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Between the territory and the legacies: *The politicization of ALMP in Southern Europe*

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Research Object and Research Questions

Research Object:

- Analysing *ALMP politicization* in Italy and Spain, assessing **how** and **why** political parties have positioned themselves concerning ALMP
- Focus on two explanatory variables: the *geography of social stratification/outsiderness* & *policy legacies*

Research Questions:

1. What are the *main variables* accounting for ALMP politicization and cross-country differences/similarities?
2. How and to what extent has ALMP been politicized in *Italy* and *Spain* in the last decade?
3. Have the political parties of these countries taken *similar* or *diverse* positions regarding these policies?



Theoretical Background (I)

Politicization (*dependent variable*)

- growing importance of party competition around a specific issue: **salience** (*low, medium and high*) that policy issues receive in *party manifestos*.
- ALMP= **valence issue** (valued positively by all the parties due to a broad electoral consensus)
- ALMP politicization is affected by the **outsider/insider divide** and **policy legacies**

Outsiderness (*independent variable I*)

- Outsiders are those social classes who are *above-averagely* exposed to the risks of **vulnerable employment** (unemployment + atypical work)
- ALMP as an instrument **favoring** the outsiders
- a) Role of the **Left** has been questioned; b) Possible pivotal role of the **Right**: c) Focus on the increasing share of outsiders and their **mobilizing capacity**
- “**Geography**” **not explored**: geographical distribution of outsiders across the country.

Heterogeneous distribution → impairs ALMP politicization nationally, outsidersness perceived as a **regional issue**.

Equal distribution → politicization: **national problem** to be solved through a nationwide strategy.



Theoretical Background (II)

Policy Legacies (*independent variable II*)

acting as a **filter** for exogenous pressure and may reinforce or change the possible policy solutions to outsidersness

- A **hypertrophic consumptive policy-legacy** is likely to prevent ALMP expansion (ALMP not a relevant issue)
- Outsidersness can be counteracted through other policy means, i.e., **social assistance**. (ALMP not relevant issue)



Case Selection and Method

Case Studies

- Italy and Spain: Southern Welfare Regime, “**ALMP latecomers**”
- Role of the **EES** in triggering the activation turn since the Early 2000s
- But: **not an effective** system of activation policies 1) **scarce** economic resources; b) **decentralized** governance of ALMP implementation (fragmentation)

Method

Politicization:

- Content analysis of **party manifestos** (national elections: IT 2013 and 2018; Spain: 2015 and 2019).
Salience on ALMP measures: from ‘absent’ (-) to ‘strong’ (‘+++’).

Outsiderness:

- ESS Dataset and Oesch’s post-industrial class scheme.
- we subtract the national workforce average rate from the group-specific rate: outsiders are those groups displaying a higher than average score of outsidersness (positive values). The final degree of outsidersness is obtained by averaging the occupational groups’ deviations displayed in the five social risks.
- **regional analysis of outsidersness:** we calculated the occupational groups’ deviations from the national mean



Main Findings of the Empirical Analysis



ALMPs Politicization (I)

Table I. Saliency of ALMP-related issues in Spanish and Italian parties' manifestos.

Policy content	Spain								Italy										
	2015				2019 ^a				2013					2018					
	PSOE	PP	We Can	Cs	PSOE	PP	We Can	Cs	PD	FI+		Fdl	M5S	PD	FI	The League	Fdl	M5S	
Activation	+++	+++	+	++	++	++	+	-	+	-		+	-	+	-	-		-	-
PES reform/empowerment	++	+	-	+++	+	++	-	+	-	-		-	-	+	-	+		+	+
Training	++	+	-	+	+	+	-	-	-	+		-	-	+	-	-		-	+
Fiscal incentives for employment	+	+	-	++	+	++	-	+	-	+		-	-	+	-	+		+	-
Fiscal incentives for self-employment	-	+	-	-	-	+	-	-	-	-		-	-	-	-	-		+	-
Direct job-creation	-	+	-	-	-	+	-	-	-	-		-	-	-	-	+		-	-
PLMP	++	+	+	+	+	+	++	+	-	-		+	+	+	-	-		+	-
Conditionality	++	-	-	+	+	+	-	-	-	-		-	-	+	-	-		-	-

Notes: (-): the policy is not mentioned in the manifesto; (+): the policy is mentioned between one to four times; (++): the policy is mentioned between five to nine times; moderate; (+++): the policy is mentioned more than ten times.

^a Data refers only to the party manifestos for the April 2019 Spanish general election.

Source: authors' elaboration.



ALMPs Politicization (II)

Cross-country difference in terms of saliency:

- In **Spain** ALMP represents a **key electoral issue** for all the political parties.
- in **Italy**, ALMP is almost completely **neglected** and when debated, its salience remains low.

Limited role of partisan politics in explaining differences in the ALMP politicization

- Spain → **pro-ALMP consensus**: Both the Left (PSOE) and the Right (PP) debate ALMP quite highly. PSOE supports training,, but also fiscal incentives and do not oppose conditionality. The PP put higher salience on fiscal incentives but does support training. Cs in line with PSOE and PP (We can as the exception)
- Italy → **overshadowing consensus**: the Left (PD) started to debate ALMP only since 2018 and to a low level. The Right (FI) neglected the issue. Scarce attention from The League, Fdl and the M5S, but a slow increase in the 2018 elections.



The geography of outsidersness (I)

Table 2. Level of outsidersness.

	Spain	Noroeste	Noreste	Madrid	Centro	Este	Sur and Canarias	Italy	Nord-Ovest	Nord-Est	Centro	Sud e Isole
CA	-6.08	-5.47	-7.52	-7.10	-5.01	-6.59	-4.17	-6.06	-7.26	-7.27	-6.79	-2.71
SCP old men	-8.63	-4.25	-5.41	-10.37	-10.01	-12.73	-6.64	-2.26	-6.60	-4.08	-2.32	1.21
SCP old women	-2.71	-1.8	-1.82	-3.12	-6.62	-1.05	-3.20	0.53	-2.20	2.90	0.23	2.52
SCP young men	1.76	-4.08	-3.76	2.90	4.79	0.27	1.76	12.12	10.93	8.65	13.03	12.72
SCP young women	8.97	4.45	5.88	11.34	10.14	5.98	14.21	6.76	2.16	3.65	7.33	11.72
MSF old men	-7.02	-8.34	-7.24	-6.54	-4.30	-8.50	-5.51	-6.43	-8.56	-6.43	-8.21	-2.99
MSF old women	-3.57	-5.27	-5.15	-5.64	-0.78	-3.37	-1.72	-0.78	-3.09	-2.54	-2.16	5.96
MSF young men	1.00	-6.90	2.43	-3.24	5.22	1.36	3.78	-1.66	-2.55	-8.37	0.05	2.68
MSF young women	6.39	1.30	7.95	2.57	6.64	4.80	11.26	5.98	2.47	0.46	5.62	16.70
LSF old men	-5.71	-11.15	-4.80	-5.11	-8.04	-4.96	-4.64	-0.74	-3.96	1.10	-1.64	0.78
LSF old women	5.28	2.58	3.15	5.91	5.49	4.19	7.87	5.93	1.06	4.03	8.02	12.24
LSF young men	5.84	3.22	0.96	0.47	9.99	7.03	7.02	13.36	15.09	9.00	12.79	14.16
LSF young women	12.02	10.31	11.73	7.81	13.66	12.26	14.83	12.65	6.61	16.69	10.48	14.70
BC old men	-2.84	-7.34	-9.25	-3.36	0.87	-4.91	1.00	-2.22	-6.29	-4.01	-3.01	2.02
BC old women	2.78	-0.27	1.32	-1.71	4.77	-2.33	8.87	-0.77	-6.20	-4.35	-0.67	6.98
BC young men	6.49	1.04	5.53	0.67	7.34	4.92	11.56	4.52	1.79	-1.99	1.48	11.53
BC young women	13.23	0.12	10.85	12.54	14.52	12.55	15.43	5.94	3.62	1.14	6.64	9.42

Source: authors' elaboration.



The geography of outsidersness (II)

National Level

- outsidersness is mostly concentrated in the same *occupational groups*, that is, **SCPs**, **LSFs** and, partially, **BCs**. **Gender** and **age** strongly affect the likelihood of being outsiders.
- **BCs** are NOT a homogenous insider category → only old male BCs

Regional Level

- In **Spain** outsidersness is relatively **homogeneously spread** across the national territory. SCPs, LSFs and BCs are classified as outsiders also in the six Spanish macro-regions.
- differences persist but more limited (Noroeste)
- In **Italy**, in Nord-Ovest, Nord-Est and Centro the outsidersness level is quite aligned with the national one.
- The striking discrepancy is the **Sud and Isole**. Except for the CAs and the MSFs old men, *all the occupational groups are outsiders*, regardless of gender and age.
- **Geographical concentration of outsidersness**



Explaining ALMP politicization: Outsiderness & Policy Legacies

Outsiderness:

- **Spain**: outsidership nationally distributed and thus is a **national problem** → strongly politicization of ALMP since it is seen as a recipe for coping with a nationwide problem.
- **Italy**: Italy outsidership distribution has strong **regional characterization**, developed more as a regional or southern issue → no politicization

Interaction with the policy legacy

Italy

- Pension policy has **crowded out** the expansion of ALMP and, in terms of politics, its politicization (not electorally convenient).
- Favored **assistance rather than activation** measures → cash benefits are more difficult to re-size or trade-off with activation policies (electoral risky)
- *Weak reforms* between 2014 and 2018

Spain

- Welfare developed since the 1980s → **lighter policy legacy** (no crowding-out effect)
- EU pressure to update the welfare system was perceived as democratic modernization (**higher incentive**)
- *A more substantial reform* wave triggered by the Great recession



Conclusions

The analysis of **ALMP politicization** should take into consideration the **geographical features of the insider/outsider divide**

- The IT and ES case studies show that outsidersness distribution within the country does affect ALMP politicization at the national level.
- When outsiders are **equally spread**, outsidersness becomes a nationwide problem to cope with thus leading to a politicization of ALMP. When outsiders are **concentrated** in a delimited sub-area, outsidersness becomes a subnational issue and the politicization of ALMP might not be electorally relevant.

Plus, the **national policy legacy** must be taken into account as well.

- In Italy, policy legacies have **reinforced** the negative effect of the outsidersness concentration on ALMP politicization. In Spain, policy legacies have combined with a homogeneous spread of outsidersness, thus **incentivizing** nationwide political parties to set ALMP as policy priorities.

Future Research development:

- New case studies
- Considering other explanatory factors (regionalist parties) and how they interact with the geographical and policy legacy variables.





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Thanks!

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