

# **Introduction: tackling employment and gender challenges**

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## **1. Introduction**

The purpose of this book is to present and discuss the main findings and arguments of the WELLKNOW project. WELLKNOW is an acronym for ‘From welfare to knowfare. A European approach to employment and gender mainstreaming in the knowledge-based society’ (see: [www.bifrost.is/wellknow](http://www.bifrost.is/wellknow)). The overall objectives of the WELLKNOW project were: (1) to provide a theoretical and comparative understanding of the transition towards the knowledge-based society from the employment and gender perspectives; (2) to analyse how the European Employment Strategy seeks to promote more and better jobs, as well as gender equality as part of the transition towards the knowledge-based society; (3) to evaluate statistical indicators and develop indices for monitoring progress towards the knowledge-based society and gender equality; and (4) to identify policy options in respect of the EU’s strategic goal, set at Lisbon (2000), of developing a model of the knowledge-based society that is competitive and capable of maintaining sustainable economic growth, while providing both more and better jobs and social cohesion.

The countries represented in the project are Austria, Denmark, Finland, Hungary, Iceland, the Netherlands and Spain. Selection was carried out on the basis of their diversity at the start of the twenty-first century as regards regional location (north/south and east/west), population size (micro, small and large), welfare-state model

(Mediterranean, Continental, Liberal or post-socialist, and Nordic) and status in relation to the EU (member country, accession country or associate member). Hungary joined the EU in 2005 after an accession period, while Iceland (together with Norway and Lichtenstein) has been a member of the European Economic Area since 1994. A comparison of five EU member countries (Austria, Denmark, Finland, the Netherlands and Spain) on the one hand and two non-member countries (Iceland and Hungary [until 2005]) on the other, was undertaken as part of the WELLNOW project in an attempt to distinguish between the influence of the EU and that of the national authorities in designing the transition towards the knowledge-based society.

### **The knowledge-based society and its regulation**

The book tackles neglected aspects of the knowledge-based society (KBS) by focusing on the employment and gender dimensions of this phase in the development of European societies and their policy implications. The underlying force believed to be driving the transition to KBS is the growing use of information and communication technologies (ICTs), creating economic growth and social progress. Widespread use of ICTs, the shift towards knowledge-intensive organisations and employment, as well as more extensive employment regulation at the European level have contributed to the growing importance of what we would like to term ‘knowledgefare’ or ‘knowfare’ across Europe. Knowfare refers to policies promoting education and lifelong learning in order to stimulate employment participation throughout the life-cycle as opposed to welfare policies ensuring a certain standard of living via a benefit system. In KBS, human competence is at the core of economic development, with the state increasingly taking responsibility for establishing incentives for firms and individuals to enhance and upgrade skill levels in order to reduce the risk of unemployment. However, individuals are themselves expected to take on the responsibility of investing in the ‘right’ education and lifelong learning.

Studies of transitional labour markets reveal an increasing tendency for individuals to be constantly crossing the boundaries between paid work, education and private sphere (see, for example, Heuvel et al. 2004). Moreover, new technologies and organisational changes are believed to favour the reconciliation of work and personal life and to provide employees with more control over their work. However, evidence shows that labour markets are becoming more diversified in terms of skills, pay, and job autonomy and security. These employment changes or challenges increase the risk of the social exclusion of those with a weak labour market position at either global or local level. Women's greater responsibility for the care of children and dependents makes it more difficult for many of them to obtain secure, skilled and well-paid jobs throughout their working life. Moreover, evidence reveals extensive gender segregation in hi-tech occupations, and a survey of job quality in the EU undertaken by Gallie and Paugam (2002) shows that women's jobs involve on average less complexity and less autonomy than men's. However, more diversified labour markets mean that some women have gained – for example, many women have been able to find employment opportunities and educated women in particular have managed to climb the career ladder and the wage structure (see Serrano Pascual and Mósesdóttir 2003; Caprile 2004a) – while others are losing out from developments towards KBS.

The EU has used the European Employment Strategy (1997) to address the employment and gender challenges of KBS (as well as the poorer employment performance of the EU in comparison with the United States). The strategy consists of the Employment Guidelines set by the Council and National Action Plans, which are reports written by the member states on measures implemented to achieve the EU's employment objectives as stated in the Guidelines. The EU has brought into play a certain convergence pressure by means of the European Employment Strategy, urging member states to promote investment in people, tackle gender inequalities and develop a KBS model that is competitive and capable of maintaining sustainable economic growth, with both more and better jobs and social cohesion

(Lisbon 2000). However, political choices and institutional structures at the national level interact with the EU's 'soft' or non-binding regulations and play a role in determining what KBS entails in terms of jobs and social inclusion. Hence, different KBS models are developing across Europe, embodying different forms and levels of social and gender divisions.

In what follows, we shall discuss the contents of the various chapters and their main conclusions, as well as the policy recommendations of the WELLKNOW project on the employment and gender challenges of KBS. We shall start with the chapters that seek to address what a transition towards KBS entails, both at the empirical level and more abstractly. We shall then review the chapters that focus on supranational (EU) and national regulation of the move towards KBS. The objective of the gender mainstreaming strategy has been to ensure progress towards gender equality and we shall highlight its potentials and limitations before moving on to WELLKNOW's policy recommendations.

## **2. The transition towards the knowledge-based society**

In the first chapter of this book, Lilja Mósesdóttir and Amparo Serrano Pascual review the concepts, theories and empirical evidence used to describe and verify the transition to KBS in policy documents and the academic literature (see also Serrano Pascual and Mósesdóttir 2003). The aim is to identify the central employment and gender challenges considered to be part of the KBS transition. In Chapter 2 Cecilia Castaño Collado comments on the main arguments presented by Lilja Mósesdóttir and Amparo Serrano Pascual and relates them to other research results.

The review of policy documents and academic literature presented in Chapter 1 reveals that there is no consensus on what kind of society KBS encompasses and its implications in terms of gender equality. In the literature, the following employment changes which have direct implications for gender relations are claimed to be part of the KBS

transition: (i) growth of the service sector; (ii) expansion of less hierarchical, more skill-intensive and more flexible work organisation; (iii) a growth of occupations with a high information and knowledge content. The extent to which these changes have taken place and are associated with greater or less skills and gender inequalities is contested. Also being debated is whether the employment changes have made better opportunities available for reconciling work and personal life. Empirical research shows growing complexities as regards the development of gender and employment relations and the need to differentiate between different groups of women as the benefits of the transition to KBS have been unevenly distributed among them (see also Castaño Collado, Chapter 2).

As Mósesdóttir and Serrano Pascual argue in Chapter 1, the transition towards KBS is being shaped by particular labour market contexts and firms' organisational practices and involves processes with contradictory consequences for social relations at national level. Hence, different models of KBS are forming with various levels of skills, job quality, social cohesion and gender equality. Moreover, development is continuous but uneven and different models are co-existing as countries differ in their vulnerability to external challenges, their perception of these challenges and their capacity to respond to them. In other words, it is a matter of political choice how much social inequalities are built into KBS.

## **Performances and pathways**

In Chapter 3, Maria Caprile presents the main results of statistical analyses undertaken to assess the extent to which the EU-15 member countries, Iceland and Hungary have developed different models of the knowledge-based society, especially in relation to social inclusion and gender equality (see also Caprile 2004a). The purpose is to develop criteria and synthetic indices to measure and benchmark progress towards KBS, focusing on employment and gender. In her comments (see Chapter 4), Teresa Montagut discusses the main drawbacks of constructing indicators and measuring gender inequalities.

One of the main conclusions in Chapter 3 is that development towards KBS and a more inclusive society is related to the different welfare state models in the EU. However, it was not possible to produce evidence showing that KBS is associated with more social inclusion and gender equality. Progress towards gender equality has been less general and intense than progress towards KBS. In addition, gender inequality appears to have increased in many countries. A certain convergence in respect of the different dimensions of the Lisbon 2000 goals occurred during the period under consideration, as those countries starting at a low level progressed faster than the more advanced ones. However, it should be noted that performances measured in terms of quantified indicators do not explain the ranking of countries and the reasons behind improvements or deterioration over time (see Chapter 4). As Maria Caprile argues, an understanding of different outcomes can be obtained only by studying national contexts because progress towards KBS is path dependent, influenced by past and present political choices and divergent welfare states.

In Chapter 5, Chantal Remery, Joop Schippers and Maria Caprile put the statistical performances of Austria, Denmark, Finland, the Netherlands, Spain, Iceland and Hungary into their national contexts (see also Mósesdóttir 2005). The aim is to gain a better understanding of different performances and to uncover common patterns across the seven countries. In Chapter 6, Ulrike Papouschek evaluates the main findings and arguments.

Remery, Schippers and Caprile identify four development paths on the basis of their study of the various performances and national contexts. The main characteristic of Path 1 is that there is no focus on either KBS or gender. Economies following this path run the risk of economic stagnation and social exclusion. Countries following Path 2 emphasise KBS development, but do little to ensure gender equality; hence, social exclusion is likely to increase in the long run. The focus of those countries on Path 3 is closure of gender gaps, but with limited reference to KBS; this situation may produce a high level of social inclusion but low economic growth. Those countries on

Path 4 concentrate on promoting both gender equality and KBS. It is noteworthy that countries with the highest level of gender equality have had the greatest economic well-being in recent years (see United Nations 2005; World Economic Forum 2005). Hence, those countries concentrating their efforts solely on promoting KBS (Path 2) or gender equality (Path 3) do not have a sustainable strategy to achieve the Lisbon goal (see also Papouschek, Chapter 6).

### **3. Regulating the transition**

In Chapter 7, Seppo Roivas analyses how the employment and gender challenges of the knowledge-based society were addressed and gender mainstreamed in the National Action Plans (NAPs) of Austria, Denmark, Finland, the Netherlands and Spain (see also Sjørup 2004) during the period 1997–2003. Ruth Emerek (Chapter 8) reacts to this chapter by highlighting the main limitations of using NAPs as empirical evidence. Chapter 9 takes a detailed look at some of the findings presented by Seppo Roivas in Chapter 7, but also encompassing Iceland and Hungary (see also Sjørup 2004). Karen Sjørup, Kenneth Reinicke and Seppo Roivas here discuss the main findings of studies of actors, policy discourses and policy measures in respect of employment, gender equality and KBS at both the EU and the national levels. In Chapter 10, Juliet Webster considers the discussion in Chapter 9 in light of other research results.

As demonstrated in Chapters 7 and 9, the European Employment Strategy (EES) has been an important policy tool in pressuring the EU member states to pursue the Lisbon goals of a competitive economy and social inclusion, including gender equality, as we move towards KBS. However, the emphasis has first and foremost been on promoting economic growth and only secondarily on improving social inclusion. Hence, EES facilitates convergence around a European model based on neo-liberal criteria which stress the free play of markets instead of state intervention and sanctions to change, among other things, gender imbalances (see also Webster, Chapter 10). Moreover, the ‘soft’ regulation characteristic of EES means that

the different welfare state models across Europe have so far played a greater role in shaping the direction of KBS than the strategy itself. Hence, we may conclude that the European Employment Strategy is a regulatory mechanism that operates primarily at the discourse level, spreading a common understanding of problems in the area of employment and gender equality (Serrano Pascual 2003).

Chapters 7 and 9 identify a certain convergence as concerns policy approaches in the National Action Plans. All the NAPs of Austria, Denmark, Finland, the Netherlands and Spain address skill shortages by emphasising the need for education and training on the one hand, and women's entrepreneurship, opportunities (for women in particular) to reconcile work and family life and occupational segregation on the other hand. One reason for this convergence is that the National Action Plans are written by the national authorities within the framework provided by the Employment Guidelines (see also Webster, Chapter 10 and Emerek, Chapter 8). Seppo Roivas claims that the National Action Plans are primarily political documents representing the values of the ruling parties and public officials seeking to convince the EU that its policy goals are being implemented or at least taken seriously. These common policy approaches are implemented in divergent social and economic contexts, such that the outcomes of EU regulation differ at the national level. In addition, the National Action Plans have not been effective in achieving the Lisbon agenda as policy approaches in the areas of employment, gender equality and KBS are in most cases separated or not integrated. Unequal access to ICTs, for example, is not tackled by employment and gender equality policies but only by policies promoting KBS.

### **Policy options and their national contexts**

In Chapter 11, Pertti Koistinen, Seppo Roivas and László Neumann seek to identify policy options in the context of divergent national conditions and KBS (see Koistinen et al. 2005), emphasising how structures (welfare states) and processes (the European Employment Strategy) frame policy options.

The authors argue that the effectiveness of the European Employment Strategy in reaching the Lisbon goal depends on how it is shaped by structures (welfare states) and other policy processes (modes of implementation) at the national level. Structures and policy processes shape performances but are themselves the creation of societal choices at the national level. Moreover, these past and present societal choices have created variations in structures and policy processes which are important explanations of cross-country differences in implementing and fulfilling the objectives of the European Employment Strategy. Hence, we observe different strategies among the member countries in promoting the objective of gender equality. These include the dual breadwinner model (men and women work close to full-time), the modified dual breadwinner model (women work part-time and men full-time) and the male breadwinner model (women encouraged to take responsibility for unpaid care). The strong path dependence of structures and policy processes is evident in the development of welfare states in transitional countries, such as Hungary, which has experienced a gradual change from the state socialist type of welfare society (1948–1968), via the ‘maternalist’ type (1968–1985) to the liberal welfare state in 1985–1996 (see discussion in Koistinen et al. 2005).

A comparison with Active Labour Market Policy in Chapter 11 reveals that the European Employment Strategy focuses much more on supply-side problems and policies and has a weaker institutional and macroeconomic framework. These characteristics of the strategy to some extent explain its limited achievements in attaining the Lisbon goal. Moreover, the European Employment Strategy’s emphasis on ranking countries according to their performance on narrowly defined targets – for example, the female employment rate – runs the risk of establishing unachievable standards for member countries falling behind. Economic, political and social contexts cannot be copied overnight. Moreover, in such a context those performing well tend to become more concerned with their relative position than with their success in attaining the EU’s employment and gender objectives. Hence, the focus of the EES should be more on identifying the vari-

ety of policy options and contexts than on good performances when it comes to promoting learning processes (for example, how to tackle gender inequality in Europe).

#### **4. Gender mainstreaming the transition**

In Chapter 12, Lilja Mósesdóttir and Rósa G. Erlingsdóttir analyse the gender mainstreaming strategy applied under the European Employment Strategy and in different national contexts (see also Mósesdóttir 2005). The aim is to identify the extent to which the gender mainstreaming strategies of the seven project countries has tackled the gender challenges of KBS, empowered women and transformed policies and structures. In the final chapter of the book, Mieke Verloo discusses the strengths and weaknesses of the approach adopted by Mósesdóttir and Erlingsdóttir.

One question guiding the analysis in Chapter 12 is whether the gender mainstreaming strategy as applied within the framework of the European Employment Strategy has empowered women, giving them an opportunity to voice their needs and interests. The policy analyses reveal that gender mainstreaming has so far not altered women's underrepresentation in policy-making processes at the national level. Instead, it has brought to light, on the one hand, how unstable women's representation is within narrowly defined policy areas that have a relatively low budget and, on the other hand, the lack of institutional mechanisms to ensure that gender actors are able to influence, for example, non-traditional and new policy areas such as the Information Society. Thus, the gender mainstreaming strategy has so far failed to empower women, especially at the national level. However, the integration of gender mainstreaming into the EES has in some cases created opportunities for women to act as political actors and experts at the EU level (for example, groups of experts).

Another question addressed in Chapter 12 concerns whether the gender mainstreaming strategy applied within the framework of the European Employment Strategy is transformative or has led to a fundamental change in policy processes (objectives and measures) and

structures (for example, the welfare state) at the national level. Chapter 12 argues that an important reason for the lack of transformation so far is the treatment of gender equality under the European Employment Strategy more as a derived objective of economic growth than as a question of social justice. Moreover, the strategy does not acknowledge the tensions and contradictions between different policy objectives (tackling gender gaps in employment, unemployment and the gender pay gap, as well as reducing gender segregation). The gender mainstreaming strategy has so far not managed to transform policy measures but has rather led to the implementation of a two-track gender strategy in the seven countries. This involves, on the one hand, special measures to improve the situation of women and, on the other, the integration of the gender perspective into policies. Our policy analyses show that greater emphasis has been put on special measures and that an administrative/technical approach to gender mainstreaming has been adopted in all seven project countries. In other words, the ‘old routines’ of policy making have not changed (see also Verloo, Chapter 13).

The various welfare state models in Europe affect not only the ability of nation states to activate women – which is one of the objectives of the European Employment Strategy – but also their ability to meet new needs arising from the transition to KBS. The childcare targets set by the Barcelona Council (2002) signal a radical shift in EU social policy intervention as it involves direct provision of services, something hitherto regarded as outside the scope of EU regulation (Mósesdóttir and Thorbergdóttir 2004, 25). More extensive public services to ensure women’s labour force participation are difficult to integrate into the Continental and the Mediterranean welfare states, in which the family has responsibility for caring for children and dependents. In contrast, the Nordic welfare states already have extensive service provisions and in principle have also been able to meet new needs, such as universal access to ICTs and high skill levels. However, the move towards KBS has created new incompatibilities or made it increasingly difficult for workers to reconcile the increasing demands of paid work and caring for children and dependents.

Hence, the development towards the dual breadwinner model or equal participation of men and women is path dependent or dependent on the type of welfare state, and the European Employment Strategy is putting a lot of pressure on institutional structures in countries in which the male breadwinner model prevails. At the same time, countries performing relatively well in terms of the strategy's gender objectives are using their favourable position to justify lack of further progress.

## **5. Conclusion: policy implications**

The objectives of the Employment Guidelines (EGs) are in line with what has been identified as the challenges of the knowledge-based society (KBS), as they focus on employment growth and the closing of gender and skill gaps. Moreover, the National Action Plans in the five partner countries and Hungary reflect the EGs' key employment and gender objectives. Common policies for achieving these goals relate to activation, work/life reconciliation and lifelong learning. In our opinion, central concepts of the European Employment Strategy, such as lifelong learning and gender mainstreaming, are used rhetorically, with no concrete specification of what they imply in terms of outcomes or how gender equality should be understood in different socio-economic and cultural contexts. This means that the member countries can interpret them any way they like, which to some extent explains the lack of progress in respect of certain dimensions of the Lisbon 2000 goals. In addition, policies implemented to achieve the employment and gender objectives of the European Employment Strategy are still seen as important areas of national policy autonomy/interest, although most countries have a positive view of the strategy. Hence, a European approach to employment and gender mainstreaming is slowly developing across the member states, although still patchy and more at the rhetorical level than the level of implementation.

The EU and national authorities must overcome the problems deriving from the rhetorical character of the National Action Plans. More

comprehensive knowledge of the performances and policies of each country will furnish better understanding of the different starting levels and advances of the member countries in respect of the employment and gender objectives. In addition, more detailed information must be provided on the scale, costs and time span of the policies, legislation, institutions, projects and programmes being used to reach these common objectives in the member countries. Finally, greater efforts are needed to integrate emergent issues and the criticisms of social partners, NGOs and gender experts into the National Action Plans, which in most cases are the responsibility of public officials.

In all seven countries, committees and actors shaping policies in the area ‘information society/knowledge-based society’ have in most cases a clear gender bias in favour of men. Strategies to promote knowledge and technology often make only a general reference to gender mainstreaming by stressing that both men and women will benefit from flexible working arrangements and training possibilities. In most of the seven countries, responsibility for the ‘society/knowledge-based society’ area has been given to the prime minister’s office and ad hoc committees at the ministerial level that distribute a relatively large budget to individual projects and measures. This contrasts with the low budget and low profile action programmes in the area of gender equality which are in most cases the responsibility of an individual ministry. The gender mainstreaming strategy must be given the same status within the public administration and budget as policies promoting the Information Society if we are to have any hope of seeing similar progress towards gender equality, as we move towards KBS.

A stronger synergy should be developed between the National Action Plans on the one hand, and new policy areas such as the knowledge-based society and gender mainstreaming on the other. Few examples of synergy between different policy areas were found across the seven countries under study. These were measures to improve opportunities to reconcile work and family life utilising the possibilities of ICTs, and education policies addressing the problems women experi-

ence as they enter highly skilled technical training and professions. Moreover, measures must be taken to prevent the traditional gender division of labour from being reproduced in new sectors and jobs, and to ensure that women's skills are recognised as formal skills and rewarded financially in the same way as men's.

## **Gender mainstreaming**

Women will be empowered only if national and international authorities ensure that, as political actors and experts, men and women are: (1) equally represented; (2) equally consulted; (3) equally provided with resources (time, money and tools). The transformation of policy processes and structures requires that: (1) gender equality is pursued as a question of social justice as well as economic efficiency; (2) gender equality is the responsibility of the highest ministerial level; (3) policies and institutions are complementary (mutually supportive) across different spheres of society. In addition, greater cooperation between the social partners, public officials, experts on gender equality and political actors on gender issues is needed to ensure effective implementation of the gender mainstreaming strategy. Public authorities and experts could, for example, put greater pressure on the social partners to place gender issues on the agenda in collective agreements by making suggestions about issues to be tackled at this level.

Women's limited empowerment and limited opportunities to challenge definitions of gender problems mean that the focus is mainly on women's deficiencies or lack of involvement in paid work and/or insufficient technical skills, rather than on men's deficiencies, such as insufficient skill levels in some countries and lack of involvement in the care of children and dependents, both in the labour market and in the household. In other words, women and their needs and interests must be included in policy-making and the problem formulation of policy approaches should be reconstructed to include men as a subject of change.

The gender mainstreaming strategy has in most cases become a vehicle of political rhetoric or a policy-making method rather than a tool

for transforming gender relations. If the gender mainstreaming strategy is to progress from being merely a discursive mechanism to a transformative mechanism, policy processes and structures must be changed in a fundamental way (and not only in under-performing countries but also in over-performing countries when it comes to medium-term targets). Policy objectives should consider gender equality in its own right and be sensitive to the fact that objectives can be contradictory or have contradictory implications for gender equality. Moreover, diversity across and within groups of men and women on the one hand, and countries on the other, should be recognised: the benefits of the transition towards the knowledge-based society are unevenly distributed.

Measures to promote gender equality must be changed fundamentally, from being statements of good intentions to action programmes involving the active engagement of actors, including the social partners and gender experts. Moreover, these measures must tackle the specific conditions of both men and women and lead to equal distribution of resources, equal participation in both paid and unpaid work, and equal representation of men and women at each level of decision-making and in different spheres of society.

Institutional mechanisms are also needed for the following purposes: to ensure the empowerment of women (in relation to inclusion, resources and the framing of problems); the use of gender expertise when it comes to planning, implementing and evaluating policies; and dealing with the resistance of those responsible for carrying out the gender mainstreaming strategy or opposing greater gender equality. Actors both inside and outside the state apparatus must be given clear responsibility for the realisation of the gender mainstreaming strategy and provided with the necessary training, time, money and tools. Amendments could be made, for example, to equal pay legislation in order to give trade unions greater power to enquire about equal pay issues in individual pay settings and about job placement and career progression. Finally, institutional reforms should be facilitated at both the supranational and national levels if the needs of new groups –

such as women in the labour market – and new developments or challenges cannot be acted upon within the prevailing structural framework. The responsibility for the gender mainstreaming strategy and its institutional framework should, for example, be given to the prime minister's office in each country in order to enhance its status and effectiveness.