# ECONOMY AND SKILLS

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This is one in a series of 6 brochures about the project Euler. Euler took place from 2015 to 2017 in Antwerp, Barcelona, Berlin and London.

Euler aims to contribute to the development of cities by harnessing the skills, competences and capacities of local people. Through peer-to-peer, cooperative and solidarity actions citizens learn but also teach each other skills that will be crucial in the future of work. Euler looks at the different ways in which this sharing and exchange takes place, and tries to derive methods that will allow others to also benefit from these empowering and emancipating practices.

Euler is a project from Transit Projectes, ndvr and Tesserae and is coordinated by City Mine(d).

For more details contact City Mine(d) at jim@citymined.org

# ECONOMY AND SKILLS

# INTRO

In the spring of 2016, City Mine(d) interviewed experts in different fields of the economy. They ranged from university professors, journalists, Members of Parliament, policy advisors, activists, trade unionists and even a Nobel Laureate. The aim was to get a better understanding of the importance of jobs and skills in the current and future economy. The interviews prepared the gro und for experiments on local skills that started in 2016 in Antwerp, Barcelona, Berlin and London.

# REMIT

We believe that poorer areas in cities are not poor in skills and competencies. They are poor in jobs and inward investment, and in interfaces and networks that enable residents to earn money with the skills they have. With our experiment we want to investigate how being active in a neighbourhood or community can help people reveal, develop and apply their skills.

To begin with it might be useful to have a better understanding of skills. What do we mean when we refer to skills? Why are skills important? Which skills are important? Why should people strive to develop them? We realized that these questions are tricky and have a whole lot to do with how we organise our society and the economy.

Our conversations with the experts, therefore, revolved around two topics: the state of the economy and jobs. In the first part we discussed the forces that shape the economy, the contested subject of productivity, the digital economy and the characteristics of the local. The second part was an opportunity to talk about the importance of jobs, alternatives to jobs like basic income, Scandinavian welfare schemes, what is a good job, the roles of the state and of employers, skills that will be needed in the future and how they will be acquired and accredited. Below you can find a summary of the experts' views on these topics. It will be followed by a conclusion, which already makes reference to the importance of experiments.

# PART 1
# STATE OF THE ECONOMY

# FORCES THAT SHAPE THE ECONOMY

For many reasons, the economy, and the job market that is related to it, is constantly changing. Professor Christopher Pissarides, 2010 Nobel Laureate in Economics, quotes two big forces that are currently shaping the economy: on the one hand the inequality of earnings, particularly in the digital economy, on the other hand an increase in scale of automation in both the services and industrial sector.
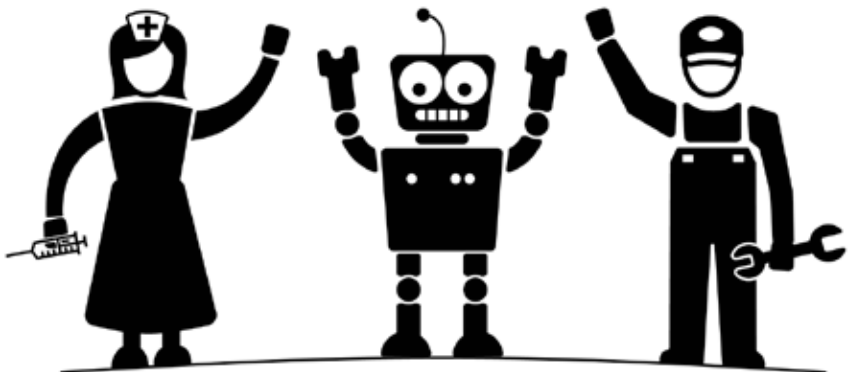
Particularly in the digital economy individuals can become rich very quickly. The free market policies in Western societies, however, are struggling to come to grips with the increasing inequality in ally acceptable ways. Some argue to tolerate a certain level of inequality, since the idea of getting rich quickly works as an important incentive to innovation and enterprise. Though also important, Pissarides considers the automation trend less difficult and severe as the issue of inequality.

With regard to the trend of automation Professor Ewart Keep, a skills expert from Oxford University, and Jon Cruddas, Member of the UK Parliament, strongly caution against apocalyptic visions of a new economy. Cruddas, a Labour Party politician involved in employment market policy-making for decades, points towards a lack of evidence for a 'fourth industrial revolution', which allegedly results in "the end of work". He reminds us of the way in which the 'knowledge economy' of the 1980s and 1990s wrongfully foreshadowed the abolition of the low skilled and particularly the low-wage economy. Fiscal remedies like state support for low earners even incentivised and perpetuated low-paid work, while the sector became more and more precarious and politically powerless. Cruddas urges to draw lessons from the way governments handled the situation back then and to not blindly believe in some of the recent prophecies

Policy advisor Werner Eichhorst (Institut für die Zukunft der Arbeit [Institute for the Future of Labour] in Bonn) thinks that future growth will come from combining new technological innovations with existing services and modes of production. According to him, other forces that will shape the economy and the labour market in the near future will be globalisation, by which he means the opening up of the economy and the labour market as well as migration; the changing demographic situation with more women and senior employees in the labour market; and the changing rules that regulate the labour market, including fixed-term contracts as well as minimum wage, collective bargaining and in-work benefits.

These changes will have massive implications for skills development. Ewart Keep, studying the relationship between skills development and the labour market, points out that the fact that people are working until higher age, along with mass migration, means training needs to be organised differently. He not only talks about

"skills for the labour market, but also how people can equip themselves with better skills to be good citizens, to be good parents, to be good members of the community".

In the competence triangle, according to Patrick Werquin, an independent consultant in skills development who formerly worked for the OECD and UNESCO, the basis is made up of blue-collar low-skilled and at the top you have the high-skilled white-collar work. Throughout Europe the category in the middle is full, because it is believed that we are losing occupation at the lowest level to machines, and at the top there will always be few people anyway. As a consequence, the training system tends to create in overcapacities at the middle level, and this means unemployment in this category.
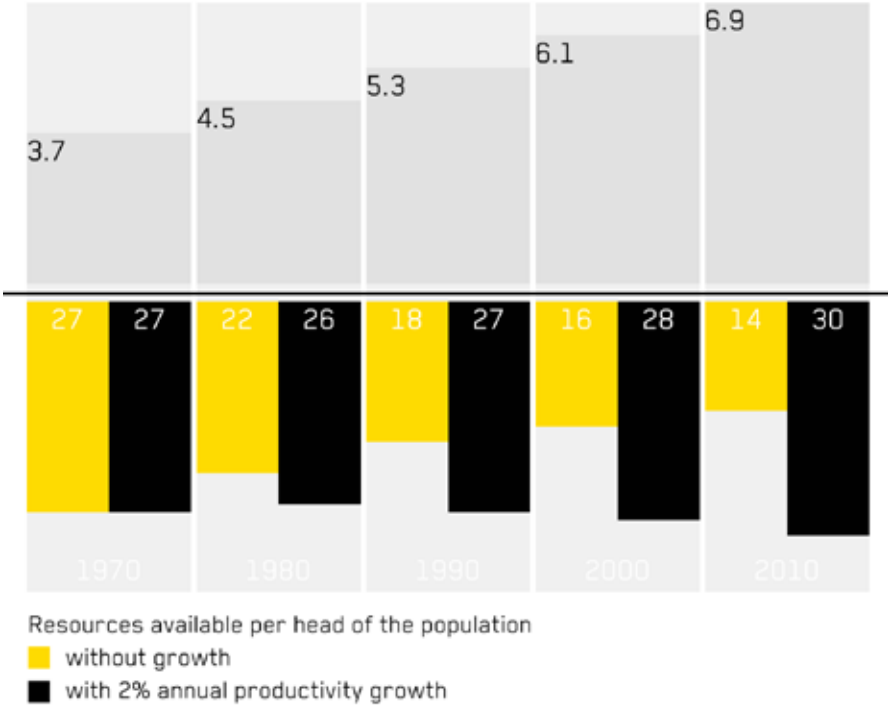
# PRODUCTIVITY

The world population increases every year by about 80 million people. That compares to countries the size of Germany, Iran, or the Democratic Republic of Congo. It means every day another 200.000 people to feed and accommodate.

This puts us before the choice: make do with less, or do more with less; ideally both.

## RESOURCES AVAILABLE PER HEAD
## WITH GROWING POPULATION OVER TIME

Population (billions)



Resources available per head of the population

☐ without growth
■ with 2% annual productivity growth

The first implies accepting a reduction of current living standards, which ecologically makes most sense but might politically be hard to implement. The second is increasing productivity as a way to use limited resources more efficiently. Our interviewees mainly discussed the importance of productivity. Christopher Pissarides explains: higher productivity means that an employer gets more output from the same worker in the same period of time. So if an employer invests, it is with the aim of making the worker more productive. The increased earnings, above the cost investment, allow the employer to pay the worker more. This in turn brings more money into the economy.

The big question is whether automation will increase the productivity and eventually allow for higher wages - or whether it will make workers redundant leaving them without jobs and income. The answer is not straightforward as an example given below by Pissarides shows. He claims that workers in low-paid service jobs will probably find new jobs in industries that invest in new technologies and automation. This is because these industries will require more people to work along its robots. The new jobs will still be simple, maybe even simpler than the old jobs, not requiring any specific skills (cleaning where the robots work, checking functionality, switching machines on and off, etc.). However, pay will be better in these high-performing industries, and this is why the workers leave their old jobs and opt for the new jobs. On this side of the balance, increased productivity will therefore result in higher wages. But what happens to the old service jobs? Take, for instance, a local groceries store, which employs helpers for loading the shelves or cleaning. If this company wants to retain the workers, it needs to pay them up to what the more productive jobs (like working along robots) are paying.

So, costs would go up, although productivity would not have gone up. In this case those jobs would simply have to close down, because the old employer cannot afford them.

Probably, this would also put the whole groceries store at risk, because the owner might not be able to run the shop on her or his own. The only way out would be to make these helper jobs more productive, through new technologies or better work organisation. Often this seems fairly impossible. Therefore, on this other side of the balance, increased productivity in the economy results in negative consequences for some sectors and individuals.

Jon Cruddas reminds us that, until 2007, Britain had a very good productive record, wages were rising and social benefits were increasing. However, the recession occurring in 2008 was followed by a debt reduction policy, which reduced unemployment, but productivity did not pick up. The jobs that are created are not paid more than in 2006; in fact they are paid less. Cruddas makes the interesting point that productivity is a political terrain.

According to him, Germany's and France's productivity records are much better, because of stronger institutional ties and patterns of collective bargaining in the countries' labour market. "Productivity is [...] not simply pre-determined by the forces of production. We've had at many stakes weaker institutions to protect people of work, we tended towards a lower-skilled, lower-trained, more exploited, less capital-driven form of investment [...] so it's no surprise that we are at the frontline of North-American free market capitalism rather than a social market model." Hence, the question how a higher productivity can be achieved should be subject to political contest.

# DIGITAL ECONOMY

Sebastian Strube is a journalist who closely monitors the digital economy, and digital labour markets in particular. He makes a distinction between the sharing economy with the likes of Uber, AirBnB, Deliveroo and Helpling (the Uber for Cleaners), and crowdworking on the other.
For crowdworking, companies call on workers from all over the world to perform tiny parts of huge projects from their home computer. These small jobs are distributed on digital platforms, and they are often remunerated with a few cents/pennies per click. The sharing economy companies like Uber or Helpling are too facilitated by digital platforms or apps, but the jobs they create are still very different. They usually have a local expression, are carried out not only in the realm of the digital, but as an action on the ground (driving someone with a car, delivering food with a bike, renting an apartment, cleaning someone's apartment). Because of their spatial expression, the sharing economy is still easily graspable and therefore fairly well regulated.

The case lies very different with crowdworking, where workers work from their home computers around the globe, and where regulatory or tax authorities struggle to get their hands on the structures.

Strube says that there are people above and below the app, and "those above who design the app make good money". However, crowdworkers from below the app rarely break the ceiling; the industry does not offer career paths so far.

According to Strube, crowdworking is as hard as factory work. Workers have to do it every day, because others are after exactly the same task. Obviously, crowdworkers do not have colleagues, but rather competitors. The jobs are often very small and simple, requiring a minimum of technical and cognitive skills. Nevertheless, crowdworkers with higher technical or management skills, or who are more intelligent, are able to use certain scripts, which increase the chances of getting "the good jobs" out there. Automation frequently makes certain crowdworking tasks redundant, but Strube is convinced that cheap labour on the platforms will not die out; it will constantly be replaced by other low-wage tasks. The investment required to set up a platform is nothing compared to that of a factory. So, Strube contemplates, technically, it should be possible to create co-ownership of a platform, but in reality it is unlikely to happen because crowdworkers are fairly individualistic. Another aspect is the speed in which the industry operates. Most business models aim for a fast growth and then a 'cash-out', selling the business to a big company for a large sum of money.
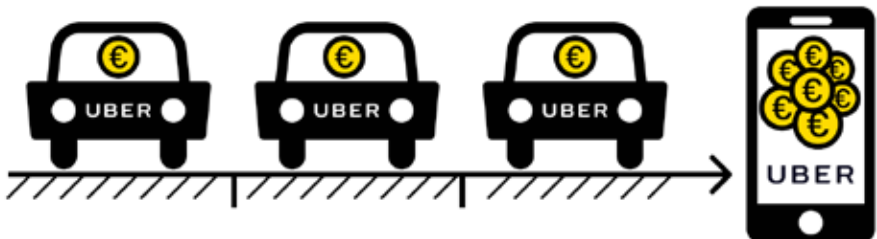
# LOCAL CONDITIONS

Researcher and activist Manuela Zechner of the Radical Collective Care Project and MP Jon Cruddas both highlight the importance of local conditions. According to Zechner, residents form deprived areas might be excluded from networks of resources and power. Cruddas concurs and mentions relational power, giving access to work by giving access to the places where brokerage occurs. Even "where you come from makes a difference for your access to higher education". The local therefore may have an excluding, but also an including character. Cruddas explains that sometimes there are local networks in which skill sets are developed that provide access to alternative labour markets. Although these practices are often illegal or informal, people become often highly skilled in what they do in these local practices. Only, it usually does not buy them much on the official labour market. "The general sense is that, yes, this is fairly, strongly demarcated economical space [...], which feeds into the need for spatial economic strategies."

Werner Eichhorst also points to the supportive character of the local: "The local can be a resort for those who struggle finding a permanent job. This often applies to migrants involved in ethnic entrepreurship, as it were. These are networks evolving in certain boroughs where the people involved are mostly of the same ethnicity. I'd say this is a reasonable strategy to foster economic activity."

However, the local seldom functions as a self-sufficient island; quite the opposite, it is tremendously dependent on inward investments and large employers. Some areas require specific brokerage functions, particularly in the relation between large employers and youth unemployment.  As Eichhorst puts it: young workers are often at the mercy of individual employers and local networks. The same applies to long-term unemployed. The local can also be important for the work of more affluent people. Especially in some particular industries (the digital innovation sector; finance) people decide to agglomerate in specific localities, due to preferences but also due to business considerations such as a better exchange of information, inspiration, etc.

Eichhorst: "High skills and jobs that are to do with communication and exchange of information on the other hand are less dependent on local conditions. Yet, high-skilled workers from the IT-sector or those working creatively often have strong local ties. Ironically, they concentrate increasingly in certain localities, city boroughs, or entire metropoles that provide a suitable infrastructure. We know this agglomeration phenomenon from London."

# PART 2
# JOBS

# IMPORTANCE OF JOBS

Bringing more people into work is an ambition shared by every level of policy-making, from the local council over central government, the European Union to supra-national bodies like the International Monetary Fund and the World Bank. Asked if there is an alternative to jobs as a way to economic autonomy and emancipation for an individual, Christopher Pissarides answered: "It's very difficult to do, because what gives you autonomy is basically income. It's being independent, an independent income earner." Although some alternatives have been put forward, like basic income and short term programmes, his reply illustrates that the traditional idea of the labour market where employees and employers match their supply and demand is still regarded as the norm. From this point of view, important work is to be done in giving people access to work and designing "good jobs", i.e. improving the quality of work.

# BASIC INCOME

Nevertheless, the interviewees have differing opinions on basic income, the idea in which citizens receive at regular intervals a sum of money with no conditions attached. Christopher Pissarides supports the idea as a way of giving more independence to families and households. It allows them to know that they have a basis and should they earn less, they will be provided by the government. For Werner Eichhorst there are currently still too many uncertainties to support it. There is the obvious question of who will pay for it, but more importantly, Eichhorst fears that a basic income would exacerbate the social divide between those who pay taxes and those who do not. For Jon Cruddas basic income denies agency of the individual, and in fact does not relate to a concrete political project. It rather has something to do with the politics of consumption, as it allows for more "muscular consumers", says Cruddas. He is certain that a basic income, which means in his words simply putting citizens on "heightened welfare", does not absolve us of the political contest of getting fulfilling and rewarding work.

# SCANDINAVIAN WELFARE SCHEMES

Alternatives to basic income can be found in programmes in Scandinavian countries. Here, if you do not have a job, for a short period of time the government guarantees you an income that enables you to have the same lifestyle as before. And if you are not successful in finding a new job after six months, you get into a re-training programme or a programme that helps you back into work. Christopher Pissarides stresses the point that such welfare schemes bring in the flexibility which is required in today's economy and labour market, while it gives employees and unemployed people security and dignity, since they do not have to beg for welfare but are simply entitled to the benefits. However, most countries cannot run such a programme, because it requires a lot of revenue. Countries having such programmes in place are the highest tax countries in the OECD.

# A GOOD JOB

What makes a job "good"? Usually, people think that a good job is more than just what an employer and an employee both find acceptable. Rewarding and fulfilling work, according to Ian Murray, a policy advisor for the Trade Union Congress (TUC), is when people are fairly rewarded and fairly treated by their employer, but it is also about the wider experience of your working life: Is the employer engaging with his workforce? Is she or he enabling them to articulate how they think a job should be undertaken and designed? Ewart Keep goes further and argues that the quality of a job is also to do with work activity itself. He calls bad jobs "bad in terms of low pay, but also lack of opportunity for creativity, lack of opportunity for self-expression, lack of opportunity for agency and initiative, lack of opportunity you use the skills you've got". Keep claims that employees should work in expansive working environment, which is where people undertake a range of job roles, do different things. There is an expectation of learning built into their work, so they are exposed to new situations, they have the opportunity to discuss what they know from their colleagues, they might learn from their managers. On the opposite side a restrictive learning environment is "where people basically sit on a cash till every day and that's all they do". Ewart Keep stresses the importance of the way work is organised and deplores that in the UK job design plays a very poor role. In the same vein, Werner Eichhorst sums up an increasing divergence in the labour market on the basis of quality of work, remuneration, demand for qualifications and stability of employment.
Christopher Pissarides approaches the question of what is a good job from both the employee and employer's point of view.
This results in a number of trade-offs; the design of a job can only be employee-friendly to the extent that the job still is economically beneficial for the employer. "It means good working conditions, because that also increases productivity. It means well paid, but not too high, because paying above the value of the product that the worker is producing is not efficient. The only way we can achieve better jobs than we have is through better productivity performance. So, when we talk about good jobs we should really talk about good productivity performance."

# VALORISATION OF WORK

The statements of our interviewees remind us of the fact that some people are more constrained than others, and while it is certainly worthwhile to provide these people with chances to access better jobs, it should also not be forgotten to improve the conditions of the jobs that they currently have. This corresponds with Jon Cruddas' earlier claims that labour market policies in the 1990s fatally underestimated and neglected the low-wage sector in the belief that everyone would soon work as an IT-specialist or a start-up entrepreneur.

For Manuela Zechner, a lot comes down to the valorisation of work. She argues that not only the quality of work matters but also the recognition and valorisation of some types of work which otherwise often remain unnoticed. She is especially concerned with care work and its long history of not being considered as work but something that especially women did without pay. "Care and maintenance work is not un-desired as a job, it is under-valorised", Zechner says. She warns that the remedy does not lie in emphasising that care work is skilled work. "Valorising such work in terms of skills doesn't solve the problem if there is no broader change in working conditions and the way we value and organise reproductive labour. The affirmation of skills is often a mere symptom of increasing competitiveness, rather than being a sign of valorisation."

Zechner and Keep point towards the limits to choice and that access to valorised work is not equally distributed across the different strata of society. According to Zechner, "it is a question of class and citizenship, the more economically and socially constrained people are, the more they are forced to choose jobs they don't like and where they don't get to use and develop their knowledge and skills." Ewart Keep adds: "England is quite an extreme country in terms of the dispersion of opportunities and choice, and quite often they are not very good choices."

Pissarides links respectability of jobs closely with higher pay.

The examples he gives illustrate very well that the respectability of jobs can be interlinked with the rise of whole new industries or re-interpretation of existing industries. He cites jobs that have become respectable, glamorous even, although it is difficult to explain why this happens. He takes the example of kitchen workers. They used to be 'cooks' and 'assistants', know they are 'chefs' and 'sous-chefs'. Being a chef is a glamorous position, you are on television, you can sell your product at an extremely high price. The same is true for some people working as personal trainers.


# FLEXIBILITY

Closely related to the quality of jobs is job flexibility. Unionist Ian Murray (TUC) points to flexible work being attractive for many groups in order to meet the needs of their life outside the workplace. In general, however, trade unions are more suspicious of the idea.
Pissarides remarks that sometimes mentioning the idea is enough "to be accused of being a neoliberal who doesn't care about welfare and workers".

Flexibility can be understood on two levels: Flexibility in how a job or a workplace is organised; or a flexible labour market that does away with protection against dismissal. For the case of the former, Pissarides develops an example of his home country Cyprus.
There, the tourist sector is highly unionised. Their resistance to flexibility means that "if you hire a bar man for the bar in the lobby area of the hotel, and the bar man in the pool outside doesn't show up, the bar man from the lobby can't be asked to go outside and help, because he is a lobby bar man, and can't work in the swimming pool bar." As a consequence, migrant workers from Greece, Bulgaria and Romania who are more flexible are increasingly popular as hotel workers.
Flexibility adds to productivity for the employer, but could also increase bargaining power for the worker, explains Pissarides. In return for being available in different sections of the hotel, the workers could demand a higher pay.

This instant also plays into the other, broader dimension of flexibility - that of how flexible an employer is in hiring and firing employees. The assumption is that employees can demand higher pay if they in return accept less job security. Pissarides hastens to point out that such conditions are much more acceptable for employees if they can quickly find new jobs and do not have to fear long periods of unemployment. While again the Scandinavian welfare schemes would help create such conditions, according to Pissarides, he also makes a new proposition: Workers are more likely to find jobs faster, if they are considered as experts of a certain sector, rather than as experts in a certain occupation. "You won't ask someone to work as a nuclear scientist one day, and as a bar tender the next. What I mean is that you join sectors of the economy and you move within those sectors, rather than be narrowly confined."

This idea appears to mean a revolution of skills development schemes, skills certification schemes and also the ways how job search markets function. Nevertheless, the security demands of the employees need to be addressed. Pissarides claims: "That's the role of the welfare state, to provide that security. Employers are not good at providing welfare. Employers just create jobs and produce."

# EMPLOYERS

The question is whether the workers themselves can do anything about the content and the design of their jobs. Ewart Keep thinks that in smaller firms individuals can have an impact. There, it is easier for people to grow their jobs, bring in preferences, and by way of doing so impact on the company itself. Larger firms have set rules everyone is meant to follow and the single worker will have fewer possibilities to make an impact. Pissarides believes that the big forces in labour and the way it gets organised come from the employer side.

Those vested with political and economic power determine the direction the economy takes. For example, London has a huge financial sector. This is not because in the 1980s suddenly young people thought: "I want to study finance". It was rather because after 40 years of uninterrupted

growth, there was a lot of capital and savings waiting to be used more imaginatively. And the UK Prime Minister at the time, Margaret Thatcher, had the idea of creating the right conditions for a big financial sector that would serve the whole of Europe. "So suddenly there was a huge demand for finance workers, because the conditions were right, and the government pushed into that direction of the economy. And then from the mid-80s to the late 90s, every good student here in the Economics department, when you asked them what they wanted to do, they said going to the financial sector."

# REQUIRED SKILLS

It is difficult for workers to influence the conditions on the labour market. Their best way to reach some level of autonomy is by obtaining and developing skills. Ian Murray and Werner Eichhorst anticipate an increasing demand for people at higher technician level and engineering skills. Eichhorst argues that the skills to implement innovations and apply them to new operations are most needed. Along with all the other experts, they agree on the importance of social skills. For Eichhorst these are applied in the care sector, education, tourism, leisure and hospitality. Others highlight more abstract skills like Cruddas – tacit skills, life skills, patterns of communication –, or Patrick Werquin – honesty, autonomy and entrepreneurship. Crowdworkers also need social skills, according to Sebastian Strube, to which he adds willingness, endurance, familiarity with computer and Internet. "Skills gamers are particularly well equipped with."

Manuela Zechner points at the gap that exists between the skills acquired from collective action and care work, and the skills the labour market needs. The huge amount of skills required for care work tends to be feminized and under-valorised, she explains. These are skills like listening, understanding people's situations and feelings, looking after their body, skills to do with health and physical care but also with empathy and solidarity. Skills to do with cooking, cleaning, making people feel comfortable, bringing people together and creating spaces of conviviality.

# LEARNING

Different routes towards acquiring these skills were discussed. In addition to school learning, in academic institutions or online, there is also informal learning. Werner Eichhorst calls it the link between the educational system and economic dynamics. "Young people have to be qualified to a degree which allows them to participate in these developments, and also to shape them." A sound formal education should be accompanied by practical experience, i.e. informal and non-formal learning, as much as possible. Ian Murray points at the high proportion of young people that are able to go to university, but that the vocational system on the other hand is rather weak. "Some young people going to university would be better off in vocational placement." This leads to a major skills gap.

A bit contradictory is Patrick Werquin's verdict that medium skilled workers are prone to unemployment in Europe, because the educational system produces too many of them (see above). Besides this, he discusses the difficulty of having accepted that people get a qualification without going through a training institution. He says: "Teachers are not the only vectors to competencies, there are new routes" - but many societies are just not ready for these alternatives.

Eichhorst adds that informal training systems are better recognized in informal economies, which is often better established, more flexible and more resilient in developing countries. The problem with informal training systems, however, according to him, is that it is not documented, and difficult to transfer to other fields or networks. Ewart Keep says "employers are more and more using informal recruitment methods. One thing is work trials or internships." Ian Murray warns, however, that these internships should not be unpaid, because young people from families who cannot afford to subsidise unpaid internships and work experience are then at a disadvantage.

Digital education is more specific. Sebastian Strube describes how it is about considering what the purpose of a particular educational exercise is. The aim is to simply get the task done, while wider benefits of learning do not play a role.

The training is designed interactively, using all digital possibilities. The information is sliced up and presented in a form that makes it easier to process. Online platforms then communicate them to a large group of people, with whom you can no longer communicate individually and directly. Large multinationals use the same strategy of slicing up information, according to Ewart Keep. It reduces a lot of jobs to just inputting data and routine tasks.

Keep emphasises that there are other benefits to learning than only economic, like well-being, health, mental health, the likelihood to engage in further learning. Likewise, Jon Cruddas rebelled against his government on university top-up fees, because it saw learning as an investment that bought you access to a high-paid knowledge economy,

"but education should be about creating wiser citizens rather than more efficient economic actors."

# PROOF OF SKILLS

About qualification Patrick Werquin notes that competencies are not visible so you have to rely on assessors from the world of education and of work to give those who possess competencies a piece of paper, a qualification. "You want dentists and pilots to be properly assessed and qualified, so you can trust the person that he is able to do the job." He advises not to validate the learning (i.e. the hours spent in a classroom, etc.), but the learning outcome (the actual skill acquired). If you can assess a learning outcome, these should give you credits towards a qualification. Qualifications, however, need to have currency in the labour market, and this is the most difficult thing to achieve. For Werquin it is crucial that a validation system is based on agreed educational standards - "people have to be assessed against recognised educational standards".

The way learning takes place, the way the assessment procedure is designed, are only secondary questions, according to Werquin. "Where I think we need to make progress is for people to accept that we assess people in different ways, but still to try to meet the same educational standards.

" Werquin also endorses the issuance of "certificates" as opposed to qualifications. In his account, certificates are assessed competencies which have no formal value in either the educational system or in the labour market; nevertheless they can be helpful in convincing employers to hire a person.

Increasingly, "it's not so much where you learn, how you learn and with whom you learn, for how long you've been learning that matters. It is whether you know, whether you can do, that matters," according to Patrick Werquin " the old system was input-based, you take x-hours of a subject and get the qualification; the learning-outcome approach or competence-based approach looks at what the person does or knows." Ewart Keep, however, points out how 30 years ago a competence-based qualification system (as opposed to an inputs-based qualification system, see above) was introduced in the UK. "At the time, people who were keen on it, kept claiming that this new move to competencies-based vocational qualifications would allow huge numbers of workers to get their current skills accredited, but they never haven't."

This does not mean that Keep finds efforts to revise they ways we think about skills and education idle. Keep too stresses the point that validation systems are the trickiest part in skills development. Not only are some forms of assessment (like observations) very costly - there is also a lot of conservatism and prejudice involved: "20 years ago the Chief Inspector of Education for England was very suspicious of recognising on-the-job skills like team work. In the end he insisted that you had to have a written exam in team-working, in order for it to be comparable to academic qualifications". For Keep the most important aspect of assessment systems is that they have to be fairly reliable and robust, because otherwise the opportunity for fraud is massive.

Can the employers and the assessment bodies agree upon a standard credential or hallmark? It is difficult when there are too many different certification schemes that compete with one another, says Keep, also when there are too many categories. But then, employers use qualifications to make a first selection, after that they play no role. "One of the difficulties is that a lot of skills employers are looking for in the services sector are really hard to certify, because they are about people's character, their appearance, their personality traits, there are all sorts of things, communication skills, all which is quite difficult to certify in a simple cheap way that employers will believe," says Ewart Keep. "A lot of employers when they are recruiting at the lower end of the labour market, what they are looking for is experience. Experience in doing a similar job is a much better proxy for performance than any qualification."

But even if certification of skills only plays the role of the door opener in the recruitment process, its importance for the workers themselves should not be underestimated, as Chris Pissarides and Ewart Keep point out. Keep:" giving people a piece of paper to aim at is very motivational for them as learners. And they often feel very proud of the fact that this is the first or one of the few qualifications they've got, and it proofs that they can do something." Pissarides: "I think certification helps. It helps the person because they feel they have got something that they can show." In addition, Pissarides returns to his proposition that skills definitions should assume a broader notion - more sector-bound than activity-bound.

 "The certificate is a way to bring in flexibility. Certification that shows that you have the skills of that sector." Pissarides is convinced that this would significantly improve the ways in which employees and employers find each other on the job search markets. One might assume that detailed descriptions and narrow skill definitions help to achieve better matches, but in fact the opposite is often the case.

Matching, the field of research for which earned Pissarides a Nobel Prize, relies heavily on the availability of good and reliable information. In a perfect world information about vacancies and job-seekers could be brought together instantly.

The fact that unemployment and vacancies co-exist proves that there is still a lot of work to do in better describing the qualities of people in jobs and match them faster. It was expected that the Internet would make a big difference in this friction, but the problem still has the same features as 25 years ago. Pissarides urges us to think hard about how to provide information that is detailed and open at the same time. He does that because this would enable employees to increase their options and avoid them being trapped in a certain occupational category.

# CONCLUSION

The importance of information in the labour market, what he calls "the most valuable product in the labour market" leads Pissarides to endorse the experiments we are starting in Antwerp, Barcelona, Berlin, London in 2016-17.

"With exploration you can see learning about your skills."

So, if exploration means taking a job to see if you like the work, or if you are good at that, and then pulling out if you don't. That's one way of exploration, and that's valuable actually. It's not a waste of time, it's like an investment. It's an investment in your skills, and an investment in acquiring information. Information comes out with practice, with experimentation, and with personal contact."

# BACKGROUND

This brochure was inspired by the assumption that active and often-unpaid engagement in commons, community and collaborative enterprises enables those involved to discover and improve their talents and skills. At first sight, this is approach is very remote from dominant forms of education and training for employment. Just because of that, it aspires to bring a breath of fresh air in a sector of society that measures achievement by full time jobs, in many instances at the detriment of creativity and experiment. And these last qualities happen to be increasingly in demand in the world of work. Whereas job and career support services are occupied with fitting individuals into the available moulds, this project wants to do the polar opposite: starting from individual talents and competences find out which profiles emerge. After having interviewed a wide variety of experts for this stakeholder analysis, four pilot projects were launched. In Antwerp (Belgium), Barcelona (Spain), Berlin (Germany), and London (UK), locally-based organisations initiated or facilitated projects that challenged the status quo in an area, while closely looking at the skills participants harnessed while taking part. Some participants learned new skills that were required for the project; others improved skills or became better at naming what they were good at. Pilots were developed in a wide variety of sectors: from real estate to culture and the commons to the service economy.

The four projects will be described in more detail in separate publications, but below a short summary of their content:

# OPEN PROMETOR PLATFORM (ANTWERP)

Antwerp-based endeavour, consisting of an interdisciplinary team with a focus on architecture and urban planning, has been at the forefront of combining societal value with financial feasibility. Endeavour's mission is to make cities more diverse by designing processes of city making in a more democratic and low threshold manner, be it the development on the scale of a building or a whole neighbourhood. In doing so, they seek to offer alternatives to the current profit-driven real estate trends that contribute to monoculture and rigidity in our cities. From this vantage point they identified a gap in the traditional real estate market, notably a role for citizens in ambitious projects around sustainable urban development. Together with a diverse group of actors, they are working on a platform, called Open Promoter Platform (OPP), to facilitate "matchmaking" between existing vacant objects and active individuals, including engaged citizens, owners, administrative centres, investors or organisations in search of space and know-how. An instructive first trial on Antwerp's iconic Oudaan building has led to other proposals for Antwerp's Stuivenberg hospital and the Noordwijk in Brussels.

# SOM LA MARINA (BARCELONA)

With its proven track record in urban culture and identity, Transit launched a pilot in the Marina district of Barcelona. The area's strong industrial past, home to the SEAT and Philips factories, still defines its identity today. Yet with the decline of industry also came a distancing from mainstream Barcelona. Transit set out to produce a documentary that would capture the memory of a living past, in in doing so enable participant residents to tell their story, train them to use audio-visual technology in a professional way, and to reconnect with Barcelona. Som la Marina (meaning: we are La Marina) succeeded in all 3, epitomised by the fact that their 25minute documentary was accepted for screening on Barcelona's Beteve television channel.

# MEHRINGPLATZ ANKNIPSEN (BERLIN)

Urban social research, art and education platform Tesserae's has developed a large set of tools for neighbourhood and citizen-based initiatives. Designed to disentangle and hence better understand the complex factors that shape urban form and identity, these tools are applied in series of exercises or workshops. With Mehringplatz Anknipsen, Tesserae applies a number of existing tools while at the same time adding new ones to the set. The Urban Reconnaissance Labs use a set of 64 adjectives to city to discuss issues relevant for the area, MapLabs use topological representations to explore what is at stake, and StoryLabs enable locals to construct a narrative on the basis of newly gained insights. In addition to intense personal learning sessions for participants, these workshops are also opportunities to explore the possibilities of an urban commons.

# ELEPHANT PATH (LONDON)

London-based City Mine(d) is fascinated by the end of the job title, as well as by the flat-lining of productivity in the economy. Rarely, though, have these two perspectives have come into such close proximity as in Somers Town / Kings Cross. The space houses thousands of office workers only yards away from a community with an inactivity rate of 44 percent [more than twice the UK average]. Research has shown that office workers spend over 17 percent of their time organising personal activities [relating to food, clothing, maintenance of cars and bicycles, ...]. City Mine(d) proposed the experimental enterprise Elephant Path, that offers micro-services to take over personal activities. This allows locals to use and improve their skills, gives office workers a little relief of stress, and allows both to contribute to the development of Somers Town.

To look back and take in the lessons from this project, a conference is organised in September 2017 in Berlin. Entitled "Learning from Context", this symposium confront the projects and its outputs with experts and current thought in the fields of learning, social innovation and employment. Results from this meeting will be published in a separate publication.

# SHORT BIOS
# OF INTERVIEWEES

## Christopher Pissarides
2010 Nobel Laureate Economics

is a Greek Cypriot economist. He is the School Professor of Economics
& Political Science and Regius Professor of Economics at the London
School of Economics. His research interest focuses on several topics of
macroeconomics, notably labour, economic growth and economic policy.
In 2010, he was awarded the Nobel Prize in economics, jointly with Peter A.
Diamond and Dale Mortensen, for his contributions to the theory of search
frictions and macroeconomics.
(Source: Wikipedia, 2016)

## Jon Cruddass
Labour Party Policy Coordinator

is a British Labour Party politician who has been a Member of Parliament
(MP) since 2001, first for Dagenham and then for Dagenham and Rainham.
Despite being touted by some media sources as a potential candidate for
the Leadership of the Labour Party in the future, he ruled himself out
of the 2010 leadership election, saying that he did not want the job but
instead wanted to influence policy. In 2012, Cruddas was appointed to Ed
Miliband's Shadow Cabinet as Labour Party Policy Coordinator, with a view
to crafting Labour's manifesto for the next election. He rebelled against
the government on a number of occasions, including on the introduction of
university top-up fees, the legislation on asylum seekers, the introduction
of trust schools, proposals to renew the UK Trident nuclear weapons
system and foundation trusts. He supported both the Fourth Option for
direct investment in council housing and the Trade Union Freedom Bill.
(Source: Wikipedia, 2016)

# Patrick Werquin

Independent Consultant

is currently an independent consultant based in Paris, and member of the Centre d'études sociologiques et politiques Raymon Aron, EHESS, Paris. He was senior economist with the Organisation for Economic Co-operation and Development (OECD), Directorate for Education from 1999 to 2010 (Education and Training Policy Division and Centre for Educational Research and Innovation, CERI). From 1992 to 1999, he was a senior analyst with the French Centre for Research on Education, Training and Employment (Centre d'études et de recherches sur les qualifications or Céreq) of the French Ministries of Labour and Education. He is working on lifelong learning, qualifications systems frameworks, adult learning, low skilled individuals/workers, adult literacy, school-to-work transition, recognition of non-formal and informal learning, statistical indicators for education and the labour market. In 2010 he prepared the most comprehensive report on the recognition of non-formal and informal learning that is currently available for the OECD.
(Source: Cedefop, 2016)


# Sebastian Strube

Journalist

is a journalist based in Munich, Germany. As historian by training, Strube wrote a PhD about public administration, democratic participation and structural change in rural areas. In his journalistic work Strube focuses on digitisation, where he identifies similar patterns of huge structural changes and reactions of public authorities. He regularly produces features about Big Data and new forms of labour in the "digital crowd", having himself made experiences as a "crowdworker".
(Source: own website, 2016)

# Iain Murray
TUC policy director Unionlearn

is responsible for managing strategy and policy work on learning and skills in Unionlearn, the learning and skills organisation of the Trade Union Congress (TUC) in the UK. Iain's work includes all aspects of work-based learning for adults and young people and wider education policy issues. The strategy team advises on Unionlearn's approach to major new policy initiatives, coordinates support for senior staff representing Unionlearn on a range of learning and skills bodies and facilitates relations with the relevant government departments and agencies.
(Source: Unionlearn, 2016)


# Manuela Zechner
Radical Care Collective Practices

is a researcher, cultural worker and facilitator, moving between the UK, Austria and Spain. She has finished a PhD thesis on the role of care in precarity movements and neoliberal governance. Her main ongoing platforms are the Future Archive project, the Sounds of Movement radio show and the Radical Collective Care Practices blog.
(Source: LeftEast, 2016)


# Werner Eichhorst
Director of Labour Policy Europe, IZA

is a researcher and policy adviser at the German labour market think tank IZA (Institut für Zukunft der Arbeit [Institute for the Future of Labour]), Bonn. His main research area is the comparative analysis of labour market institutions and performance as well as the political economy of labour market reform strategies. He also specialises in different aspects of the future of labour. At IZA he takes care of international and European policy-oriented research activities, addressing in particular EU level employment policies.
(Source: IZA, 2016)

# EULER
# PARTNERS

## City Mine(d)

is an international organisation based in Brussels and London. Since 1997 it realised over 100 projects in 15 cities throughout Europe. Its aim is to make urban development everyone's business.

On a day-to-day basis we build prototypes temporary structures, smart objects or a portable pedestrian crossing organise action-research - about economics and urban governance– and bring people together on local and global issues.

The urban development agenda is currently dominated by the environment, democracy, economy and technology. City Mine(d) is convinced that sustainable development in these domains can not be left to relevant authorities and experts alone. It requires contributions from citizens, companies, governments and researchers. During the creation of prototypes, City Mine(d) builds stakeholder coalitions that become a driver for local development.

## Trànsit

is a cultural organisation with the mission to facilitate access to social and cultural capital for citizens. We work to empower the people of our local area in Barcelona and also in other parts of Europe and Latin America. We support local organisation, territorial developments and innovation. Our tasks revolve around managing a number of cultural and community centres in Barcelona and initiating creative productions and fostering vocational training in Europe and Latin America.

## TESSERAE (Colini-Tripodi GbR)

is an independent organisation engaged in professional practice and research in the urban, social and media fields. It is a trans-disciplinary hub providing expertise and operative capacity in research, policy advising, communication, education, international cooperation, project development and management. Based in Berlin, Tesserae works both with local and international perspectives.

# ndvr

short for 'endeavour', which stands for exploring, discovering and undertaking) is a social enterprise that puts to use spatial and social expertise to increase the positive social impact of spatial projects. The Ndvr office in Antwerp combines expertise in architecture, urban/spatial planning and social geography to advise, guide and support architects, planners, organizations, NGOs, project developers and governments in pursuing the full social potential of spatial projects by creating an understanding of complex spatial matters.

**EULER**

a project by:

City Mine(d)

Trànsit
Projectes

TESSERÆ

endeavour