Policy Styles and the Swiss Executive Federalism: Comparing Diverging Styles of Cantonal Implementation of the Federal Law on Unemployment

Monica BATTAGLINI and Olivier GIRAUD
Université de Lausanne/Institut d’Etudes Sociales Genève,
Université de Lausanne/CURAPP/CNRS/Université d’Amiens

Abstract

This article focuses on the implementation of the federal law on unemployment insurance (LACI) by the Swiss cantons. Starting in the mid 90s, the second revision of the LACI reformed the Swiss labour market policy. Resulting from a political compromise at the federal parliament between left and right wing parties, this law juxtaposes instruments of reinsertion of the unemployed into the labour market with instruments of control of the unemployed. Thus, the implementation of this federal law varies not only by the degree of application but also by the orientation of application. Some cantons implement the reinsertion instruments and neglect the control instruments, others make intensive use of the control instruments and neglect the reinsertion instruments. Some cantons make an intensive use of both types of instruments while a last group of cantons implements the law in a very sketchy way. The second part of this article deals with the concept of policy style, operationalised around four variables, as an explanation of the diversity of LACI cantonal implementation modes. One quantitative variable – the scope of state intervention – is statistically tested in the entire range of Swiss cantons. The other variables – style of state intervention, coordination and interaction modes of social actors and the main traits of the regional political culture – are examined in six cantonal case studies of the LACI implementation process.

Keywords: federalism, implementation, comparison, labour market policy, policy style
Introduction

This article focuses on the issue of what is known as “executive federalism” in Switzerland, which has already been the subject of a number of studies. The key issue discussed in this paper is the impact of “policy and administrative styles” at cantonal level on the implementation of a federal programme. Moreover, the research available on cantonal implementation of federal legislation usually focuses on the degree to which cantons implement federal laws. Our project goes a step further, combining this aspect with the orientation of implementation: in other words, not only how far do the cantons implement, but also along which lines? Thus, our research not only raises the question of executive federalism in terms of performance – are the cantons “good” (orthodox) or “bad” (heterodox) at implementing federal laws? – but also raises a more qualitative problem: which factors influence the political choices guiding implementation by the cantons?

The 1995 Federal Law on Unemployment Insurance (LACI) constitutes a particularly suitable object of investigation as regards this issue. The LACI law follows the usual configuration of multilevel governance in Switzerland: the federal government, owing to its limited administrative resources, needs to rely on the cantonal public employment service for the implementation of its strategies. The LACI provides stringent measures aimed at monitoring cantonal implementation. However, in spite of these, various studies aimed at assessing implementation in this field have highlighted important cantonal disparities between the cantons in the actual modes of implementation (Curti 1999). Disparities in implementation may in fact be even more pronounced in this domain than in others, since the LACI resulted from a compromise between Swiss social partners and political Left and Right, with a subsequent juxtaposition of instruments which reflect expectations on both sides (Giriens and Staufer 1999). The LACI law indeed combines, on the one hand, active labour market programmes (ALMPs) aimed at supporting the reintegration of the unemployed with control measures designed to prevent “abuse” of unemployment benefits on the other. The LACI therefore provides for different potentialities in implementation. Firstly, when focusing on degree of implementation, it is quite possible to imagine that some cantons implement the law in a more intensive fashion than others. Secondly,
one may envisage that some cantons may primarily use instruments aimed at improving the reintegration of unemployed persons in the labour market, while others may be more intent on preventing unemployment benefit abuse.

Thus, our aim here is firstly to measure possible disparities between cantons in LACI implementation. The second main step is to explain these potential disparities by applying the analytical framework of policy and administrative styles to the Swiss federal arena.

First, we will determine whether the juxtaposition, within the LACI, of instruments aimed at reintegrating job-seekers into employment and instruments designed more for control over job-seekers may lead to different modes of LACI implementation at cantonal level. This first part will enable us to discuss more precisely the contents of these two main implementation strategies, to present the criteria of empirical testing we have chosen, and also to present the results of the first part of our investigation. We shall thus highlight different “groups” of cantons depending on the modes of LACI implementation they have sought to follow.

The rest of this article deals with the second phase of our research, viz., elucidation of these cantonal differences in LACI implementation. This section will focus on a policy styles analysis of the implementation modes of the LACI. Founded in 1982 by Jeremy Richardson (1982), this concept was dedicated to the study of “policy-making and implementation style “and was oriented towards the analysis of “deep-rooted values in society” (Ibid: 2). Frequently applied to national cases – France stands for an étatist policy style, the United Kingdom for a liberal policy style and Germany and the Netherlands share a rather similar neo-corporatist one (van Waarden, 1997) –, this analytical framework has very rarely been applied to infra-national cases, such as federal cases (Schiller 1991). Both the high decentralisation degree of the Swiss federal institutions as well as the high level of heterogeneity characterising the cantonal political cultures in Switzerland indicate to our mind the appropriateness of this concept for the case of Swiss federalism. From a theoretical point of view though, we will need to elaborate the application of policy styles analysis to our case as an introduction to the second section of this article.

Cantonal strategies of LACI implementation

The following are elements, which explain more precisely, what LACI entails and provide more details as to how implementation disparities between cantons may actually be measured according to the aforementioned axes.

3 The research project itself tests alternative research hypotheses.
4 Both persisting religious (Geser 1997) and linguistic disparities (Kriesi et al., 1996) are well known for being significant causes of differences in terms of political culture.
The two main implementation strategies

As a reminder, unemployment policy should, according to the LACI, focus on two main sets of measures:

a) More social oriented reintegration measures:
   - To improve placement capability (employability);
   - To fill in various gaps in the qualifications of the unemployed through vigorous training programmes, and to help them reinte- grate the labour market;
   - To diminish the negative consequences of unemployment at social and professional level.

b) Measures aimed towards control over the unemployed.
   - To diminish abuse of the unemployment insurance benefit system.

Following these premises, there are basically two questions, which highlight the modes of implementation of the LACI:

1. Is the LACI implemented entirely, viz., in a way that all goals are reached? In other words, to what degree is the law actually implemented?

2. If not, what path or orientation is the implementation actually following?

Concerning the first question, a basic assumption is that all Swiss cantons are implementing the LACI. However, the various cantonal administrations may be applying it in ways, which may or may not be in full accordance with the LACI prescriptions, and to varying degrees. Implementation in full accordance with the LACI comprises all the items inherent in the two sets of measures mentioned above, viz. reintegration and control. Implementation, which covers only one of these sets, is not in full accordance with the LACI. Finally, implementation, which covers both, but only partially, is consequently only partially in accordance with the LACI, with a low degree in implementation.

By combining these two factors, intensity and accordance, one may bring out a typology comprising three different categories of cantons in terms of LACI implementation:

1. “Maximalist” cantons, which implement the LACI to a higher-than-average degree and in full accordance with its prescriptions.

2. “Partial” implementation cantons, in which implementation focuses on only one of the two sets of LACI measures.

3. “Minimalist” cantons, where implementation covers both sets of LACI measures, but to a low degree.
These categories can be summarised as follows:

**Table 1: Modes of implementation**

<table>
<thead>
<tr>
<th>Control</th>
<th>Reintegration</th>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>“Maximalist” implementation</td>
<td>Control-oriented “partial” implementation</td>
<td></td>
</tr>
<tr>
<td>Low</td>
<td>Reintegration-oriented “partial” implementation</td>
<td>“Minimalist” implementation</td>
<td></td>
</tr>
</tbody>
</table>

### A statistics-based typology

**Reintegration indicators**

In order to find a suitable means of measuring the tendency towards reintegration in LACI implementation, attention has been drawn to three structural indicators: (a) the level of development of the ALMP logistics; (b) experimental programmes or cantonal initiatives; and (c) the cantonal fulfilment rate of ALMPs demanded by the Confederation for the year 1999.

a) The ALMP logistic is a LACI-specific organisational device set up by the cantons with the aim of analysing systematically on the one hand the needs of employers and the skills or qualifications of job-seekers on the other, and to set up accordingly various ALMPs including training - or retraining – measures. The level of development of ALMP logistics differs considerably from one canton to the other, and therefore measures the degree to which LACI implementation is oriented towards reintegration.

b) The LACI (Art. 110a) law enables cantons to set up provisional experimental programmes or cantonal ALMP initiatives that may depart from the federal law while still being funded by the Confederation. Such “trials” which are considered effective may be included in the existing ALMPs for a maximum period of four years. Some cantons even finance certain ALMPs not included in the LACI themselves. The presence of such programmes in a given canton is an indication of a certain amount of diligence as regards unemployment policy, meaning a clear orientation towards reintegration of job seekers.

c) The LACI law obliges cantons to set up more ALMPs than before the law was amended in 1995. This extension of ALMP supply seeks to improve the place-
ment capability of job seekers and to ease their access to employment. Here again, cantons differ in the way they carry out these programmes. Measuring the cantonal fulfilment rate of ALMPs demanded by the Confederation for the year 1999 gives a clear indication as to whether or not a canton has an inclination towards active reintegration of job-seekers.

Control indicators

Structural indicators do not provide a suitable means of assessing the “control” inclination of a given canton, since there is no specific control structure. However, the provision of service indicators delivers a clear picture of control, through the number of “penalties” per job seeker decided by the cantonal Public Employment Service (PES); this is the control indicator we use in this research. As mentioned above, the LACI law requires that the counsellor/placement officer verify that job seekers find and accept as soon as possible what is to be considered “suitable work” (as defined by Article 16 of the LACI law). Indeed, there are instances where job seekers normally entitled to unemployment benefits refuse a job unjustifiably on the grounds that a better job may be found. They may also be found to have not have made enough efforts to find a suitable job, or to have abused the system in some other way. In these cases, they may be subject to “penalties”, namely by a reduction of transfer payments.

Detailed questionnaires on the reintegration indicators were sent by mail to all cantonal administrations for work and employment. Only two cantons did not provide us with the necessary information. The research results available are consequently confined to 24 cantons. The control indicator is standardised data provided by the SECO.

Classification of cantons

According to the indicators mentioned above, close investigation based cantonal data enables us to sketch a preliminary classification of cantons in terms of modes of LACI implementation. In the following table, cantons above average for each of the depicted indicators are marked with 1, while cantons below average are marked by 0.

In our classification we consider as “maximalist” all cantons that have above average control and reintegration indicators. Cantons with low levels of both types of indicators are considered “minimalist” in implementing LACI. Finally, cantons that have low levels of reintegration and high levels of control and vice

---

5 When the written responses were unclear or ambiguous, telephone calls to the executives in charge of the corresponding issue systematically clarified the actual situation.
versa are respectively “partial reintegration-oriented” implementers and “partial control-oriented” implementers. As shown in Table 2, we find some “ideal cases” (in bold) and some “hybrid cases” (plain characters). For hybrid cases we consider that they are included in the “maximalist” group if they have at least one indicator of reintegration indicator and one control indicator that is above average. If they have only reintegration indicators that are above average we consider them as “partial reintegration-oriented” implementers.

Table 2: Coding and typology of Swiss cantons according to LACI implementation

<table>
<thead>
<tr>
<th>Reintegration</th>
<th>Control</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High</strong></td>
<td><strong>Low</strong></td>
</tr>
<tr>
<td>“Maximalist” implementation</td>
<td>“Partial” control-oriented implementation</td>
</tr>
<tr>
<td>BS 1111</td>
<td>AG 1001</td>
</tr>
<tr>
<td>LU 1111</td>
<td>GL 0101</td>
</tr>
<tr>
<td>SO 1111</td>
<td>BL 0101</td>
</tr>
<tr>
<td></td>
<td>SG 0101</td>
</tr>
<tr>
<td></td>
<td>UR 0001</td>
</tr>
<tr>
<td></td>
<td>OW 0001</td>
</tr>
<tr>
<td></td>
<td>NW 0001</td>
</tr>
<tr>
<td>“Partial” reintegartion-oriented implementation</td>
<td>“Minimalist” implementation</td>
</tr>
<tr>
<td>JU 1110</td>
<td>GE 1100</td>
</tr>
<tr>
<td>VS 1110</td>
<td>NE 0110</td>
</tr>
<tr>
<td>TI 1110</td>
<td>ZG 1100</td>
</tr>
<tr>
<td>FR 1110</td>
<td>ZH 1000</td>
</tr>
<tr>
<td>VD 1110</td>
<td>AR 0000</td>
</tr>
<tr>
<td></td>
<td>AI 0000</td>
</tr>
</tbody>
</table>

1 a b c d
1 1 1 1
a: 1st reintegration indicator: ALMP logistic ;
b: 2nd reintegration indicator: canton initiated experimental ALMP scheme ;
c: 3rd reintegration indicator: cantonal fulfilment rate of ALMPs objective set by the Confederation ;
d: control indicator: number of penalties decided by the cantonal PES.

The typology of the various modes of cantonal implementation demonstrates its capacity to discriminate most cases in a coherent manner: 13 out of 24 cases show configurations of variables fitting exactly one of our four possible modes of implementation and only five cases show rather unclear configurations of variables. These results also corroborate the distinction we make between implementation modes according to both intensity and orientation.

6 Characters in italics refer to cases that are even more ambiguous, with the special case of Zurich, where apparently the municipality, and not the cantonal administration, is most highly involved in unemployment policy.
of the cantonal execution of the LACI. In the latter respect, they confirm the clear distinction between executions oriented towards reintegration and executions oriented towards control.

The first conclusion to be drawn at this stage regards the gathering of all French and Italian speaking cantons in the “partial-reintegration” type of LACI implementation, while most of the German-speaking cantons of Switzerland belong to the “maximalist” type.

**Explaining divergences by cantonal policy styles**

The high level of disparity in the implementation of the Swiss federal law on unemployment insurance (LACI) revealed in Section one should now be addressed. Different explicative hypothesis are discussed in the literature on implementation in the context of Swiss federalism. In this article we shall focus on the impact of diverging policy and administrative styles at cantonal level.

The concept of policy style has been criticised for its vagueness and theoretical weakness (Feick 1990: 185), but, at the same time, it has been praised for being the missing link between important factors in comparative policy analysis – institutional, cultural and inter-individual factors – and the qualitative output of policy systems, i.e. the policies themselves and the way they are implemented by administrations (Ibid: 187).

In order to develop an operational conception of policy and administrative styles, we should begin with a review of the available literature focusing on elements useful for our purpose. We will then apply this operational concept to the different groups of cantons identified in Section one and thus compare the results of our typology of LACI implementation with a typology of policy and administrative styles in the context of Swiss federalism. We will first have to make use of standardized (quantitative) indicators to be able to work on the complete range of Swiss cantons. The second step of our investigation will based on the case studies investigated thoroughly for the purpose of our research. We will then make use of qualitative data based on cantonal case studies.

---

7 The research project from which this article derives actually investigates three concurring hypothesis aimed at explaining these disparities. The first set of hypotheses tests the impact of the level of economic development and administrative expertise. The second considers the effects of both the level of consensus between the dominant political actors in the canton and the Confederation and the level of consensus among the relevant actors at cantonal level. The third hypothesis concerns the role of cantonal policy styles. This last hypothesis is described here.
Applying the theory of policy style to the context of Swiss Executive Federalism

The principal goal of Jeremy Richardson in 1982 in founding the concept of policy styles was to discover whether “societies develop ‘standard operating procedures’ for making and implementing policies” (Richardson 1982: 2). Influenced by Lowi’s typology of policy issues (1964), Richardson’s own matrix of national policy styles is developed according to two main aspects: the consensual versus the imposing type of decision making and the anticipatory versus the reactive type of problem solving (Ibid: 13). Richardson evokes the possible influence of “deep values rooted in societies” but does not elaborate any explicative framework of possible causal links between culture and policy styles.

Among the more recent works, which have further investigated the possible links between institutions, culture, modes of inter-individual coordination and policy outcomes, we shall limit our discussion to the most useful contributions for our research.

Jürgen Feick (1990) provides a stimulating analytical discussion of the existing literature on policy styles and shows precisely how policy styles are

“the processes of decision making and/or implementation, in which actors handle in interaction with each other, according to institutional rules, to their own cognitive and normative orientations, to their personal preferences for different procedures and according to their own interests positions” (Ibid: 209).

He defines three basic aspects of policy styles to be found in various policy sectors or nations (Ibid: 210): the preferred modes of conflict resolution, the preferred modes of problem resolution, the patterns of interaction and participation in the relevant policy network. For our purpose, the configuration of variables adding institutional rules, individual cognitive and normative orientations and interests positions with traditions of conflict resolution, or network shape, represents a first important step. In line with the present institutionalist position, Feick establishes a clear link between individual patterns of behaviour and different types of institutional constraints. To us, the important point in Feick’s view is that he stresses the distinction between two types of institutional constraints: those which are formalised (laws, rules, etc.) and the historically developed orientations of co-ordination among actors (explicit or implicit mutual understanding, historically developed type of social or political regulation, etc.). As Feick lucidly points out, the difficulty relates to both the measurement of the latter kind of institutional constraints and their possible impact on policy process.

8 This standpoint is for instance a key element in the theory of actor centred institutionalism (Scharpf 1997).
The contribution of Frans van Waarden (1987) goes a step further in the definition of relevant policy styles and in the explanation of the impact of policy styles on policy-making and policy implementation.\(^9\) Adopting a historical institutionalist position, he proposes a causal model explaining both the formation and the influence of national policy styles on policy-making and implementation. Van Waarden states that there is a process of mutual reinforcement between political culture and institutional development. The basic institutions of the political system reinforce the political culture, which then strengthens in a congruent direction the functioning and development of the main traits of the institutional framework (Ibid: 346). Van Waarden explains the impact of a few selected influential institutions according to his model: conceptions of the state in legal systems; presence or absence of judicial review; public administration (degree of professionalisation and social prestige);\(^{10}\) embeddedness (in the social structures) and persistence (Ibid: 347-361).

Both these analytical models of policy and administrative styles complement rather than contradict each other. Feick’s and van Waarden’s models concern the persisting coherences linking broad cultural and institutional environments during the entire policy process (decision making and implementation phases). In these models, the most basic factors of policy and administration styles are both the scope and style of state intervention, the mode of actors’ co-ordination and interaction and the basic values of the political culture. All the policy style defining patterns according to Feick and van Waarden derive from a combination of these four factors. From the perspective of actor-centred institutionalism, one could state that the style of state intervention and the mode of actors’ co-ordination and interaction are to be analysed simultaneously. Renate Mayntz and Fritz Scharpf (1995) show convincingly how the regulation mode in a social sector depends on the regulation capacity of the state, the regulation capacity of organised social actors, but also, the willingness of the state to give some social actors access to the policy network, and conversely on the readiness of the social actors to participate to this network. In Scharpf and Mayntz’s view, a regula-

\(^9\) Liberal-pluralist vs. corporatist styles; active vs. reactive styles; comprehensive vs. fragmental or incremental styles; adversarial vs. consensual vs. paternalistic styles; legalistic vs. pragmatic styles; formal vs. informal network relations (van Waarden: 335-336).

\(^{10}\) A recent contribution by Terpstra and Havinga (2001) focuses more precisely on administrative culture, or at least on the interpretative schemes and norms dominating in a specific administration and differentiates between four clear types of policy implementation: a traditional policy implementation mostly based on customs, traditional morality and local authority; a bureaucratic policy implementation based on formal rules and bureaucratic impartiality; a professional policy implementation based on professional decisions within the legal framework; a managerial policy implementation based on productivity and cost-efficiency (Ibid: 102).
tion mode is not an equilibrium resulting from the different parties’ regulation capacities. In our view, style of state intervention and mode of actors’ co-ordination are precisely related more to the ability of certain actors to act in a more or less exclusive or co-operative way as regards their power implications, than to the direct expression of their respective regulation capacities.

Three of these four factors are qualitative factors. The style of state intervention (legalistic, authoritarian, consensual, etc.), the mode of actor’s co-ordination (based on market, corporative or public instruments), or the basic features of the political culture (preferences, norms, orientations) are strictly qualitative factors. They are not to be translated into quantitative data and thus do not permit a systematic analysis of all Swiss cantons. They were though analysed using qualitative methods in detailed case studies and will be presented in Section 3.3. From a policy style analysis perspective, the only variable easily applicable to the entire range of Swiss cantons is that measuring the level of development of state intervention. Quantitative results are presented in the next section.

In focusing on the scope of state intervention, we of course miss the questions of actors’ co-ordination and interaction, of the style of state intervention, and of the patterns of the cantonal political culture. However, the issue of state development and intervention has been central in all Western states at least since the end of World War II. The Swiss cantons, which enjoy a particularly high degree of sovereignty and autonomy, are intent on preserving their political and administrative traditions, and are able to choose their own level of public intervention. Thus they may also be categorised according to this criterion.

**Using comparative quantitative data**

For the time being, with the exception of a few other studies which have certain points in common with this type of approach (Urio 1986; Germann 1986), analysis in terms of policy style has not been applied in the context of Swiss federalism. In Switzerland, however, there are marked disparities in political traditions between cantons. Inequalities in cantonal administrative capacity or in the levels of cantonal welfare spending, for instance, do not only reflect structural or economic disparities, but also proceed from long-term political choices. The impact of long-term partisan leadership is a difficult matter in the case of the Swiss cantons. In the first place, there is a marked contrast in cantonal partisan traditions from one region to another and their influences are consequently difficult to compare (Ladner 1999: 215-216). In most cases moreover, the cantonal executives are composed of more or less broad coalitions of parties. The influence of each party over the cantonal policy tradition is then difficult to demonstrate. Direct democracy or

---

11 Annuaire statistique de la Suisse 2000
any other kind of decentralised power institutions blurs even more the links that might be drawn between a party – or a stable coalition – and a recurrent policy outcome (Freitag and Vatter 2002). In our view, this point strengthens the utility of the policy style perspective to explain the particularities of cantonal policies or policy implementations. In our view, the analysis of the partisan influence has to be apprehended in the Swiss context through qualitative analysis and not through standardised quantitative analysis.

In Chart 1, we selected an indicator, which points to the level of cantonal spending in public employment per capita (cantonal population). This ratio provides us with a synthetic indicator as to the level of public (or administrative) interventionism in each canton. It thus reliably measures the scope of state intervention and its stability, over 30 years.\(^{12}\) We then try to compare the correlation between this indicator and the typology of the cantonal implementation mode with different control variables.

**Chart 1**: Cantonal and communal spending in public employment per capita (cantonal population) from 1968 to 1998

Firstly it can be seen that, the ranking of cantons is stable over the time-period shown in Chart 1. With the exception of outstanding cases, the positioning of which has changed considerably,\(^{13}\) the relative ranking of nearly all Swiss cantons, over 30 years, is indeed very stable. This first observation in itself gives credence to the stability of policy styles and to their applicability in the case of the Swiss cantons.

\(^{12}\) We could have used indicators comparing the level of public spending in all cantons. But since public money can be dedicated to privately implemented actions, the level of cantonal spending in public employment per capita is, to us, a more realistic indicator of the scope of public intervention itself.

\(^{13}\) The situation of Zug and Schaffhausen may be explained, however, if one takes into account the modification of the regional urban structures.
The second stage of our statistical investigation is dedicated to analysis of the impact of our variable measuring state intervention development on the mode of LACI implementation (Table 3). Since we are dealing with a partial indicator of policy style, we controlled the correlation of the public employment expenses with two variables that might also have an impact on implementation: the cantonal level of urbanisation and cantonal financial capacity. According to Table 3, neither the results of the “urbanisation” variable, nor those of the “financial capacity” variable could possibly explain the distribution of the cantons in the different modes of implementation.

**Table 3: Multinomial logit regression coefficients**

<table>
<thead>
<tr>
<th>Variable</th>
<th>control</th>
<th>reintegration</th>
<th>maximalist</th>
</tr>
</thead>
<tbody>
<tr>
<td>public employment expenses (mean 68-98)</td>
<td>0.006 (0.006)</td>
<td>0.014* (0.008)</td>
<td>0.013* (0.008)</td>
</tr>
<tr>
<td>urbanisation</td>
<td>-0.081 (0.079)</td>
<td>-0.019 (0.075)</td>
<td>-0.03 (0.073)</td>
</tr>
<tr>
<td>financial capacity</td>
<td>0.113 (0.093)</td>
<td>0.098 (0.083)</td>
<td>0.104 (0.082)</td>
</tr>
<tr>
<td>Constant</td>
<td>-14.856 (13.795)</td>
<td>-33.291* (17.612)</td>
<td>-31.05* (17.554)</td>
</tr>
<tr>
<td>LR chi2 (df)</td>
<td>17.70** (9)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>24</td>
<td></td>
</tr>
</tbody>
</table>

**Notes:** (standard errors in parentheses, * p < 0.1, ** p < 0.05) (comparison category: minimalist implementation)

The coefficients of public employment expenses (as a mean for the period 1968-1998) are significant at the 0.1 level for the “partial-reintegration” mode of LACI implementation and for the “maximalist” one, but not for the “partial-control implementation” mode of LACI execution.14

Chart 2 demonstrates a clear correlation between the level of public employment expenses and the probability that the mode of LACI implementation is the “partial reintegration” one. At high levels of expenses, reintegration becomes clearly the most likely implementation mode.

This quantitative data analysis demonstrates a link between a fairly long term development of the state intervention’s scope and an implementation of the LACI that favours the instruments of reinsertion over the instruments of control, or over a minimalist or a maximalist use of both types of instruments. However, this first conclusion cannot explain why cantons presenting quite similar levels

---

14 The significance level is not high, but this can be attributed to the small sample.
of state intervention development – Basle-town and Geneva or Bern and Fribourg for example – adopted different modes of LACI implementation (compare Table 1 and Chart 1). The qualitative criteria measuring modes of actors’ coordination and the style of state intervention should now be considered to examine some of the questions reminding unanswered.

**Chart 2: Predicted probabilities of partial-reintegration implementation of the LACI**

Interpreting case studies

The first part of our analysis indicates a relation between the orientation of cantonal state intervention traditions and the LACI implementation modes. The last stage of our study is dedicated to the investigation of the complementary aspects of policy and administrative styles. Qualitative case studies were necessary to investigate the entire range of factors influencing the different cantonal policy and administrative styles, i.e. the qualitative factors concerned with the modes of actors’ co-ordination and interaction and with the style of state intervention. To this end, six case studies were picked among the Swiss cantons. We selected the case studies according to their importance within our typology of implementation modes (see Table 2).

- Three case studies were dedicated to the largest group - the **reintegration-oriented partial implementation** group: Fribourg, Geneva, Ticino.

- Two case studies were dedicated to the second largest group - the **maximalist implementation** group: Basle-Town and Bern.
One double case study was dedicated to the third largest group - the control-oriented partial implementation group: Nidwald and Obwald.

We did not make a case study in the minimalist implementation group because the patterns of this group’s cantons turn out to be only slightly different from those of the latter group. Moreover, it appeared irrelevant to us to carry out detailed investigations in more than two cantons presenting extremely low unemployment levels, as is the case in the cantons belonging to both the control-oriented and the minimalist implementation groups.

We shall present here a brief analysis of the relevant features of policy and administrative styles to be found in each group. This analysis is based on a set of qualitative data collected in our 6 cantons. In each case, 15 to 25 interviews were conducted with the most relevant political, administrative, corporative or associative actors. The cantonal legislation and all available administrative sources of information were analysed.

The three main indicators of policy style that were revealed by our qualitative inquiry are the style of state intervention and the mode of actors’ co-ordination on the one hand, and the main traits of regional political culture on the other. The analysis of the labour market policy network provides us with essential information on both the style of state intervention and the mode of actor’s co-ordination and interaction in the different cantons. In the labour market policy domain, it turns out that besides the public actors, the key organisations in the policy network are, with different emphasis in the different cantons, the trade unions, business associations, and the organisations in charge of unemployment insurance funds. The dominant traits of the cantonal political culture’s orientation are apprehended through analysis of electoral results over the past 30 years. Given the degree of segmentation of the Swiss party system in the different cantonal arenas, the nature of the different parties’ influences will have to be re-contextualised. Several federal referendums results were analysed to measure the sensitivity of the cantonal population to social issues and its degree of openness as regards national/international issues.

15 For further details on the actors interviewed, see research report forthcoming.

16 These two cleavages are often considered in the literature as the most crucial in the context of Swiss federalism (Kriesi et al. 1996; Hug and Sciarini 2002). Fifteen federal referendums or initiatives from 1978 to 2001 are considered. Most of them concern strictly social issues (“paid leave extension” -1985-; “working-time reduction” -1988-; “federal maternity-insurance fund” -1999-; “pension reform” -2000-, etc.). The national/international cleavage is relevant for our research mostly as far as it concerns the issue of protection of the Swiss labor market (“nationality law reform” -1994-; “immigration regulation” -2000-; “bilateral agreement with the EU” - 2000-).
The reintegration-oriented partial implementation group: Fribourg, Geneva, Ticino

All French and Italian cantons of Switzerland are classified within this group. These cantons indeed implement most of the structural items of the LACI, develop to a large extent the active labour market schemes aimed at the reintegration of unemployed but are reluctant to make use of sanctions. Two main points of the policy and administrative style of these three cantons appear to be linked to the reintegration-oriented partial implementation mode.

In the first place, trade unions are traditionally strong and still are today – at least in the Swiss context – in the labour market policy domain of these cantons. The case of Geneva is the most striking in this respect. In this town-canton, the unions are strongly organised. They are considered as unavoidable partners of the public authorities and can count on strong partnership relations in the cantonal parliament. Consequently they can transfer their positions or opposition towards the administration into the political arena when negotiation has turned out to be inefficient to fulfil their goals. In Ticino and Fribourg, the unions’ influence is less institutionalised and obvious than in Geneva. The continuing pressure the unions of both these cantons can exercise on both administration and government helps to hinder an interpretation of the LACI towards control.

In the three cantons standing for the reintegration-oriented partial implementation mode, the influence of unions is backed by a traditional orientation of the regional political culture towards rather strong social policy. This orientation was measured by the cantonal results of different federal referendums concerning social policy issues. The rate of approval of these issues is systematically higher in these cantons than the average throughout the country.\(^17\) This trend in public opinion is coherent with the strong representation of the socialist party and / or of the Christian democracy in the cantonal parliament and executives. These parties traditionally tend to promote social policies or a social orientation in the implementation of federal programs, especially in the Latin cantons of Switzerland.

The influence of unions over cantonal politics and policies combined with a general social orientation of political culture shared by both the political élite and the population are determining factors explaining a cantonal LACI implementation strategy favouring the objective of reintegration of the unemployed over that of control of the unemployed. Despite strong differences in the social, economic or labour market structures of the cantons of Fribourg, Geneva and Ticino, the cantonal configurations of these three cantons in terms of policy and administrative style are very similar to each other. These policy styles configura-

\(^{17}\)The stronger orientation of the French and Italian speaking Swiss towards social goals was demonstrated quite recently (Kriesi et al. 1996).
tion are moreover consistent with the implementation mode of the Federal Law on unemployment policy oriented towards reintegration.

The maximalist implementation group: Basle-Town and Bern

Compared to the former, the maximalist implementation group enforces the LACI in a more orthodox way. In the cantons belonging to this group, governments and administration demonstrate an equivalent involvement in both major aspects of the law. They actively promote the reinsertion of job seekers but do not do so at the cost of a reinforced control of the unemployed population. With the exception of Bern and to some extent Graubunden, all cantons belonging to this group are located in the north-western part of the country and are all exclusively German speaking.

As was the case with the previous group, the policy and administrative styles of both our case studies belonging to this second group demonstrate a certain level of homogeneity.

In the first place, the influence of unions is, in this second group, notably weaker than in the first one. Unions are organised but cannot count on direct support emerging from the political arena and do not enjoy immediate access either to the administrative or to the political networks. In both cantons, the unemployment policy network is state-centred. In the case of Bern, the business associations are pushing for reinforcement of the control aspect of the LACI implementation, which is not the case in Basle-Town.

This type of unemployment policy network is congruent with the population’s political culture that appears to be rather moderate and strongly oriented towards consensus. In Bern, the moderate Christian-Democratic party dominates the cantonal executive. The socialists are also strong but are very consensus oriented too. In Basle-Town, very centrist socialists dominate the executive and the second leading party is a moderate right-wing party. The social orientation of both cantonal governments seems to comply with the expectancy of the cantonal populations. Measured by cantonal results of national referendums on social issues, these cantons’ public opinions appear to be more moderate than in the first group. In neither Bern nor Basle-Town is there a clear demand emerging from the population for more social protection.

The qualitative interviews conducted in the administrations of both cantons reveal an administrative style strongly marked by legalism and conformity with

---

18 Bern is considered as a bilingual canton; the French speaking population is a small minority. This canton is also usually considered as being part of Western Switzerland.
19 The socialist party is so centrist oriented that a small minority of its members left their organisation in order to found a more radical party, regularly represented in the cantonal parliament.
the federal law. In Bern, the geographical closeness to the federal authorities is said by local actors to reinforce the pressure on the cantonal administration for more compliance with the original intentions of the confederation. In Basle-Town, the executive has granted a high degree of autonomy to the administration as concerns unemployment policies. In this case, the continuous process of federal control over implementation activities in the cantons could suffice to impose a high degree of conformity with federal goals. Moreover in both cantons, the interviews carried out at all levels of the cantonal unemployment department show strong approval of the core values of the law. Both control and reinsertion are understood as complementary and necessary instruments of state intervention in unemployment issues.

The control-oriented partial implementation group: Nidwald and Obwald

For the first time in their history, the both half-cantons of Nid- and Obwald are acting together to implement the LACI. The two cantons have reached a sufficient level of co-ordination and agreement in unemployment policy to create a single regional placement office. Thus they both implement the LACI in a way favouring a high degree of control of job seekers – these cantons reached one of the highest penalty rates per unemployed – and neglecting active reinsertion of the unemployed. This specific mode of implementation is also to be found in another small canton of central Switzerland: Uri.

These cantons share most features of their respective policy styles. They are small entities; their urban and industrial structures are weak. They are strongly influenced by conservative political parties. However, the Christian Democracy that dominates in this region of Switzerland differs from the equivalent parties in western and Italian-speaking Switzerland. In central Switzerland, this party is not oriented towards social goals and does not favour any kind of state intervention. Moreover, the lack of industrial tradition partly explains the extreme weakness of labour unions in both cantons. These characteristics of the regional policy styles are furthermore highly consistent with the orientation of the population’s political culture. The results of federal referendums on social policy issues are regularly radically more conservative in these two half-cantons than they are on average throughout the country.

The qualitative research conducted in our six case studies was able to take account of variables assessing the modes of actors’ co-ordination and interaction emerging from the societies of the different cantons – frame of policy network, preferred modes of conflict resolution, self-organisation ability of actors – as well as some basic features of the regional political culture. The second stage of
the analysis explains in a more detailed manner the nature of the link between policy styles and mode of implementation, which has first been indicated by statistics mostly measuring the degree of interventionism of all Swiss cantons. It is for instance possible to understand why Basle-Town and Geneva, which developed the two largest cantonal states in the country, measured in terms of public employment, do not implement the federal law on unemployment policy in the same way. In Geneva, the context of policy network is much more open to the influence of the organisations of industrial relations and the demand emerging from the people for more state intervention is much higher than it is in Basle. The same kind of analysis could be made for Ticino and Bern, which demonstrate levels of public employment which are very similar but enforce the LACI along different lines.

Only the combination of both types of indicators, assessing the strength of the scope of state intervention, as well as the mode of inter-individual co-ordination, the style of state intervention and some basic traits of political culture, can lead to full understanding of the interplay between institutional, cultural and inter-individual variables.

Conclusions

The major aim of this article is to reach a better understanding of executive federalism, a process by which federal legislation is implemented by the cantons, and is thus re-appropriated and re-translated by actors at cantonal level. What makes the study of LACI implementation by the cantons of particular interest in this respect is the fact that the latest version of LACI (1995) is, broadly speaking, the result of a political compromise between the left and the right. During the decision making phase, the political left promoted instruments of reintegration of the unemployed into the workforce whereas the political right focused on instruments of control over job-seekers aimed primarily at preventing abuse of the unemployment benefit system. Both sets of instruments have been integrated into LACI, reaching a political compromise. At the same time, it offers a certain amount of leeway in interpretation, since actors entrusted with implementation may give more weight to one or other of these sets of instruments. Some cantons are oriented towards modes of implementation, which comprise both sets of instruments – reintegration and control. Other will implement primarily along the lines of only one of the two sets. Others again still seem to show a low degree of LACI implementation altogether, as regards reintegration or control.

Having classified the cantons according to their type of implementation, the next step was to explain these differences. In other words, to understand how and why federal legislation with explicit legal and administrative norms aimed
at homogenising the Swiss labour market policies may be re-appropriated by cantonal actors in such disparate manners. The main hypothesis presented here is that modes of implementation may be strongly influenced by policy styles, consistent with traditions related to culture, institutions and preferred modes of inter-individual co-ordination and interaction at cantonal level.

Indeed, by focusing on a clear-cut indicator, it is possible firstly to determine whether a given cantonal administration is oriented towards interventionism, or on the contrary towards liberalism. One of our contentions is that policy styles influenced by interventionist traditions and more leftist political forces are more prone to use job-seeker reintegration instruments. On the contrary, policy styles influenced by more liberal traditions and conservative political forces give preference to control instruments or the simultaneous use of both types of instruments.

By making use of qualitative case studies, the second stage of the research demonstrates that the mechanisms of the influence of different policy and administrative styles on implementation have to be explained by more complex configurations of variables. Only the interplay between the strength of the state apparatus, the modes of actors’ co-ordination and interaction, the style of state intervention and the main patterns of political culture can explain the diversity of our cases. As we have seen, interventionist cantons – Basle and Geneva for instance – in fact apply the LACI in contrasting ways because public intervention is embedded in these different cantons in quite differently organised societies and in diverging political cultures. These conclusions confirm at infra-national level, two of the basic assumptions of the literature on policy styles.

On the one hand, it is possible to identify in the Swiss cantons “standard operating procedures” detected by Richardson in the context of cross-national comparisons. There is indeed a link between culture, institutions and actors’ modes of co-ordination and interaction that frames encompasses configuration of factors. Separate analysis of the influence of political parties, institutions or the level of state development appears to be insufficient, particularly in the Swiss case. The Swiss political system is strongly decentralised and the regional political cultures are very different, which might be a concrete consequence of language or religious segmentations. These two factors lead to quite contrasting effects of similar institutions and similar party systems.

Secondly, Frans van Waarden revealed a few years ago a mechanism of mutual reinforcement of culture and institutions. Here we could complement this conclusion by stating that all the main components of policy and administrative styles - degree of state authority and development, shape of policy networks, preferred modes of conflict and problem resolution and self-organisation ability of social groups - tend to evolve in an interdependent manner. In our research, we need to include analysis of all these variables in order to be able to explain all types of variations between our cases. This type of conclusion seems
to be satisfactory in so far as it provides both comprehensive and convincing analysis of national and infra-national cases. But it seems less satisfactory if one considers its relative lack of theoretical acuteness.

References


Politikstile und der Schweizer Vollzugsföderalismus: ein Vergleich divergierender kantonaler Vollzugsstile des Arbeitslosenversicherungsgesetzes

Styles de politiques publiques et fédéralisme d’exécution suisse: une comparaison des styles cantonaux de mise en œuvre de la Loi sur l’assurance chômage

Cet article propose une analyse de mise en œuvre par les cantons suisses de la loi fédérale sur le chômage et l’indemnisation (LACI). La 2ème révision de LACI a introduit en Suisse, à partir de la deuxième moitié des années 90, une réforme profonde des politiques de l’emploi. Issue d’un compromis entre droite et gauche aux chambres fédérales, cette loi juxtapose des instruments d’insertion des chômeurs sur le marché du travail avec un renforcement des instruments de contrôle des chômeurs. Cette loi donne lieu à une mise en œuvre par les cantons différenciée non seulement sur le plan de l’intensité de la mise en œuvre, mais aussi pour ce qui concerne l’orientation principale de la mise en œuvre. Certains cantons adoptent en effet une mise en œuvre avant tout axée sur les instruments de réinsertion des chômeurs ou au contraire sur les instruments de contrôle alors que des cantons font un usage “maximaliste” ou “minimaliste” des différents types d’instruments mis à leur disposition. La seconde partie de l’article propose une opérationnalisation en quatre variables de la notion de “style politique et administratif” permettant de fournir une explication aux disparités de mise en œuvre constatées dans le cas de la LACI. Une variable quantitative – niveau de l’interventionnisme étatique – fait l’objet d’un traitement statistique auprès de la totalité des cantons suisses, alors que les autres variables, de nature qualitative – le style de l’intervention publique, le mode de coordination et d’interaction des acteurs sociaux, et les traits dominants de la culture politique cantonale – sont examinées dans le cadre de six études de cas cantonales de mise en œuvre de la LACI.
Olivier GIRAUD, research fellow at the Curapp-CNRS (Amiens, France), is associated with the Institut d'Etudes Politiques et Internationales, Lausanne University. His research activity is focused on comparative policy analysis, in particular in the domain of labour market, training and education policy.

Address for correspondence: CURAPP CNRS (UMR 6054) Université de Picardie Jules Verne Pôle Cathédrale BP 2716 F - 80 027 AMIENS Cedex 1; E-Mail: olivier.giraud@u-picardie.fr

Monica BATTAGLINI, head of education and researcher at the Institut d'Etudes sociales in Geneva. She holds a BA in political science from the University of Geneva and an MPA from the Swiss Graduate School of Public Administration. Her research interests include social policy, family policy and the labour market.

Address for correspondence: Institut d'Etudes Politiques et Internationales, Université de Lausanne – BFSH2, CH- 1015 Lausanne; E-Mail: Monica.BattagliniMottier@iepi.unil.ch

Paper submitted on 29 October 2002; accepted for publication on 10 January 2003.