

**The effects of personal characteristics and public management quality
in the success of minimum income policy.**

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Abstract

This article discusses the effectiveness of minimum income policies as a way to decrease dependency and increase employability of people socially excluded or at risk. The analysis is based on data from administrative records of the minimum income program developed by the regional Catalan Government in Spain. The results confirm that less time spent in minimum income and more hours worked in the program have a positive impact in self-sufficiency and inclusion to work. The main findings are that the initial characteristics of the beneficiaries of the program are quite important in achieving good results and that the final success also depends on the quality of the support received. In this sense, decentralized territorial units of small size seem to better fulfill the requirement of adequate accompanying needed for different profiles of socially excluded people.

1. Introduction

The idea of a guaranteed minimum income has been the object of social policy debates for a long time. In Europe this idea became a policy in various countries at different times and under quite different forms despite intense experimentation in the US in the seventies spread doubts about the negative economic effects in the labor incentive structure facing beneficiaries. Policy makers, and many non policy makers often talk about the *unemployment trap* or the *poverty trap*, that is, the preference that recipients of minimum income may have for remaining unemployed when the rent they get outside the market is high compared with the potential salary they could get working or when their market gains are discounted from a publicly funded rent.

However, the original aim of minimum income policies was to provide basic assistance to families in need. They were supposed to provide a last resort to those who did not have any other income. By receiving a minimum income, major social and health problems could be prevented and, at the same time, a virtuous cycle could be created since beneficiaries had the chance to get ready for work, progressively work more hours and with labor experience, find new jobs and cut with welfare dependency. A similar approach has been followed in poor countries with much less resources where poor families receive some benefits in exchange for complying with parental obligations. Minimum income should thus have a palliative preventive role and, combined with it, an activation employment related role. In its original version this was a rather generalist policy that, at least in Europe, was thought for families as the basic unit, but societies and labor markets have changed raising the question of whether the policy should also change according to the variable characteristics of recipients.

In this paper we want to examine the conditions under which minimum income can be effective as a temporary solution leading to employment. We also want to have a look at the difference management can make. Heterogeneity in the beneficiaries requires flexibility from the administration: Thus, the capacity to manage services with flexibility adapting the treatment to the different characteristics of beneficiaries might explain effectiveness. In relation to the difference management can make, this paper explores the issue trying to prove it is worth looking at.

We do it with data from the region of Catalonia in Spain. This is a good case because there was a reform in the nineties which tried to introduce flexibility. On the other hand, the relatively low levels of income guaranteed, compared with France for example, reduce the risk of “poverty trap”. It is also interesting because the Spanish economy produced a high number of low level jobs from 1995 to 2007 (about eight millions) and those are the kind of jobs that recipients of minimum income can take. During these years, new immigrants took a big part of those jobs. Some of them also entered temporarily minimum income to exit quickly the programs to reenter in the job market. What did other recipients do? With what groups was the policy more effective? Is management a key variable in the social progression of recipients?

The article is structured in four sections. The first and second are used to present the theoretical framework and the evolution of minimum income policy in the south of Europe and Spain. The third and fourth sections briefly present the program and the data in order to proceed with the analysis and main findings with regard to the relation between the characteristics of beneficiaries and the management of the program with positive outcomes. The article ends with the main conclusions that can be reached after the analysis.

2. Welfare dependency and employment

Since the “New Jersey Graduated Work Incentive Experiment”, the “Seattle-Denver Income Experiment” (Rossi and Lyall, 1976, Skidmore, 1989) and other big experiments of the seventies, several studies in labor economics have been looking at the relation between social assistance and employment from a similar perspective. There is a growing conviction that social assistance favors behavior leading to public dependency and a reduction in the intensity of job search. As a result, welfare reforms have implemented two basic ideas: more restrictive access conditions to receiving minimum income and more onerous obligations for beneficiaries in the form of training or direct work. Active employment policies became the central instrument to fight unemployment both in the US and Europe and social services often see labor experience and working hours as the fast track to self-sufficiency for poor and socially excluded. However, this outcome is determined by both market conditions and personal characteristics of the unemployed and poor.

Part of the literature provides evidence on the effects of the market – unemployment, earning opportunities - in the duration of dependency. The conclusion seems to be that the impact of the market is less decisive than it was thought since the coefficients tend to be lower for market related variables than for demographic characteristics or time already spent on welfare. In the eighties, O'Neill, Bassie and Wolf (1987) found a negative relation between earning opportunities and time spent on social programs but Blank found this relation was not significant (1989). Other studies in the nineties (Hoynes and MacCurdy 1994; Sandefur and Cook (1997) observed how variations in market conditions had an impact on welfare dependency but concluded that they were less important than demographic variables or the duration in the programs. Similar results were found in Canada by Fortin, Lacroix and Thibault (1999). Stronger evidence of a link between a strong economy and exit from welfare have been found for the US (Grogger, 2004).

Those results induced some researchers to study the dynamics of welfare programs to differentiate between long-term cases from short-term cases and to study the characteristics of those beneficiaries staying on welfare almost independently of the evolution of the market conditions. There is evidence on the effects of socio-demographic characteristics of households but less on the personal problems of welfare dependents. It seems evident that the chances of entering the labor market increase with education levels or labor experience. Along the same lines, certain characteristics of households like being a single parent with dependent children tends to make the transition to employment more difficult (Moffit, 1992). However, only a few works have looked into personal problems acting as “barriers” to employment. This kind of problems can be related to a criminal background, drug or alcohol abuse, health or mental health weaknesses. Danzinger et al. (2000) Ayala and Rodriguez (2006) show how the incidence of those problems explains welfare duration and the failure to find jobs.

Besides market conditions and personal characteristics, public management can make the difference between success and failure in the delivery of public policy results. The idea that public management can be a key variable to the performance of government is at the core of public policy studies (Meier and O'Toole 2002 and 2003) But, despite

this widespread believe, this notion has rarely been tested with regard to minimum income policy. There are conceptual problems with the notion of managerial quality itself but we understand that it can be clarified to the point of exploring the link between management and performance across a large number of cases.

3. Southern European welfare policy

The first generation of minimum income policies in Europe goes back to the United Kingdom right after the Second World War in 1948 and later in Germany and the Netherlands in the 1960s. From there, other countries like Ireland and Belgium had similar initiatives in the 1970s. The basic philosophy of minimum income at the time was social assistance and the purpose to cover basic needs and provide a last resort for social protection. The main problems with those policies were related with the stigma associated with receiving social aid and the dependency of families, particularly women who seemed to inherit their poor condition from their mothers who had previously been receiving public aid. The second generation of minimum income policies in Europe dates from the 1980s in France, Spain, Portugal and Italy in the 90s. At this time, minimum income policy was related with employment policy and discussions on minimum salary levels. Different groups also started to see minimum income as a basic right of citizens as such.

The primary goal of welfare policy in France, Italy, Spain and Portugal has been the promotion of labor insertion while maintaining economic security. In the late eighties, France tried to reconcile the two main objectives of a basic level of economic protection and labor market participation through a formal agreement signed by the beneficiaries of public financial aid. In Spain, the lack of initiative by the central government to enter in income maintenance schemes encouraged regional governments to put into practice minimum income programs which generalized the tool of formal agreements with beneficiaries as a way to promote self-sufficiency. In the case of Portugal, a pilot experience based on financial incentives and insertion contracts started in 1997 to become a national system later on.

The main difference of Southern European schemes from US programs is that they cover all households and not just female single parent households (Ayala and

Rodriguez, 2005 and 2006). Another distinction is the less emphasis put on work-first strategies. Active policies have impacted on minimum income but case workers have the discretionary power to decide whether beneficiaries follow a short-term training and work strategy or a longer-term strategy including social, health and educational measures before pushing recipients into the labor market. Along the same lines, labor insertion is less important when beneficiaries are already working, something which can happen after reforms which relaxed the conditions to enter minimum income making it partially compatible with job earnings.

This added flexibility may dilute the original strict vision of minimum income and active employment but was seen as a necessary response to a changing environment, the heterogeneity of cases and the emergence of new clients.

In the case of Spain, employment services saw the number of unemployed decrease steadily for about twelve years since 1995 which gave them an opportunity to refocus their operations on inactive women and other groups with special difficulties to enter the job market. Social services also saw the characteristics of their clientele change with the sudden increase of immigration, changes in family structure and the emergence of the “working” but “poor”. Basically, the administration works with an assessment of the employability of each case and a decision to apply “health”, “social” or “employment” measures.

4. Data

4.1 The PIRMI program

The data that is used in this study comes from the administrative records of the Catalan PIRMI program which is the regional minimum income program. There is not a Spanish data base for minimum income beneficiaries since this is a decentralised policy and, given the differences in regulations and benefit levels, data is not homogeneous across regions. However, the Catalan version of minimum income is an average program created in 1990 that is quite similar to the program of other regions like the Basque country, Andalucía or Madrid. There are no welfare migration problems in Spain because of low benefits and strict residence requirements.

The benefit of minimum income is reserved for those who have used up other income transfers like unemployment or other social assistance programs. Eligibility is limited by age with an upper limit of 65 and a lower limit of 25 to households officially registered in the region and formed some time before applying to the program. Individual beneficiaries receive around 400 € per month which is about 62% of the Catalan regional administrative poverty line. This amount does not increase sufficiently with the number of people in a family penalizing, thus, families with more members. Benefits are compatible with earnings for some months and are automatically renewed on a year basis.

The program is managed through a network of 456 territorial units which are the administrative bodies responsible for the management of individual cases. Some of these units are rather small and deal with very few cases while others can have significant caseloads of more up to 280 households.

4.2 Cases

The analysis was done with more than 18.000 administrative records corresponding to active cases in 2003, 2004 and 2005. This was a time of economic growth in Barcelona and the Catalan region. Since the analysis is limited to a single region and macroeconomic conditions do not vary across individuals, data does not include measures of the economic environment. The study did not have access to the whole history of the program but those three years include a sufficient number of cases. Administrative records include information on a number of socio-demographic characteristics of households taking part in the program (age, sex, ethnic group, family size, education level, nationality, non mobility from own town, population size). They also include information on various kinds of problems recipients may have, some health related (physical, mental, drugs, alcohol) others with an economic or social dimension (debt, prostitution, begging). The database also offers information on the measures taken by the administration (supervision, health, social or labour) and whether the beneficiaries actually worked while in the program.

The cases have been classified as a “success”, a “failure” or “neutral”. A “success” means that the recipient ceased to receive the public aid due to his or her earnings through work. A “failure” is a case that continues in the program because the person did not manage to comply with the insertion contract and find a job. While “neutral” cases are those that had an end for other reasons than work such as reaching the age of 65, moving outside the Catalan region or having access to some other income.

5. Analysis

The descriptive analysis of the cases gives a quick picture of the beneficiaries of the Catalan minimum income. In terms of gender, women account for a big majority (around 66.7%). The data on age shows a larger presence of middle-aged individuals. Regarding family structure, a huge number (77.6%) corresponds to people living alone, (43.5% without dependent children, and 34.1% with dependent children). They are mostly nationals and they have low levels of formal education (only 17% reached secondary education or higher). The percentage of households from other nationalities is small except for recipients born in the north of Africa (Magreb countries, 11.2%).

The reason for their precarious situation is often a labor, health or drug consumption related problem. Mental health accounts for 10% of all cases. The administration applied supervision procedures to almost all the cases. A big majority (71%) had to take labor measures, while more than half followed health related measures and around 40% social and education measures. The duration in the program is quite significant (54.4% of the active cases in 2003-2005 had been there between one to three years, and, 43.1% more than three years) given that the program only started in the beginning of the 1990s and the benefits are relatively low. During their stay in the program, two thirds had not worked one single day.

5.1 Determinants of success: personal characteristics

In order to explain the “success” cases and quantify the factors which determine success in probability terms, we used a model of logistic regression. Success is defined in our study without looking any other relevant outcome other than labour insertion.

Table 1 Association between the characteristics of beneficiaries and the probability of labour insertion (active beneficiaries between 2003 and 2005)

Characteristics of beneficiaries	Model 1	Model 2
<i>Sex</i>		
Man	0.23 ***	0.14 ***
<i>Starting age</i>		
Per additional year of age from 16 to 49	-	-0.01 ***
Per additional year of age older than 49	-0.01 ***	-0.02 ***
<i>Education level</i>		
Incomplete primary or less	-0.52 ***	-0.33 ***
Secondary	0.45 ***	0.41 ***
University	0.29 ***	0.27 **
<i>Nationality</i>		
Magrebean	0.45 ***	0.22 ***
Sub-Saharan	1.00 ***	0.73 ***
Latin America & Caribbean	0.40 ***	0.21 *
Asian	1.16 ***	0.81 ***
Eastern-central European	0.50 *	-
<i>Household characteristics</i>		
No single parent	0.12 **	-
Dependent children	0.24 ***	0.21 ***
<i>Internal mobility</i>		
Living in the municipality where born	-0.13 ***	-
<i>Size of the municipality</i>		
100.000 inhabitants or more	-0.08 *	-
<i>Problems when entering the program</i>		
Unstructured	-0.50 ***	-0.43 ***
Homeless	-0.56 ***	-0.47 **
Unemployment	0.24 ***	-
Prostitution	-0.51 **	-0.36 **
Drugs	-0.12 *	-
Mental Health	-0.53 ***	-0.35 ***
Physical Health	-0.39 ***	-0.12 *
<i>Actions by the program</i>		
Labor insertion		0.33 ***
Supervision		-0.21 **
<i>Time spent in the program</i>		
Less than one year		1.58 ***
Per additional year (between 1 and 3)		-
Per additional year (4 or more)		-0.15 ***
<i>Labor experience during the program</i>		
Worked while in the program		2.10 ***
<i>Constant</i>	-0.66 ***	-0.93 ***
N	18.818	18.813
R ² de Nagelkerke	0.10	0.33
Percentage of success correctly predicted	65.9%	68.2%
Percentage of all cases correctly predicted (Cutting value = 33%)	60.2%	74.9%

The dependent variable is labour insertion (success). Entries are logistic regression coefficients.

* significant at the $\alpha = 0.05$ level ; ** significant at the $\alpha = 0.01$ level ; *** significant at the $\alpha = 0.001$ level ;

At this level, the analysis is done in two steps. Firstly, we look at the characteristics of the households and individual beneficiaries (model 1) and secondly at the effects of the program (model 2). The analysis focuses on the measures taken by the administration, the time spent in the program and whether the beneficiary has worked at least one day during all the time he or she was active in the program. The results of the analysis are in table 1.

According to the model 2 in table 1, several factors are associated to the desired outcome of minimum income recipients going from receiving the public aid to make their living through work. Three of the main positive factors are related to the basic hypothesis on dependency and employment. That is, having spent less than a year in the program - or between one and three years - and, having had some labour experience or entered the program because of a labour problem like unemployment are associated with a better chance to exit the program and achieve self sufficiency. Regarding the duration, once recipients spent more than three years, each year in minimum income tends to reduce their chances to exit with labour integration. To interpret this result correctly, it must be taken into account that the economic environment was particularly good at the time and that many low paid jobs were available for people who had previous labour experience.

Other relevant factors are related with the various socio-demographic variables and the measures taken by the administration. In the first place, the characteristics of beneficiaries and their families show results along the lines of what was reasonable to expect. Men have a bigger probability than women to find jobs, age becomes a barrier to employment from 50 and those with better studies have a better chance to exit the program. It is interesting to observe how immigrants were more associated with success than nationals and, among those, results were better for people who had moved and were actually claiming minimum income in a different place from where they had been born. Regarding household size and location, having a family – that is a partner and dependent children - is associated with success while living in an urban populated zone could, on the opposite, be a disadvantage to go ahead and leave minimum income.

In the second place, the analysis adds information on health and social problems and it confirms previous research on personal barriers to employment for people experiencing

physical or mental health problems or having a history of social isolation, begging or prostitution. The analysis of the measures taken by the administration shows positive results for “labour insertion” and negative results for other measures that are not related with employment. This is a reasonable result and confirms the idea that the intensity of some problems makes some of the recipients not ready to work. And, on the opposite, those with less intense health or social problems and more job experience do actually make the transition back to work in a context of economic growth.

Despite the interest of examining the incidence of certain health and social problems, the number of cases is relatively small. One way to take into account the number of cases is to define the standard case and see the probability of labour insertion for the beneficiaries having the most frequent characteristics. In the Catalan program the standard case is defined as a woman, who was 37 years old when she entered the program, spent in the program more than one year but did not have any actual work experience during the program. She has primary education, is not an immigrant, with descendents in the household, no intense problems diagnosed and subject by the administration to supervision, social and labour integration measures.

According to the model 2 in table 1, the standard case has a probability of insertion of 26.1%. This probability changes with changes in the characteristics of the case. That is, if it were a man instead of a woman, the probability increases 2.8 points. If, on the contrary, that woman was 50 years old instead of 37, the probability decreases 10.3 points. The most interesting result is, however the 50 points increase of the probability of insertion if that woman had labour experience during her stay in the program and the 37.1 points of increase in the same probability if she had stayed in the program less than one year. These findings confirm some of the basic theories on the relation between dependency and employment and should make administrations in Europe think about the need to find enterprises that can actually offer real work experience to minimum income recipients not experiencing intense health and social problems. Another insight is that Sub-Saharan and Asiatic nationalities have a substantially bigger impact than Latin American or Magreb nationalities.

**Table 2 Variation in the probability of insertion with respect to the standard case
(Based on model 2)**

Characteristics of beneficiaries	Standard Case	Variation from standard case	Probability of success (in percent points)	Variation in the probability of success from standard case (in percent points)
Sex				
Man	No	Yes	28,9	+2,8
Starting age				
Per additional year of age from 16 to 49	37	38	25,9	-0,2
Per additional year of age older than 49		50	15,8	-10,3
Education level				
Incomplete primary or less	No	YES	20,3	-5,8
Secondary	No	YES	34,8	+8,7
University	No	YES	31,6	+5,5
Nationality				
Magrebean	No	YES	30,6	+4,5
Sub-Saharan	No	YES	42,3	+16,2
Latin America & Caribbean	No	YES	30,4	+4,3
Asian	No	YES	44,3	+18,2
Household characteristics				
Children in household	YES	No	22,3	-3,8
Problems when entering the program				
Unstructured	No	YES	18,7	-7,4
Homeless	No	YES	18,1	-8,0
Prostitution	No	YES	19,8	-6,3
Mental Health	No	YES	19,9	-6,2
Physical Health	No	YES	23,9	-2,2
Actions by the program				
Labor insertion	YES	No	20,3	-5,8
Supervision	YES	No	30,4	+4,3
Time spent in the program				
More than one year		<1	63,2	+37,1
Per additional year (1 to 3)	1	5	14,3	-11,8
Per additional year (4 or more)		10	7,3	-18,8
Labor experience during the program				
Worked while in the program	No	YES	74,3	+48,2
Probability of success of the standard case			26,1	

5.2. Successful and unsuccessful profiles

Given the relevance of personal characteristics and the influence that initial characteristics have on the two factors that are more closely related to success - duration in the program and labour experience of the recipients while in the program – this section addresses whether some characteristics tend to happen simultaneously in a way that it is possible to identify basic groups of recipients. Through cluster analysis it is

possible to classify individual cases in a number of groups according to their most characteristic trait. The resulting profiles are useful to have a more precise idea of the degree of heterogeneity in the caseload, the different level of association of each group with success and the difficulty of managing various groups for the social services.

Table 3 Weight of various profiles in the total case load

Profile	Main characteristic	% Cases	% Success
6	Women with few studies	32,4	25,9
5	Women alone with labor problems	29,3	38,7
7	Poor physical health	15,4	24,5
10	Magrebeans	10,1	40,3
9	Latin Americans	3,7	45,4
2	Chronics	3,7	25,0
3	Casual	2,0	62,7
8	University graduates with labor problems	1,5	44,8
1	Subsaharians	1,4	55,1
4	Asians	0,5	56,8

The analysis shows that there are two majority groups accounting for more than 60% of the cases – women with low level of studies and single women with labour problems - one group with 15.4% of the cases (recipients whose main trait is having a poor physical health) one groups with 10% (recipients from Magreb) and six minority groups that altogether represent over 10% of the cases. Among these groups there are immigrants (from Latin America, Sub-Sahara countries and Asia) and nationals (the older living alone in bigger towns that was identified as “chronics”, the very young with low level of studies and the ones who have a university degree with employment problems. Table 3 orders the profiles according to the size of each group. It should be noticed that migration profiles increased steadily during the period under study.

Table 4 Order of profiles according to success in labour insertion

Profile	Main characteristic	% Cases	% Success
3	Casual	2,0	62,7
4	Asian	0,5	56,8
1	Subsaharian	1,4	55,1
9	Latin American	3,7	45,4
8	University graduates with labour problems	1,5	44,8
10	Magrebeans	10,1	40,3
5	Women alone with labor problems	29,3	38,7
6	Women with no studies	32,4	25,9
2	Chronic	3,7	25,0
7	Poor physical health	15,4	24,5

Looking at the relation between profiles and labour insertion, some profiles clearly achieve better results than others. As it can be seen in table 4, three of the small groups are the least difficult for the administration since they stay little time in the program and exit quickly because they find jobs. They are the young claimants with low levels of education, Asiatics and Sub-saharians. However, the two majoritarian groups of women, the “chronics” and the group with “poor physical health” as distinctive character had placement levels between 38 and 24 per cent in a context of economic expansion.

5.3. Management quality

Besides personal characteristics and group profiles, individual case management should have an impact on the fate of minimum income beneficiaries. While this general point may be valid, it is difficult to analyse the relation between micro management of each case and performance across a large number of cases. Defining “quality” management for this specific program is complex and a subject of intense discussion by sector professionals. But it is possible to analyse to what extent basic territorial social services units achieve a level of success cases which deviates from the level that should be expected according to the characteristics and problems of the population they attend.

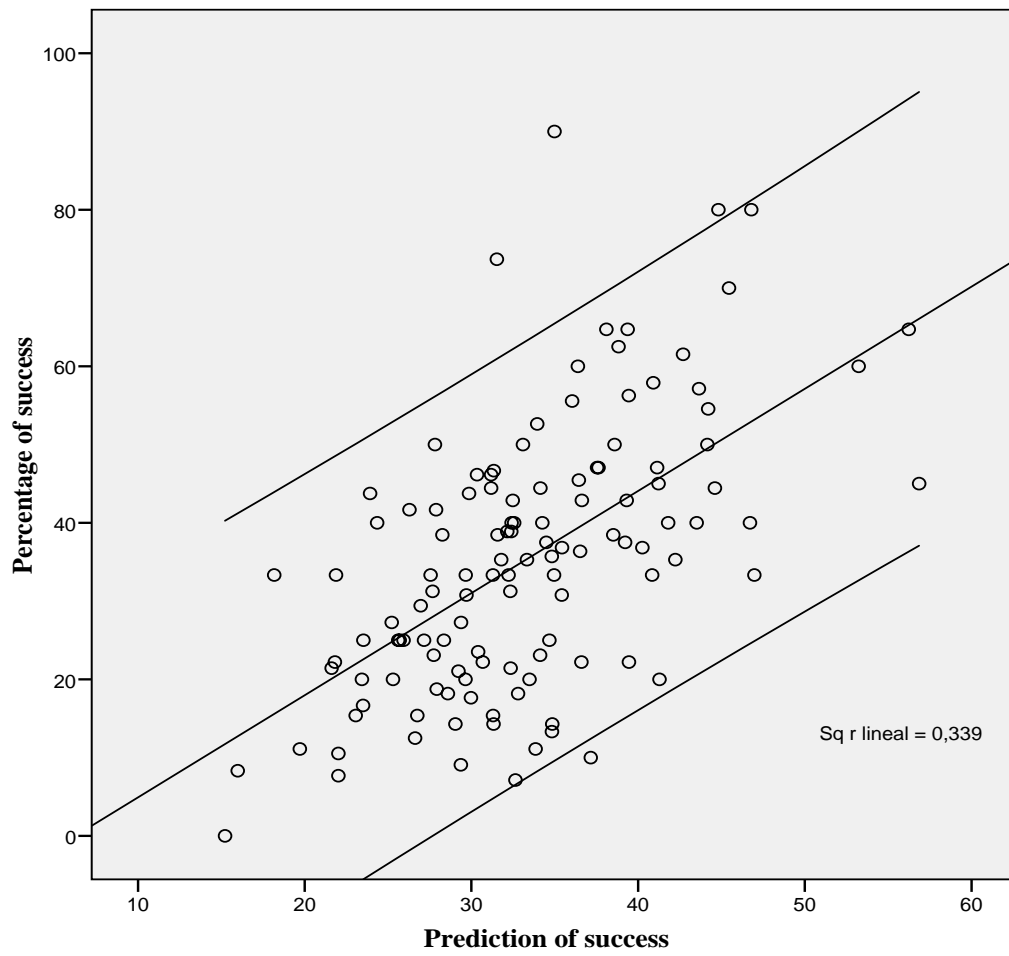
The distribution of minimum income recipients is not homogeneous in the territory. Their personal characteristics differ in the counties under the responsibility of different units. There is, for example, a concentration of immigrants in rural zones or in the social services of some urban areas. A majority of territorial units manage a small caseload while a few manage many individual cases. One could think that in an urban environment and with a big caseload it is not possible to have a high degree of personalisation. But it is also possible that big units have more experience and they have a better capacity to apply adequate measures to the personal problems of recipients.

The analysis on this section is based on a division of 456 territorial units managing the program in four groups corresponding to the four quartiles of the distribution of cases: very small units (between 1 and 8 cases); small units (between 9 and 20); big units

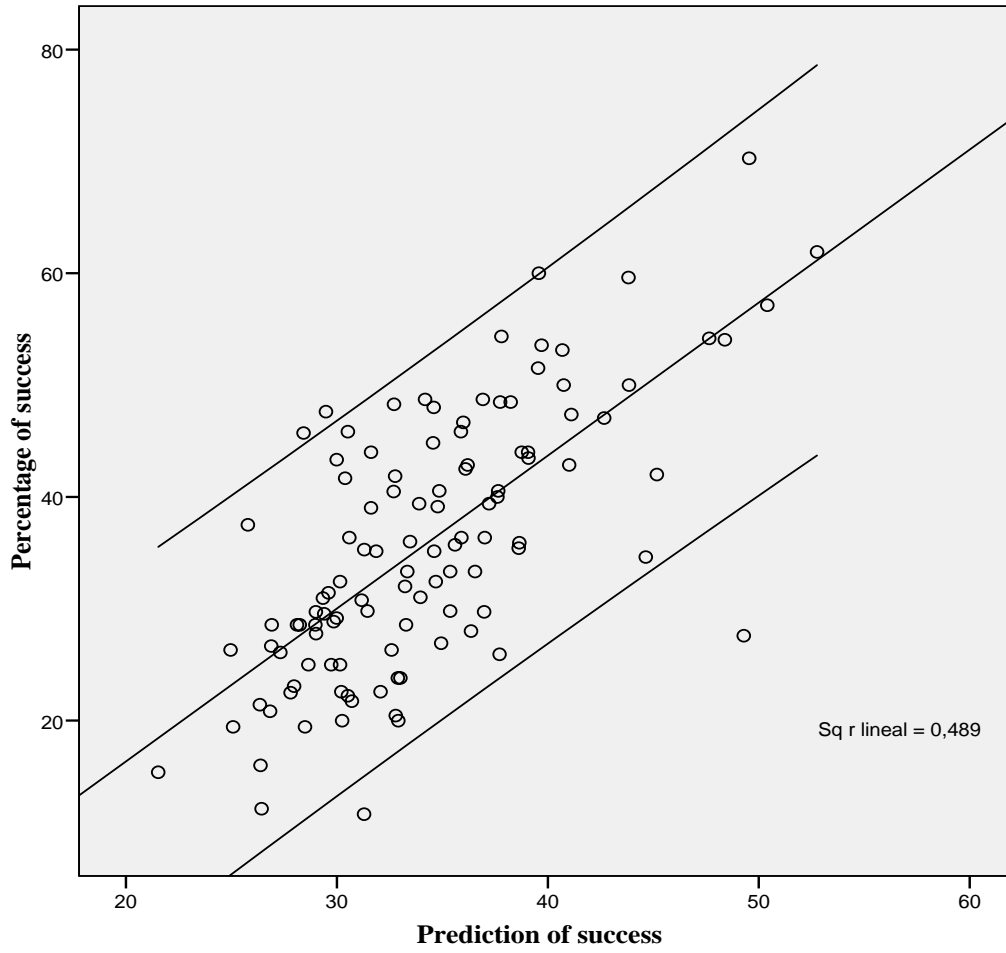
(between 21 and 52) and very big units (between 53 and 280). The model presented in table 1 can be used to predict the probability of success for each case according to the initial personal characteristics, the measures applied, the time in the program and the labour experience. Considering that the probability of success for each territorial unit is the average of the probabilities of success for the cases it manages, it is possible to have an idea of the quality of management comparing the forecasted success probability for the unit with the real labour insertion achieved.

In the following graphics (for small, big and very big units) a regression line shows the deviation of each unit from the average forecasted. The error lines (95%) are meant to facilitate the interpretation of individual results: units with results well above the line or below the line had results that are significantly different of what could have been expected. In the case of very small units, percentages vary radically with only one success and therefore they were excluded from this analysis.

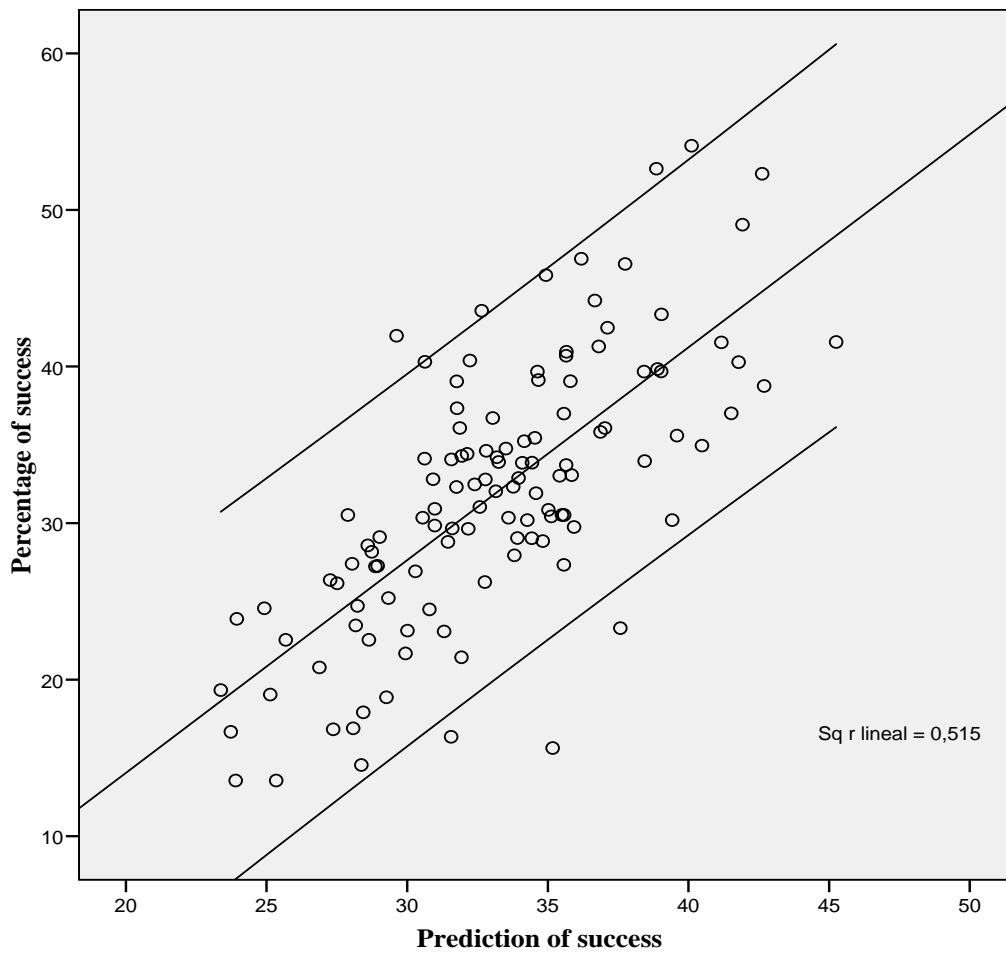
Graphic 1 Small size management units (between 9 and 20 cases)



Graphic 2 Mid-size management units (between 21 and 52 cases)



Graphic 3 Big size management units (between 53 and 280 cases)



It is interesting to see how units with similar caseload sizes perform rather differently. It is possible that in some cases, the unusual concentration of a particular trait in the population that the analysis does not capture well enough justifies the meagre results. But in general terms, the analysis confirms the difference that motivated people under the adequate leadership can make for their clients. In order to finally see whether unit size determines performance, it was calculated the proportion between real and forecasted success rates for units with results that clearly differ from what was expected. Table 5 shows how among units with good results, success rates are higher in smallest units. On the opposite, among units with bad results, there are no significant differences that can be associated to unit size.

Table 5 Mean of the proportion between real and forecasted successes

Size	Units with good results (1)	Units with bad results (2)
Small (9 - 20)	2,23	0,25
Middle (21 - 52)	1,57	0,47
Big (53 - 280)	1,35	0,53

(1) Differences statistically significant ($\alpha < 0,001$)

(2) Differences non-significant at $\alpha = 0,05$ level

6. Conclusions

This article builds on well accepted ideas on the relation between dependency and employment. The analysis confirms that less time spent in minimum income and more hours worked while in the program have a positive impact on the transition to self-sufficiency and inclusion through work. However, this outcome is determined by market conditions, personal characteristics of the beneficiaries and public management quality.

In this article we have not included data on external market conditions because data was from one single region and they did not vary across individual cases. The economic environment in the three year period under study was rather positive in terms of jobs created for low skilled people, a key condition for policies searching the self-sufficiency of minimum income recipients.

Traditional views of minimum income policy do not take into account the heterogeneity of the population served, variations in their degree of employability and the extent that final outcomes can be attributed to the capacity of public servants to adjust measures and the intensity of support to the condition of individual cases.

The main findings are that the initial personal characteristics of clients are quite important in the final determination of each case even if cases are managed by high performing units. The standard measures taken by the administration do not seem to have a radical impact on the chances of each case to finish as a success. That is, the administration cannot speed up the process of beneficiaries that are not work ready and need to go through the process of solving first health and social obstacles. The one thing administrations can do is to replicate with “difficult” clients the process that is followed by “good” clients trying to give them the labour experience they lack through a combination of training and practical work experience. There is a time interval of one to three years when active help seems to work. Three to four years seems to be the limit after which things will get worse.

But final results of each case also depend on the quality of the support received by recipients under the responsibility of different territorial units. Decentralized administrative services managing individual cases need to be conscious of recipient profiles responding with different support measures to varying client characteristics. It is critical for the administration to diagnose accurately the level of employability and to engage into real work experience those more ready to work. The same strategy will not be adequate for recipients who need to be accompanied through a longer process of preparation before actually engaging in real work experience.

Those are interesting findings for theories on the relation between public dependency and employment. What we see is not contradictory with basic principles relating dependency with the lengthening of minimum income and lack of work experience. However, we also see that for those less ready to work there is an interval of time that high performing social services can effectively use to help recipients of minimum income to overcome various kinds of personal barriers before stable employment is achieved provided the economy helps with intensive job creation.

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