# SJPA 23(1)

Gustav Lidén
Department of Social
Science, Mid Sweden
University
gustav, liden@miun.se

Jon Nyhlén Department of Political Science, Stockholm University jon.nyhlen@statsvet.su.se

Sara Nyhlén Department of Social Science, Mid Sweden University sara.nyhlen@miun.se

Keywords: quasi-markets integration policy private public governance

Scandinavian Journal of Public Administration 23(1): 23-40 © Gustav Lidén, Jon Nyhlén, Sara Nyhlén and School of Public Administration 2019 ISSN: 2001-7405 e-ISSN: 2001-7413

# Neoliberal Steering in Swedish Integration Policy: The Rise and Fall of Introduction Guides

Gustav Lidén, Jon Nyhlén and Sara Nyhlén\*

#### Abstract

In the past decades, many policy sectors within European countries have encountered political reforms of neoliberal character. One of the key shifts has been the reorientation of public employment services that has been enforced, for example, through the establishment of what have been denoted as quasi-markets. Simultaneously with the rise of quasi-markets, welfare policy as a whole, including integration policy, has been increasingly oriented toward "activation", with its focus on the individual's obligations and duties in relation to welfare services. These circumstances pose particular challenges to those charged with the governance of welfare services due to increasingly complex requirements for collaboration and control involving a multitude of actors. The reform is an example of a hybrid system where for- and non-profit actors compete for the "customer", in this case, the newly arrived immigrant. This article focuses on the changes in Swedish integration reform as an archetype of these changes and studies a clearly defined case study. Empirically, this study draws from both documents and interviews. The article illustrates an unregulated and ill-monitored policy containing a model that comprises mixed modes of steering. The governance of the reform bears traits from both centralist and cooperative forms of governance and, thereby, involves competing philosophies of steering.

#### Introduction

In the past decades, numerous policy sectors within European countries have been subject to encountered political reforms of a neoliberal character. Labour markets and integration policy are examples of areas that have been the focus of neoliberal reforms with the ambitions to counteract what has been described as the problem of public inefficiency (Harvey, 2005). One of the key shifts has been the reorientation of public employment services (Greer, Breidahl, Knuth, & Larsen, 2017) that has been enforced through, for example, through the establishment of what have been labelled as quasi-markets (Jantz, Klenk, Larsen, & Wiggan, 2015). Such reforms have brought in marketisation of the private sector (Lane, 1997) and have led both for- profit and non-profit actors to compete for public contracts (Le Grand, 1991). Taken together, this has signified a new paradigm that has seen taxpayers continue to fund employment services while the government, at least partly, retreats from its traditional role as the main provider of such services. Simultaneously with the rise of quasi-markets, welfare policy as a whole, including integration policy has been increasingly oriented toward "activation," with its focus on the individual's obligations and duties in,

\*Gustav Lidén has a PhD in Political Science (2011) and is an Associate Professor at the Department of Social Sciences at Mid Sweden University. Lidén's research focus is directed towards migration and integration issues that derive from the local level. Within this field he has previously been published in Policy Studies, Journal of Refugee Studies and Scandinavian Political Studies

**Jon Nyhlén** has a PhD in Political Science (2011) and is Associate Senior Lecturer at the Department of Political Science at Stockholm University. Nyhlén's research focus on local politics and involves migration and integration policy. Within this field he has previously been published in Policy Studies, Journal of Refugee Studies and Scandinavian Political Studies.

**Sara Nyhlén** has a PhD in Political Science (2013) and is Assistant Professor at the Department of Social Sciences at Mid Sweden University. Her research is carried out in the field of public administration and governance with a special interest for gender. She has recently been published in Policy & Politics and Policy Studies.

relation to welfare services (Dahlstedt, 2009). In the neoliberal welfare state entailing individualisation and the logic of "free choice," the citizen has to be particular challenges to those charged with the governance of welfare services due to increasingly complex requirements for collaboration and control involving a multitude of actors and administrative levels.

With the backdrop of a new paradigm in which public employment services have been associated with the establishment of quasi-markets and the unemployed are exposed to "activation," a relevant case within the Swedish labour market bears a strong concordance with how theoretical premises are assumed to be played out (Ovist, 2016). This example derives from Swedish policies for newly arrived immigrants and, in addition to the theoretical reasons given, can be justified from another angle. In terms of establishing a specific policy for immigrants, international scholars often highlighted Sweden as a forerunner. Policies regulating integration efforts have existed in Sweden since the 1960s but have shifted from multicultural symbols to an increasing emphasis on "activation" in the labour market (Borevi, 2012). As found in the Migrant Integration Policy Index (MIPEX) comparison of countries integration policies concerning labour market integration, Sweden scores very highly (MIPEX, 2018). Reasons for this are Sweden's combination of general access to the labour market and general and specific support for immigrants. The present study examines steering in the light of a reform that is the archetype of the changes detailed above. The case applied is the private element in the Swedish integration reform introduced in December 2010 (Swedish Government, 2009) and abolished in February 2015 due to its failures, with the scope of this study remaining within this time span. The reform is an example of a hybrid system where for- profit and non-profit actors compete for the "customers," in this case the newly arrived immigrant. In keeping with the logic of the quasi-market, each new immigrant was given the opportunity to choose an introduction guide (etableringslots)—a mentor from the private sector whose primary goal was to enhance the immigrant's chances of finding work (Swedish Government, 2009). This individualizes obligations, placing responsibility for making the right choices about one's future on the individual.

While previous research has pointed out the problems in this type of structure—issues of accountability, conflicting objectives, limited competition, and public management capacity (e.g. Jantz et al., 2015; McQuaid, 2010, van Slyke, 2003)- governance of such reforms has not received as much attention in the literature. By looking at the Swedish introduction reforms, the present study consequently sets out to examine governance against the backdrop of neoliberal management reforms of steering by focusing on the public–private relations embodied in Swedish integration policy through the introduction guides.

# The reform: In theory and practice

In Sweden, the introduction system for newly arrived immigrants, which is directed at immigrants of working age who have received a Swedish residence permit, was reformed in 2010 to reflect the broader "workfare" ambitions of the previous centre–right government. From the outset, is intended to start to "activate" individuals and ultimately increase employment. The workfare logic is evident since the policy is based on the assumption that finding work is the

quickest route to establishment and integration. The significant changes were the centralisation of responsibility and coordination with other actors, which are now handled by the Swedish Public Employment Service (PES). The PES was also ordered to draw up individual introduction plans for each immigrant's establishment in society, including finding work. The local authorities' responsibilities were mainly limited to the provision of language training and civic education (Swedish Government, 2009).

Some previous publications dissected the consequences of Sweden setting a multilevel integration policy. Dekker, Emilsson, Krieger, and Scholten (2015) argue, based on findings from three cases in different contexts, that national and local policy making should not be thought of as isolated elements, but rather as integrated spheres. They find somewhat ambiguous results that indicate that local policies reflect the orientation of national models, but to the extent that local policy making exists, it is influenced by contextual circumstances. This means that studies of integration policy need to account for the vertical context in which policy is constructed. Furthermore, the effects of marketization and activation have to be taken into account. Root Gates-Gasse. Shields, & Bauder (2014) note that such trends have drawn attention to the way economic benefits are thought superior to other values when constructing policy. Under these circumstances, then, integration policy is designed to benefit those who are perceived to be "ideal immigrants"—that is, immigrants who are flexible and useful from day one—whereas its impact will be negative on everyone else who does not fit the mold. It is also evident that research on integration has been "gender blind" (De los Reyes & Wingborg, 2002) and that integration activities in Sweden have been based on gender stereotypes (Grip, 2010).

Although still regarded as new features of Swedish integration policy, both the reform of the establishment system as a whole and the existence of introduction guides have been the object of several evaluations. An econometric analysis by Andersson Joona, Wennemo Lanninger, and Sundström (2016) that compares the old system with the reformed one has found that there are some small effects on the employment prospects or the income of the individuals helped by the reform. Using a regional case study, Lidén et al. (2015), have classified the implementation and management of the reform as a hybrid, one in which hierarchical characteristics are combined with expectations of network cooperation. The reform's market factors have also been the subject of study. By the PES's own account, this service is not sufficiently focused on facilitating establishment the labour market, and the model for funding does not adequately encourage upholding high-quality standards (Arbetsförmedlingen, 2015). Drawing on a comparative case study, Qvist (2016) underlines the fact that the activation element in the reforms requires a mixed mode of governance. The concrete example of the introduction of the market to the system is proof of this: coordinating and integrating the work of the PES and the introduction guides has proved difficult, if only because of the competing logics of their ambitions and objectives. The Swedish authorities' own investigations indicate that the introduction guides have focused their efforts on social support at the cost of helping their clients establish themselves in the labour market, while the system of follow-ups and checks on private enterprises has flaws (Riksrevisionen, 2014; Statskontoret, 2012).

# A theoretical framework to apply to quasi-markets within Swedish integration policy

Theoretically, this study is on the borderline of theories of marketisation of employment services through the involvement of quasi-markets and, conversely, theories on how the governance of integration policies can be understood. To be able to utilize such theoretically different perspectives, we construct a framework for governance of integration policy within quasi-markets. Although the reforms of Sweden's establishment system and the private-sector actors are constrained by legislation and official policy, the actual governance of them are not determined in advance and, hence, call for a theoretical approach using a model to guide our interpretation of the empirical material.

Policy making is one of the latest generations of research topics in the field of migration. Earlier studies were more concerned with the demographic composition and evolution of immigration, immigrants' economic integration and social behaviour, and of course, political participation (Zincone & Caponio, 2006). Increasingly, governance models (Meuleman, 2008) of hierarchies. markets, and networks have been applied as theories of how steering. cooperation, and autonomy can be understood (Lidén et al., 2015; Ovist, 2012). While hierarchies represent the traditional top-down model of government, the rise of the market model is associated with the increasing role of the private sector in the welfare system, building on a neoliberal logic of competition and economic forces. The literature on networks has been held up as a middle way. with its models elucidating the business of steering and coordination when a multitude of actors are involved (Sørensen & Torfing, 2007). Other scholars have been occupied by trying to understand governance through the lens of Multi-Level-Governance by focusing on the interplay between political institutions and actor relations on different administrative levels (Curry, 2015; Scholten & van Ostaijn, 2018). Curry (2015) combines both governance structures and governance relations between actors in order to understand the nature of Multi-Level-Governance.

In order to understand how neoliberal governance can be conceptualized in the face of multiple hierarchies of actors, we have turned to the typology outlined by Zapata-Barrero and Barker (2014). This typology sets out to categorize processes of decision making by distinguishing between two of its aspects: who decides and who does (cf. Dahl, 1961). The different answers to these two dimensions create a typology comprising three scenarios: one centralist, one cooperative, and one asymmetric. A centralist scenario sees the central government retaining the initiative and making its own decisions while the implementation of its policies is decentralized, pushed further down the hierarchy, though without any significant discretion coming with it. A cooperative scenario, meanwhile, is closest to the current notion of governance by network, for while it still leaves central government with the decision-making initiative, the others involved are given some say in decision making and implementation and the ambition of all concerned is to reach a consensus. Finally, in an asymmetric scenario, the power to make decisions is shared among different actors, meaning that those further down the hierarchy can have exclusive influence over some issues. Likewise, responsibility for

implementation is also shared, which means that both the central government and subnational actors account for such processes.

This theoretical framework creates a structure for different forms of governance of integration policy, but it does not explicitly add to the discussion of market forces in such structures. At its most simplistic, the driving logic of the market is competition. Hence, clients' ability to "exit" an undertaking with which they are not satisfied (cf. Hirschman, 1970) would function as a model for market accountability. Prior studies are ambiguous in relation to the question of how quasi-markets actually enable traditional forms of accountability (Bredgaard & Larsen, 2008; Jantz et al., 2015). Hence, this is a theoretical caveat on how processes of governance actually function in quasi-markets. In addition to this, there are challenges that frequently appear to characterize quasi-markets. Two examples will be of certain relevance for analysis of the governance of this reform. First, van Berkel (2014) refers to how monitoring providers will risk creating an administrative burden that can counteract the possible gain from the involvement of private actors. Even if the task is shifted from the public actors. much of the regulation following it cannot easily be circumvented. Second. problems can arise in which actors operating in the quasi-market may resort to cherry-picking in the sense that actors either refuse to accept clients that are viewed as having poor opportunities for employment and, thereby, increase the misuse of the system, or refuse to accept clients with different preconditions but allocate their resources to those closest to getting a job (Bredgaard & Larsen, 2008).

Van der Heijden (2011) presents a typology of three forms of hybrid solutions found at quasi-markets. *Solitaries* are hybrids in which every task falls to either a public- or a private-sector agency, and for the latter, it takes the traditional form of contracting out some parts of the service provision, meaning that follow-up and control remain in the hands of public representatives. *Affiliations* are hybrids, in which some or all tasks are managed by a joint organization made up of public- and private-sector agencies. Hence, formal partnerships are set up for the task. Finally, *optionals* are hybrids, in which some or all tasks can fall to both public- or private-sector agencies and clients are free to choose a service provider in a market of competing private and public actors (van der Heijden, 2011, p. 370). This threefold division of hybrid forms of governance can usefully be combined with the typology of immigration policy (see Table 1.)

Table 1. Framework for governance of integration policy

	Who decides?	Who implements?	When and how are private actors involved?
Centralist	Hegemony	Subsidiarity	Solitaries
Cooperative	Consensual	Intergovernmentality	Affiliations
Asymmetric	Polycentric	Self-government	Optionals

In the *centralist* model, national government is not only in total control of decision making and implementation but also in control of any private actors that are involved. This would see parts of the service contracted out but without any substantial discretion to accompany it. Meanwhile, the trademark of the *cooperative* model is consensus with intergovernmental agreement regarding implementation and hybrid forms of partnership between the private and public sectors. Finally, the *asymmetric* model is predicated on polycentric decision making and implementation. Private actors would be involved in such a model on an *optional* basis, with the clients left to choose their own service provider, thus resulting in diverse and asymmetric outcomes.

# Research design

The purpose of this study has been realized in empirical terms with a clearly defined case study. Due to the approach of this paper, in which theoretical assumptions are more guiding principles than modi operandi, the case study provides greater theoretical understanding, and the data gathered are used as an illustration of how the reform in focus could work and shed light on the theoretical assumptions. Already in the introduction we have argued that Sweden, in this policy sector, appears to be an archetypical of neoliberal reforms, since activation policies have been combined with quasi-markets distributing support for immigrants. Further, Sweden is often depicted as a predecessor in terms of having a specific integration policy (Borevi, 2012) and acknowledged for having policies that enhance establishment for immigrants at the labour market (Mipex, 2018). The case in question is a Swedish municipality with, in a Swedish context, a larger than average population which is still below 100 000 people (the municipality is treated with confidentiality in accordance with agreements with participating informants). There are two criteria that influenced the choice of municipality. First, it has a sufficient population to include an acceptable number of participating individuals affected by the reforms. Second, it has a correspondingly sufficient number of private enterprises involved in the reformed system.

The analysis obtained is based on several types of material that will ensure the possibility of data triangulation (e.g. Yin, 2009). This includes governmental reform, previous government analyses, information material from the PES combined with interviews conducted with key actors in the selected municipality. In order to obtain rich and detailed information, qualitative interviews were conducted with representatives of public organizations and private enterprises alike. In total, seven informants were interviewed, including four representatives of private enterprises that have been active in the market, along with owners, managers, and introduction guides drawn from both small and large organizations (see Table 2).

Table 2. Interview summary

Table 2. The view summary				
Informant	Reference			
PES official acting as contact for introduction guides	PES 1			
PES official in charge of monitoring introduction guides	PES 2			
Local authority official with remit for integration	Local Authority			
Introduction guide at Enterprise 1	Enterprise 1			
Introduction guide at Enterprise 2	Enterprise 2			
Owner at Enterprise 3	Enterprise 3			
Manager at Enterprise 4	Enterprise 4			

Hence, perspectives from both the managerial level and the everyday work with implementing establishment policy on the ground are represented. In addition, two of the informants were representatives from the PES: one, the introduction guides' contact person in the municipality from the autumn of 2012 until this part of the reform was withdrawn in February 2015; the other, an official at the PES head office in charge of monitoring these services nationwide, including in the municipality in question. Finally, an official from the local authority who works on integration was also interviewed.

The informants were chosen using snowball sampling, with both selection by nomination and by official position at strategic enterprises or organizations. This means that there was a strong focus on identifying the relevant actors in the migration field in this particular municipality. Thereby the selection of participants was guided by the question of "who do you work with on a daily basis regarding issues of integration?", this was done in order to be able to map out the relations between the actors and being able to study the everyday implementation of the policy. In this way, the identification of relevant participants also relates to the focus of the study, to focus on when, how and with whom is the everyday work in this policy field conducted. When there were no new informants nominated by the participants the search for further participants ended and we instead focused on when and in what ways the collaborations were done. We reached out by phone to all the private enterprises active during the research period. By the time of the conduction of the interviews several of these enterprises had already terminated their business since the reform was about to be abolished. We managed, however, to interview enterprises that were still active in the business or, in one case, reach a former enterprise that had ceased to exist. The remaining number of enterprises were not possible to reach. A semi-structured interview method was used, with the themes for questions predetermined, while retaining the opportunity to ask supplementary questions to clear up any ambiguities (Frankfort-Nachmias & Nachmias, 2008). In order to obtain greater insight into the daily work at the organizations concerned, the informants were also encouraged to speak freely with a focus on their day-to-day work. The interviews have been transcribed and analysed using a hermeneutic, iterative process based on the theoretical perspectives.

Taken together, the written material and interviews were analysed via the themes that have been outlined in the theoretical section, but they centred on questions of collaboration between private and public actors, and in what way, when, and how collaboration is done on an everyday basis, with a special focus on the role of introduction guides. The combination of different types of material made it possible to get a richer understanding of narratives being analysed. This means that the analysis of the material is less concerned with what the interviewees actually say, and more with patterns identifiable in what they say and how they relate to the policy documents and other actors. We argue that it is by systematically focusing on the connections between social relations and the policy documents that governance relationships can be mapped out. The implementation and the governance relationships are studied by the way people, institutions, and practices exist in relation to one another. We have set out to clarify the connections that frame the everyday implementation by studying different models, the centralist, the cooperative, and the asymmetric model. We do this by asking questions to the different materials about which actors (who does? and who implements?) and also paying attention to when in the process private enterprises are involved but also how the involvement is played out.

## The quasi-market of Swedish integration policy

The quasi-market created by the launch of introduction guides under Swedish integration policy adhered to the regulations set down in the Act on Freedom of Choice (SFS 2008:962). This law permits the public sector to create a system with a market for services, and individual clients have a right to their choice of provider and are expected to actively use that right. It must be emphasized that this initiative is given solely to the client, meaning that enterprises that have not reached full capacity for number of clients are not allowed to refuse an individual. However, there are national differences between local authorities and the number of established private enterprises that offer places—the opportunity to choose is not equal throughout the country. In 2014, more than 44,000 immigrants chose an introduction guide, at a cost of about SEK 600 million (Arbetsförmedlingen, 2015). The introduction guide system is both managed and financed by the PES, which was given full coordinating responsibility under the reforms, and thus, the PES approves and manages all the introduction guides. The model for financing the system is largely based on outcomes; each immigrant or client assigned to an organization or enterprise results in initial compensation for that organization, followed by a monthly sum. Higher compensation is paid for clients who have a lower level of education. Additional compensation is offered if the client gets a job, begins university studies, or starts an own company (Arbetsförmedlingen, 2011). According to the policy, this system will speed up the immigrants' establishment because the introduction guides themselves have a vested economic interest in ensuring that individuals can support themselves (Swedish Government, 2009).

Regarding the features of the reforms that did most to strengthen the governments neoliberal agenda, is the introduction guide, the mentor to be made available to each immigrant, selected by the immigrant. Financed by the PES, the introduction guide's role, on paper, is to facilitate the immigrant's establishment in working life over the course of an establishment period of two

years. The guide's networks, language skills, and general knowledge of the Swedish society and labour market are considered the crucial factors in this. Importantly—and in a significant change from previous regulations—introduction guides are normally recruited from the private sector, but they can also include those working in civil sector organizations (Swedish Government, 2009).

Table 3 describes the responsibilities between involved actors in accordance with the actual regulation of the reform. The reforms offered no detailed description of introduction guides' work, meaning they have some discretion in deciding how to frame what they do for each immigrant client. The introduction guide's mission is given in the widest terms: "But the role of the guide should be a broader effort than only preparing [clients] for work. It will be the guide who will answer for the principal contact with the newly arrived and will support the individual based on all their circumstances in their entirety" (Swedish Government, 2009, p. 76). Hence, introduction guides are meant to act as a link between the individual and Swedish society, which in more concrete terms, means delivering a number of services. Their general responsibilities include acting as a personal coach by helping the immigrant with, for example, everything from contacts with employers to giving advice on possible courses and training to offering social support.

Table 3. General responsibilities for key actors as determined by the established system.

•	Public Employment Service (PES)	Introduction guides	Local authorities
Responsibility according to Swedish Government (2009)	Coordinate efforts for newly arrived immigrants (including responsibility for individual establishment plans).	Support for newly arrived with some services. Provided by PES.	Responsible for housing, language training, help for children and adolescents, and civic education.
	Be supportive and promotive of all parties involved.		

We consider the empirical material in relation to the three theoretically derived aspects of how integration policy is governed, looking at each in turn: first, by focusing on who decides, that is, the governing and control of the reform; second, by focusing on who implements, that is, how the policy is realized; and finally, by specifically focusing on the role of private actors.

#### Steering the introduction guides: Who decides?

Enterprises that wish to enter a market governed by these regulations need to meet certain standards formulated by the PES, which is in charge of implementing policy. In addition to certain financial requirements to assure stable economic situations, enterprises were to describe how they planned to work with clients to increase their chances of finding work or pursuing further education; provide detailed responses to questions such as how they intended to work with business contacts; explain how they would make best use of their clients' work experience; and engage in any additional activities that could improve client outcomes. The PES also had specific requirements concerning the personnel who would work as introduction guides. A coordinator had to have experience working with integration and good experience in the labour market. Such experience had to be documented, although a formal university degree was not a requirement. In addition, the enterprise providing the introduction guides had to prove that they had appropriate premises that could be reached by public transport. It was set down that each client was entitled to three hours of meetings with their introduction guide every month and that two of those hours should be one on one. (Arbetsförmedlingen, 2010).

There are several formal examples of how the steering of the private element in integration policy was to be handled. Once granted permission to operate in a specific market, continuous documentation was required of each enterprise. Every month, the enterprise had to report to the PES on its activities for each client who was new to their system. These reports were then scrutinized by the client's supervisor at the PES, and the monthly compensation was paid to the enterprise only after the report was approved. In addition, an extensive final report was to be handed to the PES whenever a client left the introduction guide system. It was announced that the PES had routines in place for monitoring the quality of the service provided: a combination of random inspections and targeted investigations (Arbetsförmedlingen, 2010). Hence, from a theoretical perspective, this formal description of public–private relations indicates a hegemonic structure in which public agencies were in control of the whole process (Zapata-Barrero & Barker, 2014).

Our interviews provided additional material on how the introduction guide enterprises would be monitored by the local authority in question. The PES official who acted as the contact person for the local introduction guides, and who also worked as an employment officer for newly arrived immigrants, said that, when the PES was not satisfied with the monthly report, the introduction guides had to revise it. The name of the client was often given incorrectly, or the report did not give enough detail about the month's activities (PES 1). From the enterprises' perspectives, the significance of these reports as control tools was unclear. Some enterprises evidently reused the same formulations for all their clients, as described by one informant (Enterprise 3), while one of the introduction guides felt that the reports were not being scrutinized closely enough (Enterprise 1). In particular, there was a concern whether anyone could be certain that the activities that were reported had actually occurred. In answering this question, the official who was the introduction guides' PES contact noted that clients only met their introduction guide once a month in order to sign the activity report. The response was for the employment officer to hand the case over to the central monitoring department (PES 1). However, the control

systems one might expect of such a centralist model of integration policy have not proved particularly stringent. In an "audit society," in order to facilitate the relevant activities, the way monitoring and auditing is done is even more important than what is actually done (Fahlgren et al., 2016). Our informants described the audit process as instrumental rather than being focused on the quality of the service—that is, how the services offered play out in the individuals' lives to enhance their chances of entering the labour market or getting an education. Other studies have shown similar results in which systems for monitoring, such as the monthly report, act as an administrative purpose than as a guide to actually improve the quality of services provided (van Berkel, 2014).

The PES head office had the general responsibility of monitoring the introduction guides. Complaints about establishment activities could originate from PES officials, clients, or the enterprises themselves and resulted in formal inquiries being made. Our informant at the relevant PES department said that the consequences of breaking the agreement could be a hiatus in new clients being allocated or, in more severe cases, the cancelling of the agreement, as had occurred on one occasion in the local authority studied here (PES 2). This potentially powerful measure for steering does require appropriate internal routines in order to be efficient, though, and evidently our informants, at times, had found the opposite to be true. The most striking example concerned a lack of internal communication. After cases were handed over to the monitoring department, employment officers received no further information, or as one said, "We didn't get any feedback as administrators" (PES 1). The only exceptions were those cases where agreements with introduction guide providers had been terminated. However, this impression was not shared by our informant in the PES monitoring department (PES 2). Putting the pieces together, it appears that feedback was reported to local managers, but not to the administrator in question. Another pertinent question is the extent to which PES administrators were aware of perceived instrumental wrongdoings. It was noted that, rather, it was local authority officials who heard about any problems from the newly arrived immigrants themselves (Local Authority). The overall quality of the monitoring system was said to have been later improved to "clearer routines for how complaints should be handled from start to finish" (PES 2). PES representatives also admitted that the system for monitoring providers was entirely built on incoming complaints, and because of limited resources, no random spot checks had been attempted. Although the local coordinator had visited most of the enterprises, few serious violations of the agreements, particularly regarding the providers' premises, had been noted (PES 1).

### Implementation of integration policy: Who implements?

As the literature shows, the chief model of the reforms to the establishment system had not only various modes of governance embedded in it but also a number of apparently contradictory elements (Lidén et al., 2015; Qvist, 2016). The policy envisaged the introduction guides as acting as links between individual immigrants and society. Later, the sheer scope and vagueness of the task was criticized by the official oversight organization (Riksrevisionen, 2014), and our informants were of much the same opinion, noting that their

responsibilities turned out to be broader than they could have anticipated: 'The job is clear, but how to do it [...] That's when it gets a little fuzzy' (Enterprise 2). In addition to finding themselves having to assist clients with far more than could be expected, there was a clear sense among informants that introduction guides were suggested to clients by one of the agencies, when in fact the responsibility for the choice lay wholly with the individual immigrant (Enterprise 3).

The informants' narratives are characterized by uncertainty as to who was actually choosing the introduction guides, what the expectations of the guides really were, and (from the public officials) what could be done when enterprises failed in their obligations and how to detect misbehaviour. Similar uncertainty about what the job involved is evident in the remarks from the representatives of the local authority representatives, as they refer to frequently being required to handle issues that were no longer their responsibility. Their narratives covered individual immigrants looking for help as well as how introduction guides contacted local public officials for guidance (Local Authority). All in all, empirical narratives also refer to the vague mission of introduction guides that government agencies (Riksrevisionen, 2014; Statskontoret, 2012) have warned about and that the abovementioned depiction points out.

The allocation of the various tasks under the reforms was also a source of considerable uncertainty. The local public official was doubtful about translating the policy into working practice, saying, "The reform says that cooperation should be reached, but not how that cooperation should be framed" (Local Authority). Another point made in the interviews was that much of the support provided for the immigrants concerned social needs and housing, which was not the introduction guides' responsibility but, nevertheless, demanded a degree of collaboration between government organizations that had not been anticipated by the policy. The problem of cooperation was also highlighted in government reports, which noted the obstacles to setting up joint measures to help immigrants join the labour market (Riksrevisionen, 2014; Statskontoret, 2012). One of the reports emphasized that better cooperation is required between the involved actors but that the reason for this not being achieved stems from uncertainties in how responsibilities are shared within the reform (Riksrevisionen, 2014). One of the PES informants spelled out how challenging this was: they repeatedly instructed the introduction guides that it was reasonable to provide clients with social support in the initial stages, but that the objective was thereafter to concentrate on offering assistance with employment or studies (PES 1).

The reforms stressed cooperation between actors as a prerequisite for creating the best conditions for newly arrived immigrants. The monthly meetings referred to in the interviews, which could have been one of several natural arenas for such collaborations, have proved insufficient to the task, however. In particular, over the course of the present study, the PES and local authority had evident problems cooperating with one another for reasons that were hard to define. The PES informants spoke of local authority representatives who "took offense at losing the main responsibility" for integration and were not willing to collaborate with other agencies for a couple of years (PES 1). The local authority informant portrayed the roles of the local authority and PES quite differently; the problem was that the PES was determined to handle the issue as a series of

solitary instances without involving the local authority (Local Authority). The various informants' positions in the interviews, thus, differed regarding this question, with the situation described according to the institutional position of the informant. All agreed on one point, though: those in charge of integration at the local authority were not invited to the monthly meetings (PES 1; Local Authority).

The interviews, thus, displayed significant uncertainty about key issues, and the analysis indicates that the implementation of power took more intergovernmental forms, like that seen in Zapata-Barrero and Barker (2014). In this, however, the PES representatives' narratives stand out, for they show evidence of a clear need to emphasize their central role.

#### Forms for involvement of private actors

A central part of PES's steering of the introduction guides were their monthly meetings. As described by our informants, the purpose of these meetings was for the introduction guides to exchange information with the PES about their jobseeking activities with clients. The monthly meetings were ostensibly introduced to create a platform for sharing information. However, our PES informants reported that the meetings were also introduced because there was a general feeling at the PES that introduction guides who had regular meetings with PES representatives had "better results" (PES 1). The enterprise representatives referred to the meetings in positive terms, especially for the crucial new information about potential amendments to the integration process that were raised there and for the actors from other organizations that were included. Joint approaches of this sort, intended to improve clients' chances, can be related to theoretical understandings of how close collaborations between public and private actors are reached (van der Heijden, 2011). Nevertheless, this was still a special case, as the private enterprises were monitored by the PES, and there was, therefore, an underlying hierarchy to their collaboration—the introduction guides were commissioned by the PES, after all. In terms of checks and controls, however, they were viewed quite differently by the participating enterprises. One introduction guide referred to local enterprises as "Mickey Mouse outfits," with large numbers of clients but little in the way of infrastructure beyond a corner sofa in a room (Enterprise 1). One of the owners had had similar experiences: "It was said that PES would make regular checks. But [...] not a single time did they. Half the enterprises in the local authority would have been ruled out if they had done their checks" (Enterprise 3). Plainly, putting obligations on service providers meant little if there was no enforcement. Any risk of an overly bureaucratic structure that frequently characterized quasi-markets (cf van Berkel, 2014) was not present in this case, or at least the bureaucratic procedures did not reach its aims. In an analogy with the theoretical assumptions, the failure to maintain control left the private actors with far greater discretion than was ideal. For the clients themselves, it must have been unclear who was in charge (cf Zapata-Barrero & Barker, 2014).

For the introduction guides among our informants, the difficulty of focusing attention on the labour market was a constant theme. They found that clients were more interested in social support, if not in far greater need of it. With a compensation system based in part on client outcomes, the introduction guides necessarily understood the policy as requiring them to redirect their clients'

focus onto employment; however, as the interviews made clear, this was easier said than done (Enterprise 3). This "redirection" echoes the enforcement of Sweden's "activation" policy, which was designed to boost integration (Lidén et al., 2015; Qvist, 2012). As might be expected given the marketisation of integration policy (e.g. Root et al., 2014) enterprises are driven at least in part by economic incentives, and our informants refer to worrying examples in which freebies were used by some companies to lure in clients. In sum, the sharing of responsibility between the PES, the introduction guides, and the local authority appear to have been opaque to both the public and private actors, an uncertainty our informants also saw among newly arrived immigrants.

The introduction guides saw themselves as unable to do a good job because of the lack of possibilities and a rigid system. One hindrance mentioned in the interviews was that introduction guides could only meet their clients in the late afternoons. For the immigrants, Swedish classes took top priority, followed by their civic education courses—two mandatory activities that are the responsibility of the local authorities (Enterprise 2). The interviews described a situation in which mandatory classes and PES activities took up all the hours of the day, leaving one hour in the late afternoon when newly arrived immigrants could meet their introduction guides. Inevitably, that meant a great many clients wanted to meet their guides at the same time. The situation was described as hopeless, and, worse, our informants said they were unable to change the situation because, even when enterprises tried to argue for a more flexible system, neither the PES nor the local authority showed any sign of budging (Enterprise 4). As the narratives of our private enterprise informants show, this was governance that was more centralist than anything else (Zapata-Barrero & Barker, 2014).

# Discussion and concluding remarks

Based on our empirical examination of those who decide, those who implement, and the role of private actors in the reform of the Swedish establishment system, we can apply the theoretical framework to illustrate our findings (see Table 4) and to address the governance of the examined reform.

Table 4. An appropriate framework for the governance of integration policy in this case.

	Who decides?	Who implements?	When and how private actors are involved?
Centralist	Hegemony	Subsidiarity	Solitaries
Cooperative	Consensual	Intergovernmentality	Affiliations
Asymmetric	Polycentric	Self-government	Optionals

One might expect that the answer to the question of who decides would be straightforward. According to the law and regulations, the central actor is the PES, in what on paper is a centralist approach, with a national agency having the right to set policy in this area (cf Emilsson, 2015) even though it is forced to

collaborate with other public actors, including local authorities in a multi-level approach (Lidén et al., 2015; Curry, 2015). However, interviews with enterprises permitted to operate in the market gave a different answer to the question of where the deciding power laid. The theoretical assumption might very well be a centralist structure with a highly regulated governance of integration policy to match, but our empirical material instead indicates a lack thereof. What is described in our interviews was an unregulated and ill-monitored policy—one that created profound uncertainty about the responsibilities of both the public and private actors involved. Although the ambition was a centralist structure of governance, albeit with collaborative features, resources and strategies did not uphold it. Hence, this aspect is not in concordance with any of the alternatives applied in the theoretical model.

Several actors do indeed seem to have shared in the implementation of the integration reforms. Yet, significant uncertainties were again evident among those actors. The reforms both enabled and demanded collaboration (Lidén et al., 2015)—that much is evident—but how responsibility was to be shared was not empirical material indicates the obvious. The ambitions intergovernmentality, which extended to private actors as well, but nowhere was it spelled out how the business of governance should be allocated (Zapata-Barrero & Barker, 2014; Curry, 2015). Vague directives created a situation that not only had an impact on the principal actors but also affected the situation of the clients themselves and, to some, extent forced an improvised form of intergovernmentality due to unclear roles and lacked detailed instructions for the involved actors.

When it came to the involvement of private actors and how their collaboration with the public agencies was organized, the aim was for a joint structure that could improve newly arrived immigrants' chances of integration on the labour market. Various examples are found in the material, as illustrated by the use of monthly meetings as an information channel and as a means of controlling the participating enterprises. It can be related to what van der Heijden (2011) refers to as a model of affiliations—the PES and introduction guides' shared goals are designed to ensure the best outcome for their clients. It can be assumed that introduction guides were driven by market logic, but their ability to help clients was limited by the inflexibility of the PES and local authority, whose scheduled activities for newly arrived immigrants always took priority. Instead of maximizing their revenue by helping their clients find work as quickly as possible, there are signs that the introduction guides and the enterprises where they were based adhered to the logic of scale by having as many clients as possible. The neoliberalism of integration policy, which was manifest in its structure, created a variety of motives (cf Root et al., 2014) and examples of strategies other than cherry-picking (Bredgaard & Larsen, 2008) for maximizing profit, such as trying to gain from an economy of scale instead.

To conclude, the present study illustrates a policy that bears traits both from a centralist and cooperative form of governance. This is another example of literature pointing out competing models of governance within this policy area and shows that the governing of the sector could be characterized by mixed modes of steering in which the embeddedness of different forms of governance is one of the main problems needed to overcome (Lidén et al., 2015; Qvist, 2016). With the establishment of quasi-markets that forces actors to consider

specific concerns, relationships between public and private actors will take on a special character (van der Heijden, 2011). The study of this reform provides some clues on how governance can be constituted in such examples, but this research field would be beneficial to scholars comparing both different policy sectors and countries and, thereby, would be able to address additional research questions. At least, this study nuance Swedish policy in relation to global comparisons, as the MIPEX, and shows that implementing policies is not analogous to automatically reaching their objectives since that can involve several challenges.

## Acknowledgements

A previous version of this article was presented at the 18th Nordic Migration Conference in Oslo, Norway, August 11–12, 2016 and at the paper presented at the 10th ECPR General Conference, Prague, September 7-10, 2016. We are grateful to the participants for valuable comments.

#### References

- Andersson Joona, P., Wennemo Lanninger, A., & Sundström, M. (2016). Etableringsreformens effekter på de nyanländas integration. Slutrapport. Stockholms Universitet.
- Arbetsförmedlingen. (2010). Förfrågningsunderlag för Etableringslotsar. Stockholm.
- Arbetsförmedlingen. 2011). Välkommen som etableringslot för nyanlända invandrare. Stockholm.
- Arbetsförmedlingen. (2015). Arbetsförmedlingens årsredovisning 2014. Stockholm.
- Borevi, K. (2012). Sweden: The Flagship of Multiculturalism. in: Brochmann G. & Hagelund, A. eds. *Immigration Policy and the Scandinavian Welfare State 1945-2010*. Hampshire: Palgrave Macmillan.
- Bredgaard, T., & Larsen, F. (2008). Quasi-Markets in Employment Policy: Do They Deliver on Promises? *Social Policy and Society*, 7(3), 341–352. https://doi.org/10.1017/S1474746408004314
- Curry, D. (2015). Network Approaches to Mulit-Level Governance: Structures, Relations and Understanding Power Between Levels. Basingstoke: Palgrave Macmillan.
- Dahl, H. M. (2012). Neo-liberalism Meets the Nordic Welfare State—Gaps and Silences: NORA Nordic Journal of Feminist and Gender Research: Vol 20, No 4. *Nordic Journal of Feminist and Gender Research*, 20(4), 283–288.
- Dahl, R. A. (1961). *Who Governs? Democracy and Power in an American City*. New Haven: Yale University Press.
- Dahlstedt, M. (2009). Aktiveringens politik: Demokrati och medborgarskap för ett nytt millennium. Malmö: Liber.
- De los Reyes, P., & Wingborg, M. (2002). *Vardagsdiskriminering och rasism i Sverige*. *En kunskapsöversikt*. (Integrationsverkets Rapportserie). Norrköping: Integrationsverket. Retrieved from http://www.divaportal.org/smash/record.jsf?pid=diva2%3A71442&dswid=topdog

- Dekker, R., Emilsson, H., Krieger, B., & Scholten, P. (2015). A Local Dimension of Integration Policies? A Comparative Study of Berlin, Malmö, and Rotterdam. *International Migration Review*, 49(3), 633–658. https://doi.org/10.1111/imre.12133
- Emilsson, H. (2015). A national turn of local integration policy: multi-level governance dynamics in Denmark and Sweden. *Comparative Migration Studies*, *3*(1), 1–16. https://doi.org/10.1186/s40878-015-0008-5
- Fahlgren, S., Mulinari, D., & Sjöstedt Landén, A. (Eds.). (2016). *Ambivalenser och maktordningar: Feministiska läsningar av nyliberalism*. Göteborg: Makadam förlag. Retrieved from http://lup.lub.lu.se/record/8837651
- Frankfort-Nachmias, C., & Nachmias, D. (2008). Research methods in the social sciences. New York, NY: Worth Publishers.
- Greer, I., Breidahl, K. N., Knuth, M., & Larsen, F. (2017). *Marketization of employment services the dilemmas of europes work-first w*. Oxford: Oxford University Press.
- Grip, L. (2010). *Likhetens rum olikhetens praktik: om produktion av integration i fyra svenska kommuner*. Karlstad: Fakulteten för samhälls-och livsvetenskaper, Kulturgeografi, Karlstads universitet. Retrieved from http://urn.kb.se/resolve?urn=urn:nbn:se:kau:diva-5071
- Harvey, D. (2005). A brief history of neoliberalism. Oxford: Oxford University Press.
- Hirschman, A. O. (1970). Exit, Voice and Loyalty: Responses to Decline in Firms, Organizations and States. Cambridge, Mass.: Harvard University Press
- Jantz, B., Klenk, T., Larsen, F., & Wiggan, J. (2015). Marketization and Varieties of Accountability Relationships in Employment Services: Comparing Denmark, Germany, and Great Britain. Administration & Society, 0095399715581622. https://doi.org/10.1177/0095399715581622
- Lane, J.-E. (1997). *Public sector reform: rationale, trends and problems*. London: SAGE.
- Le Grand, J. (1991). Quasi-Markets and Social Policy. *The Economic Journal*, 101(408), 1256–1267.
- Lidén, G., Nyhlén, J. & Nyhlén, S. (2015). Forced cooperation from above: The case of Sweden's establishment reform. *Policy Studies*, *36*(5): 468-486.
- McQuaid, R. W. (2010). Theory of Organizational Partnerships: Partnership Advantages, Disadvantages and Success Factors. In *The New Public Governance? Emerging Perspectives on the Theory and Practice of Public Governance*. London: Routledge.
- MIPEX. 2018. 'Migrant Integration Policy Index 2015'. www.mipex.eu.
- Meuleman, L. (2008). Public Management and the Metagovernance of Hierarchies, Networks and Markets. Hague: Physica-Verlag.
- Qvist, M. (2012). Styrning av lokala integrationsprogram. Institutioner, nätverk och professionella normer inom det svenska flyktingmottagandet. Linköping: Linköpings universitet.
- Qvist, M. (2016). Activation Reform and Inter-Agency Co-operation Local Consequences of Mixed Modes of Governance in Sweden. *Social Policy & Administration*, 50(1), 19–38. https://doi.org/10.1111/spol.12124

- Riksrevisionen. (2014). Etableringslotsar fungerar länken mellan individen och arbetsmarknaden? (No. RiR 2014:14). Stockholm.
- Root, J., Gates-Gasse, E., Shields, J., & Bauder, H. (2014). *Discounting Immigrant Families: Neoliberalism and the Framing of Canadian Immigration Policy Change*. RCIS Working Paper. Retrieved from http://www.ryerson.ca/content/dam/rcis/RCIS-WP-Root-No2014-7.pdf
- Scholten, P., & van Ostaijen, M. (Eds.). (218) Between Mobility and Migration: The Multi-Level Governance of Intra-European Movement. Cham: Springer.
- SFS 2008:962. Lag om valfrihetssystem.
- Sørensen, E., & Torfing, J. (Eds.). (2007). *Theories of democratic network governance*. Basingstoke: Palgrave Macmillian.
- Statskontoret. (2012). Etablering av nyanlända: En uppföljning av myndigheternas genomförande av etableringsreformen (2012:22). Stockholm: Statskontoret.
- Swedish Government. 2009/10:60 Nyanlända invandrares arbetsmarknadsetablering egenansvar med professionellt stöd, Pub. L. No. 2009/10:60 (2009).
- van Berkel, R. (2014). Quasi-markets and the Delivery of Activation A Frontline Perspective. *Social Policy & Administration*, 48(2), 188–203. https://doi.org/10.1111/spol.12056
- van der Heijden, J. (2011). Friends, Enemies, or Strangers? On Relationships between Public and Private Sector Service Providers in Hybrid Forms of Governance. *Law & Policy*, *33*(3), 367–390. https://doi.org/10.1111/j.1467-9930.2011.00344.x
- van Slyke, D. M. (2003). The Mythology of Privatization in Contracting for Social Services. *Public Administration Review*, 63(3), 296–315.
- Yin, R. K. (2009). *Case study research: design and methods*. Thousand Oaks: Sage Publications.
- Zapata-Barrero, R., & Barker, F. (2014). Multilevel Governance of Immigration in Multinational States: "Who Governs?" Reconsidered. In E. Hepburn & R. Zapata-Barrero (Eds.), *The Politics of Immigration in Multilevel States: Governance and Political Parties*. Basingstoke: Palgrave MacMillan.
- Zincone, G., & Caponio, T. (2016). The multilevel governance of migration. In. R. Penninx, M. Berger & K. Kraal (Eds.), *The Dynamics of International Migration and Settlement in Europe. A State of the Art.* Amsterdam: Amsterdam University Press.