In 2011, to coincide with the 30th anniversary of the establishment of the ROCKWOOL Foundation, the account of the history of the Foundation was placed into the context of developments in Danish society.

Since then, the historical record has been updated annually with a short résumé of the work of the Foundation and a summary of the most important societal changes over the course of the previous year.
LOOKING BACK AT KNOWLEDGE FIRST

1981-2011
30 years of seeking knowledge

In the period since the end of the World War II, Rockwool® has become a well-known brand in the construction industry.

For the past 30 years, the Rockwool Foundation has financed community-related research projects, and for the last seven years has also used practical interventions as a means of creating new knowledge and solving problems.

Although the Rockwool International Group and the Rockwool Foundation are completely different entities, they have much in common.

They were established by the same family. The Rockwool International Group was started in 1909, when Valdemar Kähler and his business partner H.J. Henriksen opened a gravel pit on a small Danish island.
The founders of the Rockwool Foundation. From left to right: Gustav Kähler, Inger von der Hude, Valdemar Kähler, Erik Kähler and Dorrit Kähler. In front: Claus Kähler.
Under the management of H.J. Henriksen and Valdemar Kähler’s son, Gustav Kähler, the company diversified into several different businesses, and in 1937 the partnership of Henriksen & Kähler purchased the rights and manufacturing information for the production of stone wool insulation from an American producer for USD 5,000.

After Gustav Kähler’s death in 1958, the conglomerate was divided by the Kähler family into two parts of equal value, and the Henriksen family chose to take on the activities not connected with the production of Rockwool. Gustav’s son Claus, together with his sister and four brothers, took over the stone wool activities and founded the company Rockwool International A/S.

During the ensuing decades, Rockwool International became the largest stone wool manufacturer in the world, with production in six different European countries.

On 23 December 1981, the five then remaining Kähler siblings, together with Dorrit Kähler, widow of their brother Ivar Kähler, decided to establish a foundation which would use its income for the benefit of the general public. Shortly thereafter, 25% of the Rockwool International shares were transferred to the Foundation - making the Rockwool Foundation the largest shareholder in Rockwool International A/S.

Because Rockwool International was expanding rapidly at that time, the dividends from the shares were very small, so that the Foundation was unable to make substantial donations.

In light of this, the idea gradually evolved that the Foundation could do more good to society if, instead of spending money on making direct donations, funds were used to provide politicians with better background information as a basis for policy-making. This was very much in line with Claus Kähler’s own beliefs about decision-making in a company like Rockwool International. When asked if it had been hard while he was CEO of Rockwool International to make the right decisions, he answered: “It has not been hard to make the right business decisions; the difficult thing has been to collect the relevant information about an issue. Once this was done, making the decision was relatively easy.”

The six founders had their backgrounds in industry, and were mostly educated as engineers. They had not been active in
politics or public administration. Claus Kähler and his son Tom Kähler, at that time a member of the management team of Rockwool International, agreed to invite Erik Ib Schmidt, former Permanent Secretary in the Ministry of Finance, to advise the Kähler family, in order to ensure that the Foundation could operate in a professional way in its work connected with society.

These early moves subsequently resulted in the establishment of the Rockwool Foundation Research Unit in 1987.

A large number of issues related to society have been studied by the Research Unit over the years. However, approaching the objective truth as closely as possible has always been a primary concern.

The Rockwool Foundation operates on the basis of the same business values as Rockwool International, for example as expressed by Claus Kähler (see box). The aim has always been to have a strong and competent management team in the Foundation and an efficient working culture, corresponding to what would be found in a sound industrial corporation competing successfully on the global market. The Foundation similarly strives to work in cooperation with partner organisations within Denmark and abroad that are themselves efficient.

After Tom Kähler took over as Chairman of the Rockwool Foundation in 1991, higher dividends from the shares in Rockwool International made it possible to gradually expand the research activities of the organisation.

Tom Kähler stepped down as CEO for the Rockwool Group in 2004, by which time the concern was active in 35 countries, with manufacture of stone wool going on in 14 different countries and on three continents. Tom Kähler’s successor as CEO was Eelco van Heel, and under his direction the Rockwool Group has continued its growth; for example, today it also manufactures stone wool in China.

Claus Kähler’s business values

1. Be reliable in dealings with customers, employees, and authorities.
2. Develop the company so that its impact on society is positive overall.
3. Avoid speculation and unnecessary risk-taking.
4. Make important decisions on the basis of good analyses.
5. Maintain good liquidity so that creditors never become a problem.
6. Take care that there is good communication throughout the organisation so that everybody fights in the same battle following the same strategy.
7. Avoid extravagance.
8. Learn to foresee problems and solve them before they get out of hand – do not sweep them under the carpet.
The Rockwool Foundation 1981-1990: The first decade

The Rockwool Foundation was set up in 1981. The first years were a period of consolidation, and then activities began to be expanded. The Rockwool Foundation Research Unit was established in 1987. This article, and those that follow, describe the 30-year history of the Foundation, and some of the important developments in Danish society during that period. The 1980s in Denmark were a decade of great economic imbalances, with relatively high levels of unemployment.

Danish Society

In 1982, a right-of-centre government came to power, led by Poul Schlüter (Conservative). This government took over after many years of Social Democrat control in Denmark. Economic problems marked the early years of the 1980s, and throughout the decade Denmark suffered from a high rate of unemployment of between 8% and 10%. The tax burden was already fairly heavy at the start of the decade, at around 40%, and it nearly reached 50% by the end of the 1980s as a result of the extension of the welfare state and the costs of the high level of unemployment.

In the public debate on unemployment, there were many who proposed that such work as was available should be distributed in a fair and equitable manner, so that young people, for example, could gain a foothold on the labour market. One practical example of the results of such thinking was the introduction of early retirement benefit in 1979. This was intended to make it easier for older employees to withdraw from the labour market, though it was also driven by welfare considerations related to the fact that many older blue collar workers were physically worn out by their work.

There was also discussion of how many of those registered as unemployed truly were without any work. There was a widespread suspicion that there was an increasing level of undeclared work going on, with the unemployed being especially active in this field. What, people wondered, were the distributional and moral implications of the existence of this underground economy?

There were discussions of economic democracy, and of division of surpluses. The working week was cut – first to 39 hours, and later to 37. To what use should this extra leisure time be put, the Danes asked themselves – and did they indeed find that they had more leisure in practice?

Fertility rates had been in decline since the 1960s, and in 1983 the number of births hit a low point. In that year, just over 50,000 Danes were born – the lowest figure for any year in the 20th century.

In 1984 the government declared that atomic power was not going to be introduced in Denmark.
In 1986, the population voted ‘yes’ to closer cooperation within the European Community in a referendum on the Single European Act.

Towards the end of the period, liberalisation came to the nations of Eastern Europe, and the Berlin Wall came down. These changes were followed closely in Denmark, just as they were all over the world.

The Foundation

The first years of the 1980s were a period of consolidation, with the Foundation beginning to make a number of small grants from 1983 onwards to individual researchers and for purposes of the social good. In 1985 there was a change of course when Claus Kähler, then Chair of the Board of the Foundation, and his son Tom Kähler decided that they needed some expert advice in connection with a competition for the writing of an essay on economic democracy. They contacted Erik Ib Schmidt, former Permanent Secretary in the Ministry of Finance, to ask for his help in connection with a prize essay on economic democracy.

Erik Ib Schmidt had occupied a powerful position in the central administration in Denmark in the post-war years, and had had a key role in efforts to carry through the coordinated overall planning programmes known as the Perspective Plans. He also had thorough knowledge of the world of research, and it was in that context that he was contacted by the Rockwool Foundation.

Erik Ib Schmidt came to be of great importance for the Foundation’s first projects. He suggested subjects for research and researchers who could carry out the projects. When the Foundation set up an academic programme advisory committee in 1990, he again contributed suggestions as to which researchers to include, as well as becoming a member himself.

In 1986 the first research project to be run directly under the auspices of the Foundation was initiated, and at the end of that year Gunnar Viby Mogensen was appointed as Research Director to work in collaboration with Erik Ib Schmidt in leading the project. Work on the resulting research project ‘Time and Consumption’ began in 1987.
The main goal of the project was to determine the most important elements of the pattern of time use by Danes on various everyday activities, and to describe any significant changes which had occurred in this pattern over the previous 20-30 years. In addition, the project would attempt to establish relationships between time use and the consumption of goods and services.

Other themes in the project were the use of time on undeclared work and DIY projects, and the question of whether the high levels of taxation in Denmark induced distortions in the supply of labour. By covering these issues, the focus given in the project to time spent on work in the formal economy could be supplemented to create a full picture of Danes’ overall work patterns from 1964 to the end of the 1980s. The project leadership system established a structure and working method that ensured that the researchers were totally independent of the Rockwool Foundation, once the Board had granted the funds for the project.

The results of the ‘Time and Consumption’ project were presented at press conferences in 1989 and 1990. Of these presentations, the Danish national newspaper *Politiken* declared that ‘Few research projects on such broad themes, if any, have ever attracted so much attention’. Thus, around 1990 the Rockwool Foundation became known to large sections of the Danish population. At the same time, the organisational form and some important themes for future projects had been established.

**Principal results from the projects**

Since the mid-1960s, when the first national surveys of time use were carried out, there had been ongoing debate in Western societies as to whether Western civilisation was on its way to becoming a leisure society. Social scientists were not in any doubt. We would have more and more free time in the future – eventually, maybe so much free time that the question of what to do with it all would become a moral issue.

With the completion of the project ‘Time and Consumption’, the Rockwool Foundation was able to quantify the changes in Denmark between the mid-1960s and the end of the 1980s, in line with national surveys in other countries.

The results showed that Danes who were in employment were actually busier overall than before, despite a shorter
formal working week and longer holidays, because DIY work, journey times to and from work, and courses of education and further training all placed greater pressures on the time they had available. In addition, women were now more frequently engaged in paid employment, placing additional pressure on their time.

The study documented a degree of convergence between the time use of women and men in terms of time spent in paid employment and on household work. However, it was still far from being the case that men and women used their time in identical ways.

As the pressure on time increased, with resulting reduction in real leisure time, purchases of durable consumer goods increased significantly. ‘We have achieved more prosperity. But have we also achieved better lives?’ asked Erik Ib Schmidt in the 1990 discussion book *Behøver vi at nå det hele?* (Do we have to get everything done?).

As far as the unemployed were concerned, the study showed that they were not particularly active on the market for undeclared labour.

In general, Danes’ level of undeclared activity was found to be increasing. In 1980, 8.3% of Danes aged 20 to 69 stated in the anonymous survey that they had carried out undeclared work in the previous 12 months. This figure increased to 12.8% in 1984, and stayed at that level for the remainder of the decade. The amount of time spent on undeclared work increased for those who were involved from 39 minutes per day on average in 1982 to 53 minutes per day in 1989.
The Rockwool Foundation 1991-1995: Analyses of the functioning of the labour market and of political trust

The first years of the 1990s were marked by continuing high levels of unemployment. Unemployment as a social problem, and more generally the function of the Danish labour market in interaction with the Danish welfare state, were consequently topics given high priority in the Foundation’s research. Another central area of research was an investigation of the views of the Danes concerning their politicians and the political system.

Danish Society
The right-of-centre government under Poul Schlüter was forced to resign in 1993 in the wake of the ‘Tamil case’ and the publication of the judge’s report on that scandal. A new Social Democrat government led by Poul Nyrup Rasmussen came to power; the Social Democrats were to remain in government, in alliance with small parties of the centre, for the remainder of the decade.

Unemployment reached its peak in 1994/95. Parliament passed a number of reforms intended to reduce the level of unemployment and to make the labour market more flexible. In the first instance, a number of work leave schemes were introduced: longer parental leave, leave for educational purposes, and a sabbatical leave scheme. A labour market reform of 1994 paved the way for a more active labour market policy, with various amendments being made in subsequent years. A ceiling of nine years of unemployment benefit was introduced, including two years of educational or parental leave.

Due to the increasing participation of women in the labour market, the employment rate for people aged 18 to 64 rose to around 80%, and remained at that level throughout the decade.

The nuclear family was declining, and around 1990 the one-person household became the most common type in Denmark.

Throughout the period, immigration to Denmark was a burning topic of discussion. Early in the 1990s, the number of immigrants from non-Western countries surpassed for the first time the number of immigrants from Western countries coming into the country. The issue became even more relevant around the middle of the decade, when many asylum-seekers from the former Yugoslavia entered the country. Immigration was primarily based on family reunification and people entering the country as refugees, while labour force immigration from countries outside the EU had virtually been halted as far back as 1973 in reaction to the first oil crisis.

Environmental issues had been of concern to the Danish population since the 1970s, and continued to attract considerable public attention in the 1990s. One widely debated question, for example, was whether there had been a reasonable return on the huge investments resulting from the ambitious plans for improving the water environment made at the end of the 1980s.

In two referendums on the Danish accession to the Maastricht Treaty, the people voted first ‘no’ in 1992 and then ‘yes’ in 1993.

Some Danes indicated that their concerns about immigration and about Danish politicians’ handling of EU issues had
contributed to undermining their trust in the political system. It was not clear how deep that mistrust went, and whether it amounted to a breakdown of confidence in the whole concept of a representative democracy.

In foreign policy, Denmark took on a more active role, with the dispatch of a warship in 1991 in connection with the Gulf War.

The Foundation
In 1991 Tom Kähler took over from Claus Kähler as Chair of the Board of the Foundation.

Because of the apparent mistrust in Denmark in politics and politicians, the Rockwool Foundation decided to carry out a project in just that area. The project title was ‘The population and the politicians – confidence or mistrust?’ A number of social scientists mapped changes in the population’s view of politicians over the previous 20-30 years. The results were published in 1992.

With the high levels of unemployment, the functioning and efficiency of the Danish labour market remained an important topic, including the issue of what went on outside the formal labour market. Research into undeclared work resulted in the middle of the decade in a large number of new analyses, published under titles such as Danskernes sorte dagligdag (The everyday undeclared work of Danes) and The Shadow Economy in Denmark.

Another theme was the patterns of working hours and flexibility on the labour market; these topics were the objects of new analyses in a research project published in 1992. The objective was to discover how well the labour market was functioning under the pressure of continued reductions in the length of the working week and, in many places, inflexible rules on working hours.

The Rockwool Foundation also felt that there was a need for new information about unemployment and for new proposals as to how it could be reduced. The Foundation sponsored an essay competition in this area in 1991, with a prize of DKK 300,000. One of the requirements was that entries should put forward proposals for reforms, most especially for reforms that would bring weaker, less productive groups into the labour market.

The project ‘Welfare and incentives’ represented a supplementary approach to research into the Danish labour market and its functioning that was to prove a lasting theme in the Rockwool Foundation’s research over many years to come. The focus in this project was on the labour supply.
The goal of the first part of the project, which began in 1992, was to discover more about how the welfare state, with its taxes and welfare benefit incomes, affects people’s will to work.

In the first instance, the project investigated and disseminated existing knowledge on the subject relating to Denmark, the United Kingdom, Sweden and Germany. Researchers from the four countries participated in the first part of the project, published in 1993, making this the first international project to be organised under the auspices of the Rockwool Foundation.

In 1995, the project’s first empirical results for Denmark were published in a book entitled Hvad driver værket? Om sammenhængen mellem socialpolitik, skattelovgivning og arbejdsudbud i dagens Danmark (What drives the work? On the relationship between social policies, tax legislation and supply of labour in Denmark).

Towards the middle of the 1990s, a book was published on the economic development of Greenland, based on a project on that topic. That project represented an early indication of the Foundation’s future interest in developing economies.

At around the same time, a number of environmental projects were also winning support from the Board of the Foundation.

A project on ‘Values in environmental policy’, headed by Erik Ib Schmidt, was designed to discover the assumptions underlying environmental decisions, while another project analysed the historical environmental debate in Danish newspapers right back to the 1870s. A project aimed at contributing to the development of a measure of the green gross domestic product was run in cooperation with Statistics Denmark.

**Principal results from the projects**

The project on the attitudes of the population to politicians documented that Danes’ trust in their representative democracy was deeply rooted. However, the analysis also showed that trust in politicians themselves had decreased significantly. A number of factors were identified which could explain the higher level of mistrust, including a weakening of the political grass roots networks and changes in political journalism.

The analyses of the extent of undeclared work showed that an ever-increasing number of Danes participated in such activity; the figure for 1994 was 15% of the population. However, the unemployed continued to be no more heavily involved in the shadow economy than other groups in society.

The project on flexibility in the labour market detected a softening in the rigid patterns of working hours in parallel with

This cartoon comment by Roald Als on the prize essay competition on unemployment, published in 1992, suggested that some sacred cows were about to be slaughtered. Erik Ib Schmidt is depicted in the role of a matador, while Claus Kähler prepares his knife in the background.
the reduction in the working week. Flexibility was increasing slowly but systematically, and working hours were becoming staggered to an ever greater extent. The Danes were pleased with the opportunities available to arrange their working time more flexibly.

The essay competition produced a number of suggestions for reform, and at the same time presented in-depth analyses of the reasons for the high levels of unemployment and its structural nature. The international element of the project on welfare and incentives revealed that there were reductions in the supply of labour as an effect of welfare benefit incomes and the taxes that financed them, but that in general the negative effects were small in size. However, the new empirical analyses for Denmark did demonstrate significant problems related to economic incentives to work in the cases of unskilled workers and the low-paid.

The project on Greenland gave rise to debate, because the researcher, Professor Martin Paldam, showed that the high standard of living in Greenland was maintained solely through economic support from Denmark. If Greenland became independent, living standards would fall significantly – unless the country could make economic changes that would close the gap between consumption and production.

The Foundation’s environmental projects documented, among other things, that Danes had been debating problems of pollution and the right of free access to woods and beaches since the beginning of the 20th century. For example, topics such as water and air pollution and nature conservation featured frequently in newspapers around the time of the First World War. However, it was only in the 1960s that what had hitherto been seen as separate topics became linked in one large complex of problems related to industrial growth and the development of the welfare society.

A project on the calculation of a welfare indicator for Denmark showed, however, that environmental problems and the efforts to resolve them through combating pollution had had no great impact on the material welfare of the population in the period 1970-1990.
The Rockwool Foundation 1996-2000: Research into immigration, health, and Danes’ attitudes to the law

While immigration to Denmark was drawing ever-increasing public attention, there had been little actual research into immigration and the integration of immigrants into society. Under these circumstances, the Rockwool Foundation decided to include the integration and conditions of life of immigrants among its research areas. The Danes’ social morals and the wishes of the population with regard to the health sector were other new themes taken up in this period.

Danish Society

In the second half of the 1990s the Danish business cycle entered a period of expansion, and unemployment halved as the turn of the millennium approached.

The total length of time during which it was possible to receive unemployment benefit was reduced to five years. At the same time, the rights and obligations of the unemployed with respect to activation schemes were strengthened, in parallel with the improved economic situation. In 1999 the rules for taking early retirement benefit were tightened up, while at the same time the age for eligibility for the old-age pension was reduced to 65, with effect from 2004.

The more stringent rules were intended to motivate more people to be active on the labour market after the age of 60, and thus to help offset the consequences of having an ageing population.

As part of the development of the motorway network and improvements to the railway system, the Great Belt Fixed Link (tunnel and bridge) between Funen and Zealand was opened for trains in 1997 and for motor traffic in 1998. The Øresund Bridge between Denmark and Sweden was opened in 2000.

The debate on immigration continued with great intensity throughout the period, with the total number of non-Western immigrants now surpassing 250,000 out of a total population of just over five million.

Another debate was about the Danes’ social morals. The 1990s were declared to be a ‘decade of morality’, but many people had a growing fear that in fact cold, egocentric calculation was replacing traditional community values such as honesty and respect for the law. Checks and sanctions are often of little use if society’s underlying moral attitudes do not support them.

A third topic of debate was the question of how the enormous Danish public sector could be modernised and made more efficient.

In particular, there was concern about the health sector. Around 1960, Denmark had been at the top of the OECD league tables with regard to average life expectancy and health treatment in general; however, by the second half of
the 1990s, Denmark found itself far below the level of other countries with which it usually expected to be comparable. How could these poor results be explained?

Finland, Sweden and Austria joined the EU. The euro was introduced in 12 of the EU member states.

**The Foundation**

On an organisational level, a new President of the Rockwool Foundation was appointed: Poul Erik Pedersen replaced Bent Løber in 1997.

The focus of the essay competition run in 1991 was on how weak groups with low productivity could enter a labour market with a high minimum wage. Because of the low labour market participation by Danes with non-Western backgrounds and given the general lack of research into immigration, the Board of the Rockwool Foundation decided in 1997 to give high priority to the topic of ‘Immigrants and their conditions of life’.

The new project was aimed at investigating the conditions of life experienced by immigrants in the Danish welfare society and their integration into the labour market. The first publication came in 1999 with an overview of the history of, and the international background to, immigration to Denmark up until the mid-1990s.

There followed a round of publications in 2000 that were based on interviews with representative samples of groups from among non-Western immigrants. The interviews were conducted in either Danish or the immigrants’ national languages by a team of second-generation immigrants.

The Rockwool Foundation initiated its first foreign project when the researcher responsible for the book on Greenland, development economist Martin Paldam, was asked to assess the effects of Danish development aid as realised through a series of projects run by Danida, the Danish government overseas development agency.

The study was published in 1997, and it aimed to elucidate questions such as: Do the Danes get full value for the money spent on development projects? Do the recipients get the optimal yield from the funds provided? What can we learn from the projects that have been particularly successful or unsuccessful?
Interest in research into undeclared work was maintained throughout this five-year period. This work gave rise to a new series of publications when the Foundation decided to fund a project that would make comparisons among the countries of Northern Europe on the basis of existing knowledge about undeclared work.

A significant project was ‘Citizens and the Law’, in which the Rockwool Foundation cooperated with Professor Jørgen Goul Andersen, among others, to investigate the relationship of the Danes to the laws and the social norms.

In the light of the problematic situation in the public health sector and the lack of concrete knowledge about its causes and effects, the Foundation initiated research into the area of health. Research funds were to be used to make an evaluation of the Danish health service and to measure preferences among the population with regard to the services the health authorities should provide.

Two projects related to the public sector rounded off the Foundation’s research for the decade. One of these involved an analysis of public budgeting, including an examination of practice in financial reforms over the period from the mid-1980s to the end of the 1990s. The other project analysed expenditure on services by Danish municipalities, and the level of satisfaction with these services among the population.

Principal results from the projects
The book Indvandringen til Danmark. Internationale og nationale perspektiver / Immigration to Denmark. International and national perspectives) (published in Danish and English editions, 1999) documented the very large demographic potential there was for immigration from non-Western countries, and at the same time showed how immigration had been the subject of intensive newspaper debate in Denmark from the end of the 1960s onwards.

The first interview survey results were published in 2000 in a book entitled Mislykket integration? (Failed integration?). The analyses showed that integration into the labour market was proceeding very slowly, and that immigrants from non-Western countries cost the public exchequer around DKK 10
billion annually, or approximately 0.8% of GDP. Their low level of attachment to the labour market meant that although non-Western immigrants constituted only 5% of the population at the time of the study, they accounted for 35% of the total of social assistance paid out.

The project on ‘Citizens and the Law’ showed that in principle, Danes are relatively law-abiding people. In almost all groups of society, the opinion held was that the law was the law, and the law must be obeyed. In practice, however, respect for the law had weakened in many areas, and lack of respect for the law often led to infringement of the law; 30% of the population admitted that they had participated in acts of theft, vandalism or violence.

The analysis of overseas aid showed that the projects examined had succeeded better than the general public imagined, but even so could only be described as partial successes. There was a clear global pattern: projects in Africa, and particularly projects within the field of agriculture, achieved systematically poorer results than those in other areas where Danida was active.

An examination of the existing literature on undeclared work in Northern Europe revealed that the extent of such activities did not differ substantially among the countries studied, namely Denmark, Norway, Sweden, the UK and Germany. However, the study also showed that there were problems associated with making comparisons, because the data were collected in different ways in different countries. In other words, it was suggested, there was a need for new data collection on the basis of a common interview format.

The survey of the preferences of the Danish population with regard to health services showed, among other things, that around 40% of respondents wanted more private hospitals. It was also found that there was a better system of incentives for General Practitioners than for doctors working in hospitals, and that the General Practitioners were more efficient.
Research into immigrants’ conditions of life and integration was extended through a comparative Danish-German project, while research into undeclared work continued with a unique data collection project in Denmark’s neighbouring countries. The Foundation took an important decision of principle that as well as funding academic research projects, it would be prepared in future to finance direct interventional projects aimed at improving conditions of life in developing countries and assisting the integration of immigrants in Denmark.

Danish Society

In 2001, a right-of-centre government under Anders Fogh Rasmussen (Venstre, the Danish Liberal party) took over the reins of power from the previous Social Democratic administration. The new government placed a formal halt on tax increases that fixed taxes and duties at their 2001 levels.

At the same time, the government introduced a new immigration policy based on freer access to Denmark for labour and education immigrants, but also on more restrictive rules for asylum-seekers and family reunification. Levels of welfare benefits were reduced for newly-arrived refugees.

The Danish population benefited from a period of economic growth that brought unemployment down to levels not seen since before the oil crisis of 1973. The balance of payments continued a long-term improvement, and by the end of 2005 Denmark no longer had a net foreign debt, for the first time since World War II.

Developments in democracy and economic progress in the former Communist countries of Eastern Europe were followed with interest among the Danish population. Even greater interest was shown in how the Danish welfare state would develop. There was growing awareness of the demographic changes that had taken place since the 1960s, and of the subsequent prospect of an increasing proportion of the elderly, and particularly of the very elderly, among the population – a group which could be expected to require large expenditures from the public purse.

The Foundation

Professor Torben Tranæs was appointed as Research Director at the Rockwool Foundation Research Unit in 2003. He replaced Gunnar Viby Mogensen, who had been instrumental in the creation of the Research Unit in 1987.

Research into immigration and integration continued as a high-profile area. One project in which the Foundation invested heavily investigated immigration in Germany and Denmark. Using completely parallel data collected specifically for the project through interviews with representative samples of the immigrant groups studied, the Danish-German research team compared integration of immigrants into the labour market in the two countries as well as their levels of dependency on welfare benefits.
Other new projects in the period involved the analysis of trends in overall tax pressure and in marginal tax rates, a project on the patterns of residence in the Danish population, and an analysis of the newspaper debate on the unemployed since the establishment of democracy in Denmark in the mid-19th century.

A project on ‘Criminality and the labour market’ represented a new area of study for the Research Unit. Among the aspects of the topic investigated was the effect of a criminal conviction on a person’s subsequent employment and income. Does a criminal conviction involve an informal punishment in addition to the formal punishment of imprisonment? Does a conviction mean a reduced level of income for many years afterwards?

Research into undeclared work continued; the Board of the Foundation wanted the results from Denmark to be put into perspective through new data collection in the neighbouring countries. The results were published in 2003. Work on the project continued in Germany with the collection of further data. The German Ministry of Finance was among the users of the new data.

The Foundation requested Professor Jørgen Goul Andersen to carry out an analysis of the functioning and effectiveness of the Danish ‘home help’ service for the sick and elderly. This work put under the spotlight an area where many people felt that things had gone badly wrong.

The Foundation took a decision of principle in 2005 that henceforth its funds could be used for new types of activity: projects for the improvement of conditions of life in developing countries on a ‘help to self-help’ principle, and the design and implementation of projects to promote the integration of new Danish citizens into a West European society.

The first project to be granted funds for activities in developing countries involved support for the Danish Red Cross for a technical college in Sri Lanka. The intention was to help victims of the tsunami to find new ways of making a living. The first project to support the integration of non-Western immigrants into Danish society concerned the use of the methods of cognitive psychology to allow students from other ethnic backgrounds to obtain a better return from their schooling; the intention was to increase their chances of going on to further education or training that
would qualify them for jobs, and thus to help them to obtain employment.

**Principal results from the projects**

The Foundation’s analyses suggested that the home help service was significantly better than it was rumoured to be. The main dissatisfaction was with the help provided with cleaning the house, a service which was not offered at all in neighbouring countries.

The project on undeclared work in selected Northern European countries showed that the proportion of GDP represented by undeclared work peaked in Germany at around the turn of the millennium at 4.1% of GDP. The level in Denmark was approximately the same, while it was rather lower in Norway and Sweden.

The EU Commission decided in 2005 to undertake a preliminary study of the opportunities available for investigating the undeclared economy in all EU member states, using the methodology developed by the Research Unit. The Foundation decided that the Research Unit could make its expertise available in connection with the preliminary study. This offer was not taken up; instead, the EU opted for a low-budget, rather superficial study which concluded, for example, that Italy has few problems with untaxed work.

The Danish-German immigration project presented an overall picture of immigrants in both countries having a lower level of employment than the rest of the population, and showed that the situation had deteriorated over the previous 15 years. While levels of employment had been falling for immigrants in both countries over that period, they had increased for ethnic Germans and Danes. The study also showed that immigrants were less well integrated in Denmark than they were in Germany.

The study of the geographical distribution of Danish homes showed that in both 1985 and in 2003, Danes lived in socially mixed areas. The only group which lived in concentrations away from the rest of the population were non-Western immigrants. More than half of all these immigrants would have to move home if their patterns of residence should parallel those of ethnic Danes.

The project on taxes, welfare benefits and labour supply documented that for most groups, there was high income mobility on the Danish labour market. Only a small group of around
20% of the population remained fixed in relative poverty. The project revealed that the effective level of marginal taxation was very high in Denmark. Effective taxation includes VAT and duties, income tax, and loss of income supplements from public funds resulting from increased earnings. Calculated in that way, it was found that all in Denmark who were active on the labour market had an effective marginal rate of taxation of between 60% and over 70% in 2005.

One of the first development aid projects sponsored by Rockwool Foundation was launched in 2006 in northern Tanzania and was given the name ‘RIPAT’ (Rockwool Initiative for Poverty Alleviation in Tanzania). Since then, additional projects have been launched in Africa on the principle of 'help to self-help', focusing on the alleviation of poverty and hunger through the development of sustainable small-scale farming and (agri)businesses, through the creation of small farmer groups with good constitutions and by-laws, and through microfinance initiatives that can help to create the foundations for economic growth.
The Rockwool Foundation 2007-2011: Two new research areas, and an increasing emphasis on practical interventions

Two new research areas were established during this period: ‘Families and children’ and ‘Development economics’. The cooperation between the Research Unit and the Foundation was strengthened with the commencement of a systematic evaluation of the practical projects by the Research Unit. At the same time, the Foundation formulated a new strategy for the practical projects, with an emphasis being placed on social entrepreneurship.

Danish Society
A municipal reform of 2007 changed the framework within which the local authorities in Denmark conducted their independent administrative duties. The number of municipal authorities was reduced from 271 to 98. The 13 larger administrative areas in Denmark were replaced by five regions, whose main responsibility was the administration of the hospital service.

The period of economic boom, and the high level of employment, continued into the autumn of 2008, when the world financial crisis broke out. As a result of the crisis, unemployment began to rise again, though without Danes having to suffer the high levels of joblessness seen in the 1990s. In the winter of 2010-11 the level of unemployment rose above 5%.

At the end of the period, a government under Social Democratic leadership came to power, with Helle Thorning-Schmidt as Denmark’s first female Prime Minister. The change of government ended a 10-year period of right-of-centre rule. The new government is a coalition of three parties: the Social Democratic Party, the Social-Liberal Party, and the Socialist People’s Party. This is the first time that the Socialist People’s Party has formed part of the Danish government.

At the end of the period, the debt crisis in the EU was still ongoing, and having a negative effect on the Danish economy.

The Foundation
A new President was appointed to the Foundation in 2007: Elin Schmidt. She replaced Poul Erik Pedersen.

A new research area, ‘Families and children’, was established in 2007, and new researchers were appointed to the Research Unit to strengthen its expertise in this area. Two of the first projects in the field concerned children in care and parents’ expenditure of time and money on their children. There followed projects on the conditions of life of the mentally disordered in Denmark, and on Danes’ state of wellbeing and their situation with regard to obesity, exercise and sleeping habits. The results were based in part on a major survey on time use that was conducted in 2008-2009. This was followed up in 2011 with a special survey conducted among immigrants.
After the appointment of Elin Schmidt as President of the Foundation, practical interventions grew to become a substantial part of the Foundation’s activities. The Foundation’s practical intervention projects were organised into four programme areas: Food Security and Poverty Alleviation, Social Capacity Building, International Peace Building and Health Interventions. The management of these projects was strengthened.

The Research Unit is increasingly involved in the evaluation of the outcomes of the practical projects, and in 2011 a Head of Evaluation was appointed to lead this work. A new research area has gradually been established at the Research Unit: Development Economics.

The breadth of the Foundation’s work is illustrated by the fact that the Annual Report for 2009 could point to 32 ongoing research projects and 9 practical projects.

During this period, a team of external researchers conducted an analysis of the American health organisation Kaiser Permanente for the Foundation. One of the goals of this project was to enable the Danish health authorities to benefit from the American experience. Could the Danish health system learn anything from the American method of organising this area? In addition to research in the new area of ‘Families and children’, work continued in the Research Unit during this period on undeclared work and on immigration and integration. For example, one project investigated the significance of the enlargement of the EU for immigration to Denmark. In a special project, a group of international researchers examined the effects of emigration from Poland on the people who remained behind. The scholastic results for young immigrants were analysed in a project entitled ‘PISA Ethnic 2005’.

Principal results from the projects

Many results were published in relation to the ‘Immigrants and integration’ research area. The analyses carried out in ‘PISA Ethnic 2005’ showed that the presence of up to 50% in a class of students who did not have Danish as their first language had no adverse effect on the reading skills of their Danish classmates. However, the study did document that non-Western pupils had great difficulty in acquiring skills that came anywhere near those of the young Danes. Whether in

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2007

The scholastic results for young immigrants were analysed in 2007 in the book ‘Pisa Etnisk 2005’.

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2008

In 2008 one of the first practical projects under the programme area International Peace Building was launched in Lebanon. In cooperation with the NGO Cross Cultures Project Association (CCPA), the Rockwool Foundation developed a project to encourage peaceful coexistence between various groups in Lebanon through football, and to stimulate the development of an active civil society built on equality and diversity. Since then, additional peace-building projects have been launched in Lebanon, Nepal, Uganda and Burundi.
reading skills, mathematics or natural sciences, the picture was always the same: pupils with a mother tongue other than Danish were found to be considerably less successful academically than their Danish classmates. Other analyses showed, however, that young immigrants were acquiring increasingly more education, even though there was still a long way to go before they reached the educational levels of ethnic Danes.

The analyses made by the Research Unit of ‘Starting-out assistance’ showed that on average, both men and women found jobs more quickly when the alternative was this low-level benefit. (Starting-out assistance was a social security safety net provided for the first seven years of residence for people without employment who had been granted residence permits for Denmark after 1 July 2002, and who came from countries outside the Nordic region or the EU. It was abolished with effect from 1 January 2012). The analyses also showed, however, that living on starting-out assistance alone meant living in poverty. Conditions of life for the large group of refugees who do not find work were so difficult, the researchers concluded, that it was hard for them to pay for even the most basic food and housing.

The project on parents’ expenditure of time and money on their children documented that Danish parents give more and more time to their offspring. Studies also show that caring for children is shared more equally between couples than in many other countries, even though there remain sizeable differences in the amount of time that mothers and fathers spend together with their children.

The results of the project on the life conditions of criminals were published in 2008. These showed that after serving a prison term, criminals could expect to face considerably more punishment in the form of lasting loss of income, referred to as informal punishment.

The project on children in foster care showed that children who were placed in care outside the home were less likely
to succeed than others during the remainder of their lives. Grades in school, level of education achieved, chances of gaining employment or committing crime – in all respects, these children fared worse than others.

The analyses of Danes’ health, wellbeing and obesity showed that Danes have a weight problem. Twenty years ago, every third man and every seventh woman in Denmark aged 25-44 was obese or moderately overweight. Today, this is the case for a half of all men and one third of all women in the same age range.

The project on immigration from the newly-joined member states of the EU revealed a significant level of immigration that had increased the level of flexibility in the Danish labour market. In just a few years there had been a trebling in the number of immigrant workers from Eastern Europe. The analyses also showed that companies which employed foreign experts were more productive and paid higher salaries than otherwise comparable companies that did not.

At a press conference on undeclared work in the summer of 2010, it was revealed that a majority of Danes (52%) had purchased undeclared work during the previous year. The survey also showed that an additional 28% were willing to buy undeclared services, even though they had not actually done so within the previous year. A quarter of the Danish population carry out undeclared work.

In 2008 the Rockwool Foundation launched the Healthy Schools Network. Its aims were to encourage the implementation of health-promoting initiatives in Danish primary/lower secondary schools and to collect data on the health of Danish schoolchildren. These health-related data included records of BMI, waist measurement, fitness rating and vertical jump height.
A selection of publications by the Rockwool Foundation

Titles are given in English first, with original titles in parentheses where the book is not in English and the title has been translated.

1989

Twenty-four hours a day. Patterns of time use and consumption since the 1960s (24 timer i døgnet. Tidsanvendelse og forbrugsmønstre siden 1960’erne). By Erik Ib Schmidt, Eszter Körmendi, Gunnar Viby Mogensen and Jon Vibe-Pedersen. Herning: Systime.


1990


1991


The in-depth section of the research project ‘Time and consumption’ (Den intensive del af forskningsprojektet ’Tid og forbrug’). By Benedicte Madsen. Copenhagen: Statistics Denmark.

1992


When do we want to work? ( Hvornår vil vi arbejde?). By Benedicte Madsen and Mette Nayberg. Copenhagen: Spektrum.

The fight against unemployment (Kampen mod ledigheden). By Karsten Albæk, Erik Strøj Madsen, Kurt Pedersen, Peter Jensen, Jan Beyer Schmidt-Sørensen and Nina Smith. Copenhagen: Spektrum.


We and our politicians (Vi og vore politikere). By Jørgen Goul Andersen, Hans Jørgen Nielsen, Niels Thomsen and Jørgen Westerståhl, with contributions by Henrik Christoffersen, Jan Beyer Schmidt-Sørensen and Jette D. Søllinge. Copenhagen: Spektrum.

Can we trust the politicians? (Kan vi stole på politikerne?). By Gunnar Viby Mogensen, with contributions by Poul Hartling, Svend Jakobsen and Erik Ib Schmidt. Copenhagen: Spektrum.

1993

What makes us work? (Hvad får os til at arbejde?). By Lisbeth Pedersen and Niels Ploug. Copenhagen: Spektrum.


1994


1995


1996


**1997**


The shadow economy in Western Europe. Measurements and results for selected countries (Skyggeøkonomien i Vesteuropa. Målinger og resultater for udvalgte lande). By Søren Pedersen, with contributions by Esben Dalgaard and Gunnar Viby Mogensen Copenhagen: Statistics Denmark.


**1998**


Citizens and the law (Borgerne og Lovene). By Jørgen Goul Andersen, with contributions by Hans Jørgen Nielsen and Marie Louise Hultin. Aarhus: Aarhus University Press.


**1999**


Services expenditure and user satisfaction in Danish municipalities (Serviceudgifter og brugertilfredshed i danske kommuner). By Henrik Lolle. Aalborg: Aalborg University Press.

**2000**


Integration in Denmark around the turn of the millennium. Immigrants' encounter with the labour market and the welfare society (Integration i Danmark omkring årtusindskiftet. Indvandrernes møde med arbejdsmarkedet og velfærdsfonden). Edited by Gunnar Viby Mogensen and Poul Chr. Matthiessen, with contributions by Olaf Ingerslev, Claus Larsen, Hans Jørgen Nielsen, Niels-Kenneth Nielsen, Søren Pedersen and Marie Louise Schultz-Nielsen. Aarhus: Aarhus University Press.

Foreigners in the Danish newspaper debate from the 1870s to the 1990s (De fremmede i dansk avisdebatt fra 1870'erne til 1990'erne). By Bent Jensen. Copenhagen: Spektrum.
ANNUAL REPORT 2011
THE ROCKWOOL FOUNDATION

Nature as a political issue in the classical industrial society: The environmental debate in the Danish press from the 1870s to the 1970s.

What Danes want from the national health service (Danskernes ønsker til sundhedsvæsenet).

Illness and health. What Danes want from the national health service (Sygt og sundt. Om danskernes ønsker til sundhedsvæsenet).

2001

Can laws make a country? Danes’ attitudes to the law (Kan land med lov bygges? Danskernes lovmoral).

Foreigners in the Danish newspaper debate from the 1870s to the 1990s.

Citizens and the law II. Danes’ attitudes to the law of the land in the year 2000 (Borgerne og Lovene II. Danskernes forhold til landets love anno 2000).

The integration of non-Western immigrants in a Scandinavian labour market: The Danish experience.

2002

Immigration and the public sector in Denmark.
By Eskil Wadensjö and Helena Orrje. Aarhus: Aarhus University Press.

How are immigrants doing? Immigrants’ living conditions and integration into the Danish labour market (Hvordan har indvandrerne det? Indvandrernes levevilkår og integration på det danske arbejdsmarked).

Social security benefits in Denmark and Germany – with a focus on access conditions for refugees and immigrants.

Immigrants and the labour market. The meeting with the Danish welfare society (Indvandrerne og arbejdsmarkedet. Mødet med det danske velfærdssamfund).

How do Danes value their health? (Værd(i)sætter danskerne deres helbred?)

The shadow economy in Germany, Great Britain and Scandinavia. A measurement based on questionnaire surveys.

Do-it-yourself work in North-Western Europe. Maintenance and improvement of homes.

From shortage of work to shortage of labour. Working life in Denmark in the new millennium (Fra mangel på arbejde til mangel på arbejdskraft. Arbejdsliv i Danmark i det nye årtusind).

Developments in Russia, Poland and the Baltic States. Light ahead after changes to the economic system (Udviklingen i Rusland, Polen og Baltikum. Lys forude efter ændringen af det økonomiske system).
By Martin Paldam. Aarhus: Aarhus University Press.

2004


Migrants, work, and the welfare state.

The welfare state and integration (Indvandringen til Europa. Velfærdssstat og integra tion).

Immigration to Europe. The welfare state and integration (Zuwanderung und Arbeitsmarkt. Deutschland und Dänemark im Vergleich).

2005

Black activities in Germany in 2001 and in 2004. A comparison based on survey data.
By Lars P. Feld and Claus Larsen. Copenhagen: Statistics Denmark.

From asylum seeker to refugee to family reunification. Welfare payments in these situations in some European countries and Canada (Fra asylsøgere over flygtning til familiesammenføring. Offentlige kontantydelser i disse situationer i en række vestlige lande).

A dividing population? (En befolknings deler sig op?).
From asylum seeker to refugee to family reunification. Welfare payments in these situations in various Western countries.

A comparison of welfare payments to asylum seekers, refugees, and reunified families.
In selected European countries
and in Canada.

Tax, work and equality – a study of the Danish tax and welfare system
(Skat, arbejde og lighed – en undersøgelse af det danske skatte- og velfærdssystem).

Extracts from the newspaper debate in Denmark on the unemployed from the 1840s to the 1940s. Volume I: The debate from 1907 to the 1940s (Trek af avisdebatten om de arbejdsløse fra 1840’erne til 1940’erne. Bind I: Debatten indtil 1907).

Extracts from the newspaper debate in Denmark on the unemployed from the 1840s to the 1940s. Volume II: The debate from 1907 to the 1940s (Trek af avisdebatten om de arbejdsløse fra 1840’erne til 1940’erne. Bind II: Debatten fra 1907 til 1940’erne).

The reading scale in the PISA 2000 study. An evaluation of the psychometric characteristics of the scale for pupils with Danish and non-Danish ethnic backgrounds

Determination of net transfers for immigrants in Germany.
By Christer Gerdes. Copenhagen: The Rockwool Foundation Research Unit.

The consequences for wages and employment of foreign labour in Denmark (Udenlandsk arbejdskraft i Danmark. Konsekvenserne for løn og beskæftigelse).
By Nikolaj Malchow-Møller, Jakob Roland Munch and Jan Rose Skaksen. Copenhagen: The Rockwool Foundation Research Unit.

Foreign labour in agriculture: Extent, development and consequences (Udenlandsk arbejdskraft i landbruget. Omfang, udvikling og konsekvenser).
By Claus Aastrup Jensen, Nikolaj Malchow-Møller, Jakob Roland Munch and Jan Rose Skaksen. Copenhagen: The Rockwool Foundation Research Unit.

What happens to the employment of native co-workers when immigrants are hired?
By Nikolaj Malchow-Møller, Jakob Roland Munch and Jan Rose Skaksen. Copenhagen: The Rockwool Foundation Research Unit.

Immigrants at the workplace and the wages of native workers.
By Nikolaj Malchow-Møller, Jakob Roland Munch and Jan Rose Skaksen. Copenhagen: The Rockwool Foundation Research Unit.

Allocation practice for work experience places – The internship consultant caught between the demands of companies and the need to avoid discrimination
(Praktikpladser og formidlingspraksis – praktikkonsulenten i spændingsfeltet mellem virksomhedskrav og hensynet til ikke-diskrimination).
By Line Vikkelsø Slot. Copenhagen: The Rockwool Foundation Research Unit.

2007

PISA Ethnic 2005. The competencies of ethnically Danish and ethnically non-Danish ninth-grade school pupils in Denmark, 2005

2008

Virtuous and vicious circles at school
(Skolens gode og onde cirklær).
By Mads Hermansen, with contributions by Frode Boye Andersen, Kirsten Bro, Mads Hermansen, Annette Hildebrandt Jensen, Vibeke Petersen and Birgit Ryberg. Copenhagen: Forlaget Samfundslitteratur.

Leading learning. Improving learning in schools
(Læringsledelse. Læft til læring i skolen).
By Mads Hermansen, with contributions by Frode Boye Andersen, Kirsten Bro, Inge Henningsen, Mads Hermansen, Leif Glud Holm, René Skanning Jakobsen, Annette Hildebrandt Jensen, Svend Kreiner, Thomas Lund, Vibeke Petersen, Pernille Pind, Birgit Ryberg and André Torre. Copenhagen: Forlaget Samfundslitteratur.

2007

Extracts from the newspaper debate in Denmark on the unemployed from the 1840s to the 1940s. Volume I: The debate up until 1907 (Trek af avisdebatten om de arbejdsløse fra 1840’erne til 1940’erne. Bind I: Debatten indtil 1907).

Young people, parties and alcohol
(Unge, fester og alkohol).
By Peter Gundelach, Margaretha Järvinen and Jakob Demant, with a contribution by Jeanette Østergaard. Copenhagen: Akademisk Forlag.

Home care – Between myths and reality
(Hjemmehjælp. Mellem myter og virkelighed).

Allocation practice for work experience places – The internship consultant caught between the demands of companies and the need to avoid discrimination
(Praktikpladser og formidlingspraksis – praktikkonsulenten i spændingsfeltet mellem virksomhedskrav og hensynet til ikke-diskrimination).
By Line Vikkelsø Slot. Copenhagen: The Rockwool Foundation Research Unit.

Foreign labour in agriculture: Extent, development and consequences (Udenlandsk arbejdskraft i landbruget. Omfang, udvikling og konsekvenser).
By Claus Aastrup Jensen, Nikolaj Malchow-Møller, Jakob Roland Munch and Jan Rose Skaksen. Copenhagen: The Rockwool Foundation Research Unit.

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Immigrants at the workplace and the wages of native workers.
By Nikolaj Malchow-Møller, Jakob Roland Munch and Jan Rose Skaksen. Copenhagen: The Rockwool Foundation Research Unit.
The offender and society. Life conditions and indirect punishment (Forbryderen og samfundet. Livsvilkår og uformel straf).
By Torben Tranæs and Lars Pico Geerdzen, with contributions by Susumu Imai, Claus Larsen and Michael Svarer. Copenhagen: Gyldendal.

Crime and partnership. 

Immigrant and native children’s cognitive outcome and the effect of ethnic concentration in Danish schools.

The unemployed in the Danish newspaper debate from the 1840s to the 1990s.

What the papers said about the unemployed. The newspaper debate from the 1840s to the 1990s (Hvad skrev aviserne om de arbejdsløse? – Debatten fra 1840’erne til 1990’erne).
By Bent Jensen. Copenhagen: Gyldendal.

Source country differences in test score gaps: Evidence from Denmark.

Attitudes to education and work among young immigrants, young Danes, and their parents (Holdninger til uddannelse og arbejde blandt unge indvandrerere, danskere og deres foreldre).

Immigrants and the Danish education system (Indvandrerne og det danske uddannelsessystem).
Edited by Torben Tranæs, with contributions by Jørgen Goul Andersen, Camilla Hvidtfeldt, Bent Jensen, Marie Louise Schultz-Nielsen and Line Vikkeløse Slot. Copenhagen: Gyldendal.

Pulling back from the abyss. The Ministry of Finance as controller of the economy (Væk fra afgrunden. Finansministeriet som økonomisk styringsaktør).

Assaults on public employees (Vold mod offentligt ansatte).
By Peter Kruize, David W.M. Sørensen and David Dreyer Lassen. Odense: University Press of Southern Denmark.

The Danish labour market and the eastward expansion of the EU (Det danske arbejdsmarked og EU-udvidelsen mod øst).

The impact of incentives and interview methods on response quantity and quality in diary- and booklet-based surveys.

The legal aspects of the expansion of the EU and the Danish labour market (De juridiske aspekter vedrørende EU-udvidelsen og det danske arbejdsmarked).

Has globalization changed the Phillips curve? Industry-level evidence on the effect of the unemployment gap on wages.

Emigration of immigrants – A duration analysis.


Immigration to Denmark. An overview of the research carried out from 1999 to 2006 by the Rockwool Foundation Research Unit.

Parents’ expenditure of time and money on their children (Foreldredes brug af tid og penge på deres børn).

The case of resources available to children.

How much does good data matter? The case of resources available to children.

Immigration of qualified labor and the effect of changes in Danish migration policy in 2002.
By Martin Junge. Copenhagen: The Rockwool Foundation Research Unit.

The search for the new growth companies of the future (Jagtens på fremtidens nye vækstvirk- somheder).

2010

When a child is placed in care. The background to and stability of care placements, and the long-term future prospects of children placed in care (Når man anbringer et barn: Baggrund, stabilitet i anbringelsen og det videre liv).
Edited by Signe Hald Andersen, with contributions by Frank Ebsen, Mette Ejrnæs, Morten Ejrnæs, Peter Fallesen and Signe Frederiksen. Odense: University Press of Southern Denmark.
Undeclared work and the Danes
(Danskerne og det sorte arbejde).
By Camilla Hvidtfeldt, Bent Jensen
and Claus Larsen. Odense: University
Press of Southern Denmark.

Disentangling the heterogeneous
relationship between background
characteristics and a child’s
placement risk.
By Signe Hald Andersen and Peter
Fallesen. Odense: University Press
of Southern Denmark.

A good place to live. On how
municipality level characteristics
explain municipality level variation
in children’s placement risk.
By Signe Hald Andersen. Odense:
University Press of Southern
Denmark.

Health, well-being and overweight
among Danes (Helbred, trivsel og
overvægt blandt danskere).
By Jens Bonke and Jane Greve.
Copenhagen: Gyldendal.

Drugs and night life (Stoffer og
natteliv).
By Margaretha Järvinen, Jakob
Demant and Jeanette Østergaard.
Copenhagen: Hans Reitzel.

2011

Citizens and the law 2010
(Borgerne og Lovene 2010).
By Jørgen Goul Andersen. Odense:
University Press of Southern
Denmark.

The overrepresentation of ethnic
minorities in criminal convictions
(Etniske minoriteters over-
repræsentation i strafferetlige
donne).
By Lars Højsgaard Andersen and
Torben Tranæs. Odense: University
Press of Southern Denmark.

Sleep – Marriage, income and
health (Søvn – ægteskab, indkomst
og helbred).
By Jens Bonke, with a contribution
by Morten Møller. Copenhagen:
Gyldendal.

We who live in Denmark. Who
are we? And how do we live? (Vi
der bor i Danmark. Hvem er vi? Og
hvordan lever vi?).
By Bent Jensen and Torben Tranæs.
Copenhagen: Gyldendal.

The significance of immigration for
public finances in Denmark.
By Christer Gerdes, Marie Louise
Schultz-Nielsen and Eskil Wadensjö.
Odense: University Press of South-
ern Denmark.

Economic drivers of migration and
climate change in LDCs.
By Helene Bie Lilleør and Katleen
Van den Broeck. Odense: University
Press of Southern Denmark.

Denmark’s balance of
qualifications (Danmarks
Kvalifikationsbalance).
By Nikolaj Malchow-Møller, Jakob
Roland Munch and Jan Rose
Skaksen. Copenhagen: Gyldendal.

What can the Danish health
care system learn from Kaiser
Permanente? (Hvad kan det danske
sundhedsvesen lære af Kaiser
Permanente?).
Edited by Anne Frølich, with contri-
butions by Finn Diderichsen, Ilana
Graetz, John Hsu, Allan Krasnik,
Mary Reed, Michaela L. Schiøtz,
Martin Strandberg-Larsen and Jes
Søgaard. Odense: University Press
of Southern Denmark.
The Rockwool Foundation 2012: Continued focus on the theme of ‘Families and children’ and on research into crime

The year began with a presentation of new analyses of the significance of alternative forms of sentence for offenders’ later labour market participation and ability to support themselves. 2012 was also a year which saw an emphasis on the research area ‘Families and children’. Press conferences were held to present new insights into the general issue of how Danes spend their time, and into the conditions of life and participation in society for people with mental disorders. At the same time, the Foundation continued its efforts in the area of practical interventions, and in the subsequent evaluations of these interventions.
Danish Society
In 2012, Danish society continued to be affected by the economic crisis, with a sustained high level of unemployment and depressed private and public consumption. Much attention was paid to the crises in the economies of countries of southern Europe, which contributed to exacerbating the existing trends.

A reform of labour market legislation which reduced the period of entitlement to unemployment benefit from four years to two resulted in the unemployed being placed squarely in the centre of the social debate, as the number of people running up against the time limit increased.

The new Danish government, made up of the Social Democrats, the Social Liberals and the People’s Socialist Party, adopted a relatively tight economic policy, emphasising the maintenance of balanced budgets in the public sector through measures such as restricting public sector spending.

The Foundation
The Foundation continued to accord high priority to the area ‘Families and children’ in its research programme and in its practical intervention work, while the area of health economics received increased funding, both in the form of new grants and through the hiring of a senior researcher who specialises in the fields of education and health. Grants made previously to support the theme ‘Families and children’ paid dividends this year with the publication of a series of books and research papers, including and in particular books about Danes’ time use and an analysis of the conditions of life of Danes who suffer from severe mental disorders.

2012
Patterns of time use among Danes, both now and over the period 1964 to 2009, were analysed in 2012 in the book Har vi tid til velfærd? (“Is there enough working time for welfare?”).

Within the well-established research area ‘Black Activities and the Law of the Land’, the Research Unit published an analysis of the significance of alternative forms of sentence for the future labour market prospects of offenders. In addition, in Berlin in the summer of 2012, the Research Unit presented an analysis of the extent of, and developments in, undeclared work in Germany. At the same time as documenting the
structure and dynamics of the undeclared sector, the researchers also analysed the significance that the subjectively perceived extent of deterrence, the perceived marginal tax burden, and social norms all have for the decision by individuals as to whether or not to carry out undeclared work.

The interest of the Rockwool Foundation and the Research Unit in research into ‘Integration and immigration’ continues; 2012 saw the publication of an analysis of the significance that a massive emigration from Poland has had for wages on the Polish labour market. Many analyses have been published in recent years concerning the situation of immigrants in their new countries, but hardly any that examine the consequences of large-scale emigration for the people who stay behind.

Principal results from the projects
The Research Unit’s analyses of the significance of alternative forms of punishment revealed that fewer offenders are in receipt of welfare benefits after serving such sentences than is the case for offenders sent to prison. People who have been in prison thus fare worse than those who have been sentenced to community service, or who have served their sentences at home wearing an electronic tag. The Research Unit also examined the consequences of an active labour market policy for the probability of people engaging in criminal activities. These results showed, for instance, that an active labour market policy reduces criminal behaviour among those who participate in activation programmes.

The analysis of Danes’ time use documented that the Danes of today are of the opinion that they work more than Danes believed they did scarcely ten years ago, and they also think that the amount they work is increasing. Danes today believe that they work 1.5 hours more each week than Danes thought they did ten years ago, with the average workload perceived as 38 hours per week in 2001 and over 39 hours weekly in 2009. However, detailed recording of actual time spent at work showed that in fact Danes’ average weekly working hours have decreased by more than an hour over that period, from 34.5 hours per week in 2001 to 33.2 hours in 2009.

The project concerning conditions of life for the people with mental disorders showed that mental illness has enormous social consequences. The book based on the research reports
on the consequences for those suffering from the most serious mental disorders, in particular psychoses, which affect around two percent of the population. The most seriously ill have significantly lower incomes than the rest of the population, lag far behind in terms of education and employment, more often live alone, and, especially in the case of men, are less likely to have children and are more likely than other people to break the law. Women with severe mental disorders commit suicide fourteen times more frequently than other women, and men with such mental disorders kill themselves seven times more frequently than other men.

The publications on undeclared work in Germany revealed that the amount of undeclared work done is less today than was previously the case. In 2008, the number of hours of undeclared work was at a level of 2.3% of the hours worked in the formal economy. In 2001, the corresponding figure was 4.1%. Furthermore, the analysis showed that the fall in the amount of undeclared work may be connected with the efforts that have been made to restrict the extent of such work. The surveys also shed light on a number of aspects of undeclared work, including rates of pay, work sectors, and labour market groups whose members are particularly likely to carry out such work.

The analysis of the consequences of the massive emigration from Poland revealed a significant effect on Polish wages of the reduction in labour supply. Between 1998 and 2007, when the period of emigration culminated, wages increased by 1.7% per year in real terms. The pressure on wages resulting from emigration contributed at least 0.18% annually to this increase, equivalent to ten percent of the rise in real wages.

The front cover of ‘Das Ausmass der Schwarzarbeit in Deutschland’ (The extent of undeclared work in Germany). The book was published in Berlin in the summer of 2012.
Publications by the Rockwool Foundation in 2012

Serving time or serving the community? Exploiting a policy reform to assess the causal effects of community service on income, social benefit dependency and recidivism.

Unemployment and crime: Experimental evidence on the causal effects of intensified ALMPs on crime rates among unemployed individuals.

Does incarceration length affect labor market outcomes for violent offenders?

Losing the stigma of incarceration: Does serving a sentence with electronic monitoring causally improve post-release labor market outcomes?

The effect of workfare on crime: Youth diligence and law obedience.

The impact of changes in life-stage on time allocations in Denmark: A panel study 2001-2009.

The significance of starting-out assistance for refugees’ conditions of life and employment (Starthjælpens betydning for flygtninges levevilkår og beskæftigelse)

What have we done with the time? An overview of old and recent research studies of time use (Hvad har vi gjort ved tiden?).

Living with a mental disorder (Det levede liv med sindslidelse).
By Nelli Øvrebø Sørensen. Copenhagen: Forskningscenter for Sociale Arbejde, Professionshøjskolen Metropol and the Rockwool Foundation Research Unit.

Undeclared work, deterrence and social norms: The case of Germany.
By Lars P. Feld and Claus Larsen. Berlin and Heidelberg: Springer-Verlag.

The extent of undeclared work in Germany (Das Ausmass der Schwartzarbeit in Deutschland).
By Lars P. Feld and Claus Larsen. Odense: The University Press of Southern Denmark.

Undeclared work in Germany (Sort arbejde i Tyskland).
By Lars P. Feld and Claus Larsen. Odense: The University Press of Southern Denmark.

By Joachim De Weerdt, Kathleen Beegle, Helene Bie Lilleør, Stefan Dercon, Kalle Hirvonen, Martina Kirchberger and Sofya Krutikova. Copenhagen: The Rockwool Foundation Research Unit.

The social state of the climate (Klimaets sociale tilstand)

Emigration from Poland and the wages for those who stayed behind.

Estimating the effect of emigration from Poland on Polish wages.

A life on the periphery. Conditions of life and participation in society among Danes with severe mental disorders (Et liv i periferien: Levevilkår og samfundsdeltagelse blandt danskere med svære sindslidelser).

Socioeconomic status in early childhood and severe mental illness: An empirical investigation of all Danish men born in 1981.

Useful beautiful minds: An analysis of the relationship between schizophrenia and employment.

Is there enough working time for welfare? On time use among Danes within and outside the home (Har vi tid til velfærd? Om danskernes brug af deres tid ude og hjemme).
By Jens Bonke, with contributions by Bent Jensen. Copenhagen: Gyldendal.

Undeclared work, deterrence and social norms: The case of Germany.
By Lars P. Feld and Claus Larsen. Berlin and Heidelberg: Springer-Verlag.

The extent of undeclared work in Germany (Das Ausmass der Schwartzarbeit in Deutschland).
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Undeclared work in Germany (Sort arbejde i Tyskland).
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The Rockwool Foundation 2013: New research in Development Economics and continued focus on the theme of Work and the Welfare State and Families and Children

In 2013, the Rockwool Foundation presented evaluations of its projects in East Africa: one in the area of agriculture, known as RIPAT, and the other related to supporting savings and loan groups. The results of the evaluations, which were carried out in cooperation with external experts, were presented at press conferences in Tanzania and in Copenhagen with the participation of politicians, civil servants, NGO representatives and journalists. The Rockwool Foundation also continued its work of developing and implementing other intervention projects, with associated evaluations, and the Rockwool Foundation Research Unit published findings from a large number of projects and analyses within its various fields of research.
Danish Society

Like other EU countries, Denmark had still not emerged from economic crisis in 2013, and unemployment in the country remained high. Collective bargaining in the public sector reflected the economic situation through very low wage increases. Inflation, correspondingly, was at its lowest level in 60 years; not since 1953 had Danes experienced such low levels of price rises.

The government continued its efforts to reshape the Danish economy. Major reforms included fundamental changes to the social security benefit system, one of which meant that people below the age of 30 without any education beyond compulsory schooling ceased to be eligible for normal social security benefit, and instead received support that corresponded in level to the student maintenance grant. In the future, moreover, members of unmarried but cohabiting couples will be required to support each other in the same way as married couples are.

The changes were passed with the support of large sections of the right-of-centre parliamentary opposition, and there was also broad backing in Parliament for a new growth plan intended to stimulate growth in the private sector through lower energy prices, a reduction in corporation tax and better access to finance. A reform of the system of maintenance grants for students was also passed in 2013. This reduced the grants paid to students living at home and implemented tougher requirements concerning the completion of courses within normal time limits.

The educational sector saw an extended lock-out of primary/lower secondary school staff during the spring of 2013, which was ended by the intervention of the government.

The Rockwool Foundation

In its practical interventions, the Rockwool Foundation was finally able to document the results of eight years of work together with the Tanzanian NGO RECODA in identifying new methods of improving food security in Tanzania through the RIPAT initiative (*Rural Initiatives for Participatory Agricultural Transformation*). In RIPAT, farmers are able to choose from a ‘basket of technology options’ made available to the project groups, so that each farmer can adopt the agricultural tech-
nologies which best suit his or her needs and resources. The evaluation of the RIPAT intervention revealed that it has had positive effects on food security among the farmers implementing it. At the same time as the evaluation was published, a practitioners’ manual was launched and the work of spreading the RIPAT approach was initiated. The two books were launched at a press conference and seminar in Dar es Salaam, Tanzania, in the spring of 2013. The event was hosted jointly by the Foundation and the Research Unit.

Work on practical interventions also included continuing development of the Rockwool Foundation’s major health initiative, the Healthy Schools Network, with the Network being restructured to better meet the needs of schools and the challenges they face in connection with the new school reform in Denmark, which is to be implemented in 2014.

In the field of social sciences, the Foundation continued to accord high priority to research in the area of ‘Families and Children’. The year began with the publication of an analysis of time use by schoolchildren, covering topics such as the time spent by children and young people in front of computers and the television, on exercise, and on sleep. The study also analysed the eating habits of children and young people and levels of social isolation. The inappropriate use of time may be part of a major complex of problems which embraces a tendency to overweight, poor work at school, and poor wellbeing.

Research within the area of ‘Families and Children’ also included work related to children in care. In 2010, the Rockwool Foundation published a book describing the situation in Denmark at that time and entitled Når man anbringer et barn – baggrund, stabilitet i anbringelsen og det videre liv (When a child is placed in care. The background to and stability of care placements, and the long-term future prospects of children placed in care). Subsequently, the Research Unit carried out a series of causal analyses to investigate the reasons for taking children into care and the effects of various forms of care placement. The results were published in 2013 in a new book entitled Når man anbringer et barn II. Årsager, effekter af anbringelsesforanstaltninger og konsekvenser (When a child is placed in care II. Reasons, the effects of placement measures, and consequences).
The Research Unit has been active for many years in the area of the labour market, and a number of research papers were published in this field during the year. These analysed Danish active labour market policy from various angles and using a variety of approaches, examining such issues as whether all programmes were equally effective in getting people back into employment, whether the effects of the policies were commensurate with the costs involved, and what the results of the programmes were in terms of creation of income equality and other social outcomes. No other OECD country spends as much on active labour market policies per head of the population as Denmark does, and the analyses were viewed in this perspective, and against the background of a continuing high level of unemployment in Denmark.

In the field of Immigration and Integration, the Research Unit published new analyses of the integration of non-Western first- and second-generation immigrants in books entitled Integration blandt ikke-vestlige indvandrere. Arbejde, familie, netværk og forbrug (Integration among non-Western immigrants. Work, families, networks and consumption) and Tid og forbrug i etniske minoritetsfamilier (Time and consumption in ethnic minority families). Using register and interview data, the analyses examined the current situation regarding progress in Denmark of integration in the context of the family.

The Rockwool Foundation Research Unit published an evaluation of the impact of a microfinance project in Malawi funded by the Rockwool Foundation and implemented by DanChurchAid. The scientific impact evaluation is among the first to report the effects of village savings and loan associations using a randomised controlled trial. The impact evaluation was based on a random sample of participating project villages and non-participating control villages.

The last publication of the year from the Research Unit was of analyses concerning the significance of skills learned in lower secondary school for students dropping out from upper-secondary school level institutions, with particular emphasis on vocational training courses. In educational policy in Denmark, much consideration is currently being given to course completion and dropout rates at upper secondary level – particularly in relation to vocational training programmes, where the dropout rate exceeds one-third – and this issue was especially

The Permanent Secretary for the Tanzanian Ministry of Agriculture, Food Security and Cooperatives, Mr. Mohammed Muya, was presented with copies of the two publications by the Chairman of the Board of the Rockwool Foundation, Mr. Tom Kähler. Both publications are now included on the syllabus at the Sokoine University of Agriculture in Tanzania.

2013 Farmers’ Choice provides a comprehensive evaluation of the Rockwool Foundation’s agricultural project in Tanzania. The book was launched together with an associated manual for practitioners at a well-attended press conference in Dar es Salaam.
strongly in focus at the time of publication, when a reform of vocational training was under consideration. The research was aimed at determining the specific relationship of lower secondary school grades to course completion.

**Principal results from the projects**

The RIPAT project achieved significant and sustainable adoption of new technologies among the participating households, which in turn were found to be more food secure and to consume more meat and eggs than their comparison households and their children were less likely to be stunted. Although RIPAT was not found to have had any impact in the short term on a number of indicators of poverty, the facts that households adopted the promoted technologies, achieved improved food security and continued their engagement in RIPAT group activities beyond project completion all suggest that poverty may be successfully reduced in the longer term.

The randomised impact evaluation of access to savings groups provided in rural areas in Malawi documents the fact that even a relatively low intensive and inexpensive intervention facilitating the establishment of savings groups can have a substantial impact. Households in the villages where savings groups were established were found after a two-year project period to consume more meals per day, to have larger homes, and to have increased their overall consumption level by almost 4 percent more than households in control villages.

Danish children spend a significant proportion of their time each day either in school or in front of electronic screens. Physical exercise, on the other hand, occupies very little of their time. These are among the findings from a mapping of the lives of children and young people, published as Bruger skolebørn tiden hensigtsmæssigt? (Do schoolchildren make good use of their time? On sleep, diet, exercise, contact and wellbeing).

The analyses relating to children and young people in care in Denmark show that the costs of care placement have remained relatively stable since the start of the new millennium.
The analyses also indicate that the chances of an individual being taken into care during childhood have diminished, but the average duration of placements has increased. Overall, this means that the proportion of children in care remained stable at just below 1.5% from 1998 to 2010. Moreover, the analyses reveal that it is preferable to place children with foster families rather than in children’s homes, a point which it would be relevant for child care officers dealing with less problematic cases to bear in mind.

Non-Western immigrant boys stand out in the pattern of care placements: they are almost twice as likely as boys with Danish parents to be placed in care either in a children’s home or with foster parents. Non-Western girls are also at greater risk of being taken into care than their Danish counterparts, but the difference is not as large.

Is a rationale for longer care placements to be found in the analyses of the effects of care? The book demonstrates that in fact, once the decision has been made to place them in care, children with social problems fare better if they spend a longer period placed outside their homes. Children and young people who are in care for only short periods do not benefit much from the positive elements that care can give. They experience the disruptive change in their daily lives that a placement involves, but they return to their parents before they have had the chance to benefit from the teaching and support they receive at the placement location.

The analyses of the Danish active labour market policy reveal that income inequality is diminished as a result of the associated programmes. Unemployment generates income inequality, and that inequality would be greater in Denmark if the country did not spend money on activation programmes for the unemployed. The research also lent further support to a now familiar picture concerning the results of activation – that only rarely does the actual content of an activation programme help unemployed individuals to find work. It is rather the threat of having to do something in order to receive social security payments or unemployment benefit that persuades most unemployed people to find an alternative. Thus, activation has a motivational or threat effect.

Despite the positive effects, question marks remain over whether Denmark has found the right mix of activities and the right level of intensity for its active labour market policies. It is practically impossible to analyse the total effect of activation on employment, and thus on the economy overall. However, it is possible to carry out analyses of the marginal impact, i.e. of what would happen if the budget were to be adjusted slightly, for example by being reduced by DKK 1 billion annually. Such analyses show that the additional people who enter employment as a result of activation would have to earn unrealistically high salaries if Danish society was to profit financially from the investment made.

Adult second-generation immigrants resemble Danes more closely than their first-generation immigrant parents, conclude the analyses published in the books *Integration blandt ikke-vestlige indvandrere. Arbejde, familie, netværk og forbrug* (Integration among non-Western immigrants. Work, families, networks and consumption) and *Tid og forbrug i etniske minoritetsfamilier* (Time and consumption in ethnic minority families). One of the findings of the research was that among second-generation immigrants, the women tend to marry and have children later in life than first-generation immigrant women. They also divorce more frequently – in fact, even more frequently than Danish women. The trend towards mirroring Danish lifestyles is also found in relation to employment, in that second-generation immigrants have significantly higher rates of employment than immigrants of the first generation, and also earn significantly more.

The results of the project on upper-secondary level education, published in the books *Folkeskolekarakterer og succes på erhvervsuddannelserne* (Lower secondary school grades and success on vocational training courses) and *Unges valg og fravalg i ungdomsuddannelserne – kvalitativt perspektiveret* (The educational choices young people make at upper secondary level: A qualitative perspective) show that the better the grades obtained at lower secondary school, the better the chance a person has of passing a vocational training course. A good grade in mathematics was found to be particularly important. However, it was also found that a failing secondary school grade in Danish or mathematics is far from being a clear indication that the student in question will not complete vocational training. Approximately half the students entering vocational training who had failed one of these subjects at lower secondary school level nevertheless completed their courses.
Bruger skolebørn tiden hensigtsmæssigt? Om søvn, spisning, motion, samvær og trivsel
(Do schoolchildren make good use of their time?
On sleep diet, exercise, contact and wellbeing)
By Jens Bonke and Jane Greve.
Odense: University Press of Southern Denmark.

Farmers’ choice. Evaluating an approach to agricultural technology adoption in Tanzania
Edited by Helene Bie Lilleør and Ulrik Lund Sørensen.

Når man anbringer et barn II – Årsager, effekter af anbringelsesforanstaltninger og konsekvenser
(When a child is placed in care II. Reasons, the effects of placement measures, and consequences)
By Signe Hald Andersen and Peter Fallesen, with contributions by Mette Ejrnæs, Natalia Emanuel, Astrid Estrup Enemark, Bjarne Madsen and Christopher Wildeman.
Odense: University Press of Southern Denmark.

Does higher education reduce body weight?
Evidence using a reform of the student grant scheme
By Jane Greve and Cecilie D. Weatherall. Copenhagen: The Rockwool Foundation Research Unit.

Beskæftigelseseffekten af fremrykket aktivering
(The effects on employment of bringing activation forward)

How scary is it? – Review of literature on the threat effect of active labor market policies

All publications are available for download at rff.dk.
The wage effect of a social experiment on intensified active labor market policies

The motivation effect of active labor market programs on wages

Labour market programmes and the equity-efficiency trade-off
By Trine Filges, John Kennes, Birthe Larsen and Torben Tranæs. Copenhagen: The Rockwool Foundation Research Unit.

Hvorfor aktivering? Et essay om den aktive arbejdsmarkedspolitik i Danmark (Why activation? An essay on active labour market policy in Denmark)

Beyond the field: Impact of farmer field schools on food security and poverty alleviation
By Helene Bie Lilleør and Anna Folke Larsen. Copenhagen: The Rockwool Foundation Research Unit.

Tid og forbrug i etniske minoritetsfamilier - En kvalitativ undersøgelse af hverdagslivet blandt familier i Danmark med pakistansk, tyrkisk, palæstinensisk og irakisk baggrund (Time use and consumption in ethnic minority families – A qualitative investigation of everyday life among families in Denmark from Pakistani, Turkish, Palestinian and Iraqi backgrounds)

School starting age and crime
By Rasmus Landersø, Helena Skyt Nielsen and Marianne Simonsen. Copenhagen: The Rockwool Foundation Research Unit.

Integration blandt ikke-vestlige indvandrere – Arbejde, familie, netværk og forbrug (Integration among non-Western immigrants – Work, families, networks and consumption)
Publications by the Rockwool Foundation in 2013

Effects of breast and colorectal cancer on labour market outcomes – Average effect and educational gradients
By Eskil Heinesen and Christophe Kolodziejczyk. Copenhagen: The Rockwool Foundation Research Unit.

Do danish children and young people receive pocket money?
By Jens Bonke. Copenhagen: The Rockwool Foundation Research Unit.

Folkeskolekarakterer og succes på erhvervsuddannelserne (Lower secondary school grades and success in completing vocational training)

Unges valg og fravalg i ungdomsuddannelserne – kvalitativt perspektiveret (The educational choices young people make at upper secondary level: A qualitative perspective)

Tax reforms and intertemporal shifting of wage income: Evidence from danish monthly payroll records
By Claus Thustrup Kreiner, Søren Leth-Petersen and Peer Ebbesen Skov.

The RIPAT manual. Rural initiatives for participatory agricultural transformation

COOL2BFIT
By Tina Trane Thomsen. Copenhagen: The Rockwool Foundation. (not available for download)

All publications are available for download at rff.dk.
The Rockwool Foundation 2014: New research on upper secondary level education and the costs of untreated ADHD, as well as continued work on the Foundation’s established research topics within the fields of undeclared work, time use, and immigration and integration.
In 2014 the Rockwool Foundation Research Unit published a major analysis of the management, administration and results of upper secondary level educational institutions in Denmark, and new research on the costs to society and to individuals of untreated ADHD. The Research Unit also continued its publication of research results on the integration of immigrants and the financial implications of this for Danish society. An analysis of the extent of illegal immigration to Denmark represented a new departure in the work in this area. The year 2014 also saw a continuation of the Research Unit’s recognised research into undeclared work. This included the introduction of a completely new analytical approach that enabled impact measurements, so that it was possible to use the data collected to determine the effects of a reduction in marginal tax rates and of various specific subsidies. In its practical interventions, the Rockwool Foundation engaged in a major new project addressing the challenge of youth unemployment in Denmark.

Danish Society
The year 2014 began with the withdrawal of the Socialist People’s Party from the government that had been formed after the election of September 2011. This move stemmed from internal divisions within the party concerning the sale of the Danish State’s shares in the energy company DONG. The sale was a political ‘hot potato’ and was intensively debated in the media. Subsequently the Prime Minister, Helle Thorning-Schmidt, formed her second administration in the shape of a minority government, with ministers being drawn from her own Social Democrat party and the Social Liberals.

The collective bargaining negotiations in the winter concluded in February in a three-year agreement on employment conditions for 240,000 employees in Danish industry – an agreement that provided for more education and longer parental leave. Increases in the minimum wage were also agreed for 2014, 2015 and 2016.

Like other EU member states, Denmark still had not succeeded in 2014 in completely emerging from the economic crisis. With a view to stimulating employment, the government set up an unemployment benefit commission during the summer. The commission was charged with making a thorough analysis of the whole unemployment benefit system and putting forward recommendations as to how it could be modernised. A reduction in the period of entitlement to unemployment benefit from four to two years, instituted by the centre-right government in office prior to the election of 2011, was hotly debated in the media in this context.

In the autumn of 2014, a reform of the primary/secondary school system came into force with the introduction of a longer, more varied school day. Reforms to the upper secondary level were introduced at the same time.

The EU introduced sanctions against Russia in reaction to the intervention in Ukraine, including the annexation of the Crimean peninsula. Danish agriculture in particular came to feel the effects of these sanctions during the autumn.

The Rockwool Foundation
The Rockwool Foundation continued its practical interventions in 2014, with ‘Vulnerable Youth’ as a new area of activity. At the same time, the Foundation maintained its interest in social science research, with the publication of the results of a number of internal and external projects.

2014 began with an analysis of the short-term effects of the tax reform of 2010, which reduced marginal tax rates for the highest earners. Did the reform lead to an increased supply of labour even in 2010, or did the highest paid Danes choose simply to shift a portion of the income their earnings from 2009 to 2010, the year when the more favourable tax rates came into force? The analyses showed that the average incomes of high earners did rise from 2009 to 2010 by more than the incomes of other earners, but the whole of this increase could be attributed to ‘income shifting’, whereby taxpayers with high incomes transferred earnings from the last part of 2009 to the start of 2010, when the lower tax rates began to apply.

In the focus area of ‘Immigration and Integration’, publications started early in the year with an analysis of the significance for Danish state finances of the presence of first- and second-generation immigrants in the population. It had previously been well documented by the Rockwool Foundation Research Unit that non-Western first- and second-generation immigrants represent a net cost to public finances, while Western first- and second-generation immigrants generally tend to make a positive contribution. The new analysis tracked the
contributions to public funds of both groups of immigrants through to the year 2050, working on the assumption that both immigration and integration will follow current patterns in the future. The results showed that even in the long term, non-Western immigration to Denmark will still fail to make a positive net contribution to public finances overall, despite a surplus of around DKK 6 billion annually from second-generation non-Western immigrants. First- and second-generation Western immigrants will make an even larger contribution to financing welfare in the future than is the case today.

In May, a collection of analyses was published concerning undeclared work in Denmark. The project followed the well-established approach of analysing the extent and value of undeclared work. A key question posed concerned whether the economic crisis that began in 2008 had led to an increase or a decrease in the extent of undeclared work. At the same time, an analysis was published of how the lifetime incomes of various occupational groups are affected by participation in the undeclared labour market. This analysis was new in both its subject matter and its approach – not only in Denmark, but also internationally. In addition, the Research Unit published analyses of how the ‘Home Work Scheme’ (which offered tax deductions on the purchase of services connected with improvements to and maintenance of the home) and also the tax reductions provided through the amendments to the laws on taxation of 2010 had affected undeclared work.

The conclusion reached on the basis of the new surveys was that undeclared activities during the economic crisis now made up a smaller portion of the total national economy than previously. The most likely explanation for the decrease in undeclared work is that Danes became more reluctant to embark on new activities involving expenditure, whether declared or undeclared. The results concerning lifetime undeclared incomes were very clear: skilled and unskilled male workers earn much more in undeclared income than other people. However, the differences are not great enough to have a serious impact on the income distribution in Danish society. The analyses of the effects of the tax reform of 2010 showed that the reduction in marginal tax rates had no impact on Danes’ willingness to carry out undeclared work. Similarly, no impact on the amount of undeclared work carried out in Denmark could be identified that was attributable to the ‘Home Work Scheme’.

During the spring of 2014, a recurring topic of debate in the media was whether Danish families with children were under greater time pressure than ever before. In consequence, the Rockwool Foundation Research Unit chose the summer 2014 ‘People’s Meeting’ on Bornholm to launch the publication of an analysis of the issue in the form of a book entitled Er fritiden forsvundet? 45 års udvikling i danskernes fritid (Has leisure vanished? Trends in Danes’ free time over 45 years). On the basis of the repeated time use surveys conducted over
the period 1964 to 2009, it was possible to trace the broad
trends in the amounts and family division of leisure time, and
in particular to focus on developments in the most recent
years. For both men and women, the amount of leisure time
in 2009 remained largely unaltered in relation to the situation
in 1964, amounting to around eight hours per day. The reason
that leisure time remained approximately unchanged over so
long a period was in part that the decrease in time men spent
in labour market employment was balanced by an increasing
amount of work done in the home, while the reverse was the
case for women, who spent more time in paid employment
and less time on household tasks.

Shortly after the end of the school summer break, the Re-
search Unit published an interdisciplinary analysis of upper
secondary education programmes in Denmark, with particular
emphasis on management, administration and results. Despite
more interest recently, upper secondary education is still a
somewhat neglected area in Denmark in comparison with
primary/lower secondary schooling and higher education – in
politics, in the media, and in terms of research. With regard to
research at least, the Rockwool Foundation sought to correct
this lack of attention to the area through the publication of
a project which analysed the quality of upper secondary
education measured in terms of its ability to retain students
and raise their grades, and in the pay obtained on the labour
market by students after completing their courses. Finally, the
project aimed to establish whether the course programmes at
this level are cost-effective – that is to say, whether the costs
of the programmes are reasonable in relation to the tasks
they are intended to fulfil, and to the quality of education that
they provide. The analysis showed that the upper secondary
education system in Denmark could teach the same number
of students for less money, without compromising on quality
as measured in terms of grades and completion rates. It also
revealed that the right management style leads to committed
teachers.

The publication of the findings from the project on upper
secondary education was followed shortly afterwards by an
analysis of the costs to society and individuals of untreated
ADHD among adults. The numbers of both children and adults
diagnosed with ADHD are growing rapidly in Denmark and
other Western countries, and until this project it had not been
possible to make any real estimate of the costs arising from
the disorder if it is not treated. The results will be published in
their final format in 2015 by Oxford University Press.

A little later in the autumn of 2014, the Foundation published
the findings from its only external research project of the year.
This was an analysis of Danish energy production from the
mid-1990s to the present, i.e. a period marked by the phasing
in of wind power as a significant component in Danish energy
generation. The project had twin themes: an analysis of the
efficiency of Danish electricity generation in the period 1998-2011, i.e. during the period when wind energy came to play a major role in Denmark, and an analysis of trends in CO2 emissions for Denmark in the period 1996-2009 that took into account carbon emissions resulting from the production of imported goods as well as emissions produced within Denmark’s borders. The years immediately following the turn of the millennium saw a considerable increase in imports from countries such as China, which release large amounts of CO2 for each unit of production. How did that affect Denmark’s total carbon emissions? The analysis revealed that the introduction of wind power had resulted in an increase of 14% in the cost of electricity production. Without wind energy, one kWh would have cost around DKK 0.51; but because wind power was a key element in Denmark’s electricity generation, the actual cost of one kWh was DKK 0.58, before the addition of taxes and fees. The analysis also showed that carbon emissions from production in Denmark fell by 20% over the period between 1996 and 2007. However, if the indicator used was carbon emissions from consumption, the fall was only 5%.

Late in the autumn, as an offshoot of its research into immigration and integration, the Rockwool Foundation Research Unit published an analysis of the number of illegal immigrants in Denmark and the composition of this shadow population. The analysis formed part of a book that aimed to give an overview of illegal immigration to Europe. Who are the illegal immigrants, and how many of them are there? What economic forces drive the migration, and where do the migrants come from? These were among the questions answered in the book, which also presented estimates of the size of the illegal population of Denmark based on a number of different assumptions. All the estimates indicated a sharp rise in the population during the period 2010 to 2014. While the number of illegal immigrants in Denmark is estimated to have been around 15,000 in 2008, it had increased to more than double that in 2013, totalling approximately 33,000.

The last analysis of the year concerned Danes’ working hours, and was published in a book entitled Arbejdstid. Hvorfor er der forskel på faktisk og normal arbejdstid? (Working hours. Why are there differences between actual and normal working hours?). The study focused on the relationship between employees’ contracted working hours and the hours actually worked. Issues examined included the significance of the economic cycle for Danes’ propensity to be at their workplace. The research documented a significant difference between contracted working hours and actual hours worked. Among men aged 25-54, the average difference was five hours per week for the whole of the period 1994-2012, while the typical difference for women of the same age was six to seven hours. The differences were greatest at periods of economic prosperity, and less pronounced in economic downturns.
Interventions

Just as in the rest of Europe, the economic crisis adversely affected the unemployment rate among Danish young people. The number of young people without jobs doubled, while the number of young people without an educational qualification for work remained high. This situation was threatening to become a lasting structural challenge, with high costs on the personal level as well as to society. Within the practical intervention area ‘Social Capacity Building’, the Rockwool Foundation commenced a major new project addressing the challenge of youth unemployment in Denmark. On the basis of a study of the existing activation system, the Rockwool Foundation began investing in the development of a new approach to youth unemployment – an approach that is specifically targeted at a group of vulnerable young people who are particularly at risk of being permanently outside the labour market.

Violent conflict is often related to food insecurity, and in 2014 a project was initiated to test whether certain central elements of the Foundation’s existing agricultural development approach can be used as a peace-building tool. The project operates across the two strategic areas of ‘Food Security and Poverty Alleviation’ and ‘International Peace Building’. Piloting began in small-scale farming communities in Northern Kenya that have been troubled for a long time with conflicts over cattle, pasture and water, and where the prospects for young people are bleak.

The ‘Health Interventions’ programme area added a new project in 2014 aimed at helping marginalised ethnic women from non-Western backgrounds with lifestyle-related illnesses. The social disadvantages experienced by these women combined with the informal barriers they face to access to health services make them more likely to suffer from lifestyle-related illnesses. The project was developed and implemented in cooperation with the Immigrant Women’s Centre in Copenhagen. If the process evaluation deems it suitable, an attempt will be made to upscale the project to other institutional settings.

The Rockwool Foundation also continued in 2014 to support the spread of its existing agricultural development approach and to support the dissemination and development of interventions and material for Danish primary/lower secondary schools through the Healthy Schools Network initiative.
Publications by the Rockwool Foundation in 2014

Publications are available for free download at rff.dk.

*Styring, ledelse og resultater på ungdomsuddannelserne* (Danish upper secondary education: Management, administration and results)
Edited by Lotte Bøgh Andersen, Peter Bogetoft, Jørgen Grønnegård Christensen and Torben Tranæs.
Odense: University Press of Southern Denmark.

*Er fritiden forsvundet? 45 års udvikling i danskernes fritid* (Has leisure vanished? Trends in Danes’ free time over 45 years)
By Jens Bonke.
Odense: University Press of Southern Denmark.

*Den illegale indvandring til Europa – og til Danmark. Årsager, omfang og betydning* (Illegal immigration to Europe – and to Denmark. Causes, extent and significance)
By Torben Tranæs and Bent Jensen, with contributions by Johanne K. Clausen and Stine Laursen.
Copenhagen: Gyldendal.

By Bent Jensen.
Odense: University Press of Southern Denmark.
The efficiency of educational production: A comparison of Denmark with other OECD countries
By Peter Bogetoft, Eskil Heinesen and Torben Tranæs.
Odense: University Press of Southern Denmark.

Is leadership in the eye of the beholder? – A study of intended and perceived leadership strategies and organizational performance
By Christian Batcher Jacobsen and Lotte Bagh Andersen.
Odense: University Press of Southern Denmark.

Does the marginal tax rate affect activity in the informal sector?
By Søren Leth-Petersen and Peer Ebbesen Skov.
Odense: University Press of Southern Denmark.

Indvandrere og danskernes nettobidrag til de offentlige finanser (The net contributions made by immigrants and Danes to Danish public finances)
By Marie Louise Schultz-Nielsen and Torben Tranæs.
Odense: University Press of Southern Denmark.

Arbejdstid. Hvorfor er der forskel på faktisk og normal arbejdstid? (Working hours. Why are there differences between actual and normal working hours?)
By Jens Bonke.
Odense: University Press of Southern Denmark.

Leading public service organizations – How to obtain employees with high self-efficacy
By Christian Batcher Jacobsen and Lotte Bagh Andersen.
Odense: University Press of Southern Denmark.

Benchmark af erhvervsuddannelserne (Benchmarking Danish vocational education and training programmes)
By Peter Bogetoft and Jesper Wittrup.
Odense: University Press of Southern Denmark.

Do preferences impact behavior and wellbeing?
By Jens Bonke and Marie Louise Schultz-Nielsen.
Odense: University Press of Southern Denmark.

Goal prioritization and commitment in public organizations – Exploring the effects
By Camilla Denager Staniok.
Odense: University Press of Southern Denmark.

Does growing up in a high crime neighbourhood affect youth criminal behaviour?
By Anna Pii Damm and Christian Dustmann.
Odense: University Press of Southern Denmark.

Measuring Denmark’s CO2 emissions 1996-2009
By Gagan P. Ghosh, Clinton J. Levitt, Morten S. Pedersen and Anders Sørensen.
Copenhagen: The Rockwool Foundation.

Sharing the fire – The igniting role of transformational leadership on the relationship between public managers’ and employees’ organizational commitment
By Camilla Denager Staniok and Christian Batcher Jacobsen.
Odense: University Press of Southern Denmark.

Danskernes sorte livsindkomst (Danes’ undeclared lifetime incomes)
By Peer Ebbesen Skov.
Odense: University Press of Southern Denmark.

The cost of producing electricity in Denmark
By Clinton J. Levitt and Anders Sørensen.
Copenhagen: The Rockwool Foundation.

Danskernes sorte arbejde under krisen 2009-2012 (Danes’ undeclared work during the crisis of 2009-2012)
By Peer Ebbesen Skov.
Odense: University Press of Southern Denmark.

The cost of producing electricity in Denmark – A Technical Companion
By Clinton J. Levitt and Anders Sørensen.
Copenhagen: The Rockwool Foundation.
In 2015 the ROCKWOOL Foundation Research Unit published a thorough account and analysis of Danish social security benefits; new research into the effects on recidivism of methods of serving sentences; analyses of crime, punishment and serving sentences in Denmark; and, in collaboration with Statistics Denmark, an analysis of Danes’ wealth and level of satisfaction with life. New findings were also added within the Unit’s widely-recognised research into undeclared work. The ROCKWOOL Foundation provided support to the Norwegian research organisation Fafo in carrying out the first ever large-scale quantitative study of Romanian street people in the Scandinavian capitals. The ROCKWOOL Foundation Interventions Unit continued the Foundation’s work with vulnerable young people and launched the first pilot experiments with the NExTWORK initiative, which is aimed at finding new solutions to the problem of getting vulnerable, disconnected young people into work or education.

Danish society in 2015

Like the rest of Europe, Denmark was severely shaken by the news of the attack in Paris on the offices of the satirical weekly Charlie Hebdo in the beginning of February. Later in February two terrorist attacks were carried out in Copenhagen, bringing home the full horror of terrorism to the people of Denmark.

In February a new labour agreement for State employees came into force, affecting nearly 200,000 state employees. This provided for a salary increase of just under 4.5 percent spread over the subsequent three years. The agreement also granted an extra week of paid parental leave for men on the birth of a child. A corresponding agreement covering around 500,000 local authority employees provided a pay rise of over 5 percent over three years, and again included an extra week of paid parental leave for men.

There was massive pressure on the Danish krone during the spring from currency speculators, who were gambling on Denmark giving up defending the fixed narrow exchange rate band for the krone against the euro. The National Bank, however, succeeded in maintaining the exchange rate.

Parliamentary elections on 18 June resulted in a change of government. A minority Liberal (right of centre) government came to power under the leadership of Lars Løkke Rasmussen, who thus became prime minister for the second time.

One of the first actions of the new government, with the support of the Danish People’s Party, the Liberal Alliance and the Conservative Party, was to introduce a new Integration Allowance (in place of normal social assistance) for people who had not been resident in Denmark for at least seven out of the previous eight years.

The late summer saw a rapid rise in the number of asylum seekers transiting through Denmark to Sweden, which eventually led the Swedish government to introduce controls on the border with Denmark in November.
The number of asylum seekers wishing to settle in Denmark also increased significantly during what was soon to be dubbed “the refugee crisis”.

Later in November, a broad political majority in parliament introduced a number of restrictions in the area of asylum, including a deferment of the right to family reunification. Just after the end of the year, the government introduced controls on the border with Germany.

As an element in its work to create long-term sustainability in the public finances, parliament raised the age of qualifying for a state pension in Denmark from 67 to 68 years.

Although the rate of unemployment did not fall to the extremely low level of less than three percent seen before the financial crisis, unemployment did decline in 2015 to a rate of 4.6 percent.

2015 was a relatively calm year on the labour market, with few work stoppages and days of work lost.

The ROCKWOOL Foundation

In 2015 the ROCKWOOL Foundation Research Unit worked on a total of 49 projects, of which 11 were completed with final publications during the course of the year. In addition, the Research Unit published a number of academic papers, books and other materials. The ROCKWOOL Foundation Interventions Unit worked on 13 new or continuing projects.

In December 2015 the Foundation launched both its new visual identity and a new optimised approach to the digital dissemination of the results produced by the Research and Interventions Units.
The Research Unit

2015 was a productive year for the Research Unit. Four press conferences related to projects were held, and publications included five books, ten newsletters and thirty study papers. In addition, a large number of papers were published in international academic journals.

Professor Jan Rose Skaksen was appointed to the post of Research Director from 1 May 2015. Jan’s previous position had been as Director of KORA (the Danish Institute for Local and Regional Government Research), and he has previously been a member of the Chairmanship of the Danish Economic Councils and a member of the Danish Productivity Commission.

In June, senior researcher Jens Bonke of the Research Unit presented an analysis made in collaboration with Statistics Denmark of the interplay between material wealth and wellbeing in the book Velstand og velfærd. Hvor rige og tilfredse er danskerne? (Wealth and wellbeing. How rich and how contented are the Danes?).

In the autumn, Hans Hansen and senior researcher Marie Louise Schultz-Nielsen presented the book Kontanthjælpen gennem 25 år (Social assistance in Denmark over 25 years). The subtitle of the book, Modtagere, regler, incitementer og levevilkår fra 1987 til 2012 (Recipients, rules, incentives and conditions of life from 1987 to 2013), explains the contents more precisely. The book also compares the corresponding systems in the Netherlands, the United Kingdom, Sweden and Germany. Is the Danish system especially generous? Or is Denmark similar to its neighbouring countries in this regard?
At a press conference in December, senior researcher Signe Hald Andersen and researchers Lars Højsgaard Andersen and Peter Fallesen presented an analysis of the significance of family structure and the form of serving of prison sentences for recidivism amongst people convicted of crimes.

A number of analyses were published without organising press conferences to launch them, for example the book *Forbrydelse, straf og afsoning i Danmark* (Offending, punishment and the serving of sentences in Denmark); this particular publication included a new analysis of the overrepresentation of second-generation non-Western immigrants in the crime statistics, and of trends in this phenomenon over a period of twenty years.

An edition of News in Brief presented for the first time an overview of participation in undeclared work municipality by municipality – *Det sorte danmarkskort* (The undeclared work map of Denmark). Researchers Camilla Hvidtfeldt and Peer Skov and research assistant Kristian Hedeager Bentsen based their presentation on around 33,000 interviews.
In many cases, the Unit’s research projects are carried out in collaboration with various other research institutes in Denmark and overseas. Some projects, however, are carried out exclusively by external researchers. The results of one such project concerning homeless street people from Romania were published in 2015. These immigrants in the towns and cities of Scandinavia have attracted increasing interest in the media and among the general public, but nevertheless many myths concerning them still exist, often reinforced by a lack of genuine factual knowledge about their backgrounds and life situation.

With the support of the ROCKWOOL Foundation, the Norwegian research organisation Fafo carried out the first large-scale quantitative study of Romanian street people in the Scandinavian capitals. The findings were presented at a press conference in Oslo in June, attracting a great deal of attention, particularly in Norway and Sweden. The research was subsequently continued and extended in scope by Fafo with the help of a grant from the Research Council of Norway.

The Interventions Unit

The year 2015 saw many changes in the intervention work of the ROCKWOOL Foundation.

An independent Interventions Unit was set up as a supplement to the existing Research Unit, with the task of handling the Foundation’s intervention work. A separate programme committee was established for the new unit in order to ensure both high standards and relevance in a national context for its projects.

Helene Bie Lilleør PhD was appointed Director of the new unit as of 1 May.

Together with the Research Unit, the Interventions Unit set out to place special emphasis on work related to vulnerable and disconnected young people in Denmark. The term “disconnected young people” refers to a group comprising people aged 18-29 who have not been in employment, education or training for at least the past two
years. In 2015 the Foundation began work on developing solutions to the challenge of involving this group in the labour market or in some form of education or training. One of these projects is aimed at helping disconnected young people into normal jobs or courses of education through the development of a new, company-oriented employment initiative called NExTWORK.

NExTWORK is an example of an intervention supported by the ROCKWOOL Foundation that focuses on helping vulnerable young people. The objective of the initiative is to investigate the challenges, both personal and systemic, that contribute to preventing vulnerable young people from entering either long-term employment or education. At the same time, the intervention aims to develop and trial new solutions to these challenges.

NExTWORK explores new paths in its efforts to match disconnected young people with internships in firms and to help these young people to discover a sense of purpose and to set goals for their working lives.

The intervention is network-based and user-driven. Groups of firms and disconnected young people are linked in structured networks in which the young people receive help and guidance in clarifying their situation, working with the commercial partners to build up new networks and relationships. The idea is that each young person, through an individual combination of support, internship posts and close monitoring, should establish his or her goals and chart an appropriate course towards work or further education.

Initial feedback and early reports in 2015 from around 20 participating firms and 20 young people were positive. The plan is that NExTWORK will be developed further in collaboration with the City of Copenhagen and the Municipality of Roskilde, where young people and firms are taking part in a trial of the intervention. In order to ensure that there is sufficient evidence of the effects of the intervention to proceed to implementing it on a larger scale, it is expected that it will be trialled through two or three more pilot projects.
**Selected publications by the ROCKWOOL Foundation in 2015**

**Karrierekvinder og -mænd – Hvem er de? Og hvor travlt har de? (Career women and career men: Who are they? And how busy are they?)**

By Jens Bonke
Odense: University Press of Southern Denmark

**Benchmarking Danish vocational education and training programmes**

By Peter Bogetof and Jesper Wittrup
Odense: University Press of Southern Denmark

**The impact of immigrants on public finances – A forecast analysis for Denmark**

By Marie Louise Schultz-Nielsen, Marianne Frank Hansen and Torben Tranæs
Copenhagen: The ROCKWOOL Foundation Research Unit and Gyldendal

**Can agricultural interventions improve child health? Evidence from Tanzania**

By Anna Folke Larsen and Helene Bie Lilleør
Copenhagen: The ROCKWOOL Foundation Research Unit

**When poverty meets affluence. Migrants from Romania on the streets of the Scandinavian capitals**

By Anne Britt Djuve, Jon Horgen Friberg, Guri Tyljam and Huafeng Zhang
Copenhagen: The ROCKWOOL Foundation

**Kontanthjælpen gennem 25 år – Modtagere, regler, incitamenter og levevilkår fra 1987 til 2012 (25 years of social assistance in Denmark: Recipients, rules, incentives and conditions of life of recipients from 1987 to 2012)**

By Marie Louise Schultz-Nielsen and Hans Hansen
Copenhagen: The ROCKWOOL Foundation Research Unit and Gyldendal

**Velstand og velfærd – hvor rige og tilfredse er danskerne? (Wealth and wellbeing. How rich and how contented are the Danes?)**

By Jens Bonke
Copenhagen: The ROCKWOOL Foundation Research Unit and Statistics Denmark

**Forbrydelse, straf og afsoning i Danmark (Offending, punishment and the serving of sentences in Denmark)**

By Bent Jensen, Ditlev Tamm, and Torben Tranæs
Copenhagen: Gyldendal and The ROCKWOOL Foundation Research Unit

**Educational outcomes after serving with electronic monitoring: Results from a natural experiment**

By Britt Østergaard Larsen
Copenhagen: The ROCKWOOL Foundation Research Unit

**Costing adult attention deficit hyperactivity disorder. Impact on the individual and society**

By David Daley, Rasmus Højbjerg Jacobsen, Anne-Mette Lange, Anders Sørensen and ‘Jeanette Walldorf
Oxford: Oxford University Press and The ROCKWOOL Foundation Research Unit

**Job creation and job types – New evidence from Danish entrepreneurs**

By Johan M. Kuhn, Nikolaj Malchow-Møller and Anders Sørensen
Odense: University Press of Southern Denmark and The ROCKWOOL Foundation Research Unit

**Det sorte danmarkskort: Geografisk variation i danskernes sorte deltagelsesfrekvens (The undeclared work map of Denmark: Geographical variation in Dane’s rate of participation in undeclared work)**

By Camilla Hvidtfeldt, Kristian Hedegaer Bentsen and Peer Ebbesen Skov
Copenhagen: The ROCKWOOL Foundation Research Unit
THE ROCKWOOL FOUNDATION IN 2016

In 2016 the ROCKWOOL Foundation Research Unit carried out work in a wide range of fields, including social mobility, disconnected young people, and immigration and integration. In parallel with its research work, the Unit was continuously engaged in disseminating information intended for decision-makers and for use in the public debate. This communication work took the form of publishing articles in both specialised and more general media, participating in TV and radio programmes, making presentations to various parliamentary committees, holding meetings with journalists and organising press conferences. The work of the Interventions Unit focuses on the identification, development and trialling of practical solutions to key challenges faced by society. In 2016 the Unit was particularly concerned with initiatives aimed at raising rates of employment and levels of education among disconnected young people – including young people from ethnic minority backgrounds – and this work will continue in the coming years.
Danish society in 2016

On 4 January the government introduced temporary border controls for travellers from Germany to Denmark, as a consequence of the additional checks that had been implemented at the border between Denmark and Sweden. Subsequently, the implementation of these border controls was extended several times, and they were still in place at the end of 2016.

At the end of February, Eva Kjer Hansen was forced to resign as Minister for the Environment and Food after the Conservative People’s Party expressed a lack of confidence in her, because doubts had arisen regarding the calculations she had presented as the basis for a new agriculture package. There followed a minor ministerial reshuffle, in which Esben Lunde Larsen became the new Minister for the Environment and Food, and Ulla Tørnæs replaced him as the Minister for Education and Research.

Tripartite negotiations in March between the government, the Danish Confederation of Trade Unions and the Confederation of Danish Employers resulted in an agreement intended to help refugees find work. At the same time, the government entered into an agreement with Local Government Denmark concerning the work of municipal authorities with regard to the integration of refugees, including early and targeted efforts to assist them in finding employment.

On 22 March two bombs exploded at Brussels Airport, and at least one other in the city’s subway system. Thirty-two civilians and three suicide bombers were killed. Later in the year, Nice, Istanbul and Berlin suffered similarly serious terrorist attacks.

In April, confidential papers were leaked showing that the law firm Mossack Fonseca in Panama had been the key intermediary for international politicians, businessmen and others seeking to avoid paying tax in their home countries.

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In June, the people of the United Kingdom voted in a referendum for the country to leave the European Union. It was the first time that a country had opted to withdraw from the Union. In the following month, Theresa May replaced David Cameron as Prime Minister.

In October, the ‘Nye Borgerlige’ party (‘New Right’ Party – although at the end of 2016 the organisation still had no official English name) declared that it had collected sufficient signatures to qualify to appear on the ballot paper in the next general election. The first Gallup poll published after the party had been approved indicated a potential vote for them of 1.8 percent.

Donald Trump was elected as President of the United States on 9 November following a campaign in which much was made of the ways in which he and his opponent, Hillary Clinton, presented facts.

At the end of November, the Prime Minister, Lars Lokke Rasmussen, succeeded in converting his hitherto one-party minority government into a three-party coalition, since his own party, the Liberal Party, commanded only 34 seats in Parliament. The new coalition was made up of the Liberal Party, the Liberal Alliance and the Conservative People’s Party.

The ROCKWOOL Foundation

In our day and age, both the Danish and many other European welfare societies are facing challenges in a number of areas: for example, when children and young people fall behind in their education and in consequence find it difficult later in life to establish themselves on the labour market; when poor integration among immigrants leads to low rates of employment; and when both the financing and the very coherence of the welfare society are under pressure. The ROCKWOOL Foundation is committed to tackling societal issues such as these, and in 2016 the Foundation collaborated with Danish and foreign researchers, experts and organisations on a wide range of projects that all shared the sustainability of the modern welfare state as their overarching theme.
The Research Unit

In 2016 the ROCKWOOL Foundation placed great emphasis on the topic of social mobility. In the summer, a study paper in the field was published, written by Rasmus Landersø of the Research Unit and Nobel laureate James Heckman, Professor of Economics at the University of Chicago.

The paper questioned the conventional view of Denmark as a leading nation in promoting intergenerational social mobility. In reality, the picture is far from clear, since there are still large differences in patterns of education across the social scale, while much of the income equality achieved in Denmark reflects the redistribution of resources later in people’s lives through the actions of the welfare state. This raises important questions concerning the Danish welfare society. For example, how can intergenerational social mobility be promoted? How should social mobility and social equality be weighted in importance? And are there limits to how much social mobility a welfare society such as Denmark can create?

One of the main conclusions of the study was that when a child reaches adulthood, in most cases he or she will have completed a level of education similar to that of his or her parents. This is more or less equally the case in both Denmark and the USA. Denmark and the United States are generally similar in terms of the degree to which children break away from – or do not break away from – their social inheritance with regard to education.

On 13 October the ROCKWOOL Foundation held a conference based on the study and entitled ‘Social mobilitet i Danmark: viden, udfordringer og løsninger’ (Social mobility in Denmark: Knowledge, challenges and solutions), at which the most recent research was presented and discussed with the aim of inspiring politicians, civil servants and others to take new initiatives in the field.

The study attracted international attention, for example through articles in the American news media such as these in The Washington Post and The Atlantic.
Immigration and integration

Another important focus area for the ROCKWOOL Foundation Research Unit is to increase knowledge about immigration and integration. One way in which this was achieved in 2016 was through one of the ROCKWOOL Foundation’s arrangements at the annual Danish People’s Meeting on Bornholm, when an analysis entitled ‘Hvad bestemmer antallet af asylansøgere til Danmark og resten af Europa?’ (What determines the numbers of asylum seekers in Denmark and the rest of Europe?) was presented. The analysis showed that if it is the political goal of a country to limit the number of asylum seekers, this effect can be achieved by tightening up asylum policy, for example with regard to granting of asylum, changing procedures or changing benefit payments.

In the autumn, the ROCKWOOL Foundation Research Unit published a book entitled Hvad ved vi om indvandring og integration? (What do we know about immigration and integration?), written by Jan Rose Skaksen and Bent Jensen, with contributions by Marie Louise Schultz-Nielsen. The book provides a comprehensive yet concise and easily accessible overview of immigration and integration in Denmark over nearly 50 years, with the main emphasis on the most recent part of that period. One of the points made in the book is that non-Western immigrants who arrive in Denmark as adults have too low a rate of employment to make an overall positive contribution to public finances – even though they did not draw on Danish public welfare payments as children, unlike people born in Denmark.

The book emphasises that the successful integration of non-Western immigrants into the labour market is of crucial importance in many ways. For the immigrants themselves, employment in the labour market represents the route to general integration into Danish society and to an independent life without being reliant on transfer incomes from the state and case workers in the public welfare system.
Another book published in 2016 was *Arbejdsmarkedstilknytningen for flygtninge og indvandrere – ankommet til Danmark i perioden fra 1997 til 2011* (The relationship to the labour market of refugees and immigrants arriving in Denmark during the period 1997-2011) by Marie Louise Schultz-Nielsen. The analysis in this book was based on data relating to everyone who had arrived in Denmark and obtained a residence permit in the period 1997-2011, irrespective of the basis for the permit. The data thus included information about refugees, family reunification immigrants, immigrants from Eastern Europe, students and others – in all, 180,000 people in the age range 25-64 were tracked.

Family reunification immigrants coming to Denmark to join refugees have consistently been the weakest group throughout the two decades studied with regard to labour market integration. Five years after arrival, only one in five had a job. For family reunification immigrants joining non-refugee immigrants and joining Danes, the figures were 49 and 66 percent respectively.

It was also found that the groups with the weakest attachment to the labour market were those whose members were most likely to remain in Denmark. For every 100 refugees who came to Denmark, 90 were still in the country ten years after arrival. A similarly high proportion was found among family reunification immigrants joining refugees, of whom 92 out of 100 were still in the county ten years after arrival. The opposite was the case for the people who succeeded best in the Danish labour market, namely EU/EEA nationals and people arriving in the country with work permits. Ten years after arrival, the majority of the people in these two groups had left the country again, with only 34 and 29 respectively out of every 100 of them remaining in Denmark. Moreover, of those who were still in the country, a very large proportion were in work.

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**Rates of employment by grounds for residence and length of time in Denmark**

Source: ROCKWOOL Foundation Research Unit, on the basis of registers held at Statistics Denmark.
Marginalised groups in society

The ROCKWOOL Foundation also presented new information concerning marginalised groups in society in 2016. In January the Research Unit published an analysis of the cost to society of vulnerable young people being disconnected from the labour market. Around seven percent of any given birth cohort of young people in Denmark are in neither work nor education, and when they are older this group achieves a final rate of employment of only 45 percent. In addition to the personal costs to the individuals concerned, the poor labour market performance of this disconnected group results in costs to the Danish public finances of up to DKK 15 billion a year. In the long term, helping this group has the potential to increase Danish GDP by around DKK 26 billion, and to bring 46,000 more people into employment.

At the Bornholm People’s Meeting, Signe Hald Andersen presented an analysis entitled ‘Efterværn for anbragte unge: Hvad ved vi overhovedet?’ (Aftercare for young people who have been in care. What do we really know?). Little research into the effects of aftercare on children who have been in care had been reported previously. The analysis showed – surprisingly – that in the short term such aftercare actually has a negative impact on both rate of employment and criminality. In the long term, however, aftercare does produce positive effects.

A book published in 2016 and entitled Indskolingselevers trivsel og fagkompetencer - Resultater fra Høje-Taastrup Kommune (The wellbeing and academic competences of primary school children. Results from the Municipality of Høje-Taastrup) by Camilla Hvidtfeldt and Hanne-Lise Falgreen Eriksen, with a contribution by Helene Bie Lilleør, was concerned not only with describing the wellbeing and academic skills of these children, but also with a discussion of how best to measure wellbeing among young schoolchildren. The results showed that there were clear differences between the sexes; the boys in the younger classes in the municipality had significantly lower self-esteem and a poorer sense of wellbeing in a school context. The teachers were of the opinion that the boys had greater behavioural problems than the girls. The study also showed that children from non-Western backgrounds performed significantly less well than children from an ethnic Danish background in two academic tests and one cognitive test, with a difference in scores corresponding to around one school year.
The welfare society

In *Paternity leave and the motherhood penalty: New causal evidence*, Signe Hald Andersen showed how mothers in families in which the father opted to take a larger proportion of the parental leave from work that parents in Denmark are entitled to distribute between them earned more money in the two to four years following the birth of the child. At the same time, such mothers experienced lower levels of unemployment, especially in the long term. Specifically, mothers earned between DKK 7,300 and DKK 53,300 more per year in families where the fathers increased their share of the parental leave by ten percentage points, and these same mothers also experienced between 0.4 and 2.8 percentage points less unemployment.

A press seminar was held in November to present an analysis by Jens Bonke entitled “Minimumsbudget for forbrugsudgifter – hvad er det mindste, man kan leve for?” (Minimum outlays for consumption – What is the least money people can live on?). The analysis demonstrated just how little various types of family could live on if they purchased only the bare necessities, and for the lowest available prices. There are huge differences between what Danish families generally spend and the minimum amounts on which it is possible to live. On average, the normal monthly spending for an ordinary Danish family is fully 85 percent higher than the minimum.

A computerised family budget ‘ready reckoner’ was made available on the ROCKWOOL Foundation website, enabling Danish residents to calculate their own family budgets and minimum possible spending.
The Interventions Unit

The ROCKWOOL Foundation Interventions Unit identifies, develops, trials and evaluates innovative social solutions to specific problems of society through practical interventions. The aim is to present information about effective solutions to key challenges faced by society, primarily within the areas of employment, education and integration, and with a special focus on disconnected young people.

Two new initiatives were launched by the Interventions Unit in 2016. The first was an integration initiative intended to tell us more about why young people from ethnic minorities are more frequently in neither education nor employment than is the case for other young people, and its aim was to present suggestions for how to get them started on the path to success in life. 'Immigration and Integration' has been an important research topic for the ROCKWOOL Foundation ever since the first publication in the area by the Research Unit in 1999, and the work in this field was extended through this attempt to offer solutions to the problems identified. The second initiative concerned drop-out from education; it focused on finding and trialling new ways of reducing the high drop-out rate existing at many Danish vocational training schools.

In the field of employment, the Interventions Unit had been working on the development of the NExTWORK initiative over the previous few years. NExTWORK is a scheme based on a local network of firms offering work experience opportunities to disconnected young people receiving social assistance. It is the aim of the scheme that, through participating in the everyday routines of workplaces, joining in network groups and receiving continuous support from youth counsellors, the young people involved should be aided in starting a course of education or in holding down a job.

The development and trialling of NExTWORK had been carried out in close cooperation with the Municipality of Roskilde. In 2016, work was done to expand the initiative to include a larger number of young people and firms in Roskilde. The municipal authority decided to finance the operating costs of a two-year pilot project in which NExTWORK would be open to at least 120
young people and would have a network of 60 firms. The City of Copenhagen also granted funds for the implementation of NExTWORK. In both locations, places on the NExTWORK trial were to be allocated by lot. This implementation of NExTWORK was to be carried out in collaboration with the Institute for Fiscal Studies, London, and the ROCKWOOL Foundation Research Unit. These two institutions would be jointly responsible for the follow-up research work on the project, which should provide solid evidence as to whether the initiative had achieved the desired effect.

In 2016 the Interventions Unit ensured the future ownership, operation and extension of two of its existing projects. The Foundation’s involvement in farming development in Africa over a number of years resulted in the establishment of a new external partnership. RIPAT (Rural Initiative for Participatory Agricultural Transformation) is a programme that has as its goal the reduction of poverty, hunger and undernourishment among smallholder farmers in East Africa by means of improved crop cultivation and animal husbandry, using the principle of help to self-help, and since the launch of the first RIPAT project in 2006, the ROCKWOOL Foundation had worked closely with the Tanzanian NGO RECODA on the further development and implementation of RIPAT through a series of projects. RIPAT had undergone a comprehensive research-based quantitative evaluation that had demonstrated a significant and sustained impact of the programme on food security. RIPAT was to be run and expanded in the future by the NGO World Vision Tanzania, working closely with the Tanzanian organisation RECODA. World Vision is one of the largest international NGOs working in Africa, and its involvement in the project would help to ensure that the implementation of RIPAT was spread out widely in rural areas, enabling the largest possible number of smallholder farmers to benefit from the scheme. In the long term, World Vision hoped to implement RIPAT in a number of other African countries.

From 2007 onward, the ROCKWOOL Foundation had been involved in the development of Perspekt, a class-based teaching programme aimed at training schoolchildren in emotional, personal and social skills. The material was designed to cover 16-18 lessons, and it included exercises, role-plays, films and games. The aim was to create a good classroom environment through training in the various skills covered by the programme.

In 2016 the Foundation transferred responsibility for Perspekt to Dansk Center for Undervisningsmiljø (DCUM, the Danish Centre for the Teaching Environment); this organisation planned to offer schools an updated version of the material. DCUM is an independent public knowledge centre whose purpose is to contribute to providing and developing a good teaching environment in Denmark.

DCUM aimed to make Perspekt easily accessible to all primary/secondary schools in Denmark, so that the greatest number of school students possible could benefit from it. This scaling up of Perspekt would also make possible a larger impact evaluation of the material in terms of key factors related to wellbeing.
Publications by the ROCKWOOL Foundation in 2016

What did they do?
By Jakob Demant and Laura Marie Schierff
Copenhagen: The ROCKWOOL Foundation Research Unit

Minimumsbudget for forbrugsudgifter (Minimum outlays for consumption)
By Jens Bonke and Anders Eiler Wiese Christensen
Odense: The ROCKWOOL Foundation Research Unit and the University Press of Southern Denmark

Paternity leave and the motherhood penalty: New causal evidence
By Signe Hald Andersen
Copenhagen: The ROCKWOOL Foundation Research Unit

Hvad ved vi om indvandringer og integration? (What do we know about immigration and integration?)
By Jan Rose Skaksen and Bent Jensen, with contributions by Marie Louise Schultz-Nielsen
Copenhagen: The ROCKWOOL Foundation Research Unit and Gyldendal

Hvilke validerede spørge-skemaer er egne til at måle effekt af en intervention, der har fokus på det socio-emotionelle område? (Which validated questionnaires are suitable for measuring the impact of an intervention that focuses on socio-emotional issues?)
By Nina Sjø Madsen
Copenhagen: The ROCKWOOL Foundation Research Unit

Indskolingelevernes trivsel og fagkompetencer (The wellbeing and academic competences of primary school children)
By Camilla Hvildfeldt and Hanne-Lise Falgreen Eriksen, with a contribution by Helene Bie Lillevør
Odense: The ROCKWOOL Foundation Research Unit and the University Press of Southern Denmark

Refugee Migration and Electoral Outcomes
By Christian Dustmann, Kristine Vasiljeva and Anna PålDam
Copenhagen: The ROCKWOOL Foundation Research Unit

De illegale indvandrere i Danmark (Illegal immigrants in Denmark)
By Johanne Kaalbye Clausen and Jan Rose Skaksen
Copenhagen: The ROCKWOOL Foundation Research Unit

The Scandinavian Fantasy: The Sources of Intergenerational Mobility in Denmark and the U.S.
By Rasmus Landersø and James J. Heckman
Copenhagen: The ROCKWOOL Foundation Research Unit

The effect of aftercare on human capital acquisition and antisocial behavior among foster care alumni
By Signe Hald Andersen
Copenhagen: The ROCKWOOL Foundation Research Unit
Hvad bestemmer antallet af asylansøgere til Danmark og resten af Europa? (What determines the numbers of asylum seekers in Denmark and the rest of Europe?)
By Marie Louise Schultz-Nielsen
Copenhagen: The ROCKWOOL Foundation Research Unit

Prison as a Criminal School: Peer Effects and Criminal Learning behind Bars
By Anna Pihl Dam and Cédric Gorinas
Copenhagen: The ROCKWOOL Foundation Research Unit

Fra fængsel til job? En evaluering af projekt JobUpdate (From prison to paid employment? An evaluation of the JobUpdate project)
By Signe Hald Andersen and Anne Sofie Tegner Anker
Copenhagen: The ROCKWOOL Foundation Research Unit

Danskernes sorte arbejdsudbud 2014 (The supply of undeclared labour in Denmark in 2014)
By Peer Ebbesen Skov
Copenhagen: The ROCKWOOL Foundation Research Unit

The hidden cost of foster care: New evidence on the intergenerational transmission of foster care experiences
By Mikkel Mertz and Signe Hald Andersen
Copenhagen: The ROCKWOOL Foundation Research Unit

Prisen på sort arbejde (The price of undeclared work)
By Kristian Hedeager Bentsen
Copenhagen: The ROCKWOOL Foundation Research Unit

Arbejdsmarkedstilknytningen for flygtninge og indvandrere (The relationship to the labour market of refugees and immigrants)
By Marie Louise Schultz-Nielsen
Odense: The ROCKWOOL Foundation Research Unit and the University Press of Southern Denmark

Danskernes efterspørgsel på sort arbejde i 2014 (The demand for undeclared labour in Denmark in 2014)
By Camilla Hvidtfeldt
Copenhagen: The ROCKWOOL Foundation Research Unit

Working Hours and the Family – Working preferences/ economic incentives/ childcare and divorce/ retirement and time-use
By Jens Bonke
Odense: The ROCKWOOL Foundation Research Unit and the University Press of Southern Denmark

Anbringelser. Historik, omfang, årsager og virkemidler (Care placement. History, extent, causes and instruments)
By Signe Hald Andersen and Bent Jensen
Copenhagen: Gyldendal
Employment, occupational mobility and job skills of cancer survivors
By Eskil Heinesen, Susumu Imai and Shiko Maruyama
Copenhagen: The ROCKWOOL Foundation Research Unit

Return to work after cancer and pre-cancer job dissatisfaction
By Eskil Heinesen, Christophe Kolodziejczyk, Jakob Ladenburg, Ingelise Andersen and Karsten Thielen
Copenhagen: The ROCKWOOL Foundation Research Unit

Integration of ethnic minorities – do they divorce as natives do?
By Marie Louise Schultz-Nielsen and Jens Bonke
Copenhagen: The ROCKWOOL Foundation Research Unit

Psychiatric Hospital Admission and Later Mental Health, Crime, and Labor Market Outcomes
By Peter Fallesen and Rasmus Landersø
Copenhagen: The ROCKWOOL Foundation Research Unit

Den økonomiske gevinst ved at inkludere de udsatte unge (The economic benefits of including disconnected young people)
By Marie Louise Schultz-Nielsen and Jan Rose Skaksen
Copenhagen: The ROCKWOOL Foundation Research Unit
THE ROCKWOOL FOUNDATION IN 2017

In 2017 the ROCKWOOL Foundation Research Unit carried out work in many fields, including immigration and integration, marginalised groups and social mobility, and taxation and undeclared work. The analyses were carried out in cooperation with researchers from a number of Danish and overseas institutions. The research results were always made public through dissemination directed towards decision-makers and the public debate. This work took the form of publishing in both specialized and more general media, participating in TV and radio programmes, making presentations, and holding press briefings, conferences and seminars. The work of the ROCKWOOL Foundation Interventions Unit focuses on the identification, development and trialling of practical solutions to key challenges faced by society. These new and innovative solutions must satisfy rigorous evidence requirements, and they are developed and trialled in close cooperation with external partners and with the active involvement of target groups and actors associated with these groups. In 2017, the Interventions Unit launched a number of new initiatives, as well as pressing forward with activities begun in previous years in close cooperation with local authorities, vocational training schools and young people themselves in the development of these initiatives. These initiatives ranged from an intervention designed to promote language development in small children, through a project aimed at diminishing the drop-out rate from vocational training courses, to an employment initiative created to help young people on the margins of the labour market to find their feet.
Danish society in 2017

Like people in countries all over the world, in January the Danes watched the inauguration of Donald J. Trump as the 45th president of the USA. Interest levels were also high in May, when Emmanuel Macron was elected President of France on the basis of promises of a comprehensive programme of reform and a positive stance towards the EU. At the parliamentary elections just over a month later, his party La République En Marche became the largest in the National Assembly, and the way looked clear for reforms of the French employment market and pension systems in particular.

In the United Kingdom, the Conservatives lost their absolute majority in the House of Commons. Prime Minister Theresa May continued to lead a minority government after the election, but it was clear that the negotiations on the British withdrawal from the EU would now be more difficult.

In April, around 500,000 employees voted to accept a deal negotiated between the Danish Confederation of Employers and the Danish Confederation of Trade Unions. The terms included an agreement for an increase in pay of around 7% over the next three years. This was equivalent to a predicted improvement in real wages of over 2%. Even though Denmark was on the way out of the economic crisis, inflation remained low. In Europe, interest rates also stayed low, though they were starting to rise again in the United States.

A series of tax scandals attracted recurring interest in the media. It was revealed, for example, that there was almost no chance of the public exchequer ever collecting sums totalling in excess of DKK 100 billion owed by various individuals and firms. At a press conference, Prime Minister Lars Løkke Rasmussen gave notice of a comprehensive reorganisation of the Danish Tax Agency as it then existed.

The debate on climate change continued intensively in 2017, and the major players in the Danish energy market made a commitment to reform or abandon their engagement with fossil fuels. DONG sold its oil and gas activities to a Swiss firm, while A.P. Møller – Mærsk likewise disposed of its oil business to the French firm Total. Both DONG and Mærsk were thus in the process of winding up their oil and gas extraction activities in the Danish sector of the North Sea. In Parliament, the government entered into an agreement with the Danish People’s Party to continue subsidising renewable energy over the following two years.

In the local elections held in November, the balance of power between the two largest parties shifted a little. The Social Democrats increased their share of the vote by nearly 3 percentage points, while the Liberals lost ground by more than 3 percentage points. The Alternative party, which had not previously been represented at local authority level, received 3% of the votes.

At the end of the year, the government and the Danish People’s Party reached an agreement concerning the 2018 budget. Among the main points were an additional DKK 2 billion for the health services over the following four years; a sum of DKK 5.5 billion earmarked for the reform of the tax services, with a particular focus on checking of declarations; and a decision to make permanent the ‘Home Work Scheme’, which allowed tax deductions for certain work carried out on the home.

The ROCKWOOL Foundation

In order to find solutions to the challenges faced by the Danish and many European welfare societies today, the first step is to seek knowledge about these challenges and their possible solutions. It is, and will continue to be, the ambition of the ROCKWOOL Foundation to provide independent and unbiased analyses of high quality and reliability. The Foundation has always collaborated, and will continue to do so, with Danish and foreign researchers, experts and organisations on a wide range of projects that all share as their overarching theme the sustainability of the modern welfare state.

The Research Unit

The ROCKWOOL Foundation carries out research on issues of importance for the economic and social sustainability of the welfare state. One important criterion for selecting research topics is relevance, i.e. that the results can be used in decision-making processes that will affect the future form of the welfare society. Research was carried out in 2017 in the five areas listed below.
Tax and undeclared work

A book entitled *Danskernes liv med skatter, sort arbejde og gør det selv-arbejde* (Danes’ lives with taxes, undeclared work and DIY work) by Lars Højsgaard Andersen, Kristian Hedeager Bentsen, Camilla Hvidtfeldt, Bent Jensen, Jan Rose Skaksen and Peer Ebbesen Skov, was published in May 2017. The publication represented the first recent attempt in Denmark to analyse the interrelationships among taxes, undeclared work and DIY work.

In 2016, undeclared work in Denmark amounted to around 2.2% of GDP. In 2009 the equivalent figure was around 2.8% of GDP, but allowing for statistical uncertainty in the measurements the situation must be regarded as being unchanged. Thus, undeclared work is not an increasing problem in Danish society. The analysis showed that the most likely provider of undeclared work in Denmark is a young man aged 18-24, living in a rural area or a small town with a population of fewer than 5,000 people. He has been trained in a skilled trade and is in receipt of a transfer income. The researchers investigated whether people who carried out undeclared work were also more criminal in general than members of comparable groups. It was found that people aged under 30 who worked without declaring the income were almost 60% more likely than others to have broken the law in other ways. Young men who had earned undeclared income were overrepresented by nearly 50% in terms of committing criminal offences. The book also contained new figures concerning the extent of DIY work, which continues to fall in Denmark. In 2016 only just over one in four Danes carried out the work themselves if something in the home needed repair, improvement or addition. In 2007 it was one person in three, while in 1996 it was one out of every two.

Immigration and integration

Immigration and integration continued to constitute a high priority area. Notable publications during the year included analyses of immigrants’ educational levels and of conditions for asylum seekers in Denmark. The analysis of immigrants’ educational levels was published in collaboration with Statistics Denmark in June 2017 and covered all formal education, both that acquired in Denmark and that completed overseas prior to arrival. It transpired that Western immigrants are better educated than Danes. For example, fully 27% of these immigrants...
had completed long-cycle courses of tertiary education. Refugees were found to be the worst-educated group; a little over half of them have no education beyond lower secondary level. However, the study also revealed huge differences in educational levels among non-Western immigrants. Iranian immigrants, for example, are much closer in educational level to Poles and Germans than are immigrants from Syria and Turkey. Syrian immigrants in particular stand out, with 66% of them having no education beyond compulsory schooling level.

The study also documented the fact that education clearly improves integration into the labour market, though this is true to a much higher degree for education taken in Denmark than for that acquired prior to arrival in the country. The analyses were afforded some weight in the public debate during the spring on immigration and integration. Several participants noted that the study filled a gap in existing knowledge; it was also pointed out that data from the study debunked the myth of there being numerous highly-educated Syrian refugees. The analysis of conditions for asylum-seekers over the period from 1993 to 2016 followed in the autumn. It revealed a record low in Denmark in the waiting time to obtain refugee status. Refugees who obtained their residence permits in the period 2013-15 had to wait less than six months on average to have their cases settled, meaning that waiting time in the asylum system was at its shortest since 1993.
Disconnected young people

A book entitled *Hvad vi ved om udsatte unge* (What we know about disconnected young people) by Signe Hald Andersen, Bodil Wullum Nielsen, Bent Jensen and Jan Rose Skaksen was published by Gyldendal in November 2017.

The book presents a readily accessible summary of a range of topics including who these young people are, what it means to society in economic terms that 8% of a youth cohort do not enter fully into adult life, and which groups are particularly at risk of becoming disconnected.

The Foundation has subsequently learned that the book has been used diligently by local authorities in Denmark – for instance, by the new labour market and employment committees established following the municipal elections in November 2017.

One chapter in the book presented an analysis by Signe Hald Andersen of the distribution by municipality of disconnected young people in Denmark. This analysis was first presented at the 2017 People’s Meeting on Bornholm, where it attracted the attention of local government politicians and civil servants alike.

### Marginalised groups and risk behavior

A number of analyses were published in this area. Two studies in particular attracted attention: one of the role of social inheritance in criminality, and one of how many children are growing up in low-income families. The first study was presented at the Bornholm People’s Meeting by Lars Højsgaard Andersen. The analysis confirmed that men who, as children, had witnessed their parents going to prison passed on this social inheritance to their own sons and daughters by being sent to prison themselves while their children were growing up. In contrast, women who as children had similarly witnessed a parent’s imprisonment tended to pass on this social inheritance of criminality by having children with men who were subsequently sent to prison. Choice of partner is thus an important factor in the social inheritance of criminality between generations. The study demonstrated that the more times a father goes to prison, the greater is the negative effect on his children.

### Social inheritance of criminality, measured both directly and after correction for choice of partner

The Research Unit’s work on criminality has contributed to the discussion of justice policy both in Denmark and overseas. In Denmark, the research into the use of electronic tags has received particular attention. In the USA, some of the key results from the Unit’s research...
into criminality have been used in discussion of the need for the reform of justice policy, and have been referred to in a Senate hearing. In addition, several US states – Oklahoma, for example – have made use of the Research Unit’s results in designing reform programmes aimed at reducing the number of inmates in their prisons. The ‘low income’ analysis was published in a book by Jens Bonke and Anders Eiler Wiese entitled *Børn i familier med lave indkomster. Hvor mange, hvor længe, hvem og hvorfor?* (Children in low income families. How many, how long, who and why?). In 2015 there were at least 25,000 children in Denmark living in families whose income was insufficient to cover the Danish ‘minimum budget’, i.e. a budget that is just sufficient to meet the cost of modest but nutritionally adequate consumption. Over 7,000 children lived for three years in succession under such conditions.

**The Interventions Unit**

Using research as the basis for its activities, the ROCKWOOL Foundation Interventions Unit trials innovative solutions to specific societal problems through practical interventions. The aim is to provide information about effective solutions to key challenges faced by society, primarily within the areas of employment, education and integration, and with a special focus on disconnected young people.

**Integration initiatives**

One of the new initiatives in 2017 was aimed at socially disconnected parents of young children and involved the text-messaging programme TipsByText. The scheme was originally developed by Professor Susanna Loeb at the Center for Education Policy Analysis, Stanford University. The programme has achieved good results in the USA, and is now being adapted for use in Denmark. The idea is to help parents to support their children’s linguistic development. The parents receive short text messages with specific, inspiring suggestions for play and activities that they can easily incorporate into their everyday routines. The aim is to get parents to talk more to their children and engage in enjoyable activities with them. Another new scheme in the process of development is intended for young people in the last stage of obligatory schooling who are in danger of failing their Year 9 final examination. According to the Economic Council of the [Danish] Labour Movement, 16% of school students today do not
pass secondary school, and the figure is even higher for young people from ethnic minorities. The objective of the new initiative is to rekindle the desire to learn among students who are disenchanted with school. The programme involves firm-based learning, whereby young people have the opportunity to learn and develop for a period in a non-school environment.

**Employment initiatives**

In 2017 the employment programme NExTWORK continued to help young people find their way into education or work. The target group of the programme is the 8% of any given youth cohort with significant personal, social or health issues who are in neither education nor employment. NExTWORK is firmly based in a local network of firms that offer internships to young people. The firms in the network receive support in working with these young people, and share responsibility for helping a group of youngsters to progress towards education or employment. The cooperation between the firms might, for example, involve a young person moving between internships at companies in the network. The aim is that during their internships, the young people should have the opportunity to develop their personal and social skills, build up relationships and networks, and increase their confidence in their own abilities. Both the young people and the firms participate in network groups, and assist one another in finding paths to education and employment. NExTWORK has been developed in close cooperation with young people, job centres and firms in the Municipality of Roskilde and the City of Copenhagen. The first young people to participate in the project began their programme in Roskilde in January 2017, while the scheme started in Copenhagen in January 2018. Cooperation on a third programme will begin with the Municipality of Sønderborg in the course of 2018. The aim is for NExTWORK places to be offered over the coming years to 120-180 young people receiving social assistance in each of the three municipalities.

**Education initiatives**

Only half the students who commence vocational training courses obtain the final qualification in the subject which they began. Because of this, the Interventions Unit has a project aimed at reducing the heavy drop-out rate in vocational training. The Interventions Unit is currently adapting and trialling five different initiatives designed to increase the number of students who succeed in completing the introductory phase of vocational training courses, using sources of inspiration that include programmes developed overseas. As always, the projects are being developed in close cooperation with the users, in this case the young people themselves and the educational institutions.

**External evaluation**

All the work of the Interventions Unit is subjected to external scientific evaluation, typically in the form of a randomised controlled trial. For example, NExTWORK will be evaluated in cooperation with researchers from the UK. The outcomes for the project participants will be compared with those of a control group consisting of young people offered the other schemes and initiatives available through job centres.
Selected publications by the ROCKWOOL Foundation in 2017

**Topskat, selvfinsansieringsgrad og velfærd**
By Claus Thustrup Kreiner and Peer Ebbesen Skov
Copenhagen: The ROCKWOOL Foundation Research Unit

**Disconnected youth: Past, present & future**
By Signe Hald Andersen
Copenhagen: The ROCKWOOL Foundation Research Unit

**Paternity Leave And The Gender Wage Gap: New Causal Evidence**
By Signe Hald Andersen
Copenhagen: The ROCKWOOL Foundation Research Unit

**Den usynlige tråd (video)**
Copenhagen: and The ROCKWOOL Foundation Research Unit

**Danskernes liv med skatter, sort arbejde og gør det selv-arbejde (Danes’ lives with taxes, undeclared work and DIY work)**
By Lars Højsgaard Andersen, Kristian Hedeager Bentsen, Camilla Hvidtfeldt, Bent Jensen, Jan Rose Skaksen and Peer Ebbesen Skov
Odense: University Press of Southern Denmark and The ROCKWOOL Foundation Research Unit

**Indvandreres uddannelse**
By Marie Louise Schultz-Nielsen and Jan Rose Skaksen
Copenhagen: The ROCKWOOL Foundation Research Unit

**Udsatte unge: Det kommunale landkort**
By Signe Hald Andersen
Copenhagen: The ROCKWOOL Foundation Research Unit

**Assortative Mating and the Intergenerational Transmission of Delinquency**
By Lars Højsgaard Andersen
Copenhagen: The ROCKWOOL Foundation Research Unit

**Flygtninge og asylsansøgere i Danmark 1992-2016 - Antal, ventetid, bosætning og lovgivning**
By Camilla Hvidtfeldt and Marie Louise Schultz-Nielsen
Copenhagen: The ROCKWOOL Foundation Research Unit

**Børn i familier med lave indkomster Hvor mange, hvor længe, hvem og hvorfor? (Children in low income families. How many, how long, who and why?)**
By Jens Bonke and Anders Eiler Wiese Christensen
Copenhagen: The ROCKWOOL Foundation Research Unit

**De illegale indvandrere i danmark, 2016**
By Jan Rose Skaksen and Troels Mandoe Glesner
Copenhagen: The ROCKWOOL Foundation Research Unit
THE ROCKWOOL FOUNDATION IN 2018

In 2018, the ROCKWOOL Foundation continued, through the grants it made to researchers, experts and organisations in Denmark and abroad, to pursue its ambition of bringing into being independent and relevant knowledge that would help to ensure the sustainability of the welfare state. A precondition for answering the challenges of financing and maintaining the cohesion of the welfare state is the creation of solid information concerning the problems faced by society. The independent production of relevant knowledge and facts is crucial in order to enable actors in society to carry out meaningful and significant democratic discussions, and represents an important contribution to enabling political decision-makers to make rational choices of priorities and organise the institutions of the welfare state. However, knowledge alone is not enough. It must also be made accessible. Goal-oriented dissemination of knowledge is therefore a key element in the work of the Foundation. The desire to achieve optimal cooperation across the organisation and to strengthen the dissemination of results from research was a major reason for the ROCKWOOL Foundation, together with its Research and Interventions Units, to move to new premises at Ny Kongensgade 6, Copenhagen. The central location and modern facilities for supporting extended activities, meetings and dissemination work make Ny Kongensgade 6 the ideal base for the work of the Foundation.
Danish society in 2018

At the beginning of the year the government, the Danish People’s Party, the Social Democrats and the Social Liberals arrived at a settlement concerning defence. The defence budget was to be increased for the first time since the end of the Cold War, from 1.17 to 1.3 % of GDP. There were repeated expressions of concern in the media and among politicians over developments in Russia.

The government and the Danish People’s Party came to an agreement over tax reform, with a strengthening of incentives to work and to make savings for retirement. In the summer of 2018, the Danish Tax Agency was completely reorganised and divided up into seven new agencies, each with its own principal tasks.

Earlier in the year, in May, Denmark had become the first country in the world to enter into an agreement with Airbnb. Under the agreement, rental incomes generated through Airbnb would automatically be registered with the tax authorities. At the same time, users of Airbnb were given an improvement in their tax situation, and the regulations regarding renting out accommodation were eased.

The tax scandals of 2017 continued to receive close attention from the media throughout 2018 and into 2019. There were also examples of evasion of detection in other parts of the public sector; for instance, it was discovered that an employee in the National Board of Social Services had succeeded in embezzling around DKK 110 million over a period of many years. There were scandals in the private sector, too. The facilitation of money laundering by certain banks received extended media coverage and political attention.

Another agreement between the government and the Danish People’s Party will result in the media licence being phased out by 2022. The licence fee will in future be collected through the tax system.

The Danish Confederation of Trade Unions (LO) and the Confederation of Professionals in Denmark (FTF) merged to form a new organisation that began operations from 1 January 2019. The new organisation adopted the name Fagbevægelsens Hovedorganisation (FH), which translates as the Trade Union Movement’s Central Organisation. Its head is Lizette Risgaard, formerly head of LO. 80 trade unions are affiliated to the organisation, with a total of 1.4 million members.

Growth in the economy continued in 2018. GDP grew by 1.5 %, and the annual rate of unemployment fell to 3.7 %. During the year, debate grew more heated over the lack of labour and the need to bring into employment people receiving transfer incomes, including non-Western immigrants and disconnected young people. There was likewise continued discussion of and political disagreement over the need to increase the importation of labour.

The ROCKWOOL Foundation

In 2018 the ROCKWOOL Foundation Research Unit worked in areas that included the value of education, the labour market, Danes’ time use, the effects of crime prevention initiatives, and taxation and undeclared work. Much of the research had an international comparative perspective, which not only enabled a deeper understanding of the structure of the Danish welfare state, but also meant that the work was relevant for the foreign societies that were included in the analyses. The research work was carried out in cooperation with researchers from a number of Danish and overseas universities. The results were made public through publication in both specialised and more general media, participation in TV and radio programmes, presentations, and the organisation of press conferences, conferences and seminars.

In 2018 the ROCKWOOL Foundation Interventions Unit continued to work intensively on the development and impact evaluation of initiatives that can give vulnerable children and young people opportunities to participate in activities in society through education, employment and membership of communities.
The Research Unit

The ROCKWOOL Foundation carries out research into issues of importance for the economic and social sustainability of the welfare state. Relevance is an important criterion in the selection of research topics. The results must be usable in decision-making processes concerning the future shape of the welfare society. Research was carried out in 2018 in the five areas listed below.

Taxation and undeclared work

In December 2018 the Research Unit responded to the demand for more information about undeclared work and the sharing economy in Denmark with the publication of a book entitled Sort arbejde, gør det selv-arbejde og deleøkonomi (Undeclared work, DIY and the sharing economy) by Kristian Hedeager Bentsen, Lise Lam Hansen, Bent Jensen, Claus Larsen and Peer Ebbesen Skov. The book presented the results from the most recent survey of undeclared work. The principal finding was that the amount of undeclared work carried out in Denmark increased from 2016 to 2017, despite having fallen in previous years. The book also presented an international comparison which showed that undeclared work is apparently more widespread in Denmark than in Germany, the Netherlands, the United Kingdom, Norway and Sweden.

Immigration and integration

Globalisation and large-scale migration are phenomena that are closely intertwined. Like most other nations in the EU, Denmark has experienced significant immigration, and successful integration of immigrants is crucial to the future sustainability of the welfare state.

Family finances and the labour market

For the Research Unit, significant events of 2018 began with the publication on 1 February of the book Afkast af uddannelse (The yield from education) by Jan Rose Skaksen, Torben M. Andersen, Kristian Hedeager Bentsen, Lene Kromann, Jakob Roland Munch, Georg Schaur, Anders Sorensen and Jeanette Walldorf. The book provided analyses of the yield from education for individuals and for society as a whole, and the results were presented at a press conference held in Moltkes Palæ. Among other findings, the analyses revealed that Danish society had in no way reached a saturation point at which it no longer paid to increase investments in education above the current level. If, for example, society was to raise to the average the level of education of 10,000 unskilled young
people, the financial gain to society would be around DKK 1 billion in GDP. Other results demonstrated that the choice of subject for courses at the Technical University of Denmark and Copenhagen Business School had a considerable impact on later salaries, and that around one third of all Danes who had taken further or higher education were employed in jobs where the qualifications required were lower than those they held. However, the loss of salary from this phenomenon of over-qualification was minimal, meaning that from society’s point of view it is a problem of limited significance. In accordance with the goal of the ROCKWOOL Foundation to improve the level of information in, and the quality of, the public debate in Denmark, a conference was held on 9 March on the possibilities for bringing more people onto the labour market. The starting point for the conference was that large groups within the Danish population continue to depend on transfer incomes despite the various reforms of the past twenty years, the current high level of employment, and the government’s stated goal of bringing 55,000 more people into work. If the government’s goal is to be fulfilled, further reforms will be needed. The conference was thus aimed at identifying the groups on transfer incomes which could be brought into employment, and what reforms would be appropriate in order to do this. The conference opened with presentations of international and Danish views on the participation in the labour market by marginalised groups. These took the form of contributions from Stefano Scarpetta, Director for Employment, Labour and Social Affairs at the OECD, was interviewed by Borsen, the Danish financial paper. The interview focused on the possibilities of upgrading the qualifications of the unemployed in order to cover gaps in the labour supply.
Employment, Labour and Social Affairs at the OECD, and Professor Torben M. Andersen of Aarhus University. The Research Unit presented its most recent research into the opportunities for and barriers to helping disconnected young people, non-Western immigrants and other groups receiving passive benefits to find employment.

November saw the publication of a book entitled *Hvordan bruger danskerne tiden?* (How do Danes use their time?) by Senior Researcher Jens Bonke and Research Assistant Anders Eiler Wiese Christensen. The book presented the results of the latest Danish time use survey.

One of the results given particular attention by the media was the finding that parents – and especially fathers – spent far more time than previously in caring for their children. Other findings showed that Danes had gained more leisure time, that more of them worked flexible hours, and that leisure was increasingly being used in passive rather than active pursuits.

**Marginalised groups and risk behaviour**

In connection with the work of the Research Unit on marginalized groups, a new study of the effect of crime prevention initiatives was presented by Senior Researcher Rasmus Landersø at a press conference on 17 April. The impact of these initiatives was studied in part through an analysis of the effects of the registration of the DNA of people charged with offences on recidivism and the probability of the police solving a given crime, and in part through the analysis of the effect of removing of criminals from their networks. The results showed that criminal behaviour is extremely contagious – the consequential effect of a crime being avoided is that four more criminal acts are not committed that otherwise would have been. The results also demonstrated that DNA registration prevented further crimes, especially among young people and first-time offenders.

**Disconnected young people**

Up to 7% of any given annual cohort of the population never complete a course of education that qualifies them for a job or achieve a stable relationship with the labour market. For all too many young people, this leads to poor life circumstances, and this factor has a negative impact on the social and economic sustainability of the welfare state.
The ROCKWOOL Foundation Interventions Unit develops interventions aimed at pre-school children, school students and young people in vocational schools and attending job centres. The aim of these interventions is to find new approaches in the work of making a positive difference and creating a lasting effect for children and disconnected young people. The interventions must be innovative, relevant, scalable and cost-effective. They are rooted in research findings, practical experience and social innovation, and are developed and tested in close cooperation with members of the public and practitioners. In order for decision-makers to know both the cost and the effectiveness of any given intervention, the impact is always measured through evaluations conducted to the highest research standards.

Educational interventions

At present, only around half of all the students who commence a course of vocational training actually complete it. The ROCKWOOL Foundation Interventions Unit, together with the students and staff at three vocational schools, have developed a number of proposals for interventions designed to help young people get through their courses. The first suggestions were prepared in 2018, and these focused on activating students’ own resources and experience in strengthening their sense of professional identity. The idea is to make changes in both the intro-
ductory courses for new students and in the framework for theoretical and practical training so that students experience a greater sense of being resource-rich and part of a professional community. The Interventions Unit has set up a vocational training innovation network with 19 vocational schools being represented in it. The vocational training sector is in this way invited to participate in the development and evaluation process, of which the goal is to establish proposals for new and effective solutions that will ensure that more students complete their courses. If the solutions turn out to have the desired effect, they will be placed at the disposal of all the nation’s vocational schools. It is not at vocational schools alone that students have problems in completing their courses. Far too many school students finish compulsory schooling with a leaving exam result that is not useful for anything, and thus are unable to go on to further education. The ROCKWOOL Foundation Interventions Unit has therefore developed an initiative that gives school students in their final years who are tired of classroom learning an opportunity to enrol in company-based training. The hope is that practical training in firms – with a close link to the school – can provide renewed motivation and create a better situation for learning, so that more students succeed in gaining a usable leaving qualification from their obligatory schooling.

In 2018 the issue was thoroughly researched through literature studies, quantitative analyses of the target group, and interviews with the young people concerned and with teachers, educational counsellors and representatives of firms. At the end of 2018, the first pilot trials were started with a small group of Year 8 students. They are building up work experience that can help them succeed with the tasks and challenges they meet in school – both the boring and the enjoyable, those that are to be tackled individually and those that can be carried out in groups. The insights gained from these first trials will provide the basis for the development of an initiative that will be trialled with larger groups in 2019.

Finally, the Interventions Unit has worked with determination to develop an intervention to support language development in the home among pre-school children in order to improve their chances of benefiting from education. The initiative, called TipsByText, is aimed at parents. The idea is that parents receive suggestions via text messaging for enjoyable games and activities that they can easily do with their children as part of their everyday routine. The initiative is aimed at reducing the large differences found in language skills among children when they begin school, and thus to give all children the best chance of success from early on in life. The scheme was originally developed by researchers at Stanford University, and results in America have shown that it makes a particular difference for children from minority populations and vulnerable families. During 2018 the Interventions Unit adapted TipsByText to Danish conditions, so that the scheme is now ready to be tested in a randomised trial in cooperation with a number of municipalities.
Employment initiatives

In 2018 the employment programme NExTWORK continued to help unemployed young people find their way into education or work. The target group consists of young adults in the age range 18-29 who are on the margins of society, having no educational qualification beyond obligatory schooling and with significant problems over and above being unemployed. NExTWORK is a network-based scheme in which groups of young adults and groups of firms link up. Representatives of the firms offer internships to the young people, and work together to provide guidance to the participants and help them fulfil their potential. Through practical work experience, the young people are given the opportunity to develop their personal and social skills and to find their way towards education or employment. What is new about NExTWORK is the strong focus on developing a sense of work identity in the participants, on building up relationships and networks, and on empowering the young adults in the scheme to make their own decisions. This emphasis guides the implementation of the initiative. The participants’ sense of work identity is promoted through work experience, through providing the opportunity to build up relationships within relevant networks, and through always promoting decision-making by the participants and thus enabling them to find their own directions. NExTWORK initiatives are municipality-based, and are currently being rolled out in the municipalities of Roskilde, Copenhagen, Sonderborg, Vejle and Horsens in 2-to 3-year pilot projects. In each municipality, a team of six project personnel are employed to facilitate the networks of young adults and firms on the basis of the principles of the scheme, and to support the participants on their way to education and employment. More than 900 young adults are currently participating in NExTWORK initiatives in the five municipalities involved, and at least 250 firms are actively engaged in the network. Read more (in Danish) at www.nextworks.dk.
Selected publications by the ROCKWOOL Foundation in 2018

Afkast af uddannelse (The yield from education)
By Jan Rose Skaksen, Torben M. Andersen, Kristian Hedeager Bent- sen, Lene Kromann, Jakob Roland Munch, Georg Schaur, Anders Sørensen and Jeanette Walldorf.
Odense: University Press of Southern Denmark and The ROCKWOOL Foundation Research Unit

Integration and permanent residence policies – a comparative pilot study
By Jacob Nielsen Arendt
Copenhagen: The ROCKWOOL Foundation Research Unit

Local Labour Demand and Immigrant Employment
By Luz Azlor, Anna Piil Damm and Marie Louise Schultz-Nielsen
Copenhagen: The ROCKWOOL Foundation Research Unit

Consumption Value in Higher Education The Price of Preferences
By Kristian Hedeager Bentsen and Jan Rose Skaksen
Copenhagen: The ROCKWOOL Foundation Research Unit

The effects of DNA databases on the deterrence and detection of offenders
By Anne Sofie Tegner Anker, Rasmus Landersø and Jennifer L. Doleac
Copenhagen: The ROCKWOOL Foundation Research Unit

Parental welfare dependency and children’s educational attainment in Denmark
By Peter Fallesen and Fabrizio Bernardi
Copenhagen: The ROCKWOOL Foundation Research Unit

Do Lower Minimum Wages for Young Workers Raise their Employment? - Evidence from a Danish Discontinuity
By Claus Thustrup Kreiner, Daniel Reck Peer and Ebbesen Skov
Odense: University Press of Southern Denmark and The ROCKWOOL Foundation Research Unit

Sort arbejde, gør det selv-arbejde og deleøkonomi (Undeclared work, DIY and the sharing economy)
By Kristian Hedeager Bentsen, Lise Lam Hansen, Bent Jensen, Claus Larsen and Peer Ebbesen Skov
Odense: University Press of Southern Denmark and The ROCKWOOL Foundation Research Unit

The timing of instruction time: Accumulated hours, timing and pupil achievement
By Eskil Heinesen, Paul Bingley, Karl Fritjof Krassel and Nicolai Kristensen
Copenhagen: The ROCKWOOL Foundation Research Unit

Refugees and asylum seekers in Denmark 1992–2016 - Numbers, waiting times, settlement and legislation
By Camilla Hvidtfeldt and Marie Louise Schultz-Nielsen
Copenhagen: The ROCKWOOL Foundation Research Unit

Hvordan bruger danskerne tiden? (How do Danes use their time?)
By Jens Bonke and Anders Eiler Wiese Christensen
Copenhagen: The ROCKWOOL Foundation Research Unit