of Flexicurity, namely activation policies, social security systems and so forth. The main question of the report is: “Can Flexicurity survive the crisis?” It is never fully answered, however.

The report finds that there is a traditional pattern in the EU of well-functioning support systems and ALMPs in Northern Europe and less so in Southern Europe. Furthermore, the report claims that if there is a high-quality support system present in a country workers are more accepting of drastic changes in their employment status:

“[…] it enhances workers’ acceptability of easy hiring and firing via the use of generous unemployment insurance system and, equally for employers makes the costly unemployment system worthwhile given a socially accepted flexibility in adapting the workforce to the changing market demand.”

I find that the discourse on labour policy in the above quote is essential in order to understand the concept of Flexicurity. It is two-fold; on the one hand, this quote can be said to have some classic neoliberal attributes. It promotes adaptation to a changing market. It also promotes workers growing acceptance of being fired and hired with ease. In Flexicurity this is a desired development, perhaps in line with a changing social contract. On the other hand, it also promotes strong welfare systems so as to ‘soften the blow’ if a worker has been fired. It is a curious anomaly if we are to assume that most workers probably wish for stability and security in their jobs. Claiming that workers will accept that they can be fired or hired easily so long as there is a safety net is a peculiar way of demonstrating ‘security’. Of course, one could also assume that security for workers is not a goal, but a means to enhance acceptability from workers.

83 Ibid., p. 23
Some of the more salient findings from the report revolve around how EU member states have had to cut back on expenditures concerning activation policies. This was in large part due to the financial crisis, which saw member states becoming extremely careful regarding how their fiscal budgets prioritized different “causes”:

“Most European Countries are facing increased inequality and social tensions, tighter budget balance constraints together with growing government expenditures to finance the considerable growth in unemployment rates, effectively reducing the scope for activation and other support measures.”

It might seem paradoxical that whilst EU member states are forced to spend more money on the growth of unemployment during the crisis, the scope for well-functioning ALMPs is lessened as a result. One could argue that prioritizing ALMPs and other measures would as a whole cause the expenditure to be smaller than what was the case in the end. This is also in line with what the EC has said in regards to ALMPs; the EC recommend countries to spend more on ALMPs, since EC research shows this has a positive effect on unemployment levels. The report recognizes that social tension is a threat to many countries and usually austerity measures will emphasize inequality in a society, from the haves to the have-nots. If we are to compare the above quote to what the ECB speech said in regards to how fiscal budgets are managed, one could argue that in all practicality wealth re-distribution remains at the status quo. Those most affected would naturally be the unemployed, the poor and those otherwise not able to work.

The report mentions an interesting development regarding the UK in relation to expenditure on activation policies:

“In the period 2008-2010 a drop of expenditures in active labour market policies has been observed in many EU countries with traditionally low activation measures: in Anglo-Saxon Countries with -19% in UK.”

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84 Ibid., p. 3
85 See Previous Research
86 EC Flexicurity Report, p. 4
“With much more flexibility than security, Anglo-Saxon countries (UK and Ireland) responded to the economic crisis mainly through dismissals (especially of migrants) and informal reduction of working hours (UK). Ireland pushed lifelong learning through Skillnets, networks of private companies delivering training, and the UK created the Early Warning System and a Rapid Respond Services to facilitate job-to-job transition and put in place programs for smoothing the learn-work transition of youth unemployment.”

The report points to the UK (and Ireland) being Anglo-Saxon, i.e. there is a cultural/societal element as to why expenditure on ALMPs has gone down in these two countries. Compared to the rest of Europe, the UK is fairly well known for having a very liberal (tax wise), capitalist and open economy. The quote touches upon a phenomenon known in the UK as zero-hour contracts, ‘informal reduction of working hours’. The UK government defines zero-hour contracts thus: “Zero hour contracts are also known as casual contracts. Zero hour contracts are usually for ‘piece work’ or ‘on call’ work.”\(^{87}\) People on zero-hour contracts can refuse to work when asked, but have no guarantee of any steady income and are in all practicality denied any stability concerning work time or time off work.

Regarding these non-standard contracts, the discourse in the report project and construct them as if they have come about as a result of a \textit{fait accompli}, meaning that this development cannot be reversed unless employment law in Europe is made less rigid: “The more \textcolor{red}{restrictive} employment law is, the higher the probability is that companies start using “non-standard” contracts to achieve the \textcolor{red}{flexibility} that they need.”\(^{88}\) On the contrary, I would argue that restrictive employment law is a guarantee for workers that standard contracts are the norm. In addition, if there are rigid and over-arching rules and standards concerning employment law, companies would be legally bound not to resort to non-standard contracts. One could argue that there are always loop-holes that can be used, but that argument is not a reason to lessen worker’s rights. Throughout the report, there is no concrete and real mention of what kind of flexibility companies need, other than to be able to “make quick and efficient adjustments to their workforces”.\(^{89}\) Zero-hour contracts are an example of just that. Workers are on-call

\(^{87}\) UK Government (Gov.UK), “Contract types and employer responsibilities”, 08-08-15

\(^{88}\) EC Flexicurity Report, p. 38

\(^{89}\) Ibid., p. 38
(quick labour), and there is no obligation to provide for a certain amount of hours worked (adjustable).

In some ways, this could be re-defining of the European social contract. A development towards more flexibility (for companies) could lead to instability for workers, something which is usually looked upon with scepticism from individuals and unions. Traditionally, the goal of most workers has been to secure a stable income, right to time off work and fair working conditions in general. After the crisis, workers might be facing a new normal.

7.3 OECD Report – “Connecting People with Jobs – Activation Policies in the United Kingdom”

The report on Activation Policies in the UK was published in July 2014 by the OECD and is an extensive report covering the development of work programmes and ALMPs brought forward in recent years. Though the impact of these measures is not identifiable yet as they are quite recent, the OECD includes some suggestions for improvements in the field. Most relevant for this analysis is chapter three in the report called “The role of the UK Public Employment Service in job brokerage and activation strategies”. The reason why this chapter is pertinent is because it describes how the JCP’s are meant to function, meet the work seekers and the sanctions they are free to impose on them if they do not meet the expected conditions put in place.

Since the 1980’s, the UK system has had a strong emphasis on the “Work First” approach, meaning that claimants of benefits are on “strict job-search monitoring.”\(^{90}\) When someone first registers as a claimant of the JobSeeker Allowance (JSA), there is a waiting period of seven days before they are entitled to benefits. This was a new rule that began in October 2014 (before it was a three day waiting period) and is described as a measure that “could

\(^{90}\) OECD, “Active labour market policies and activation strategies”, 15-02-2014, p. 123
increase hardship and, as it deters some claims, further increasing non-claimant unemployment”.\textsuperscript{91} New and recent policy is thus put in place which might make some people deter from applying as the process has been made tougher from the outset. From this one might gather that the new practice is making \textit{practicing citizenship} more challenging since the threshold for claiming and taking part in what is an essential right is made more difficult.

Currently there is no formal profiling of claimants in the UK. This means that any skills, training or special needs the claimant has is assessed by a member of JCP staff or by the claimant.\textsuperscript{92} The OECD recommends that a formal profiling tool be put in place so as to professionalize the job search process and make it more effective for the claimant. This would also be in the government’s interest expenditure-wise. Graduates would be mostly placed in a group which, by the JCP, is described to be code green: “relatively work-ready claimants requiring only light-touch support.”\textsuperscript{93} It is fair to assume that most attention is given to other demographics rather than graduates. However, graduates must meet the exact same requirements and sanctions. In exchange they would then receive less ‘service’ than other job seekers. This is an important point as it coincides with how graduates sometimes do not use these services at all since they are too stringent. When graduates do use them, they receive only ‘light’ support. This is another case of how rights and duties in regards to social citizenship will sometimes “work against” a certain demographic, simply by placing emphasis on that demographics attributes rather than offering the same “full-on” service to everyone who should require it.

The report makes a point of comparing the job search requirements in the UK to somewhat similar countries such as for instance Australia. In comparison to these countries, the UK system is labelled as “crude” (in the sense that other countries are deemed to have a more modern system) and “\textit{strict}”.\textsuperscript{94}

\textsuperscript{91} Ibid., p. 125 - 126
\textsuperscript{92} Ibid., p. 126
\textsuperscript{93} Ibid., p. 126
\textsuperscript{94} Ibid., p. 127 - 129
The benefit recipient has to sign an individual action plan called a *Claimant Commitment*. This plan is designed on purpose as a standard employment contract and is detailed on what is expected of the claimant and the possible consequences if expectations are not met. JCP staff has also been given new titles such as *Work Coaches* to reflect what the UK government sees as a “cultural transformation” of the job seeking process. The policy is, then, to give the impression that the benefit recipient is employed by the JCP and the benefits they receive are their salaries. This is an example of what Jørgensen & Philips claim often happens when discursive practices are influenced by societal forces. By re-branding titles and practice, the government is actively pursuing influence in a new direction. The ‘cultural transformation’ the government wants implemented is perhaps also an indication that New Public Management is an inspiration for this development. New Public Management is a broad term often used to describe different managerial schemes in which public offices borrow philosophies from the private sector.

JSA claimants are required to attend fort-nightly meetings with their work coaches. They are also required to attend *any* work placement the coach finds suitable. In addition, they are also required to training in lieu of work placement should they be asked. If they fail in doing so, benefits might be reduced or taken away altogether. Furthermore, they are required to accept any job that pays at least the national minimum wage.

The wording and general language in the report is quite neutral and observing rather than challenging or thought provoking; however, the report finds that the stringent regime claimants are under whilst in contact with the JCP is very exacting, to the point of some potential claimants avoiding contact with the JCP altogether although it might have helped them financially.

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95 Ibid., p. 130
96 Ibid, p. 130
97 Jørgensen & Philips, p. 62
98 Lane, Jan-Erik, *New Public Management* (Routledge, 2000), p. 5
99 OECD report., p. 143 - 145
100 Ibid., p. 130
7.4 Media Articles

For the purpose of intertextuality, I will divide this part of the analysis into two parts. First, I will analyse media articles from sources which are traditionally considered to be left of the political spectrum and liberal. Then, an analysis of articles gathered from more conservative and right-wing news outlets will follow. This will allow for an analysis of whether or not the expectations placed upon graduates by society differ on a political spectrum. The time span of the articles examined is from 2009 – 2015.

7.4.1 Articles from Liberal/Progressive Media

Out of the left-leaning articles I have analysed, some stand out more than others. For example, articles published by the Guardian seem to be written very much in an oppositional fashion (anti-Conservative government). The BBC articles hold a more sombre, neutral tone, whilst the article from Huffington Post are angled at the individual level and generally employ a ‘younger’ tone to meet its core audience.

In 2011, The Guardian broke a story about a woman with a geology degree who was required by her local JCP to work for free in retail, more specifically a budget store named Poundland. The article caused quite a media storm in the UK. The reason why the story gained notoriety was that it revealed how young people in Britain were being made to work for free for local businesses for up to two months. This was without the promise of a job, backed by the work programme designed by the government.

The woman in question told The Guardian that “she was told by the jobcentre that she would lose her benefits if she did not take the Poundland placement.”

101 The Guardian, “Young jobseekers told to work without pay or lose unemployment benefits” by Shiv Malik, 16-11-2011
practice would have “left [her] with nothing”. Many articles, from different media outlets, were written on this woman. The case may seem ‘extreme’; a woman with a degree in geology, forced by her local employment authority to work for free in a budget store stacking shelves. However, the Department for Work and Pensions (DWP) clarified to the Guardian that in fact “there is a clause which allows jobcentre case workers around the country to force unemployed people into placements”, but they could not state how many thousands of young people were currently working without compensation at the time. The Minister of Employment at the time defended the practice of the programme, saying it had proven to be successful since it could lead to a permanent position down the line. Essentially, what the minister said is that graduates should prepare to accept offering their labour for free based on an eventual position that the graduate is not sure of getting by the end of it. Offering labour for free is being naturalised by a government body in the article. Graduates are therefore, in this example, expected to work for nothing in an irrelevant position so as not to lose any benefits they depend on for their livelihood.

Another article by the Guardian concluded that the “Jobcentres have failed young people abysmally.” The reasoning behind it was the merger of offices; the JCP was the result of putting benefits offices and the jobcentre together. The article labels this as a poisonous atmosphere in which staff are “demoralised and demotivated” whilst the jobcentres are the “last places young people want to be”. In short, the article deems the JCP not fit for purpose. Certainly, merging benefits and job search opportunities into one office is perhaps cost-cutting etc. However, the two are intrinsically separated from each other in that one is traditionally ‘negative’ (receiving hand-outs) whilst the other is about active willingness (obtaining work). An overhaul of this could include making the JCP only work-related, and shifting benefits responsibility to a different government office.

102 Ibid.,
103 Ibid.,
104 Ibid.,
105 The Guardian, “Unemployed? Don’t go to your local jobcentre” by Martin Bright, 29-07-14
106 Ibid.,
One sociology graduate who got in touch with the Guardian said that he was called ‘complacent’ by his local JCP for not wanting to respond to vacancies at supermarkets. The staff, he said, did not understand his qualifications:

“It is the unperturbed nature of these tellings-off that I find most distressing; the eerily casual manner in which it is suggested that I turn my back on my vocation, my identity, and eight years worth of learning and training.”

“Still, as time goes on and I remain out of work, I can feel my sociological curiosity starting to wear off. Perhaps I am worrying too early, but I do feel like I am walking into a trap. In my struggle to find even a part-time academic job, I am forced to wonder how long the welfare system will tolerate me.”

Marshall points out that it is vital to compare citizenship with identity. This student clearly feels a pressure to conform or give up on his identity as a sociology graduate in order to find work easier. At the same time it is evident that the student is worried for how long it is possible to be a part of the system. Marshall writes that social citizenship is in essence about “the right to a modicum of economic welfare and security [...] and to live the life of a civilised being according to the standards prevailing in society.”

The Guardian articles are written in quite a forceful tone, in that they focus on how graduates who deal with the JCP find themselves victims of coercion or being reprimanded harshly. The Huffington Post has also touched upon this phenomenon of JCP staff asking their ‘customers’ with degrees to censor their education so as to get a job and stop claiming benefits. One article describes how JCP’s in Scotland routinely asks graduates to ‘dumb down’ their qualifications. The findings came from a report called Degrees of Insecurity. It found that “many Jobcentres are not set up to deal with graduates” and that “there are high levels of frustration and disillusionment” amongst graduates that the time, money and effort they have spent obtaining a degree is ‘wasted’ when they cannot secure employment in a...

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107 The Guardian, “The unemployed young academic: facing life on the outside” by Anonymous, 02-08-12
108 Ibid.,
109 Marshall, p. 149
110 The Huffington Post UK, “Jobcentres Telling Graduates To Dumb Down CVs, CAS Finds” by Lucy Sherriff, 27-07-2012
A DWP spokesperson countered that "there's lots of help out there for jobseekers, including young people and graduates." There seems to be some disagreement in the discourse between the report and the DWP on what constitutes genuine help on the matter. The report was met with criticism from Universities Scotland, saying it had targeted graduates who struggled to find work specifically.

A series of articles published by the BBC from 2010 to 2012, when the financial crisis arguably had its largest impact on the UK economy, dealt with the extremely worrying prospects new graduates faced after university. For instance, with the economic climate being so dismal and further on the way down, approximately 600,000 public sector jobs are projected to disappear by 2016 as part of the austerity measures pushed by the government. This makes graduates more vulnerable, as many graduates tend to join the public sector after they have finished their education. Many articles that were researched for this thesis (and some subsequently dismissed for the final analysis) were concerned with graduates who had chosen academic fields which might be perceived to be of lesser use to society than for example those studying to be nurses or the like. The projection published by the BBC, however, shows that even those graduates who chose university programmes that were usually considered ‘safe choices’ are not secure with the austerity measures put into place. One BBC article stated that there has been a steady increase in unemployed graduates in the UK. The article based most of its content on a survey performed by the Higher Education Statistics Agency. The survey mentioned that nearly 30 per cent of "UK graduates who left universities in 2007 were still not in full-time work three and a half years later". The article points to this becoming something of a norm for graduates. Many graduates will find jobs eventually, but the obstacles and stakes seem to be higher on their road to a career. The president of the National Union of Students said the government risked "losing a generation to low skills and high unemployment by failing to support young people enough" and called for “more training and learning opportunities for young people, and more financial support for

111 Ibid.,
112 Ibid.,
113 BBC News, “Graduates ‘face record unemployment’” by Martin Shankleman, 02-07-2010
114 BBC News, “Increase in unemployed graduates, survey suggests” by unknown author, 02-09-11
115 Ibid.,
The phrase ‘losing a generation’ to unemployment has been commonly used by the EU as well in light of the crisis. It is a bold and alarming phrase. Some might even call it too alarmist. What is clear is that the president of the union is obligated and feels the need to use grandiose language in order to make students interests heard at government level. Furthermore, one in ten students felt that their degrees did not provide “good value for money”. Since the price of a degree has been raised steadily in the UK over the last years, the investment has grown higher for the student. However, the higher investment does not seem to correlate with the ideal that it will produce the desired result for many; a relevant career. Some might consider this a failure of active social citizenship as described by Marshall. Marshall argues that for citizenship to exist it “requires a direct sense of community”. Most citizens feel obligated to contribute to their societies by way of working and paying taxes to then receive pensions in return. When this fails to happen, and we can see the frame of a ‘lost generation’, one might argue that active social citizenship is weakened. As a result, we might see that certain demographics on the margins of society retract from communities, which is negative for society as a whole.

The point on ‘value for money’ is something that is reoccurring in the BBC articles. Another article interviewed three graduates who had been left disillusioned by the state of the labour market. Their degrees were in journalism, European studies and law. One graduate said that “eventually” he would have to sign on to JSA, however, this seems like a ‘last option’ situation. This is notable in the sense that, for all intents and purposes, the JSA is meant to be an offer of aid. If it is experienced as a ‘last option’, however, it might suggest that the demands that follow are very much undesirable for a graduate. Another said that it had “been suggested that [he] offer [his] services for free but this is not a viable option”. For most individuals offering your labour for free is not viable, since, as the student said; “I have bills

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116 Ibid., 117 Ibid., 118 Marshall, p. 151 119 BBC News, “Graduate diaries: ‘Bad time to graduate’” article with contributions from several unemployed graduates, 02-06-2009 120 Ibid.,
and rent to pay.”¹²¹ Notably, the phenomenon of offering free labour is re-occurring also in this article. The articles are written in an economic angle in that they focus primarily on the costs for a young graduate being placed out of society by being unemployed.

7.4.2 Articles from Conservative Media

As opposed to the Guardian, the Daily Mail (DM) is usually supportive of any Conservative government. The DM has covered graduate unemployment in the UK throughout the financial crisis. Some of the articles are angled somewhat sarcastically at graduates with ‘obscure’ or otherwise relatively out of the ordinary degrees who find themselves out of a job. The main message seems to be that they should enter the ‘real world’ instead of pursuing relevant jobs within their field. Jørgensen & Philips make a point on how the use of language is often ideological; “[...] discursive practices contribute to the creation and reproduction of unequal power relations.”¹²² They call it an ideological effect, which is what the DM projects through derision.

For instance, one article dealt with a man with a geography degree. The title of the article was “Does nobody care how oxbow lakes are formed? Geography graduate has applied for 500 jobs but still can’t find a permanent role”. The title projects, by its sarcasm, that his degree is irrelevant to the labour market. The man in question found himself caught between being overqualified to what his local JCP could offer:

“I feel awful thinking I have a lot to offer but no one wants to use me. It's frustrating, upsetting. If I was very blasé it would be a whole different story. [...] 'My job centre told me ages ago I was caught in a catch-22, saying I was over-qualified for a factory-type job but under-experienced for the kind of job I wanted to do.”¹²³

This is in line with what was found in the OECD report; graduates are in the group which is believed to only require light support by the JCP. This is a dual problem in that the vacancies

¹²¹ Ibid.,
¹²² Jørgensen & Philips, p. 63
¹²³ Daily Mail, “Does NOBODY care how oxbow lakes are formed? Geography graduate has applied for 500 jobs but still can’t find a permanent role” by Thomas Burrows, 05-04-2015
on offer are not ‘suitable’ and that graduates are not receiving the support they should be in order to find the right fit. It is easier to offer a ‘factory-type job’ to someone with fewer skills or knowledge than a graduate.

A couple of other articles by the DM has been written concerning how JCP staff asks claimants to edit and alter their CV’s to leave out their degrees so they will not be seen as over-qualified by employers. In one case, a job centre in Hull had demanded a claimant remove her degree from her CV. Upon media reaction they released an official statement saying that degrees were something to be proud of, but “we would recommend that a CV is focused clearly towards the vacancy or industry sector that a candidate is applying for.”

The DM labelled the incident as symptomatic and indicative of how graduates are met by the JCP in times of recession. The message seems to be that graduates should take the steps necessary to ensure they get any job which will get them off welfare.

One case highlighted a bizarre incident where a graduate was docked of her benefits because she attended a job interview instead of meeting with her local JCP. The headline was “Unemployed graduate has benefits stopped after missing a job centre appointment because she was at an INTERVIEW”. This is the type of consequence which Clasen & Clegg mentioned in their paper on activation policies. In this case, the individual “failed” to conform to the rules set by her JCP and as a result she was punished, even though the “failure” consisted of trying to get a new job.

The DM will often write certain words in all caps to emphasize something that can be interpreted as odd or unusual, or something which it disagrees with entirely.

The DM is disapproving in its stance towards out of the ordinary degrees; however, it does recognize that the JCP has some overly strict rules towards its claimants.

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124 Daily Mail, “'Dumb down your CV or bosses will think you are too qualified': What job centre adviser told furious graduate” by Harriet Arkell, 01-10-2013
125 Daily Mail, “Unemployed graduate has benefits stopped after missing a job centre appointment because she was at an INTERVIEW” by Tom Gardner, 24-06-2013
126 See Previous Research
Another conservative media outlet, Financial Times (FT), has written articles on unemployed graduates. It is fairly well known that FT is a supporter of free markets and advocates globalization. It is also a supporter of the EU, in terms of the single market, but not in terms of European integration. The language of FT is mainly directed at business readers and as such does not employ the more ‘dramatic’ wording of traditional tabloids such as the DM. FT has recognized that Tony Blair’s ‘New Labour’ government main priority for young people was to get them into the education system at the time. Now the paper is critical that the amount of graduates does not match the job market. FT said the following concerning Blair’s university enrolment scheme:

“The same problem afflicted the UK after Mr Blair sought to increase university enrolment. Hundreds of thousands of UK graduates are waiting on tables or flipping burgers, saddled with large debts. [...] governments must spend more on training the unemployed, and dismantle barriers to employment, such as high housing costs in areas where jobs are plentiful.”127

This is indeed a huge problem. Housing costs is a big issue for many people. However, I would argue that the most important barrier seems to be that unemployed graduates are not given adequate time in their job searching (whilst on benefits) and are coerced into ‘flipping burgers’ and the like so that they will not be a burden on the benefits system. Also, housing costs in the UK is largely affected by the market itself, and not governments, and as such it seems unlikely a Conservative government would do anything about house prices in areas where there are a lot of jobs.

Like The Guardian, FT also paid a visit to the curious case of the graduate who was told she would not receive benefits if she did not stack shelves at Poundland. The FT said that “Few issues are more emotive than the idea of being forced to stack shelves at somewhere like Poundland, the discount retailer, without pay.”128 Essentially, FT is making a point of how degrading it must be to be coerced into doing a no-skills job (for free) if you have spent time

127 Financial Times, “Education: skills must match up with jobs” by Andrew Bounds, 24-01-2014
and money on an education. The article stated that the practice had actually been unlawful and that work placement programmes under the law had to be voluntary. A comment was made from the then Work and Pensions secretary Iain Smith: “People who are fit for work should no longer expect to receive benefits for doing nothing.”\textsuperscript{129} It is apparent that the government sees any pro-longed waiting period between education and work as unnecessary and that graduates should be able and willing to do whatever work so as not to claim any benefits and improve unemployment statistics. The wording is interesting since the secretary is generalising and assumes claimants are passive. This can be linked to what Valkenburg claims is a new development in current activation policy. Rather than just meeting bureaucratic formalities, those who claim benefits must also meet societal expectations and be willing to show a strong work ethic, i.e. one has to be willing to do \textit{any} job as long as one is unemployed.\textsuperscript{130} An interesting aspect concerning this article and the one written by the Guardian was that the FT article was concerned with the systemic angles of such a practice. The Guardian was more inclined to look at the individual angle of the graduate and how it affected her life personally.

It is, however, not all bleak stories. The Telegraph, a widely read conservative paper, published a story in August 2015 on how the University of Law will refund any student who does not gain relevant employment nine months after graduation.\textsuperscript{131} The paper points out that this will most likely not be a costly move since there is a 97 per cent employment rate on the university’s graduates. However, it is what the CEO of the university had to say about the move that is interesting: “Today’s students want a clear return on their investment.”\textsuperscript{132} The university recognizes that the tuition fees are very high for most regular students. Perhaps this will become more normal in the future as tuition fees have risen. It can be an exceptionally high-risk investment to go to university in the UK. There are no guarantees from politicians and society as a whole that the investment will pay off. The example is interesting since it shows that an educational institution is willing to pay back if the investment of a degree has not paid off. It is too early to tell if this will become a common practice, however, it would

\textsuperscript{129} Ibid.,
\textsuperscript{130} See Previous Research
\textsuperscript{131} The Telegraph, “University offers money back guarantee to unemployed graduates” by Josie Gurney-Read, 04-08-2015
\textsuperscript{132} Ibid.,
prove an interesting development as far as social citizenship and SCT goes; there is an implicit contract from an educational body that should the degree not fulfil the student’s expectations, the student can expect to receive money back. In this way, the student is not saddled with massive debt and is probably more likely to pursue other fields. It could also mean that the student is being given a second chance and would not risk being placed on benefits.

Common for most of these articles are that they suggest a new trend in British society and thereby the social contract; in order to achieve the desired job, one should either prepare to spend a significant portion of one’s time and labour working for free in work placements by the JCP or in internships. Or one can expect to be cut off benefits should one protest on any decision made in regards to work versus one’s qualifications and skills. This is after the graduates have spent three to five years (on average) obtaining a degree which puts most people in considerable debt by having to pay large tuition fees every year of their education:

“Employment? I'm looking for anything and everything. Ideally I would like to move into television production but I've applied for everything. I'm not claiming Job Seekers Allowance anymore as I feel the job centre is no help. I find the whole experience degrading. I'm now starting to broaden into work experience in media as I'm fed up of working dead end jobs in which I'm not happy in - the work experience would be over sixteen hours and you can't claim JSA if you're doing that. So the government doesn't want me to better myself? I didn't cause the recession and should be able to follow my dreams. I've lost all hope where the system is concerned.”

The above quote was submitted to the Guardian in 2013 as a contribution to an interactive piece on how graduates all over Europe are struggling in finding relevant jobs. The submitter is an anonymous 23 year old graduate. The quote clearly demonstrates a feeling of hopeless dejection when facing the JCP; the submitter labels JCP job vacancies as ‘dead end’ and naming the experience of dealing with the JCP as ‘degrading’ whilst also addressing the governments lack of action.

The Guardian, “Young, gifted and back on the dole: jobless Europeans share their stories” by Garry Blight & Carmen Fishwick, 02-07-2013
8. Conclusions & Final Discussion

The aim of this thesis is to contribute to a further understanding of the discourse surrounding ALMPs in the EU/UK. Specifically, the thesis is a contribution on a general EU discussion level, and on a UK graduate level. The research gap has consisted of whether or not the discourse being practiced by the EU and the UK media suggests if a new social contract is being implemented for the analyzed demographic; unemployed graduates.

Previous research that has been studied for this thesis has found that there has always been a set of rules and demands for welfare recipients in order to be able to claim welfare. However, in recent years, these demands have become more prominent, sometimes on the border of being coercive. The main trend of ALMPs has been shown to be that a more individualistic discourse has taken place. More personal responsibility has become the new order. In addition, research found that more micro-management of claimants is evident. Any change in a welfare system, for better or worse, is of importance to any member who partakes in it. Being in employment can be likened to being self-sufficient. If one is
employed, one is less dependent on the welfare state. If an individual is unemployed, the welfare state is in many respects the employer as it is the source of income. As such, it is reasonable that there exist demands and rights. However, the crux lies in where these demands become coercive rather than reasonable.

This chapter will present the final conclusions along with reflections on the analysis and results. Specifically, I will bring forward conclusions on the EU and OECD documents first. Then, I will conclude on the analysis of the UK media articles. This trickle-down approach is used to illustrate how the systemic, supra-national discourse links together with the individual stories.

The first chosen research question was targeted at EU discourse through official documents. It asked if the discourse on Flexicurity and employment activation policies was suggesting a new social contract between citizens and state.

I find that I have partly answered this question. For instance, the EU report on Flexicurity mentions some points where the EU is clearly searching for a different way of organizing European labour markets on a structural level. Whilst the report itself does not explicitly talk of any social contract, it brings forward a certain discourse on how to change labour markets in order to make them more dynamic. I would argue that labour rights and duties are tantamount to any idea of a social contract. I find that it is clear from the report that Flexicurity discourse, as a term and practice, is meant to change labour markets, but not entirely in a way that is mostly positive for workers. It is admirable to take away barriers to unemployment, but not at the cost of those on fixed contracts. This is one element of Flexicurity. It proposes to make it easier for companies to dismiss or alter contracts under the guise of the ‘need for change’. This was not an entirely unexpected result from the report. However, something which was quite unexpected was that there seems to be a position that since workers are secure because there is a comprehensive welfare state behind them it does not matter that change occurs. If they were to become unemployed, this is rationalized in the fact that they are secure as claimants of welfare. There is agreement in the EU on the fact that one needs to adjust labour policies. Since 2008, when the financial crisis began, the EU has
placed importance on offering more accessible services to unemployed people. However, adapting to a globalised world should not automatically mean lowering contract standards which might be one consequence of Flexicurity. The discourse on a whole tends to have slightly neoliberal characteristics, used towards a direction of more informal contracts and fewer rights. Pascual found that the EU has pushed a new paradigm in which the concept of citizenship is redefined and where state intervention is limited.

As for how the EU speaks of the idea of a perceived European social contract, the speech I analyzed contains some interesting points. The discourse in the speech is somewhat ostentatious. On the one hand, it describes a new social reality in Europe after the crisis. On the other hand, it calls for reform. One might argue that a speech of this nature cannot be too specific or detailed since the speaker is talking of the EU as a whole. The discourse and wording of the speech does the trick of both being grand and at the same time cautious. It is grand in the sense that it highlights visions and generational gaps. It is also careful in that it will not recognize fully what many would probably say is already a full-blown problem: the mis-match of skills and requirements in conjunction with barriers is not just currently ‘showing signs’, it is an acute problem. The main tenet of the speech is to address the ‘need’ for a new social contract. On some levels, it recognizes that the EU has not been fully active in addressing this need yet. Rawls places importance on the need of a fully fledged political contract whilst Gauthier acknowledges that there also has to be room for ethics in a social contract. It is fair to assume that the European social contract has been strained since the financial crisis. To suggest policy change on this level is a challenge. However, the EU could propose a tangible social contract to all of its citizens which clearly demonstrate a full political account to all citizens. It could also address the EU’s vision of itself as a soft power that can make a difference in the lives of its citizens. Clearly, many citizens now feel that the European project is far removed from their everyday lives.

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134 See Previous Research
135 See Previous Research
The second research question asked in what ways rights and duties in UK employment activation policy affect jobless graduates.

Concerning the OECD report, the main conclusion I have drawn is that UK ALMPs have developed into a more coercive set of demands. For example, the way the OECD speaks of ALMPs and the JCP show that there is a push towards New Public Management discourse. Claimants are ‘customers’ or ‘employed by the JCP’ until they gain real employment. In addition, staff is called ‘Work Coaches’ rather than simply ‘staff’. The wording of the report is on a systemic level, making use of words such as ‘strict’, ‘requirements’, ‘barriers’ and ‘support’.

From the empirical material at hand, I have found that there is an element of despair and hopelessness in the articles. Clearly, from an individual level, there are witness accounts of a system that is not catered to the graduate demographic. For instance, graduates will tell that they are not being seen for what they are by their local JCP. The articles I have examined generally speak of two different worlds; one in which the graduate sees him/herself and one in which they meet bleak, economic reality. The graduates are not content with the services they are offered. They are also not content with the demands that are placed on them, which they deem to be both irrelevant and demeaning. Pascual mentions a development where the discourse and practices takes on a more coercive form wherein claimant’s attitudes and willingness play a larger role. Hand-outs and the way people are met as benefit receivers has more to do with their behavioural stance and attitude. “Deservingness” of rights plays a key role.\textsuperscript{136}

The articles which have been examined, from a left and right perspective, do not differ significantly in their recognition of the problem at hand. This was an unexpected result. One of my hypotheses was that liberal media would have been more inclined to use the current situation as a way to undermine the current political status. That was the case. However, this was also the case for conservative media. As it is, the challenge is widely accepted as huge.

\textsuperscript{136} See Previous Research
and worrying from all sources. There are, however, smaller details such as use of language and angles which set them apart. Liberal sources are very much focused on individual graduates who are not being seen by the conservative government. The conservative sources are more hesitant, naturally, to blame a conservative government and point to the market itself. They are partly right; the market of course plays a huge part in any labour market, especially with the changes brought on by globalisation. In addition, it is fair to assume that the sheer amount of money students have to pay to obtain a degree leaves them expecting relevant jobs in the future. When this does not occur, graduates are saddled with debt owed to the state. This is a marked change from previous years. Tuition fees rise whilst the prospects of students remain insecure after the financial crisis.

In relation to SCT, the results are in compliance. Since the definition of a social contract can be quite abstract and different in certain periods and cultures, it is a challenge to pin-point exactly what it entails. However, both Timmermann and Rawls write about the relatively modern idea that fairness, equality and opportunity are cornerstones of a social contract between citizens and democratic states. The idea of a universal offer of education (considering one is willing to pay high tuition fees through loans) creates opportunity. However, it is in the breaking point between when one is a graduate and entering the labour market that strain can arise. It is here one can suggest if there is a new social contract at play. The principle of fairness and equality applies here. Graduates should reasonably expect that when they find themselves out of the labour market, that the utmost is done in assisting them with finding a job in relevant fields. Unlike now, where it seems any job is good enough just to have them in an employment statistic. I touched upon zero hour contracts (See Analysis). This kind of phenomenon seems to be expanding, rather than being a fad which is worrying in the sense that all workers lose when this kind of development occurs.

For further research to contribute to this study, an attempt at including either only media articles or official documents could be of interest. Since this study is a mixed study, it would be interesting to see how discourse suggested change in the social contract in for example

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another country, or only on an EU level. There could also be room for more empirical material either way if a country case-only study or an EU study was performed. Another interesting perspective would be to perform a study where the key demographic is still graduates, but the demographic could be divided into different age cohorts or a study could be done on graduates from specific fields.

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Annex

List of Search Words:
social contract, unemployed graduate + activation policy + uk, graduate + jobcentreplus, eu + activation policy, eu + social contract, uk + social contract, graduate help + help measures, graduate + uk government, graduate + job search

Coding Categories
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