AN HISTORICAL RECORD

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.





The current Chairman, Tom Kähler (left), with his father, 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

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Claus Kähler's business values

- 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.

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.

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.

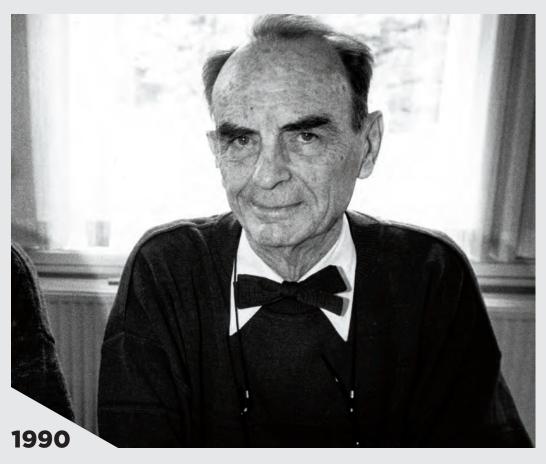
There was also discussion of how many of those registered as unemployed truly were without any work. There was a widespread suspicion that there was an increasing level of undeclared work going on, with the unemployed being especially active in this field. What, people wondered, were the distributional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

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Erik Ib Schmidt at the launch of 'Tid og Forbrug' (Time and consumption) at a press conference in September 1990.

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.

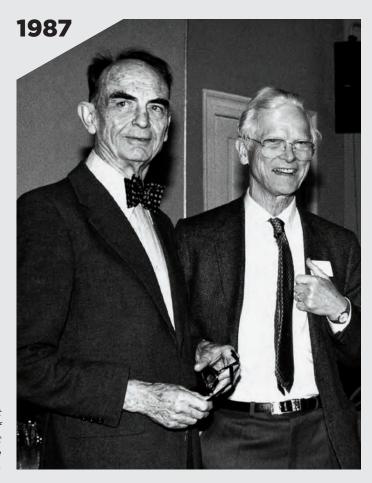
The Foundation

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.

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.



In 1987, the Rockwool Foundation initiated a research project entitled 'Time and Consumption' under the leadership of Erik Ib Schmidt and Gunnar Viby Mogensen. Erik Ib Schmidt (left), seen here in conversation with Claus Kähler, then the

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

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1989

The first Rockwool Foundation publication based on a research project managed in-house was the book '24 timer i døgnet. Tidsanvendelse og forbrugsmønstre siden 60'erne' (24 hours in the day. Time use and patterns of consumption since the 1960s).

The documentation by the Rockwool Foundation in the 'Time and Consumption' project of the fact that Danes in paid employment were experiencing increasing time pressure provoked this cartoon comment by Bo Bojesen in the Danish daily newspaper Politiken in 1989. The caption read: 'A study has shown that family life is much more hectic today than before, despite the fact that we have more leisure time and more technical gadgets to help us'.

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 oneperson 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.

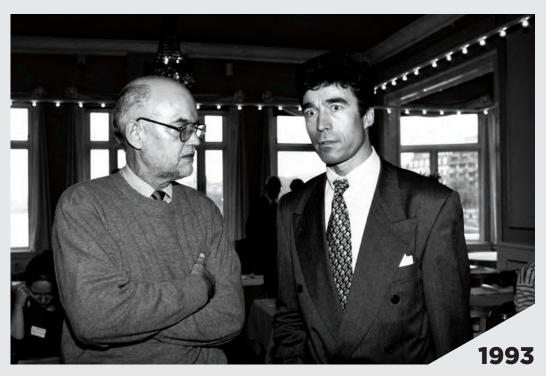
Some Danes indicated that their concerns about immigration and about Danish politicians' handling of EU issues had

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1995

Presentation of the first empirical results from the project 'Welfare and labour'.



At a press conference in 1993 concerning the project on 'Welfare and incentives'. On the left is Gunnar Viby Mogensen, the then Research Director of the Research Unit; on the right is Anders Fogh Rasmussen (of Venstre, the Danish Liberal Party), who was later to become Prime Minister of Denmark. In 1993 Anders Fogh Rasmussen was the Vice-chairman of Venstre and the party's political spokesperson; he commented on the research results at the press conference.

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 despatch 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.



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 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



Economists Professors Björn A. Gustafsson of Sweden and Klaus F. Zimmermann of Germany at the presentation in 1993 of the introductory overview of research in Northern Europe on the influence of the welfare state on the supply of labour.

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

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At the Rockwool Foundation press conference in 1999 on immigration and integration, where the book 'Immigration to Denmark' was launched (published in both Danish and English). The picture shows Thorkild Simonsen, then Social Democratic Minister for the Interior; behind him is Tom Kähler.

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 publica-

tion 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?



The scene at the presentation of new results on welfare and incentives in February 1998. Media interest was particularly great in view of the ongoing election campaign.

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



1999

The Danish version of the book 'Indvandringen til Danmark' (Immigration to Denmark).



At the presentation of the first empiric results from the research on immigration and integration. Marianne Jelved (of the Social Liberal Party), then Minister for Economic Affairs, commenting on the results.

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.

The Rockwool Foundation 2001-2006: International research projects and practical aid projects in developing countries

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.



Tom Kähler welcoming participants to the 2003 press conference to present the book 'Fra mangel på arbejde til mangel på arbejdskraft' (From shortage of work to shortage of labour). Seated at the table are (on the left) the then Minister of Employment, Claus Hjort Frederiksen (of Venstre, the Danish Liberal Party) and Torben Tranæs, Research Director at the Rockwool Foundation Research Unit.

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

2003



The book 'Fra mangel på arbejde til mangel på arbejdskraft' (From shortage of work to shortage of labour) by Nina Smith, Peder J. Pedersen, Søren Pedersen and Marie Louise Schultz-Nielsen, published in 2003, presented new results from the research into 'Welfare and incentives'.

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



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.

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.

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.

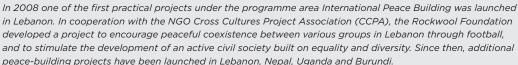
At the end of the period, the debt crisis in the EU was still ongoing, and having a negative effect on the Danish economy.

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.







2007

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

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



Three of the commentators at the 2009 press conference on immigration and integration. From left to right: Margrethe Vestager, Leader of the Danish Social Liberal Party, Jesper Langballe, Spokesperson on Research for the Danish People's Party, and Meta Fuglsang, spokesperson on Integration for the Socialist People's Party.

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.

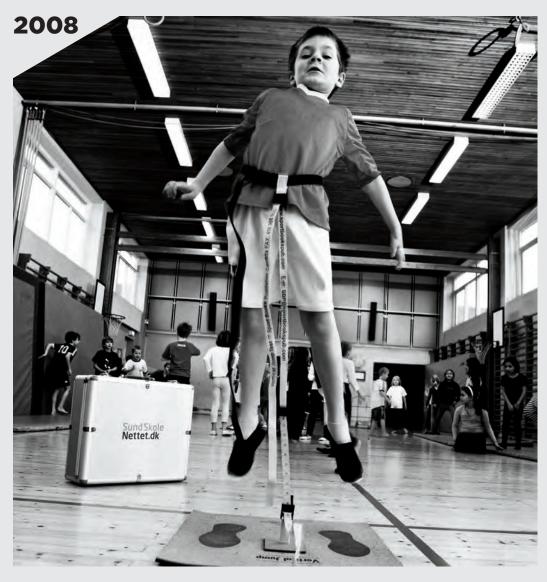
The analyses made by the Research Unit of 'Starting-out assistance' showed that on average, both men and women found jobs more quickly when the alternative was this low-level benefit. (Starting-out assistance was a social security safety net provided for the first seven years of residence for people 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



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.

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.

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.

An empirical study of the development of the service sector in Denmark since 1966 (Empirisk belysning af servicesektorens udvikling i Danmark siden 1966).

By Niels Buus Kristensen. Copenhagen: Statistics Denmark.

1990



Do we have to get everything done? (Behøver vi at nå det hele?).
By Erik Ib Schmidt. Copenhagen:
Spektrum.

Time and consumption.

Edited by Gunnar Viby Mogensen, with contributions by Søren
Brodersen, Thomas Gelting, Niels
Buus Kristensen, Eszter Körmendi,
Lisbeth Pedersen, Benedicte
Madsen, Niels Ploug, Erik Ib
Schmidt, Rewal Schmidt Sørensen
and Gunnar Viby Mogensen. Copenhagen: Statistics Denmark.

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.

Time in economic theory (*Tid i økonomisk teori*).

By Peter Brixen. Copenhagen: Statistics Denmark.

1991

The everyday life of Danes.

Developments in Denmark from
the 1960s to the 1990s (Danskernes
dagligdag. Træk af udviklingen i
Danmark fra 1960erne til 1990erne).
By Bent Jensen. Copenhagen:
Spektrum.

1992

Fixed hours of work: A thing of the past

(Den faste arbejdstid er fortid).

By Helle Schönemann-Paul, Eszter
Körmendi and Thomas Gelting.
Copenhagen: Spektrum.

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 Strøjer Madsen, Kurt Pedersen, Peter Jensen, Jan Beyer Schmidt-Sørensen and Nina Smith. Copenhagen: Spektrum.

Employment and unemployment in the 1990s

(Arbejde og ledighed i 1990erne).
By Gunnar Viby Mogensen, with
contributions by Poul Erik Pedersen, Georg Poulsen, Sven Folmer
Thomsen and Finn Thorgrimson.
Copenhagen: Spektrum.

Geographical mobility in the workforce (Geografisk mobilitet i arbeidsstyrken).

By Thomas Gelting. Copenhagen: Statistics Denmark.

Unemployment - The challenge of the 1990s. Unemployment and flexibility on the Danish

labour market (Arbejdsløshed -90ernes udfordring. Arbejdsløshed og fleksibilitet på det danske arbeidsmarked).

By Troels Østergaard Sørensen. Copenhagen: Statistics Denmark.

We and our politicians (*Vi og vore* politikere)

By Jørgen Goul Andersen, Hans Jørgen Nielsen, Niels Thomsen and Jörgen 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.

Welfare and the will to work - an impossible combination?

(Arbejdslyst og velfærd - en umulig cocktail?).

By Gunnar Viby Mogensen, with comments and evaluations by Karen Jespersen, Jes Lunde, Mogens Lykketoft and Anders Fogh Rasmussen. Copenhagen, Spektrum.

Welfare and work incentives. A North European perspective.

Edited by A.B. Atkinson and Gunnar Viby Mogensen, with contributions by A.B. Atkinson, Richard Blundell, Björn Gustafsson, Anders Klevmarken, Peder J. Pedersen and Klaus Zimmermann. Oxford: Oxford University Press.

Solidarity or egoism?

By Douglas A. Hibbs. Aarhus: Aarhus University Press.

Danes and their politicians.

By Gunnar Viby Mogensen. Aarhus: Aarhus University Press.

The politicians and you. On political life in Denmark

(Politikerne og dig. Om det politiske liv i Danmark).

By Bent Jensen. Copenhagen: Spektrum.

1994

Unemployment and flexibility on the Danish labour market.

By Gunnar Viby Mogensen. Copenhagen: Statistics Denmark.

Research on the 'black' sector in Denmark, 1980-92 (Forskning i den sorte sektor i Danmark 1980-92). By Gunnar Viby Mogensen. Copenhagen: Statistics Denmark.

What do we do about unemployment? (Hvad gør vi ved arbejdsløsheden?).

By Bent Jensen. Copenhagen: Spektrum.

Aspects of research on environmental economics conducted in Denmark and selected industrialised countries, and by international organisations, 1992-94 (Aspekter af miljøøkonomisk forskning i Danmark, udvalgte industrilande og internationale organisationer, 1992-94).

By Bent Jensen. Copenhagen: Statistics Denmark.

Economic development in Greenland. What must be done to stop financial dependence on Denmark?

(Grønlands økonomiske udvikling. Hvad skal der til for at lukke gabet?).

By Martin Paldam. Aarhus: Aarhus University Press.

1995

The shadow economy in Denmark 1994. Measurement and results.

By Gunnar Viby Mogensen, Hans Kurt Kvist, Eszter Körmendi and Søren Pedersen. Copenhagen: Statistics Denmark.

What benefit have we had out of economic growth? Changes in consumption viewed in the light of environmental policy

(Hvad fik vi ud af den økonomiske vækst? Forbrugsudviklingen i miljøpolitisk belysning). By Hans E. Zeuthen and Bent

Jensen. Copenhagen: Spektrum.

A welfare indicator for Denmark, 1970-1990. Consumption, the environment, household work and leisure time

(En velfærdsindikator for Danmark 1970-1990. Forbrug, miljø, husholdningsarbejde og fritid). By Peter Rørmose Jensen, with contributions by Anne Berit Hallam, Jens Hauch, Elisabeth Møllgaard and Ole Gravgård Pedersen. Copenhagen: Statistics Denmark.

On the Measurement of a Welfare Indicator for Denmark 1970-1990.

By Peter Rørmose Jensen and Elisabeth Møllgaard. Copenhagen: Statistics Denmark.

The Danes' everyday moonlighting

(Danskernes sorte dagligdag).
By Bent Jensen. Copenhagen:
Spektrum.

Work incentives in the Danish welfare state. New empirical evidence.

Edited by Gunnar Viby Mogensen, with contributions by Søren Brodersen, Lisbeth Pedersen, Peder J. Pedersen, Søren Pedersen and Nina Smith. Aarhus: Aarhus University Press.

What makes us work? The relationship between social policy, taxation laws and work availability in present-day Denmark (Hvad driver værket? Om sammenhængen mellem socialpolitik, skattelovgivning og arbejdsudbud i dagens Danmark).

Edited by Gunnar Viby Mogensen, with contributions by Søren
Brodersen, Lisbeth Pedersen, Peder
J. Pedersen, Søren Pedersen and
Nina Smith, and with discussions
by Kjell-Olof Feldt, Erik Hoffmeyer
and Aase Olesen. Copenhagen:
Spektrum.

Environmental policy - Why and

how? (Miljøpolitik - hvorfor og hvordan?).

By Erik Ib Schmidt. Copenhagen: Spektrum.

1996

Environmental problems and welfare (Miljøproblemer og velfærd).

By Bent Jensen. Copenhagen: Spektrum.

Features of the environmental debate in six Danish newspapers, from the 1870s to the 1970s.

Aktuelt, Berlingske Tidende,
Information, Jyllands-Posten,
Politiken and Vestkysten (Træk af miljødebatten i seks danske aviser fra 1870'erne til 1970'erne. Aktuelt,
Berlingske Tidende, Information,
Jyllands-Posten, Politiken og Vestkysten).

By Bent Jensen. Copenhagen: Statistics Denmark.

1997

Actual and potential recipients of welfare benefits, with a focus on housing benefits, 1987-1992.

(Aktuelle og potentielle modtagere af velfærdsydelser med hovedvægt på boligstøtten 1987-1992). By Hans Hansen and Marie Louise Hultin. Copenhagen: Statistics Denmark.

Actual and potential recipients of welfare benefits with a focus on housing benefits, 1987-1992.

By Hans Hansen and Marie Louise Hultin. Copenhagen: Statistics Denmark

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.

Danish foreign aid. The economic realities of altruism (Dansk

U-Landshjælp. Altruismens politiske økonomi).

By Martin Paldam. Aarhus: Aarhus University Press.

1998

Employed - unemployed - early retirement. Where is the Danish labour market going - and how is it perceived by the parties involved?

(Beskæftiget - ledig - på efterløn. Hvor bevæger det danske arbejdsmarked sig hen - og hvordan opleves det af dets aktører?). Edited by Gunnar Viby Mogensen, with contributions by Peder J. Pedersen, Søren Pedersen and Nina Smith, and with comments and evaluations by Lars Andersen, Carsten Koch and Richard B. Larsen, Copenhagen: Spektrum.

Work, incentives and unemployment (Arbeide.

incitamenter og ledighed).
Edited by Nina Smith, with contributions by Peter Jensen, Peder J.
Pedersen, Søren Pedersen and Nina Smith. Aarhus: Aarhus University

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.



The law and me. Danes' relationship to the law of the land

(Lovene og mig. Danskernes forhold til landets love).

By Jørgen Goul Andersen, with comments and evaluations by Karen Jespersen, Jørn Henrik Petersen and Jörgen Westerståhl. Copenhagen: Spektrum.

A contribution to the study of inequalities in income distribution

(Et bidrag til studiet af uligheder i indkomstfordelingen).

By Erik Ib Schmidt. Copenhagen: Statistics Denmark

The shadow economy in Western Europe. Measurement and results for selected countries.

By Søren Pedersen, with contributions by Esben Dalgaard and Gunnar Viby Mogensen. Copenhagen: Statistics Denmark.

1999

Immigration to Denmark. International and national perspectives

(Indvandringen til Danmark. Internationale og nationale perspektiver).

By David Coleman and Eskil Wadensjö, with contributions by Bent Jensen and Søren Pedersen. Copenhagen: Spektrum.

Immigration to Denmark. International and national perspectives.

By David Coleman and Eskil Wadensjö, with contributions by Bent Jensen and Søren Pedersen. Aarhus: Aarhus University Press.

Is working worthwhile? Danes' labour supply in the welfare state of the 1990s (Kan det betale sig at arbejde? Danskernes arbejdsudbud i 90'ernes velfærdsstat).

By Bent Jensen. Copenhagen: Spektrum.

Not just creative thinking. On budgetary policy and political budgets (Ej blot til pynt. Om budgettets politik og politikernes

budget).By Peter Munk Christiansen.Aalborg: Aalborg University Press.

An international assessment of the organisation and financing of the Danish national health service

(International vurdering af organisation og finansiering af det danske sundhedsvæsen).

By Terkel Christiansen. Odense:
Odense University Press.

The Danish national health service: Choices and priorities. A literature survey of methods and results

(Præferencer for sundhedsvæsenets organisation og ydelser. Et litteraturstudie af metoder og resultater).

By Annie Gaardsted Frandsen.
Odense: Odense University Press.

Services expenditure and user satisfaction in Danish

municipalities (Serviceudgifter og brugertilfredshed i danske kommuner).

By Henrik Lolle. Aalborg: Aalborg University Press.

2000



Abortive integration? Immigrants' encounter with the labour market and the welfare society (Mislykket integration? Indvandrernes møde

med arbejdsmarkedet og velfærdssamfundet).

By Gunnar Viby Mogensen and Poul Chr. Matthiessen, with comments and evaluation by Marianne Jelved. Copenhagen: Spektrum.

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 velfærdssamfundet)

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 avisdebat fra 1870'erne til

By Bent Jensen. Copenhagen: Spektrum.

1990'erne)

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

By Bent Jensen. Copenhagen: Statistics Denmark.

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

By Annie Gaardsted Frandsen,
Dorte Gyrd-Hansen, Steffen Petersen and Ulla Slothuus. Odense:
Odense University Press.

Illness and health. What Danes want from the national health service (Sygt og sundt. Om

danskernes ønsker til sundhedsvæsenet).

By Jørn Henrik Petersen, with comments from Sonja Mikkelsen, Kresten Philipsen and Jes Søgaard. Odense: University Press of Southern Denmark.

2001

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

By Bent Jensen. Copenhagen:
Spektrum.

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

By Bent Jensen. Copenhagen: Statistics Denmark.

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).

By Sanne Lund Clement. Aalborg: Aalborg University.

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

By Marie Louise Schultz-Nielsen, with contributions by Olaf Ingerslev, Claus Larsen, Gunnar Viby Mogensen, Niels-Kenneth Nielsen, Søren Pedersen and Eskil Wadensjö. Copenhagen: Statistics Denmark.

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.

By Bent Jensen. Copenhagen:

Spektrum.

By Hans Hansen, Helle Jensen, Claus Larsen and Niels-Kenneth Nielsen. Copenhagen: Statistics Denmark.

Immigrants and the labour market. The meeting with the Danish welfare society

(Indvandrerne og arbejdsmarkedet. Mødet med det danske velfærdssamfund).

By Gunnar Viby Mogensen and Poul Chr. Matthiessen, with contributions by Claus Larsen, Niels-Kenneth Nielsen, Marie Louise Schultz-Nielsen and Eskil Wadensjö, and comments and evaluations by Ritt Bjerregaard and Bertel Haarder. Copenhagen: Spektrum.

How do Danes value their health?

(Værd(i)sætter danskerne deres helbred?)

By Kjeld Møller Pedersen and Kim Wittrup-Jensen. Odense: University Press of Southern Denmark.

2003

Denmark's informal economy. Historical and international aspects

(Danmarks uformelle økonomi. Historiske og internationale aspekter).

By Gunnar Viby Mogensen. Copenhagen: Spektrum.

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

By Søren Pedersen. Copenhagen: Statistics Denmark.

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

By Søren Brodersen. Copenhagen: Statistics Denmark.

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). By Nina Smith, Peder J. Pedersen, Søren Pedersen and Marie Louise Schultz-Nielsen. Copenhagen:

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

Spektrum.

Are the Danes xenophobic? Foreign views of the debate on immigrants, 2000-2002 (Er

danskerne fremmedfjendske? Udlandets syn på debatten om indvandrere 2000-2002). By Hans Jørgen Nielsen. Aarhus:

Aarhus University Press.

Migrants, work, and the welfare state.

Edited by Torben Tranæs and Klaus F. Zimmermann, with contributions by Thomas Bauer, Amelie Constant, Horst Entorf, Christer Gerdes, Claus Larsen, Poul Chr. Matthiessen, Niels-Kenneth Nielsen, Marie Louise Schultz-Nielsen and Eskil Wadensjö. Odense: University Press of Southern Denmark.

Immigration and the labour market. A comparison of Germany and Denmark (Zuwanderung und Arbeitsmarkt. Deutschland und Dänemark im Vergleich).

By Klaus F. Zimmermann and Holger Hinte. Berlin: IZA, Rockwool Foundation Research Unit, Springer Verlag.

Will there be enough hands?

Danes' incentives to work in the welfare state of the 21st century.

(Vil der være hænder nok? Danskernes arbejdsudbud i 2000tallets velfærdsstat).

By Bent Jensen. Copenhagen: Gyldendal.

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.

Immigration to Europe. The welfare state and integration (Indvandringen til

Europa. Velfærdsstat og integration).

By Bent Jensen, with an introduction by Torben Tranæs. Copenhagen: Gyldendal.

From asylum seeker to refugee to family reunification. Welfare payments in these situations in some European countries and

Canada (Fra asylansøger over flygtning til familiesammenføring. Offentlige kontantydelser i disse situationer i en række vestlige lande).

By Hans Hansen. Copenhagen: Statistics Denmark.

2006

A dividing population?

(En befolkning deler sig op?).

By Anna Piil Damm, Marie Louise
Schultz-Nielsen and Torben Tranæs,
with comments and evaluations by
Rikke Hvilshøj, Henrik Sass Larsen
and Svein Blom. Copenhagen:
Gyldendal.

From asylum seeker to refugee to family reunification. Welfare payments in these situations in various Western countries.

By Hans Hansen. Copenhagen: Statistics Denmark.

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

By Torben Tranæs, Bent Jensen and Mark Gervasini Nielsen. Copenhagen: Statistics Denmark.



Tax, work and equality - a study of the Danish tax and welfare system

(Skat, arbejde og lighed - en undersøgelse af det danske skatteog velfærdssystem).

Edited by Torben Tranæs, with contributions by Henrik Jacobsen Kleven, Claus Thustrup Kreiner, Niels-Kenneth Nielsen and Peder J. Pedersen. Copenhagen: Gyldendal.

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

By Bent Jensen. Copenhagen: Statistics Denmark.



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).

By Jeppe Agger Nielsen and Jørgen Goul Andersen. Odense: University

Press of Southern Denmark.

2007

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 (Træk af avisdebatten om de arbejdsløse fra 1840'erne til 1940'erne. Bind II: Debatten fra 1907 til 1940'erne).

By Bent Jensen. Copenhagen: Statistics Denmark.

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

(PISA Etnisk 2005. Kompetencer hos danske og etniske elever i 9. klasser i Danmark i 2005.). Edited by Niels Egelund and Torben Tranæs, with contributions by Peter Jensen, Torben Pilegaard Jensen, Niels-Kenneth Nielsen, Helle Kløft Schademan and Nina Smith. Odense: University Press of Southern Denmark.

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

(PISA 2000's læseskala. Vurdering af psykometriske egenskaber for elever med dansk og ikke-dansk sproglig baggrund).

By Peter Allerup. Odense: University Press of Southern Denmark.

Determination of net transfers for immigrants in Germany.

By Christer Gerdes. Copenhagen: The Rockwool Foundation Research

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. Leading learning. Improving learning in schools (Læringsledelse. Løft til læring i skolen).

By Mads Hermansen, with contributions by Frode Boye Andersen, Kirsten Bro, Mads Hermansen, Annette Hildebrandt Jensen, Vibeke Petersen and Birgit Ryberg. Copenhagen: Forlaget Samfundslitteratur.

Virtuous and vicious circles at school (Skolens gode og onde cirkler).

By Mads Hermansen, with contributions by Frode Boye Andersen,
Kirsten Bro, Inge Henningsen,
Mads Hermansen, Leif Glud Holm,
René Skaaning Jakobsen, Annette
Hildebrandt Jensen, Svend Kreiner,
Thomas Lund, Vibeke Petersen,
Pernille Pind, Birgit Ryberg and
André Torre. Copenhagen: Forlaget
Samfundslitteratur.

2008

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.

Extracts from the newspaper debate in Denmark on the unemployed from the 1950s to

the 1990s (Træk af avisdebatten om de arbejdsløse fra 1950'erne til 1990'erne).

By Bent Jensen. Odense: University Press of Southern Denmark.



The offender and society, Life conditions and indirect punishment

(Forbryderen og samfundet. Livsvilkår og uformel straf). By Torben Tranæs and Lars Pico Geerdsen, with contributions by Susumu Imai, Claus Larsen and Michael Svarer. Copenhagen: Gyldendal.

Crime and partnership.

By Michael Svarer. Odense: University Press of Southern Denmark.

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

By Peter Jensen and Astrid Würtz Rasmussen. Odense: University Press of Southern Denmark.

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

By Bent Jensen. Odense: University Press of Southern Denmark.

What the papers said about the unemployed. The newspaper debate from the 1840s to the

de arbejdsløse? - Debatten fra 1840'erne til 1990'erne). By Bent Jensen. Copenhagen:

1990s (Hvad skrev aviserne om

Gyldendal.

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

By Beatrice Schindler Rangvid. Odense: University Press of Southern Denmark

Attitudes to education and work among young immigrants. young Danes, and their parents

(Holdninger til uddannelse og arbeide blandt unge indvandrere. danskere og deres forældre). By Jørgen Goul Andersen. Odense: University Press of Southern Denmark

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 Vikkelsø Slot. Copenhagen: Gyldendal.

Pulling back from the abyss. The Ministry of Finance as controller of

the economy (Væk fra afgrunden. Finansministeriet som økonomisk styringsaktør).

By Lotte Jensen. Odense: University Press of Southern Denmark.

Assaults on public employees

(Vold mod offentligt ansatte). By Peter Kruize David WM Sorensen and David Dreyer Lassen. Odense: University Press of Southern Denmark.

2009



The Danish labour market and the eastward expansion of the EU

(Det danske arbejdsmarked og EUudvidelsen mod øst).

By Nikolaj Malchow-Møller, Jakob Roland Munch and Jan Rose Skaksen, with contributions by Vibeke Borchsenius, Camilla Hvidtfeldt, Claus Aastrup Jensen, Jonas Helth Lønborg, Lynn Roseberry and Sanne Schroll. Copenhagen: Gyldendal.

The legal aspects of the expansion of the EU and the Danish labour

market (De juridiske aspekter

vedrørende EU-udvidelsen og det danske arbejdsmarked). By Lynn Roseberry. Odense: Univer-

sity Press of Southern Denmark.

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

By Claus Aastrup Jensen. Odense: University Press of Southern Denmark.

Emigration of immigrants - A duration analysis.

By Sanne Schroll, Odense: University Press of Southern Denmark.

Patterns of marriage among young people from immigrant backgrounds: The consequences of the changes in the immigration legislation of 2000 and 2002

(Ægteskabsmønsteret for unge med indvandrerbaggrund: Konsekvenser af ændringerne i udlændingeloven i 2000 og 2002).

By Marie Louise Schultz-Nielsen and Torben Tranæs. Copenhagen: The Rockwool Foundation Research Unit.

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

By Poul Chr. Matthiessen. Odense: University Press of Southern Denmark.

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

By Jens Bonke. Odense: University Press of Southern Denmark.

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

By Jens Bonke and Peter Fallesen. Odense: University Press of Southern Denmark

Family investments in children: What drives the social gap in parenting?

By Jens Bonke and Gøsta Esping-Andersen. Odense: University Press of Southern Denmark.

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

By Jens Bonke, Thomas Crossley and Lori Curtis. Odense: University Press of Southern Denmark.

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 (Jagten

på fremtidens nye vækstvirksomheder).

By Michael S. Dahl, Pernille G. Jensen and Kristian Nielsen. Copenhagen: DJØF Publishing.

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 overrepræsentation i strafferetlige domme).

By Lars Højsgaard Andersen and Torben Tranæs. Odense: University Press of Southern Denmark.

Sleep - Marriage, income and health (Søvn - ægteskab, indkomst

health (Søvn - ægteskab, indkoms 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

(Indvandringens betydning for de offentlige finanser i Danmark).

By Christer Gerdes, Marie Louise Schultz-Nielsen and Eskil Wadensjö.

Odense: University Press of Southern Denmark.

The price of prejudice.

By Morten Hedegaard and Jean-Robert Tyran. Odense: University Press of Southern Denmark.

Trends in the Danish immigration multiplier.

By Martin Junge, Marie Louise Schultz-Nielsen and Torben Tranæs. Copenhagen: The Rockwool Foundation Research Unit.

Immigration and welfare state cash benefits - The Danish case.

By Peder J. Pedersen. Odense: University Press of Southern Denmark.

A panel study of immigrant poverty dynamics and income mobility - Denmark, 1984-2007.

By Peder J. Pedersen. Odense: University Press of Southern Denmark.

Qualitative integration - Are we heading for an ethnically divided

society? (Kvalitativ integration - er vi på vej mod et etnisk opdelt samfund?).

By Torben Tranæs. Copenhagen: The Rockwool Foundation Research Unit.

The significance of immigration for public finances in Denmark.

By Christer Gerdes, Marie Louise Schultz-Nielsen and Eskil Wadensjö. Odense: University Press of Southern 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 sundhedsvæsen lære af Kaiser Permanente?)

Edited by Anne Frølich, with contributions 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



The front cover of the book 'Har vi tid til velfærd?' (Is there enough working time for welfare?)



We Danes are working less than we used to – but we feel that we work more. That was one of the main conclusions of the new study of time use and consumption. The panel of the press conference comprised Claus Hjort Frederiksen (Liberal, former Minister of Finance), Jørn Neergaard Larsen (Director General, Confederation of Danish Employers) and Margrethe Vestager (Social Liberal, Minister for Economic and Interior Affairs).

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 as 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 >



The front cover of 'Das Ausmass der Schwartzarbeit in Deutschland' (The extent of undeclared work in Germany). The book was published in Berlin in the summer of 2012.

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. ■

Publications by the Rockwool Foundation in 2012

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

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.

By Signe Hald Andersen. Odense: University Press of Southern Denmark.

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

By Signe Hald Andersen. Odense: University Press of Southern Denmark.

Does incarceration length affect labor market outcomes for violent offenders?

By Rasmus Landersø. Odense: University Press of Southern Denmark.

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

By Lars Højsgaard Andersen and Signe Hald Andersen. Odense: University Press of Southern Denmark.

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

By Peter Fallesen, Lars Pico Geerdsen, Susumu Imai and Torben Tranæs. Odense: University Press of Southern Denmark. Odense.

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

By Jens Bonke. Odense: University Press of Southern Denmark.

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

By Lars Højsgaard Andersen, Hans Hansen, Marie Louise Schultz-Nielsen and Torben Tranæs. Odense: University Press of Southern Denmark. What have we done with the time? An overview of old and recent research studies of time use (*Hvad har vi gjort ved tiden?*).

By Jens Bonke and Bent Jensen. Odense: University Press of Southern Denmark.

Living with a mental disorder (Det levede liv med sindslidelse).

By Nelli Øvre Sørensen. Copenhagen: Forskningscenter for Socialt 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.

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.

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

By Christian Dustmann, Tommaso Frattini and Anna Rosso. Odense: University Press of Southern Denmark.

Estimating the effect of emigration from Poland on Polish wages.

By Christian Dustmann, Tommaso Frattini and Anna Rosso. Odense: University Press of Southern Denmark.

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)

By Jane Greve (ed.), Johannes Clausen, Frank Ebsen and Louise Herrup Nielsen. Odense: University Press of Southern Denmark.

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

By Jane Greve. Odense: University Press of Southern Denmark.

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

By Jane Greve and Louise Herrup Nielsen. Odense: University Press of Southern Denmark.

Kagera Health and Development Survey 2010.

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)

By Peter Gundelach, Bettina Hauge and Esther Nørregård-Nielsen. Aarhus: Aarhus Universitetsforlag.

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

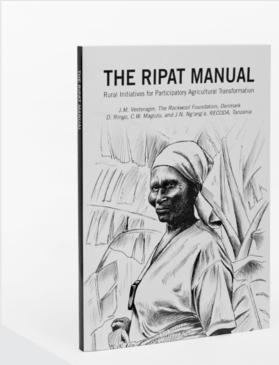
was also broad backing in Parliament for a new growth plan intended to stimulate growth in the private sector through lower energy prices, a reduction in corporation tax and better access to finance. A reform of the system of maintenance grants for students was also passed in 2013. This reduced the grants 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-

41



2013

Front cover of the RIPAT manual. The manual explains step-by-step how to organise and implement a RIPAT project.

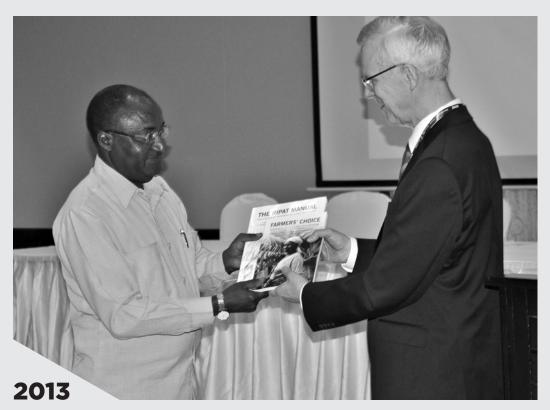
nologies which best suit his or her needs and resources. The evaluation of the RIPAT intervention revealed that it has had positive effects on food security among the farmers implementing it. At the same time as the evaluation was published, a practitioners' manual was launched and the work of spreading 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 comput-

ers 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).







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.

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 front cover of '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).

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?). It transpires that schoolchildren spend even more time in front of screens at the weekends, while continuing to devote minimal time to exercise. The research also reveals that many children do not eat breakfast, do no exercise whatsoever, get too little sleep and spend much of their time on their own.

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.

Publications by the Rockwool Foundation in 2013

All publications are available for download at rff.dk.







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.

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. Warwickshire: Practical Action Publishing. 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. Beskæftigelseseffekten af fremrykket aktivering (The effects on employment of bringing activation forward)

By Johannes K. Clausen and Torben Tranæs. Odense: University Press of Southern Denmark.

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

By Signe Hald Andersen.
Odense: University Press of
Southern Denmark.

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The wage effect of a social experiment on intensified active labor market policies

By Signe Hald Andersen. Odense: University Press of Southern Denmark.

The motivation effect of active labor market programs on wages

By Johannes K. Clausen, Lars Pico Geerdsen and Torben Tranæs. Odense: University Press of Southern Denmark.

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)

By Torben Tranæs. Odense: University Press of Southern 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.

Children's health-related life-styles: How parental child care affects them

By Jens Bonke and Jane Greve. 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)

By Birgitte Romme Larsen. Odense: University Press of Southern Denmark.

School starting age and crime

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



Integration blandt ikkevestlige indvandrere – Arbejde, familie, netværk og forbrug (Integration among non-Western immigrants – Work, families, networks and consumption)

By Jens Bonke and Marie Louise Schultz-Nielsen. Odense: University Press of Southern Denmark.

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Publications by the Rockwool Foundation in 2013

All publications are available for download at rff.dk.

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) By Camilla Hvidtfeldt and Torben Tranæs. Odense: University Press of Southern Denmark.

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

By Vibeke Hetmar. Odense: University Press of Southern Denmark.

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

By J.M. Vesterager, D. Ringo, C.W. Magazu, and J.N. Ng'ang'a. Copenhagen: The Rockwool Foundation. (Available for download at ripat.org)



COOL2BFIT

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

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Annual Report 2013 Rockwool Foundation Publications

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/lower 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 wellestablished 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



2014

The book Er fritiden forsvundet? (Has leisure vanished?) gave much-needed insight into how amounts of leisure time have really changed over the last couple of generations. The analyses of recent years, i.e. for the period since the start of the new millennium, helped to show whether Danes in general, and Danish families with children in particular, have seen reductions in their leisure time.

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 Research 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



2014

The book Styring, ledelse og resultater på ungdomsuddannelserne (Danish upper secondary education: Management, administration and results) is the product of an interdisciplinary project which investigated a large number of issues related to general upper secondary schools and vocational training colleges.

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



2014

The book Den illegale indvandring til Europa – og til Danmark (Illegal immigration to Europe – and to Denmark) contained the first scientifically-based calculation of the number of illegal immigrants in Denmark. The calculations covered the period from 2008 to 2014.

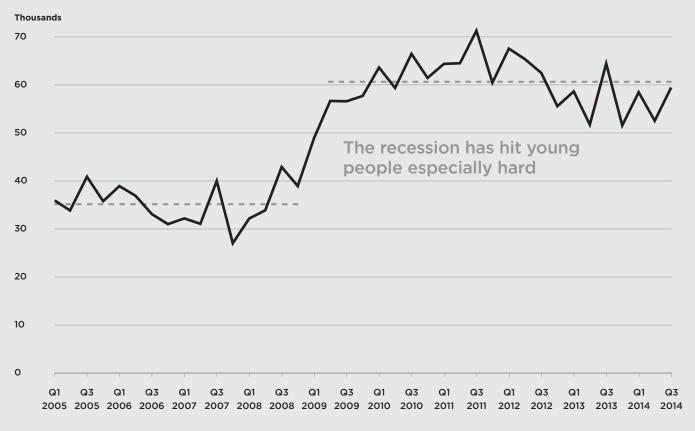
efficiency of Danish electricity generation in the period 1998-2011, i.e. during the period when wind energy came to play a major role in Denmark, and an analysis of trends in CO2 emissions for Denmark in the period 1996-2009 that took into account carbon emissions resulting from the production of imported 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.

Youth Unemployment: Numbers of people in Denmark aged 15-24 not in education or employment



Source: Statistics Denmark

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. Hvad ved vi om modtagerne af kontanthjælp? En oversigt over publiceret forskning om kontanthjælpsmodtagere i perioden 2007–2014 (What do we know about recipients of income support? An overview of published research concerning recipients of income support in the period 2007-2014)

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 Bøtcher Jacobsen and Lotte Bøgh 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.

The cost of producing electricity in Denmark - A Technical Companion 55

By Clinton J. Levitt and Anders Sørensen. Copenhagen: The Rockwool Foundation.

Leading public service organizations - How to obtain employees with high self-efficacy

By Christian Bøtcher Jacobsen and Lotte Bøgh 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.

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.

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 Piil Damm and Christian Dustmann. 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.

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 Bøtcher Jacobsen. Odense: University Press of Southern Denmark.

Competition or cooperation? - A longitudinal case study of NPM reforms' influence on strategic management in upper secondary schools

By Jesper Rosenberg Hansen and Christian Bøtcher Jacobsen. Odense: University Press of Southern Denmark.

Danskernes sorte livsindkomst (Danes' undeclared lifetime incomes)

By Peer Ebbesen Skov. Odense: University Press of Southern Denmark.

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.

Measuring Denmark's CO, emissions 1996-2009

By Gagan P. Ghosh, Clinton J. Levitt, Morten S. Pedersen and Anders Sørensen. Copenhagen: The Rockwool Foundation.

The cost of producing electricity in Denmark

By Clinton J. Levitt and Anders Sørensen Copenhagen: The Rockwool Foundation.

THE ROCKWOOL FOUNDATION IN 2015

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.

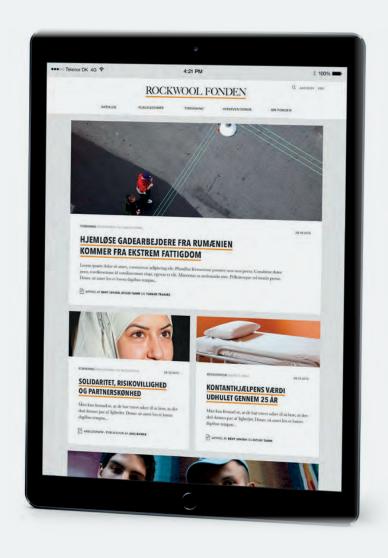
In February a new labour agreement for State employees came into force, affecting nearly 200,000 state employees. This provided for a salary increase of just under 4.5 percent spread over the subsequent three years. The agreement also granted an extra week of paid parental leave for men on the birth 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.





JAN ROSE SKAKSEN

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 *Kontanth-jelpen gennem 25 år* (Social assistance in Denmark over 25 years). The subtitle of the book, Modtagere, regler, incitamenter 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?



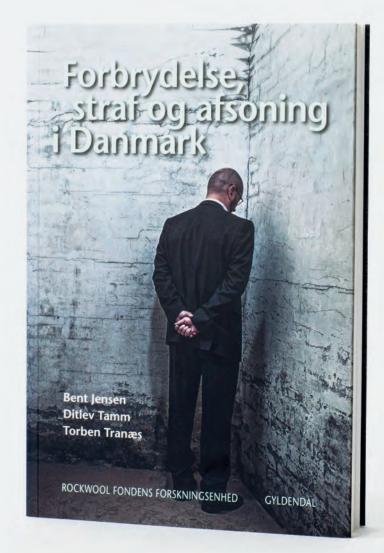
At a press conference in December, senior researcher Signe Hald Andersen and researchers Lars Højsgaard Andersen and Peter Fallesen presented an analysis of the significance of family structure and the form of serving of prison sentences for recidivism amongst people convicted of crimes.

From the left: Trine Bramsen (Social Democrat), member of the parliamentary Legal Affairs Committee; Peter Skaarup (Danish People's Party), Chair of the parliamentary Legal Affairs Committee; and Niels Krause-Kjær, moderator of the discussion at the press conference.

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.









HELENE BIE LILLEØR

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.

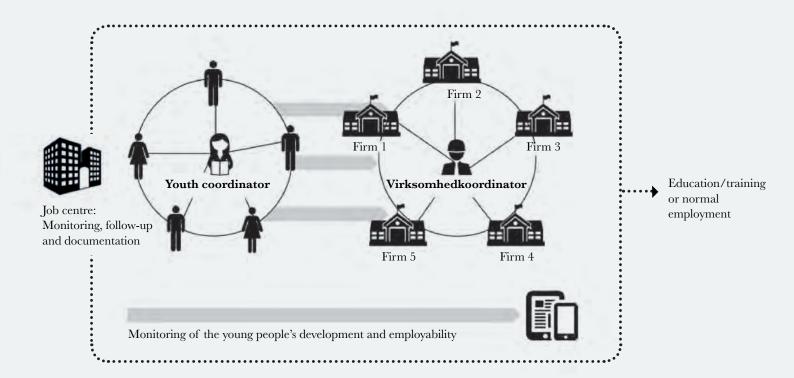
The Interventions Unit

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 Rsearch 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 Bogetoft 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.

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 Tyldum 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 Hedeager 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.

Shares in DONG were floated on the Stock Exchange in June following a lengthy debate about the value of the company in connection with the sale in 2014 of a part of the state-owned business to investors that included Goldman Sachs, the American investment bank. The shares were offered at DKK 235 at the start of the day's trading, and closed at DKK 258.

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 Løkke 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.

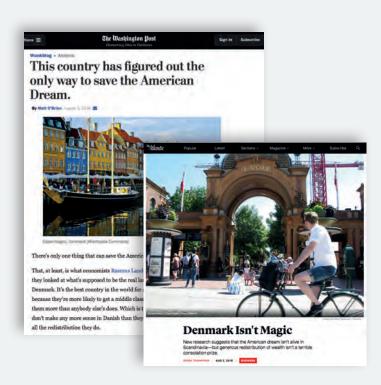
The Research Unit

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.



A view of the conference on 'Social mobilitet i Danmark: viden, udfordringer og løsninger' (Social mobility in Denmark: Knowledge, challenges and solutions) held on 13 October 2016 at Moltkes Palæ, Copenhagen. Photo: Stig Stasig.

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.

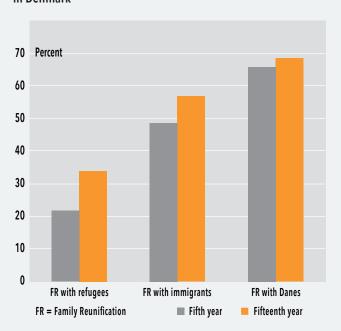
The book emphasises that the successful integration of non-Western immigrants into the labour market is of crucial importance in many ways. For the immigrants themselves, employment in the labour market represents the route to general integration into Danish society and to an independent life without being reliant on transfer incomes from the state and case workers in the public welfare system.



From the left: Steffen Kretz, discussion moderator; Dan Jørgensen MP (Social Democrat); René Christensen MP (Danish People's Party); Morten Østergaard MP (Social Liberal); and Marie Louise Schultz-Nielsen, senior researcher at the ROCKWOOL Foundation Research Unit. Photo: Stig Stasig

Another book published in 2016 was Arbejdsmarkedstilk-nytningen 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.

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.

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.

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 crim-

inality. 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.



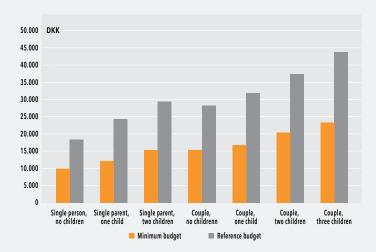
Signe Hald Andersen of the ROCKWOOL Foundation Research Unit, who was responsible for the analysis. Photo: Stig Stasig

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.

Differences between minimum and reference budgets, 2015 values



Assumptions: The single person is a woman aged 30-49. If there is one child in the family it is aged 3-6; a second child is aged 7-10, and a third, 11-14.

Source: The ROCKWOOL Foundation Research Unit.

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.



From the left: Tim Andrews, National Director of World Vision, Tanzania; Elin Schmidt, President of the ROCKWOOL Foundation; and Ringo Dominick, Executive Director of RECODA, at the signing of the transfer agreement. Photo: The ROCKWOOL Foundation

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 small-holder 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/lower 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 indvandring 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 spørgeskemaer er egnede til at måle effekt af en intervention, der har fokus på det socioemotionelle område? (Which validated questionnaires are suitable for measuring the impact of an intervention that focuses on socio-

By Nina Sjö Madsen

emotional issues?

Copenhagen: The ROCKWOOL Foundation Research Unit

Indskolingselevers trivsel og fagkompetencer (The wellbeing and academic competences of primary school children)



By Camilla Hvidtfeldt and Hanne-Lise Falgreen Eriksen, with a contribution by Helene Bie Lilleør

Odense: The ROCKWOOL

Foundation Research

Unit and the University Press of Southern Denmark

Admission to higher education programmes and student educational outcomes and earnings

By Eskil Heinesen and Christophe Kolodziejczyk

Copenhagen: The ROCKWOOL Foundation Research Unit

Refugee Migration and Electoral Outcomes

By Christian Dustmann, Kristine Vasiljeva and Anna Piil Damm

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

A Research Note on Declining Youth Crime

By Anne Sofie Tegner Anker, Lars Højsgaard Andersen 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

Prison as a Criminal School: Peer Effects and Criminal Learning behind Bars

By Anna Piil Damm 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

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

Tiden, vi spiser

(The time we eat)



By Jens Bonke
Odense: The
ROCKWOOL
Foundation Research
Unit and the University
Press of Southern
Denmark

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

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

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

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

Psychiatric Hospital Admission and Later Mental Health, Crime, and Labor Market Outcomes

By Peter Fallesen and Rasmus Landersø 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

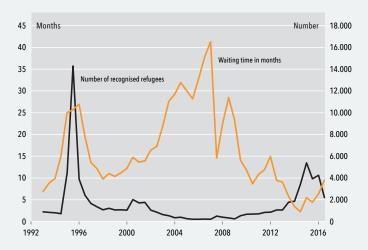


Research Assistant Kristian Hedeager Bentsen presenting new data concerning the extent of undeclared work at a press conference in May 2017. To his right are Research Director Jan Rose Skaksen and Senior Researcher Lars Højsgaard Andersen.

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

Average waiting times in the Danish asylum system for refugees receiving residence permits during the period 1993-2016. Waiting time in months, and number of recognised refugees



Source: The ROCKWOOL Foundation Research Unit.

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.



The analysis of immigrants' educational levels was presented at a well-attended press conference in the late spring of 2017. Laila Kildesgaard (Director, Local Government Denmark), Pernille Knudsen (Deputy CEO, the Confederation of Danish Employers), Ejner K. Holst (Vice-President, the Danish Confederation of Trade Unions) and Inger Støjberg (Minister for Immigration and Integration) then discussed the results in a lively panel debate.

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.

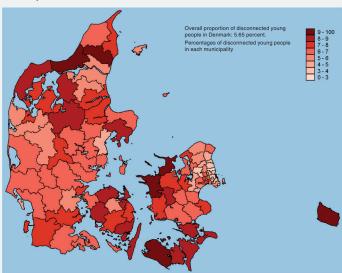


The book presents a readily accessible summary of a range of topics including who these young people are, what it means to society in economic terms that 8% of a youth cohort do not enterfully into adult life, and which groups are particularly at risk of becoming disconnected. The Foundation has subsequently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

Proportions of disconnected young people in Danish municipalities, 2014

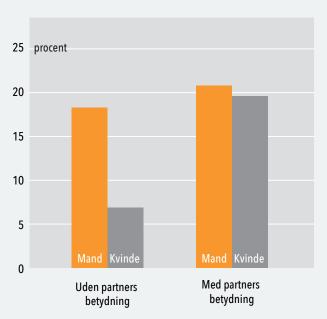


Source: The ROCKWOOL Foundation Research Unit.

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



Note: For men and women who themselves experienced a parent being sent to prison, the figures show the percentages of their children who also experienced imprisonment of one of their parents during the period between their birth and their fifteenth birthday.

Source: The ROCKWOOL Foundation Research Unit.

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 familiar 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.

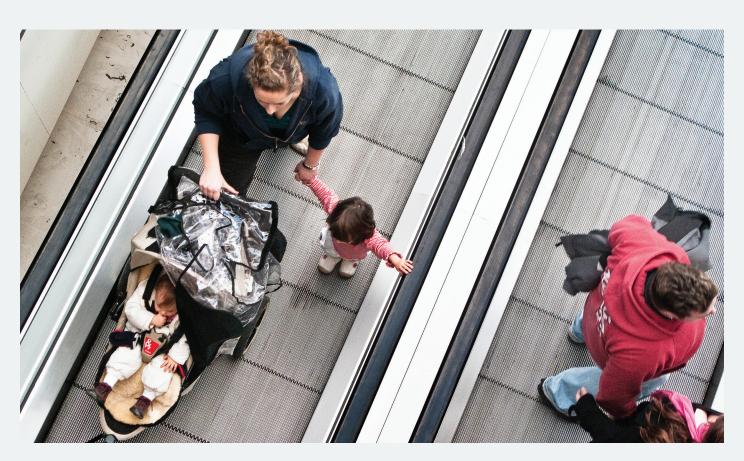
The Interventions Unit

Using research as the basis for its activities, the ROCK-WOOL 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, pri-

marily 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, selvfinansieringsgrad 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 selvarbejde (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



Hvad vi ved om udsatte unge (What we know about disconnected young people)

By Signe Hald Andersen, Bent Jensen, Bodil Wullum Nielsen and Jan Rose Skaksen

Copenhagen: The ROCKWOOL Foundation Research Unit

Flygtninge og asylansøgere 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 Mandøe Glæsner 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.

The summer of 2018 was the hottest and driest on record in Denmark. One example of the unusual climatic conditions was the average temperature in July, which, at 19 degrees Celsius, was around three degrees higher than the average for that month over the previous 30 years. The drought caused huge problems for the farming sector, with the Danish Agricultural & Food Council estimating the resulting losses to the sector at approximately DKK 6.4 billion.

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.



The report was discussed in an open meeting of the parliamentary taxation committee requested by the Social Democrats and the Danish People's Party. The picture shows the Minister for Taxation, Karsten Lauritzen (Liberal), during the discussion.

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 Sørensen 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



Chief of Research Jan Rose Skaksen presenting research results at a press conference.

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

OECD til danske topchefer: I skal selv oplære de ledige

Erhvervslivet bærer et stort ansvar for at løse manglen på arbejdskraft ved at hyre ledige og oplære dem, mener OECD-direktør Stefano Scarpetta





le ledige danskere i stedet at brokke sig over mangel arbejdskraft, mener OECI oktør Stefano Scarpetta. dvfoto: Peter-Emil Witt

efano Scarpetta.
Isar på tie steder, mene
n, politikeren ber sætte inde
lavtiennede, personer p
tidspension og indvandrere
"Der er grupper på kante
arbejdsmarkedet for hvem
r godt kan gøres fremskridt.
For de lavest lønnede dan
ere er der i dig det, Scarpett

In connection with the conference 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.

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 Em-

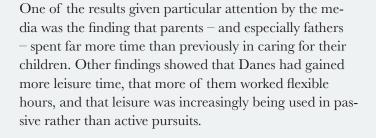


Participating in a panel discussion on the possibilities for and the economic potential in increasing the labour supply were Troels Lund Poulsen (Liberal; Minister of Employment), Professor Nina Smith of Aarhus University, Karsten Dybvad, CEO at the Confederation of Danish Industry, and Lars Andersen, head of the Economic Council of the [Danish] Labour Movement. The discussion was chaired by Nynne Bjerre.

ployment, 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.



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.



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.



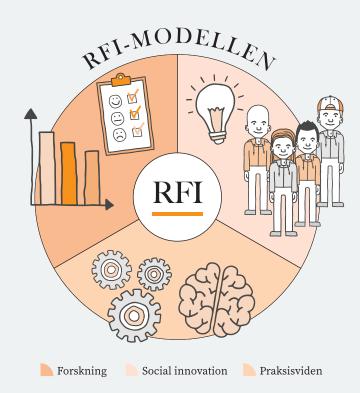
At the press conference in Moltkes Palæ, the results of the analyses were discussed by a panel comprising Peter Skaarup of the Danish People's Party, Chair of the parliamentary Legal Affairs Committee; Rosa Lund, the Red-Green Alliance spokeswoman on legal affairs; and Jonas Christoffersen, Executive Director of the Danish Institute for Human Rights.

The Interventions Unit

The ROCKWOOL Foundation Interventions Unit develops interventions aimed at pre-school children, school students andyoung 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 inter-



ventions 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-



Vocational training workshop held at Ny Kongensgade 6.

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 useable 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 findtheir own directions. NExTWORK initiatives are municipality-based, and are currently being rolled out in the municipalities of Roskilde, Copenhagen, Sønderborg, 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.



Participants in NExTWORK Copenhagen in discussion with Cecilia Lonning-Skovgaard (Mayor and Chair of the Employment and Integration Committee, City of Copenhagen), President of the ROCKWOOL Foundation Elin Schmidt, and personnel from the Employment and Integration Administration in the Municipality of Copenhagen.

Selected publications by the ROCKWOOL Foundation in 2018



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 Sørensen and Jeanette Walldorf.

Odense: University Press of Southern Denmark and 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

Copenhagen: 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

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



Hvordan bruger danskerne tiden? (How do Danes use their time?)

By Jens Bonke and Anders Eiler Wiese Christensen

Copenhagen: The ROCKWOOL Foundation Research Unit



Sort arbejde, gør det selvarbejde 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

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

Society in 2019

Theresa May resigned as Prime Minister of Great Britain and Northern Ireland in May 2019, having been unable to obtain the backing of Parliament for her Government's Brexit agreement with the European Union. Following her resignation, Boris Johnson took over as Prime Minister and later that year, he was re-elected with a significant Conservative majority, having fought a general election on a platform of a consistent Brexit policy. Shortly afterwards, the House of Commons voted for the United Kingdom to leave the European Union as of 1 January 2020.

In Denmark, the defence budget was increased significantly in January with the intention of allowing Denmark to devote 1.5 per cent of the national budget to the area of defence in 2023. The projected increase in defence spending was attributable to multiple factors including the growing military threat from Russia.

In March the Danish Parliament passed a mandatory pension saving scheme for citizens in receipt of transfer incomes. In future, said citizens were to pay 0.3 per cent of the payments received into a pension saving scheme, with the resultant monies to be released for payment on commencement of the citizens' retirement.

On 7 May Prime Minister Lars Løkke Rasmussen (V) called an election to be held on Constitution Day, 5 June. In addition, elections to the European Parliament were held in Denmark on 26 May.

At the general election in June, the Social Democrats (A) were returned as the largest single party with 48 seats in Parliament, followed by the Liberal Party (V), with 43 seats. The Social Liberals and the Danish People's Party each received 16 seats, making them the joint third-largest parties in Parliament. The Danish People's Party saw its representation fall from 37 seats to the 16 mentioned above. The New Right party obtained representation in Parliament, surpassing the minimum share of the vote limit of 2 per cent by a small margin.

On 26 June Mette Frederiksen (A) became leader of a minority government with the backing of the Socialist People's Party (SF), the Red-Green Alliance (Ø) and the Social Liberal Party (B). The Government and its supporting parties presented a memorandum of understanding entitled *Retferdig retning for Danmark*. [A fair direction for Denmark]. According to this memorandum, the strict policy on foreigners was largely to be maintained in return for increased investments in climate issues and welfare.

In August the media reported that Donald Trump was considering looking into the possibility of purchasing Greenland. Mette Frederiksen was cited as calling this "an absurd idea", whereafter a planned state visit to Copenhagen by the Ameri-

can president was cancelled. Following some telephone diplomacy between the Danish Prime Minister and the Trump administration, good relations were re-established.

In the wake of protracted internal disquiet in the party, Lars Løkke Rasmussen stepped down as leader of the Liberals at the end of August. He was replaced in the role by Jakob Ellemann-Jensen.

In the new Parliament, a majority voted in favour of establishing a commission to investigate whether the instructions issued by the former Minister of Immigration and Integration, Inger Støjberg (V), to separate young immigrant couples in which one partner is under the age of 18, were lawful. The commission's tasks included determining whether the Minister had supplied incorrect information to the Danish Parliament and ombudsman.

Over the course of the autumn, the Danish banks started to apply negative interest to their customers' deposits in excess of a stated amount.

The new Government presented its first national budget at the start of December. The emphasis in this budget was on green investments and making more money available for psychiatric care, education and higher minimum staffing levels in day-care centres. The increased expenses were to be offset by higher taxation of corporate heirs, shareholders and smokers.

In December all parties in Parliament – with the exception of the New Right and the Liberal Alliance – agreed a new climate act stipulating that by 2030, Denmark is to have reduced its greenhouse gas emissions by 70 per cent in relation to 1990 levels.

The year ended with the share market having recorded one of its best years in a long time.

The ROCKWOOL Foundation

In 2019 the Rockwool Foundation continued to grant funding to domestic and foreign researchers with the ambition of unearthing new, relevant and independent knowledge with the potential to support the stability and sustainability of the welfare society.

This need for relevant, independent and data-based knowledge was generally underpinned by the fact that fake news, incomplete data and sweeping, over-simplistic claims have become a common part of the media image and public debate – not only in the United States, but also in Denmark. Decision-makers were therefore increasingly seeking evidence-based knowledge to counteract the development in the volatile media landscape. As such, the importance of the ROCKWOOL Foundation's



The ROCKWOOL Foundation's new domicile at Ny Kongensgade 6, Copenhagen.

commitment to presenting decision-makers with impartial, empirically based knowledge was highlighted once again – in particular against the background of an election year with seats at both the Danish Parliament and the European Parliament at stake.

Where possible, the ROCKWOOL Foundation Research Unit performs effect measurements of societal issues. For example, what is the cost to society of having a large proportion of pupils from each school year living their lives as vulnerable young people? Where possible, the ROCKWOOL Foundation Interventions Unit also presents scalable and cost-effective proposals for solutions to social issues, based firmly on provable evidence.

Over the course of the year, interest in the work of the ROCK-WOOL Foundation was bolstered by a range of new communication activities, including podcasts and a new analytical genre designated *Commentaries*. Through these easily accessible and highly topical texts, researchers seek to qualify an ongoing public debate that is at risk of running off the rails, by drawing attention to relevant research in, and facts about, the topic.

2019 was the first full year at the Foundation's new domicile at Ny Kongensgade 6, Copenhagen, which, via comprehensive renovation, had been transformed into a modern workplace, showing due consideration for the historical and aesthetic features of the building. The qualities of the building were manifested in full during a large number of conferences and press briefings, as well as end-of-day and debate meetings held there over the course of the year. One example of such a conference was the one held in May 2019, where Foundation researchers presented the latest findings on the significance of immigration and of integration policy both in Denmark and in Europe as a whole. This presentation was followed by a panel debate featuring representatives of the Confederation of Danish Employers (Dansk Arbejdsgiverforening – DA), the Danish Confederation of Trades Union (Landsorganisationen i Danmark/Fagbevægelsens Hovedorganisation – LO/FH), the Danish Federation of Non-Profit Housing Providers (Almene Boliger), and the Danish Refugee Council (Dansk Flygtningehjælp).

Centrally located in the Danish capital, the building is highly accessible, facilitating a large, stable audience for the ROCK-WOOL Foundation's events, featuring key stakeholders from state, regional and municipal level, as well as active practitioners, stakeholder organisations and the media.

The Research Unit

The ROCKWOOL Foundation performs research of significance to the economic and social sustainability of the welfare state. A key criterion for selecting research topics is relevance, i.e. that the findings can be utilised in decision processes with the potential to influence the future form of the welfare society. In 2019 research findings were published within the four areas listed below:

Taxation and undeclared work

An expanding scope of undeclared work based on a general acceptance of this source of income among the population is likely to constitute a threat to the long-term financing of the welfare state. Against this background, the Research Unit has, for many years, been researching the extent of undeclared work and the population's attitude to same.

In 2019 the Unit followed up on this work with the publication of the memo entitled *Danskernes skattemoral og holdning til sort arbejde* [Danes' tax morality and attitude to undeclared work]. According to the memo, approximately one in four Danes accepts that Danish skilled workers earn an undeclared extra income of DKK 1,500 per month. At the same time, the survey revealed a strong age gradient on the issue. As such, many young and younger Danes expressed their acceptance of undeclared activities at this level, while the older population was consistently opposed to it. Only 15 per cent of 60–74-year-olds accepted undeclared work at this level.

Even though one in four Danes aged between 18 and 74 was willing to accept some types of undeclared work, the survey otherwise indicated that this should not be taken as a general expression of low tax morality among Danes as a whole. The survey revealed that only a small minority of Danes was willing to accept cheating on taxes in general. In fact, three out of four respondents stated that cheating on taxes is completely unacceptable.

The survey findings may thus appear paradoxical, given that undeclared work is *de facto* a form of cheating on taxes. It could perhaps be stated that tax morality is generally high among the Danish population – although with some exceptions determined by their specific social situation. The relatively broad acceptance of Danish skilled workers earning up to DKK 1,500 per month from undeclared work did not extend to include moonlighting among skilled workers from Eastern Europe. According to the respondents, these workers should stick exclusively to declared work.

Immigration and integration

In 2019 the Research Unit published a range of studies focusing on the employment situation and social conditions of immigrants and refugees.

In March 2019 the Unit held a press conference to publish studies of the significance of "start help" to the situation of refugees on the labour market, and to a range of key living condition parameters. These studies revealed that "start help" has a positive effect on employment in the short term, but that this effect evens out over time. In addition, the studies showed a marked tendency for the "start help" to diminish participation in integration initiatives among women. This was exacerbated by unwanted negative social impacts in the form, for example, of higher criminality among refugees receiving "start help". This higher level of criminality encompassed both men and women. Generally speaking, it is rare for adult women in a relationship to be found guilty of criminality in Denmark. For women in a relationship who were granted a residence permit subsequent to the introduction of "start help", one in ten is found guilty of a crime - often because they were caught stealing from supermarkets.



Research Professor Rasmus Landersø presenting new studies concerning the significance of "start help" to the situation of refugees on the labour market, and to a range of key living condition parameters. The press conference was held in March 2019.

The negative social effects were, however, found to be most significant among children, with a smaller proportion attending day-care institutions, while a larger share recorded low scores on the national tests in Danish. The average number of teenagers found guilty of crimes was also noticeably higher.

The Foundation's interest in the social conditions of immigrants was likewise highlighted through a study of the extent of relative poverty among Turkish immigrants in the period 1980–2013. Immigrants from Turkey constitute the largest immigrant group in Denmark and therefore attract particular

attention. As it is many years since this wave of immigration to Denmark commenced, it is important to examine whether the income and living standard of Turkish people comes to match that of ethnic Danes over time. This is, however, far from the case, in that approximately one Turkish person in three lived in relative poverty at the end of the period examined, compared to approximately one ethnic Dane in ten. Moreover, the proportion of relatively poor Turkish people has remained stable at this level since the mid-1990s.

With regard to the efforts of society to find work for refugees, a study revealed that the former job-oriented integration initiative for immigrants succeeded in increasing employment among men, but not among women. However, this study also determined that the strong market conditions had a generally positive impact on the integration of refugees into the labour market. That said, a different study documented that the employment rate among refugees remains significantly lower than that of Danes, even after refugees have been in Denmark for a long period.

In 2019 the Unit continued to examine the extent of illegal immigrants in Denmark, with this data basis being included in time series from 2008 through 2018. The 2019 estimate identified a growing population that was either working or living illegally in Denmark, rising from approx. 17,000 individuals in 2014 to around 26,000 in 2018. As such, the development in Denmark generally mirrored the rise in illegal immigration to the EU in recent years.

Marginalised young people

In continuation of the work to collate the Unit's research into marginalised young people in an easily accessible format, Signe Hald Andersen, Bent Jensen, Bodil Wullum Nielsen and Jan Rose Skaksen published Hvad vi ved om udsatte unge 2 [What we know about marginalised young people, volume II]. As indicated by the book's subtitle: Individuelle og strukturelle forhold bag udsathed [Individual and structural conditions behind marginalisation], this volume centred on the causes of marginalisation among young people. The book reached the conclusion that the problem area was expanding. The proportion of marginalised young people without either work or education had risen from 5.5 per cent of young people of Danish origin in 2000 to 7.1 per cent in 2017, corresponding to an increase of fully 29 per cent. The book also made the point that there is every possible reason to launch a special societal initiative for this group of the population, in that employment issues continue into later life for them.

In addition to the compendium mentioned above, the Unit published new studies into the significance of birth weight, and the importance of the mother's psychological health to children's subsequent exposure to marginalisation.



Research Professor Signe Hald Andersen presenting new research publiched in the book "What we know about marginalised young people, volume II". The conference was held in October 2019.

Family finances and the labour market

The most prominent publication of the year in this broad area of research was Jan Rose Skaksen's *Hvordan udvikler beskæftigelsen sig i Danmark?* [How is employment developing in Denmark?]

This book examined the reasons behind the progress in employment since the uptick in market conditions in 2013. Up until 2018 – i.e. the final year in the period studied – the rise in employment was largely driven by 60–64-year-olds, who worked significantly more in 2018 than in 2008. Foreign citizens resident in Denmark had an even greater impact on the Danish labour market, with their numbers rising sharply between these two years. In contrast, the rise in employment was more modest among the labour market's "core divisions": 16–59-year-old Danes.

According to the study, the more limited increase in employment among this large group can predominantly be explained by the fact that young people spend longer in education. The book likewise revealed that the group of unskilled workers increased strongly from the turn of the millennium to 2016. This should be viewed in the light of the fact that many resource-rich individuals have left this group and are now counted among the skilled, educated workers. Despite the strong market conditions after 2013, the situation for the group of unskilled workers has become tougher, as reflected in the fact that the proportion of long-term unemployed in this group was much higher in 2016 than around the turn of the millennium.

The book also quashed the myth of the "hard-working Dane". It is true that the employment rate among women in particular has been high in relation to the majority of OECD countries. However, the number of hours worked is low among both men and women, which means that the total number of hours actually worked is relatively modest. At a briefing about the study findings, it was established that the input of the Danish workforce is among the lowest of all OECD countries. Calculations from the Research Unit indicate that if Danes chose to work more — as they did during the strong market conditions prior to the financial crisis — this could boost Denmark's GDP by DKK 100 billion and improve public finances by DKK 40 billion.

The Interventions Unit

The Interventions Unit delivers evidence-based, scalable solutions to societal challenges such as insufficient social mobility, insufficient integration of non-Western immigrants, and marginalisation among young people.

Over the course of 2019 the Interventions Unit experienced a rise in demand from decision-makers in municipalities and ministries, who sought out the Unit for inspiration in finding solutions to some of the fundamental challenges facing the welfare state.

Demand for knowledge about how to initiate and maintain social changes and about scientific effect evaluation of the initiatives that had been launched laid the foundations for the RFI Conference on system innovation held in January 2019. The conference saw large, committed participation from a wide range of relevant decision-makers, covering a broad field of potential areas of initiative.

Through this interest, which intensified during the year, and closer working relationships with external stakeholders, the Unit established a serious presence on the map in 2019. New intervention projects and major projects continued in 2019 were:



Chief of The Interventions Unit, Helene Bie Lilleør, presenting at the RFI Conference on system innnovation.

Intervention targeted at boosting completion of vocational education courses: OS I BRANCHEN

Education can have a strongly beneficial effect on both the individual concerned and society in general. Nevertheless, one young person in five has not completed a course of education by the time he/she reaches the age of 25. The drop-out rate at vocational colleges is particularly high, and almost half the people who start a vocational training programme fail to finish it. Even though many initiatives have been launched, only limited knowledge is available regarding what can be done to ensure that more young people complete a vocational training programme. Through the intervention initiative OS I BRANCHEN (US IN THE SECTOR), the ROCKWOOL Foundation aims to help reduce the drop-out rate appreciably.

The initiative is founded on focusing on a closer working relationship between companies, vocational colleges and students. As early as their first day at college, student should feel that this is their first day in the sector. Students experience the opportunities that a vocational training course opens up in practice; they not only have the chance to try out their chosen profession and to create a professional identity for themselves, but they also start building up a network.

The development of the initiative was founded on elements such as the presentation of new empirical data about which paths the different vocational colleges follow, drop-out rates from the various courses, and reasons for dropping out.

On conclusion of the intervention, it will be RCT effect-evaluated by researchers from University College London and Copenhagen Business School.

TipsByText

Today, significant differences can be identified in children's language development as early as in kindergarten, and research from the ROCKWOOL Foundation Research Unit indicates that this is of significance to how well children will succeed during their school years. But what is the best way to help your children with their language development when everyday life can be so hectic?

With the TipsByText initiative, the ROCKWOOL Foundation Interventions Unit is examining – and assessing the impact of – the use of text messages containing little linguistic hints to inspire parents to articulate everyday situations in more detail and thus support their children's early language development.

TipsByText is based on the assumption that all parents want the best for their children. However, everyday life for parents with young children is often complex, involving multiple activities. That is why the fundamental intention of this programme is to make it easier for parents to support their children's language development. In practice, parents of children aged 3–5 receive three text messages per week containing tips and reminders for how they can use fun, new approaches to stimulate their children's language skills as a part of their everyday routines.

The Danish programme is based on an American programme developed by Professor Susanne Loeb at Stanford University. The original programme was adapted to Danish conditions via a working relationship with language consultants in selected municipalities and with Pia Thomsen, Child Language Researcher. The text messages are particularly useful for parents of children whose language development is below the average level in the national language assessments. The objective of the intervention is thus to support children's language development so that all children can make a solid start on the life that awaits them.

TipsByText is undergoing an RCT effect evaluation by researchers from Princeton and Aarhus University.



Tips by Text workshop.

Selected publications by the ROCKWOOL Foundation in 2019

Effects of School Starting Age on the Family

By Rasmus Kløve Landersø, Helena Skyt Nielsen and Marianne Simonsen

Copenhagen: The ROCKWOOL Foundation Research Unit

Does Poverty among Immigrants Adapt to Country of Residence?

By Asena Caner and Peder J. Pedersen

Copenhagen: The ROCKWOOL Foundation Research Unit

Lowering Welfare Benefits: Intended and Unintended Consequences for Migrants and their Families

By Lars Højsgaard Andersen, Christian Dustmann and Rasmus Landersø

Copenhagen: The ROCKWOOL Foundation Research Unit

Employment Effects of a Job-First Policy for Refugees

By Jacob Nielsen Arendt

Copenhagen: The ROCKWOOL Foundation Research Unit

A changing labor market? The importance of wageworkers with self-employment activities

By Morten Saaby and Anders Sørensen

Copenhagen: The ROCKWOOL Foundation Research Unit



Hvordan udvikler beskæftigelsen sig i Danmark?

[How is employment developing in Denmark]

By Jan Rose Skaksen, Torben M. Andersen, Anders Bruun Jonassen, Anders Hjorth-Trolle, Jeppe Elholm Madsen, Anders Sørensen and Morten Saaby

Odense: University Press of Southern Denmark and The ROCKWOOL Foundation Research Unit

Immigrants' assimilation depending on residence type

By Marie Louise Schultz-Nielsen

Copenhagen: The ROCKWOOL Foundation Research Unit

Parental separation and child outcomes: Education, employment and juvenile delinquency

By Eskil Heinesen

Copenhagen: The ROCKWOOL Foundation Research Unit



Hvad vi ved om udsatte unge 2

[What we know about marginalised young people].

By Signe Hald Andersen, Bent Jensen, Bodil Wullum Nielsen and Jan Rose Skaksen

Copenhagen: The ROCKWOOL Foundation Research Unit and Gyldendal

Another Look at Returns to Birthweight

By Shiko Maruyama and Eskil Heinesen

Copenhagen: The ROCKWOOL Foundation Research Unit

Danskernes skattemoral og holdning til sort arbejde

[Danes' tax morality and attitude to undeclared work]

By Lise Lam Hansen, Camilla Hvidtfeldt and Peer Ebbesen Skov

Copenhagen: The ROCKWOOL Foundation Research Unit

De illegale indvandrere i Danmark, 2008-2018

[Illegal immigrants in Denmark 2008–18]

By Claus Larsen and Jan Rose Skaksen

Copenhagen: The ROCKWOOL Foundation Research Unit

Society in 2020

In January 2020 the media began carrying news about the outbreak of a virus in China that was spreading to Europe and the United States, and on 11 March the WHO designated the Covid-19 outbreak a pandemic.

The Democratic candidate Joe Biden won the American presidential race in November 2020 following a bitter election battle where a remarkably large – for America – proportion (66%) of the electorate turned out to cast their votes. The defeated president, Republican Donald Trump, refused to recognise the outcome of the election, claiming that the Democrats had "stolen" the election.

In Europe, the UK officially left the European Union on 1 February. However, it was not until the end of 2020 that an exit agreement was finally negotiated between the EU and the UK.

In July the EU established a recovery fund of EUR 750 billion, which was to be used to support those countries in the Community that had been hardest hit by Covid-19. Towards the end of the year, the EU approved the first vaccine to combat Covid-19.

In Denmark, Prime Minister Mette Frederiksen (S) stated in her new year address that the Government would designate marginalised children as a special area of initiative.

The first confirmed case of Covid-19 infection in Denmark was recorded on 27 February. An almost explosive rise in the number of people infected over the following weeks led the government to close day-care centres and educational institutions on 11 March, along with large parts of the public sector. People employed in the private sector were encouraged to work from home, and the opportunity to cross Danish borders was significantly restricted on 14 March. Over the course of the spring, the government also introduced limitations on assembly as one of the many initiatives intended to combat what was being described as the worst health crisis to affect Denmark since the outbreak of Spanish Influenza in 1918–20.

From 11 March until the early summer, the Danish Parliament passed a series of laws designed to provide a safety net for the business community and cultural institutions, with the emphasis on those activities that were particularly hard hit by the financial consequences of the pandemic. A tripartite agreement concluded on 15 March allowed companies that suffered financial stagnation as a result of the pandemic to receive partial reimbursement of payroll expenses over a period of three months, if they promised not to lay off employees for financial reasons during the reimbursement period. Access to unemployment and sick benefit was improved, and expanded loan opportunities were opened for students. The municipal cap on building and construction projects for 2020 was removed within the same context.

As from early April the number of Covid-19 infections and hospitalisations started to decline, and society gradually began to reopen.

In May the Danish Parliament adopted a new model for municipal "levelling up". The agreement had the backing of the Social Democrats, the Liberal Party, the Social Liberals, the Socialist People's Party and The Alternative Party, which constituted a majority in Parliament. The model was designed to help "level up" the situation between municipalities with high income and those with more limited income and major public expenditure.

In October the government entered into an agreement with the Danish People's Party, the Socialist People's Party and the Red-Green Alliance to grant citizens with the longest and toughest working lives the right to retire early from the labour market.

On 4 November, as a consequence of the spread of infection with a new Covid-19 mutation at mink farms, the government ordered Danish mink farmers to euthanise their entire stocks. It subsequently transpired that the government did not have the necessary legal basis to demand the euthanisation of all mink. In November and December, Denmark once again saw comprehensive closure of public and private sector organisations as a result of a new spike in Covid-19 infections. A large number of retailers and service businesses were obliged to cease operation from 17 December 2020 until 3 January 2021.

In early December the Government, the Social Liberals, the Socialist People's Party, the Red-Green Alliance and the Alternative Party reached agreement on a new national budget for 2021, featuring continued financial stimuli including support for the entertainment industry and a relaxation of the Housing/Employment scheme. The budget also earmarked DKK 4.5 billion for the green transition and DKK 5 billion to reinforce welfare among children, young people and senior citizens.

The ROCKWOOL Foundation

In the same way as for the rest of society, 2020 was an unusual year for the ROCKWOOL Foundation, whose work situation changed radically. Not only did all work procedures have to be revised in an extremely short space of time, but a comprehensive publication schedule for the spring also had to be redrafted.

The transition to these new working conditions ran smoothly, without significant challenges. The Foundation staff demonstrated undiminished commitment and flexibility, which helped us maintain productivity. The Covid-19 situation also brought valuable experience with regard to how working conditions could be better structured for all parties involved, and how appreciable reductions could be made to transport time and travel expenses.



Online briefing:

Mental sundhed i Danmark

20. november 2020 Kl. 11.00

ROCKWOOL FONDEN

Online briefing - Mental health in Denmark.

In addition, Covid-19 and the restrictions implemented by the authorities led to adaptation and new development in the context of the Foundation's communication platforms, with press briefings and conferences being held in virtual format. The appearance and format were rapidly professionalised, and through their new format, the press briefings achieved a broader geographical spread. Not only did the Foundation succeed in retaining its fixed core of participants, but the new activities also attracted participation from parts of the country that were not normally represented at its physical press conferences. For example, the Intervention Unit's virtual conference on system innovation was held in November, and the virtual format attracted more than 1,500 participants and a large, international audience. Following the conference, the Interventions Unit was asked to provide input for Professor Nina Smith's Reform Commission.

The Research Unit

The ROCKWOOL Foundation performs research of significance to the economic and social sustainability of the welfare state. A key criterion for selecting research topics is relevance, i.e. that the findings can be utilised in decision processes with the potential to influence the future form of the welfare society.

The field of research entitled Lige muligheder i velfærdsstaten [Equal opportunities in the welfare state] was added as a new focus area for the period 2020–2025. The background for this move was rising concern among the general public regarding the social sustainability of the welfare state, in view of an increase in inequality not only in Denmark, but in the Western

World as a whole. The key themes of the research were financial inequality in Denmark, and how inequality manifests in other areas such as health and education.

The Unit also launched a programme of research under the banner of Danmark og Coronakrisen [Denmark and the Corona crisis], a programme that involved multiple areas of research. The purpose was not just to generate knowledge that can be used to ease the negative impacts of the pandemic, but also to unearth knowledge with the potential to counteract the effects of future crises.

In 2020 research findings were published within the areas listed below:

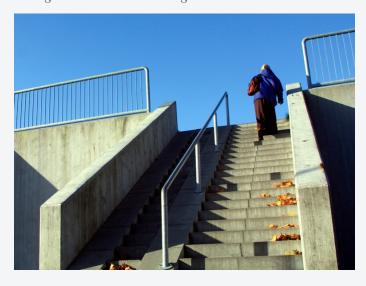
Immigration and integration

The publications in 2020 were centred on studies of the importance of education to the position of immigrants on the Danish labour market, and on the effect of integration subsidy on the labour market integration and social circumstances of refugees.

A study of the extent of over-education among immigrants in relation to their actual jobs revealed that immigrants from Eastern Europe were the most highly over-educated. Specifically, the proportion of over-educated people was around 60 per cent among immigrants from the 13 newest EU Member States, which have all joined the EU since 2004. In total, 54 per cent of employed immigrants with residence permits were over-educated in relation to the jobs they were performing. One relevant reason for this is that in practice, it is problematic to

convert a foreign education into an equivalent Danish qualification. Weak skills in Danish and a limited network may also be contributory factors. Unskilled workers cannot, by definition, be over-educated.

Implicit in the comprehension of the concept of "over-educated" is that the salary returns on the education are less than those enjoyed by wage-earners whose education matches their job functions. The study did document, however, that people from the Nordic countries or from countries which joined the EU before 2004, where likely to be in receipt of the best pay among the over-educated immigrants.



Around one in three immigrants has completed a course of education in Denmark, and among these people, over-education was far less in evidence.

The integration subsidy was introduced in 2015 with the aim of providing significantly less support than state subsidy, thus providing a stronger financial incentive to find employment. In connection with the Foundation's interest in the living conditions of refugees and their integration into the welfare society, a study was published in 2020 devoted to the effect of this new subsidy scheme on refugees' integration into the labour market. The study also examined the impact of the integration subsidy on various parameters of living conditions. The study can be viewed as an extension of the study published in 2019, which analysed the effect of "start help", which was introduced in 2002. The new study confirmed that the consequences of the two initiatives introduced at an interval of 13 years were largely identical.

The study revealed that the integration subsidy had resulted in many more male refugees finding employment more quickly. In contrast, the proportion of women in employment was extremely low both before and after 2015. However, the refugees who found work more quickly were employed at a lower hourly rate. At the same time, a part of their wage income was offset against the integration subsidy. The study also noted an increase in criminality among female refugees, which found

expression in particular in more charges for theft. This indicated that a small group of women committed theft – largely shoplifting – in order to compensate for their strained financial situation. Refugees receiving integration subsidy also visited a doctor more often than refugees who had been entitled to state subsidy.

Family finances and the labour market

A range of studies were published in 2020 within this broad field of research, including and in particular two new books.

The month of June saw publication of Hvad vi ved om børn og deres opvækstvilkår [What we know about children and the conditions in which they grow up], of which Signe Hald Andersen, Bent Jensen, Bodil Wullum Nielsen and Jan Rose Skaksen were the principal authors. The book started with an overview of the history of childhood – what was childhood like in previous periods of history? It then moved on to provide an easily accessible presentation of the Research Unit's studies of children's lives today, and of the importance of the conditions in which children grow up for their later lives as adults.



Book cover - "What we know about children and the conditions in which they grow up".

For example, the book described parents' care for their children, as well as the significance of various relationships within the family for how well children coped later in life, taking in aspects such as the importance of divorce and criminality within the family, and the social heritage between generations. The book also presented a new study of the development in the consumption options open to children from the end of the 1980s to the present day. This study revealed that major,

positive developments have taken place in the consumption options open to both children and adults over the past 30 years, although children had experienced the greater development of almost 70 per cent, compared to the 60 per cent experienced by adults. This could be explained by factors including a tendency for people with relatively low incomes to have fewer children than people with relatively high incomes.

The Western European welfare states have been strongly influenced by globalisation, migration and rapid technological development since the 1990s. Given the ROCKWOOL Foundation's focus on the sustainable welfare state, it was only natural for the other book of the year (published by Gyldendal) to examine the effect this development has had on the special Scandinavian model.

With the publication in September 2020 of the book entitled Velfærdsstat og befolkning i Skandinavien [Welfare state and population in Scandinavia], Grete Brochmann, Bent Jensen, Bodil Wullum Nielsen and Jan Rose Skaksen presented a comparison of the welfares states in Denmark, Norway and Sweden, and examined how the lives of Scandinavians played out in their interaction with a welfare state that places emphasis on equal rights in relation to public services and transfer incomes.

One of the principal findings was that the three welfare states, which already shared a number of traits when they were initially established in the 1960s, had become increasingly similar in more-or-less all relevant areas. The exceptions were the scope of migration, where Sweden recorded significantly higher immigration than the two other countries, and the scope of criminality, where Sweden likewise recorded higher frequencies. Traits shared by Denmark, Norway and Sweden included significant rises in both public and private consumption.



Book cover - "Welfare state and population in Scandinavia".

The book provided the basis for a webinar on the day of publication, where the topic was the future of the welfare state. Jan Rose Skaksen, Chief of Research, launched the webinar with a review of the findings presented in the book, whereafter Professor Grete Brochmann of the University of Oslo, Professor Torben M. Andersen of Aarhus University and Professor Joachim Palme of Uppsala University commented on the perspectives of the welfare state in Scandinavia. The researchers can also be heard presenting the findings in the ROCKWOOL Foundation's series of podcasts.

The book was the first volume in a set devoted to thematising the welfare state in North-Western Europe from a comparative perspective, with emphasis on the three forms of welfare state in the region: the universal, the continental and the liberal.

Other topics for the year included studies on how large a proportion of children risked having parents on low income or without employment, and the extent of childlessness in the Nordic region.

A study of the effect of reduced activation initiatives following the 2011 Reimbursement Reform attracted appreciable attention in the media, in that it documented that the reduced initiative had not led to a significant drop in the transition from state subsidy to employment.

The same conclusion was reached by a study published at the end of 2020, which documented that Danes' risk of developing stress and depression fell during the Covid-19 lockdown of society, as compared to the period up to 11 March.

Marginalised groups and risk behaviour

2020 was the year in which the Research Unit published an exposé of Danes' mental health. The study revealed that over a period of 10 years, the number of young people aged 16–24 who had been in contact with the psychiatric services had doubled. In 2007, 5 per cent of young men had been in contact with the psychiatric services within the preceding 10 years, while the level in 2017 was almost 10 per cent. For young women, the proportion had increased from 7 to 11 per cent. Similar increases were recorded for most age groups. These increases did not necessarily indicate a greater extent of psychiatric issues requiring treatment, however. Rather, they suggested that structural alterations had provided improved access to relevant treatment.

Equal opportunities in the welfare state

One of the first publications within this field of research revealed major social inequalities in health. Even though Denmark has achieved a high level of public health, the social

differences in health and the social heritage of health are greater in Denmark than in Bulgaria, Poland and Slovakia, for example, but lower than in Sweden, the UK and the United States.

Another study revealed that 10 per cent of the Danish population receive 83 per cent of the transfer incomes paid. In addition, 10 per cent account for 77 per cent of all admissions to hospitals. A person who is heavily dependent on transfer incomes is also more likely to be hospitalised much more frequently.

The Interventions Unit

The amount of empirical knowledge about the effect of interventions implemented by the Unit in cooperation with a wide range of external partners had grown considerably, and in 2020 the Unit expanded its systematic communication input, which found new forms of expression. End-of-day meetings, workshops, conferences and external presentations had been used for several years, and in 2020 the portfolio was expanded to include newsletters, commentaries and, in particular, publication of the first issue of RFI Insight.

RFI shares the first-hand knowledge – even from the earliest phases – that the Unit builds up on an ongoing basis through its intervention work. Commentaries provide an opportunity to communicate about topics in the public debate that fall within the ROCKWOOL Foundation's areas of experience and

relevance. Newsletters communicate new and empirical results from the innovations as and when they are evaluated.

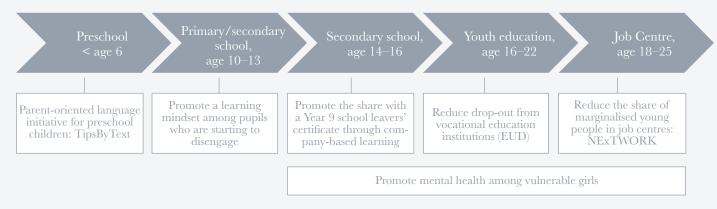
With the especial emphasis that the innovation work and the RFI model place on user involvement, the work of the Unit faced significant challenges in step with the progressive lockdown of large sections of society, which made personal contact extremely difficult.

It was, however, possible to maintain some innovation projects at an unaltered level, on account of the predominantly digital format of these activities.

One good example of this was TipsByText, which was designed in 2020 as a prototype and applied in practice in five municipalities; it was also possible to start work on evaluating the initial results. Studies performed by the ROCKWOOL Foundation Research Unit and others had already documented the social bias in children's acquisition of language and the importance of language to children's lives in school and subsequently as adults.

The figure below illustrates how the Interventions Unit has developed programmes that cover children's lives from early childhood all the way to youth education programmes including vocational education courses. The intention behind these interventions is to contribute to creating scalable and cost-efficient solution models for issues such as marginalisation and shortfalls in social mobility. Systematic evaluations based on the best scientific standards should, over the coming years, provide insight into which initiatives are realistic and effective.

Objectives for the RFI's portfolio of interventions



Selected Publications from the ROCKWOOL Foundation in 2020

Health Inequality and the Intergenerational Transmission of Health: Desciptive Evidens from the U.S. and Europe

By Anders Hjorth-Trolle, Joseph Molitoris and Mads Lybech Christensen

Copenhagen: The ROCKWOOL Foundation Research Unit.

Pretrial Detention and the Costs of System Overreach for Employment and Family Life

By Lars Højsgaard Andersen and Sara Wakefield

Copenhagen: The ROCKWOOL Foundation Unit.

Risk of Stress/Depression and Functional Impairment in Denmark Immediately Following a COVID-19 Shutdown

By Lars Højsgaard Andersen, Peter Fallesen and Tine A. Bruckner

Copenhagen: The ROCKWOOL Foundation Research Unit.



Velfærdsstat og befolkning i Skandinavien. Træk af udviklingen siden 1960'erne

[Welfare state and population in Scandinavia. Development Traits Since the 1960s]

By Grethe Brochmann, Bent Jensen, Bodil Wullum Nielsen and Jan Rose Skaksen

Copenhagen: The ROCKWOOL Foundation Research Unit and Gyldendal.



Hvad vi ved om børn og deres opvækstvilkår

[What we know about children and the conditions in which they grow up]

By Signe Hald Andersen, Bent Jensen, Bodil Wullum Nielsen and Jan Rose Skaksen

Copenhagen: The ROCKWOOL Foundation Research Unit and Gyldendal.



Danskernes mentale sundhed: Udvikling, baggrund og konsekvenser

[Danes' mental health: Development, background and consequences]

By Signe Hald Andersen, Jacob Ladenburg and Philip Steen Dyssegaard

Copenhagen: The ROCKWOOL Foundation Research Unit.

Public and Parental Investments and Children's Skill Formation

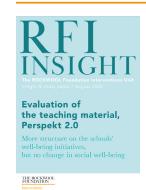
By Rasmus Landersø, Miriam Gensowski, Dorthe Bless, Philip Dale, Anders Højen and Laura Justice

Copenhagen: The ROCKWOOL Foundation Research Unit.

Household Economic Exclusion among Danish Children

By Simone Norlund Vering Johansen, Peter Fallesen, Marie Louise Schultz-Nielsen and Lawrence M. Berger

Copenhagen: The ROCKWOOL Foundation Research Unit.



RFI Indsigt Evaluation of the teaching material Perspekt 2.0

By The ROCKWOOL Foundation Interventions Unit

Copenhagen: The ROCKWOOL Foundation Interventions Unit.

Prevalence and Consequences of Violence on the Job Hit Females in Healthcare provisions Hard

By Lars Højsgaard Andersen and Therese Bay-Schmidt Christensen

Copenhagen: The ROCKWOOL Foundation Research Unit.

Society in 2021

On 6 January, a mob of Trump supporters stormed the US Capitol, where both houses were in session to count the electoral college votes and thereby formalise the election of Joe Biden as the new President. The building was vandalised and the politicians were forced to flee.

In January, the United Kingdom became the first European country to launch a comprehensive programme of Covid-19 vaccinations.

Germany and Belgium were hit by severe flooding in the summer, turning the spotlight clearly on the issue of climate change.

At the German elections in September, the SPD obtained almost 26 per cent of the votes cast, making it the largest party in the German Parliament (Reichstag). The CDU saw its share of the vote plummet sharply.

Towards the end of August, the last American soldiers were withdrawn from Afghanistan and the Taliban returned to power after 20 years of fighting.

After protracted negotiations, Olaf Scholz (SPD) became the new Chancellor of Germany in December, leading a coalition government with The Greens and the FDP. The formation of the new Government marked the end of Angela Merkel's term as Chancellor, which had commenced in 2005. In its declaration of accession, the coalition government stated its commitment to strengthening investments in digitalisation, energy transition and infrastructure, with a view to securing Germany's position as a leading industrial nation.

In Denmark, a new lockdown was enforced in January following the arrival from the UK of a new and highly contagious variant of Covid-19.

The Investigation Commission – commonly referred to as the "Mink Commission" – was convened in April to examine the circumstances surrounding the decision by the Danish Government to order the euthanisation of all mink in the country.

Denmark emerged from the latest lockdown in April, when citizens in possession of a "Corona Pass" were again permitted to frequent bars and restaurants, for example.

Over the course of the summer, Denmark succeeded in vaccinating almost 80 per cent of the population against Covid-19. When autumn arrived, however, the more infectious Delta and Omicron variants began to spread through the country, and new restrictions were applied to public life.

At the municipal and regional elections in November, the Social Democrats lost almost 90 seats on the various town councils.

The Danish People's Party lost a total of 132 seats on the town councils, making the party the biggest loser in the elections – a result that saw Kristian Thulesen Dahl step down from the position of party chairman. The big winner at the municipal elections was the Conservative Party, which picked up an additional 178 seats.

In December the impeachment proceedings against Inger Støjbjerg reached their conclusion, and she was sentenced to an unconditional term of 60 days in prison. A significant majority of the Danish Parliament subsequently found Støjbjerg unworthy to sit in Parliament.

The ROCKWOOL Foundation

2021 was a year where Covid-19 once again had a major impact on society and therefore also on the ROCKWOOL Foundation. In spite of these difficulties, however, it was a good year for the ROCKWOOL Foundation. Both the Foundation's Research Unit and Interventions Unit succeeded in delivering research and projects of high quality and relevance, and both Units disseminated their findings accurately and widely, even though the media coverage was predominantly devoted to the pandemic and the transfer of power in the United States.

During the year the ROCKWOOL Foundation worked to learn lessons from business methods derived from Covid-19 that had the potential to be applied beneficially going forward. Both new ways of working and new channels of communication will be implemented into the Foundation's organisation and forms of communication.

Over the course of the year both Units and a number of external practitioners have submitted numerous project proposals to the Board of the Foundation for approval, and the work in 2021 has contributed to establishing a strong project portfolio for the coming years. With these new additions, the project plans cover a range of the challenges that are expected in the future to put pressure on the sustainability of the welfare state, within and beyond Denmark's borders.

In 2021 the Board of the ROCKWOOL Foundation backed the proposal of the ROCKWOOL Foundation Research Unit to establish a research department in Berlin. The new research department in Berlin is to expand the planned programme of research with projects focused on addressing challenges to the welfare state seen from an international – particularly European – perspective; it is also to establish closer research ties with internationally recognised universities, and to access new channels for recruiting and retaining talents with an international background and mindset.

Over the course of the year the research department in Berlin added a large number of projects to the Foundation's project

portfolio, including studies analysing the effects of globalisation and digitalisation on the labour market, and an examination of the causes of persistent regional economic differences and inequalities.



In 2021, The ROCKWOOL Foundation opened a new Research Unit in Berlin.

Generally speaking, the new department will apply the same approach as in Denmark, where the ambition is for the research to qualify the political decision-making process through the production of independent and relevant new knowledge, uncovered through solid and credible research.

The Research Unit

In 2021 the Research Unit published a large number of studies that communicated new knowledge about some of the key challenges facing society. These studies included, for example,



Live panel discussion with Bjarne Corydon, CEO and Editor-in-Chief of the Danish newspaper Dagbladet Børsen, Martin Ågerup, Director of the CEPOS think tank, and Lars Andersen, Director of the Economic Council of the Labour Movement (ECLM).

a study on the effect of Covid-19 on life expectancy — a study that attracted major international attention. New analyses about social mobility in Denmark and the United States were also presented at a well-attended conference that was held in both physical and virtual formats. The conference featured presentations by Professor James Heckman of The University of Chicago, Professor Terry Moffitt of Duke University and researchers from the ROCKWOOL Foundation Research Unit, followed by a live panel discussion with Bjarne Corydon, CEO and Editor-in-Chief of the Danish newspaper *Dagbladet Børsen*, Martin Ågerup, Director of the CEPOS think tank, and Lars Andersen, Director of the Economic Council of the Labour Movement (ECLM).

Examples of other studies are presented below under the reviews of the year's publications from the individual research areas.

Taxation and undeclared work

Citizens' correct payment of the taxes stipulated by the politicians is a crucial element of a welfare society such as the Danish one – from the perspectives of tax revenue and fairness alike. In 2021 the Research Unit published a study of the impact of the introduction of new control systems focused on tax evasion. Specifically, the study analysed the effect of the new control tools on citizens' reporting of alimony and child support. The study documented that the new tools had reduced tax deductions in these areas by between DKK 130 million and DKK 270 million. This result was achieved through application of the Danish Tax Authorities' (SKAT) new control tool that filtered out those citizens who were not entitled to such reductions and reduced excessively high deductions.

The examination also included a separate analysis of how many citizens obtained deductions for charitable donations. The number of citizens claiming this type of deduction rose sharply from 2007 to 2008, when SKAT transferred the reporting obligation from the citizens themselves to the charitable organisations. After 2008, all donations were registered by the organisations, and all tax-payers thus received the deduction to which they were entitled.

All in all, the study highlighted the potential that exists in the use of IT-based tools in a system that contains large volumes of register-based information about citizens' financial and social circumstances. Effective tax assessment helps reduce the "tax gap", i.e. the difference between what citizens should pay and what they actually do pay. In this way, the assessment moves closer to the intentions of the publicly elected politicians for the financing of the welfare state in Denmark.

Immigration and integration

Publications in this key area of research continued in 2021 with the release of studies on topics including psychological illness among refugee fathers prior to family reunification, the development in waiting times for decisions on asylum applications - and the significance of these waiting times for labour market integration. The integration of refugees into the labour market was also examined in a study of the impact of the tougher demands for acquisition of a permanent residence permit after seven years in Denmark on the employment rate among refugees. The regulations were tightened in May 2007, after which refugees were required to have been in full-time employment for $2^{1/2}$ years; at the same time, the more stringent regulations tightened requirements on refugees to have passed a Danish language examination. These requirements had been introduced in order to increase the motivation to find employment and learn Danish. However, the study findings demonstrated falling employment among refugees following introduction of the tighter requirements, even when the figures were corrected to allow for the effects of the financial crisis.

Other themes examined during the year included how patterns of education and marriage developed in the period 1994–2018 among young men of non-Western origin. A general conclusion was that both education and marriage patterns had changed appreciably over the course of a few decades. The proportion of very young people of non-Western origin who entered into marriage fell sharply during the period as a whole. Another change saw the pattern of marriage moving away from the spouse coming from the partner's country of origin, in that in seven out of ten cases today, people of non-Western origin marry ethnic Danes. Corresponding changes were identified in the field of education. Significantly more people of non-Western origin complete a post-lower secondary school education today.

The topic of education also appeared in a study of the value orientation of Muslim pupils in Danish primary and lower secondary schools and in Muslim charter schools, respectively. The study was supported by the ROCKWOOL Foundation and conducted by researchers from Aalborg University and Aarhus University. In practice, the study compared the responses to a series of questions about attitude from Year 9 pupils in Muslim charter schools with those from Muslim pupils in standard Danish schools where at least one fifth of the pupils are of immigrant origin. The findings revealed only minor differences in attitude between the two groups of pupils, and where differences were noted, the pupils in the charter schools demonstrated a more open approach to Danish society and life in Denmark.

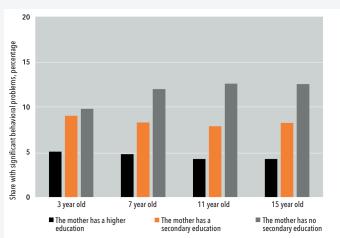
Marginalised young people

The ROCKWOOL Foundation's multi-year prioritisation of research into marginalised young people has previously illus-

trated that young people with a weak connection to the labour market and education institutions often encounter problems and challenges later on that affect multiple areas of their lives. In a new study of this problem complex, the researchers demonstrated that young people in this group are at greater risk of physical or psychological illness, and that they are more likely to fall into criminality.

The study also documented that those individuals who experience numerous challenges on entry into adulthood share a series of personality-related peculiarities. For example, they more rarely learn to master what is called "conscientiousness", a term that covers being industrious and thorough, and starting an assignment with the ambition of completing it as well as possible. According to the study, the absence of this capacity can trace its roots back to childhood, where the corresponding character traits are linked with persistence and the ability to maintain tasks and goals. As such, "conscientiousness" is not only a question of being able to tackle challenges in the present, but also of the ability to learn how to learn, which has to be developed in childhood.

The study also revealed a clear social gradient. The better the child's mother is educated, the fewer behavioural challenges are likely to appear during childhood. In other words, social heritage has a significant impact in the context of behavioural challenges and learning ability.



The bar chart shows differences in behavioral challenges throughout childhood according to the mother's level of education

Family finances and the labour market

The pandemic had a widespread effect on social life in 2020, and the ROCKWOOL Foundation decided early in the process to initiate research into the consequences. The emphasis in the Foundation's most recent time study from 2020, published in February 2021, was on changes in Danes' time use during the lockdown in spring 2020, seen in relation to the registered time use in the ROCKWOOL Foundation's study of the topic in 2017–18.

The new study revealed that the lockdown, and the sending home of employees from work – and of children from schools and day-care centres – resulted in a reduction of working hours among those people who worked from home. The size of this reduction depended on whether the respondents had to look after children at the same time as dealing with their work from home. The proportion who worked overtime after being sent home was also lower in families with children.

Marginalised groups and risk behaviour

In a new study, the Research Unit tracked how early social problems in the home and the placement of the child outside the home affect the risk of the child committing criminality later in life. Among boys who were subject to preventive measures in the home or who were placed outside the home when they were under three years old, 24 per cent were sentenced for a crime before they turned 18. For the group of boys who did not receive support or who were not placed outside the home before the age of three, the proportion was nine per cent. In the same way, seven per cent of boys whose families had been in contact with the social services before they reached the age of three had been in prison before turning 21. This applied to only two per cent of boys whose families had not been in contact with the social services before they reached the age of three. Girls whose families experienced early contact with the social services were also more likely to be sentenced than their contemporaries, even though the level was significantly lower than for boys.

The Research Unit has previously demonstrated how social heritage in criminality is much in evidence among families' boys. From this perspective, the researchers now analysed the ethnic dimension of the issue. The new study revealed that children of immigrant parents were at much greater risk of seeing their fathers being sent to prison during their childhood. Danish children have a 3.7 per cent risk of seeing their fathers imprisoned during their childhood, while 8.5 per cent of children of non-Western immigrants see their fathers sent to prison before they turn 15.

Since the earliest years of criminology, it has been a common—although not necessarily verified—assumption that criminality is contagious. Through a study from 2021, the Research Unit entered the area and examined to what extent this might be true in a Danish context. The researchers discovered a significant effect: in sparsely populated rural areas, a criminal act results in 3.3 additional criminal acts over the course of the subsequent five years. In densely populated areas, the result is a derivative increase of 6.1 criminal acts within five years. Measured in extra costs, the sums are appreciable: in rural areas, the derivative criminal acts cost an extra DKK 391,000 within five years, while the costs in densely populated areas amount to DKK 723,000 within five years.

Equal opportunities in the welfare state

Publications within this new area of research made a modest start in 2020, but the pace picked up considerably in 2021 with a series of studies.

A study of differences in children's health revealed that despite an expanded welfare state, free education and free access to medical care, appreciable social bias still exists. These differences manifest in all stages of childhood, from birth to youth. Measured on the relevant health parameters, children of mothers who have completed a long course of further education do better during childhood than children of mothers who have completed a vocational course of education – whose children, in turn, do better than children of mothers who have only a lower secondary school education. The researchers emphasised that the findings do not necessarily reveal a causal connection, but they do appear to reflect the effect of a combination of various skills in mothers and underlying social factors.



Research Professors Signe Hald Andersen and Rasmus Landersø sharing their knowledge about some of the key challenges facing society. The conference was held in both physical and virtual formats.

A second study focused on Danish families' relative use of welfare services in the form of transfer incomes, admission to somatic and psychiatric hospitals, placements of children outside the home and criminal sentences. This study revealed a strong social heritage, where mothers who were major consumers of welfare services pass this overconsumption on to their children at the third remove. However, the study also indicated that if the children receive an education lasting 12 years or more, this does have a preventive effect.

A third analysis centred on social heritage in education for groups of people born between 1911 and 1987. Even though one of the core areas of the universal welfare state is free and equal access to education, the study revealed that the effect of social heritage in education has increased for all groups born in or after 1970. This rising social bias appeared after a long period in which it had actually proved possible to reduce the effects of social heritage in education appreciably. The growing

inequality in education is particularly problematic, as the study also revealed a correlation between inequality in education and inequality in income, exposure to youth criminality, marriage frequency and employment.

A final study in this field comprised an analysis of the effect Corona had on life expectancy in Denmark and a number of other western countries. This study indicated that Denmark was one of the few countries where life expectancy did not decrease significantly in 2020 as a result of the pandemic. For a number of West European countries, it is necessary to go all the way back to the Second World War to find a correspondingly large drop in life expectancy within a single year. Denmark and Norway were actually the only countries to buck the trend and record an increase in life expectancy for both men and women, in spite of the pandemic. The early response combined with a strong healthcare system may be contributory explanations for these two countries' ability to make it through the pandemic with no drop in life expectancy.

The Interventions Unit

Over the course of 2021 the Interventions Unit published new information about possible solutions to a wide range of topics that pose challenges to the welfare society. These include, for example, a working relationship with a large number of the vocational colleges in Denmark, centred on developing and testing interventions targeted at reversing the appreciable and consistent drop-out rate at the vocational colleges. Both the business community and the Danish Parliament have shown strong interest in the work of the ROCKWOOL Foundation on this topic, particularly during 2021, where the consequences of the rising shortage of skilled labour became an even more pressing issue.

The Interventions Unit's focus on system innovation, which was launched internationally in 2020, continued in 2021 with new communication initiatives and new working relationships.



The Interventions Unit hosted a series of webinars on system innovation in 2021.

Selected Publications from the ROCKWOOL Foundation in 2021

Lessons from Denmark About Inequality and Social Mobility

By James Heckman and Rasmus Landersø

Copenhagen: The ROCKWOOL Foundation Research Unit

The Making and Unmaking of Opportunity: Educational Mobility in 20th Century-Denmark

By Kristian B. Karlson and Rasmus Landersø

Copenhagen: The ROCKWOOL Foundation Research Unit

Maternal Education and Child Health: Causal Evidence from Denmark

By Jacob Nielsen Arendt, Mads Lybech Christensen and Anders Hjorth-Trolle

Copenhagen: The ROCKWOOL Foundation Research Unit

Criminal Justice Involvement, Transition to Fatherhood, and the Demographic Foundation of the Intergenerational Transmission to Crime

By Peter Fallesen

Copenhagen: The ROCKWOOL Foundation Research Unit

Paternal Incarceration and the Medicalization of Children's Problem Behavior

By Signe H. Andersen, Peter Fallesen, Jeppe Elholm Madsen and Christopher Wildeman

Copenhagen: The ROCKWOOL Foundation Research Unit

Using Real-Time Verification of Self-Reported Information to Reduce Tax Evasion

By Kristian Stamp Hedeager and Peer Ebbesen Skov

Copenhagen: The ROCKWOOL Foundation Research Unit

Hvordan arbejdede vi, da Danmark blev lukket ned af Corona?

[How did we work when Denmark was shut down by Corona?]

By Jacob Ladenburg and Anders E.W. Christensen

Copenhagen: The ROCKWOOL Foundation Research Unit

Ægteskabs- og uddannelsesmønster blandt unge med indvandrerbaggrund – udviklingen i 25 år

[Patterns of marriage and education among young people of immigrant origin – 25 years of development]

By Marie Louise Schultz-Nielsen

Copenhagen: The ROCKWOOL Foundation Research Unit

Vocational Versus General Upper Secondary Education and Labor Market Outcomes

By Eskil Heinesen and Elise Stenholt Sørensen

Copenhagen: The ROCKWOOL Foundation Research Unit

Society in 2022

Having amassed near the border over an extended period, Russian troops crossed into Ukraine on 24 February with the aim of toppling the country's Government and making Ukraine a Russian satellite state. However, the Russian forces encountered unexpectedly tough opposition.

Shortly after the invasion, the European Union and the United States adopted a policy of sanctions against Russia, which was progressively expanded over the course of 2022. The United States and several European countries – including Denmark – began supplying military equipment to aid the Ukrainian defence effort. Restrictions on the export of Russian oil and gas forced a spike in energy prices in the West, and the prospect of a shortage of Russian and Ukrainian wheat on the global market likewise caused a dramatic rise in food prices.

In an attempt to dampen historically high rates of inflation, a number of central banks, including the Federal Reserve in the United States, raised interest rates several times, and interest on the 10-year American state bonds reached 2.5 per cent in July.

Boris Johnson resigned as leader of the British Conservatives in July, following a series of scandals and ongoing unrest within the party. Having been elected leader of the Conservatives, former Foreign Minister Liz Truss took over as Prime Minister in early September.

In July Turkey mediated an agreement between the warring parties in the Ukraine conflict to allow wheat to be shipped from Ukraine. The first shipload of wheat subsequently left Ukraine at the start of August.

Over the course of the summer, large swathes of Western Europe were hit by extreme drought conditions, and by the middle of August it was impossible for large vessels to navigate the Rhine, causing significant problems for German industry.

After the US Senate had passed the proposal, the House of Representatives approved a legislative package valued at around USD 430 billion, whose purposes included combating the climate crisis and reducing the cost of medicines in the United States.

Following a successful Ukrainian offensive in the Kharkiv region in September, President Putin conscripted an additional 300,000 men for the Russian war effort in Ukraine. At the same time, the occupying Russian forces sought to hold a referendum in parts of the conquered areas of Ukraine, with a view to assimilating these regions into Russia. In a speech held on 21 September, Putin also aired the possibility of using nuclear weapons in the event of attacks on the captured territories.

Towards the end of September, Russia annexed four regions of Ukraine: Luhansk, Donetsk, Zaporizhzhia and Kherson. These regions were then assimilated into the Russian Federation.

In late October, Liz Truss resigned as Prime Minister after only 44 days in the position. Her resignation can be seen largely as a consequence of the Government proposal to implement a programme of unfinanced tax cuts, which spooked the financial market in Britain, causing the pound to plummet and interest rates to rise. Former Chancellor of the Exchequer Rishi Sunak was elected unopposed as the new leader of the Conservative Party, thus taking over the role of Prime Minister.

Also at the end of October, Russia withdrew from the agreement allowing grain exports to pass through a corridor out of Ukraine.

In Denmark, Morten Messerschmidt was elected the new leader of the Danish People's Party in January.

The Home Renovation Deductions in the Housing/Employment scheme were abolished as from 1 April, although the Service Deductions remained in effect for the rest of the year.

The Mink Commission submitted its report in June. The Commission concluded that the Danish Prime Minister had acted "in an extremely criticisable manner" and contributed to gross misinformation of mink farmers and the general public, and to the unlawful instructions issued to the authorities on 4 November 2020. According to the Commission, Prime Minister Mette Frederiksen had been "objectively ... grossly misleading" at the press conference on 4 November, without, however, being aware of it herself. The Commission was strongly critical of a number of leading civil servants in the central administration, including Barbara Bertelsen, Head of Department at the Prime Minister's Office, and Henrik Fogde, Chief of the Danish Police.

In June Inger Støjberg announced herself as the founder and leader of a new party, the Denmark Democrats. Shortly afterwards, the party qualified for election to the Danish Parliament.

In the same way as in other Western countries, inflation continued to rise in Denmark, peaking at 8.9 per cent in September. The sharp rises in the American and European consumer price indices were powered in particular by increases in the prices of food and energy attributable to the war in Ukraine.

Towards the end of September, four leaks were identified in the Nord Stream 1 and 2 gas pipelines in international waters close to the Danish island of Bornholm. Authorities in Denmark and Sweden concluded that the leaks were the result of sabotage.

At the Parliamentary Elections on 1 November, the red block obtained 90 seats, while the blue block and the Moderates jointly obtained 89 seats. Following the election, a new Government consisting of ... was formed on x. November.

The ROCKWOOL Foundation

The ROCKWOOL Foundation Research Unit and Intervention Unit exited the pandemic restrictions completely in 2022, with a level of activity that was as high as ever. This was clearly reflected in the publication activities, where a large number of projects were communicated to the public. Even though the media landscape was strongly influenced by a range of spectacular events, the Units still succeeded in making an impact in the media and capturing attention among the general public.

The review of 2021 included mention of the fact that the ROCKWOOL Foundation had opened a research department in Berlin, under the leadership of Professor Christian Dustmann.

The research department in Berlin went on to add numerous studies to the Research Unit's project portfolio in 2022. These projects are, for example, to focus on analysing the effects of globalisation and digitalisation on the labour market, as well as the causes of persistent differences and inequalities in regional economic performance. A large number of senior economists from all parts of the world were associated with the Unit through various projects, and will be working periodically from Berlin. The Berlin department also took on a team of young and talented researchers and PhD students, who will constitute the "machine room" for the projects headed up by the senior economists.

Generally speaking, the new department will apply the same approach in Denmark, where the ambition is for the research to qualify the political decision-making process through the production of independent and relevant new knowledge, uncovered through solid and credible research.

The Research Unit

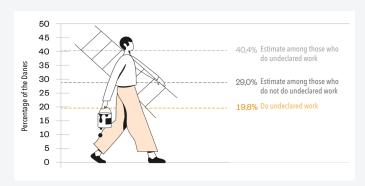
The Research Unit released a large number of publications within its prioritised areas of research. A selection of these publications is presented in more detail below.

Taxation and undeclared work

The pandemic ushered in significant changes in how the Danish population worked, and the labour market was obliged to make adjustments in several areas. The pandemic resulted in workers being sent home to work or, in some cases, actually laid off, and there was much to suggest that the scope and structure of the market for undeclared work were also changing, for reasons including the risk of infection.

In their study entitled COVID-19 og sort arbejde i 2020 [COVID-19 and undeclared work in 2020], researchers ex-

amined how the scope of undeclared work had actually been affected by the first year of the pandemic. Surprisingly, the findings revealed that the rate of participation in undeclared work, i.e. how large a proportion of the population performed undeclared work, had remained unchanged in relation to the findings from the Foundation's previous study in 2017. In both years, 19.8 per cent of the population performed undeclared work. While it appears that among those citizens who performed undeclared work, the "undeclared working week" shortened by 15 minutes, this decrease lay within the bounds of statistical uncertainty and was not significant.



The figure shows the estimated and actual extent of undeclared work among Danes.

In 2020 the average undeclared working week was 2 hours and 32 minutes, compared to 2 hours and 47 minutes in 2017. The conclusion was that the scope of undeclared work in Denmark had remained unchanged and had therefore not been affected by the pandemic.

Immigration and integration

The Research Unit has been tracking the consequences of changes in the integration policy for refugees for years. 2022 saw publication – in cooperation with University College London – of knowledge gained from four decades of integration policy for refugees. The publication entitled Refugee migration and the labour market: Lessons from 40 Years of Post-arrival Policies in Denmark by Jacob Nielsen Arendt, Christian Dustmann and Hyejin Ku reached a number of general conclusions.

For example, the findings indicated that early job training helps refugees find employment and that language courses benefit employment rates in the long term. More ambiguous, however, was the impact of lower social benefits which, while they benefited employment in the short term, carried a range of negative consequences for the living conditions and social integration of refugees, and resulted in employment rates declining after a few years. Some changes in policy, including the introduction of more stringent requirements for obtaining permanent residence in Denmark, had had a directly negative effect on labour market integration.



Research Professor Jacob Nielsen Arendt sharing key findings in his research on refugee migration and the labour market.

In addition, the publication featured an analysis of what Denmark can expect of the Ukrainian refugees with regard to their integration into the labour market. In this context, three factors were examined: level of education, employment in the country of origin, and employment of Ukrainians in Denmark. The study revealed that if Ukrainians are housed near fellow countrymen, and if they are provided with intensive job support early on, robust integration can be expected. However, if the conflict persists and the Ukrainian refugees are not permitted to return to their home country, this rapid transfer to the labour market may prove to be an obstacle, because it will come at the price of their opportunity to learn the Danish language, which is a precondition for successful, long-term integration.

The study was presented at a well-attended briefing, and the findings were discussed on radio, TV and in printed media over the following weeks. In addition, Jacob Arendt was invited to present the findings at a general meeting hosted in April by the Danish Ministry of Employment. Five ministers participated in the meeting, and there were 150 people present. The meeting generated a good deal of interest and attracted coverage in a variety of media, including the TV programmes *TV-Avisen* (DR1) and *TV2 News*.

The ROCKWOOL Foundation Research Unit has previously analysed the ethnic and social housing patterns of the population, with the emphasis on the degree of segregation. This topic was revisited in the publication entitled *Bosætning i Danmark – i et 35-årigt perspektiv* [Settlement in Denmark – from a 35-year perspective] prepared in partnership with Aarhus University and the Danish Center for Social Science Research (VIVE). The study was based on the division of Denmark into 8,358 housing

areas, and the overarching finding was that the population is much more ethnically mixed today than it was two decades ago, but that at the same time, it has become more clearly divided from the perspective of income. In 1987, 32 per cent of people living in a high-income family would have to change their area of residence in order to achieve a completely equal distribution. In 2019, this share had risen to 34 per cent. In 1985, however, 61 per cent of non-Western immigrants and descendants would have to relocate in order to achieve a distribution that corresponded to the majority population. In 2019 this figure had fallen appreciably to 45 per cent.



Book launch - "Settlement in Denmark - from a 35-year perspective".

Among other studies of immigration and integration conducted during the year, two studies of refugees' participation in Danish lessons should be mentioned. These studies revealed that refugees in employment devote less time and attention to participation in Danish lessons, and that living in residential areas with high concentrations of non-Western immigrants likewise

reduces participation. While it is true that a clear majority of refugees did participate in Danish lessons during their three-year integration programme, only around half of them actually completed the course. The studies did, however, also demonstrate a difference in the completion percentage depending on country of origin. Top of the list were refugees from Eritrea, where 66 per cent had completed the course within four years of having been granted asylum. Refugees from Iraq were at the bottom of the list, with only 35 per cent having completed the course.

Marginalised young people

In the preventive work among young people in socially disadvantaged areas, there is an assumption that schemes involving spare-time activities and jobs reduce the risk of these young people becoming marginalised. But is this true of young people in a broader sense? And if there is an effect, how positive is it?

Researchers from the Department of Occupational Medicine at Gødstrup Regional Hospital looked into these issues, backed by funding from the ROCKWOOL Foundation. The researchers identified a clear correlation between participation in sparetime jobs and contact with the labour market in early adulthood. Girls with spare-time jobs at the age of 18 have more than twice the chance of maintaining a stable link with the labour market or the education system when they are aged 25–29 than girls of the same age who did not work in their spare time at this age. The effect is slightly less for boys, but their chance of maintaining a stable link is still 70 per cent higher in relation to boys who did not have spare-time jobs at age 18.

Participation in spare-time activities – membership of a sports association, for example – has correspondingly positive effects.

Family finances and the labour market

A research project financed by the ROCKWOOL Foundation and featuring the participation of researchers from the Universities of Chicago, Zürich and Copenhagen examined how globalisation and new technology are currently affecting the labour market, and how they are expected to do so in the future.

The researchers found that investments in robots create jobs and increase revenues in those companies that make use of them. The new jobs are not equally distributed, however. Demand for engineers and technicians is rising, while demand for industrial workers is falling.

The project also examined the effect that globalisation and new technology had on the corporate structure in the various key industries from the mid-1990s to 2017. The largest enterprises in the field of manufacturing had seen a noticeable and signifi-

cant boost in impact, measured on their share of the growth in value. Whereas the top one per cent of the largest manufacturing enterprises accounted for 34.5 per cent of growth in value in 1995, they represented 51.6 per cent in 2017. This tendency was mirrored in the other sectors, with the exception of the building and construction industry, which showed a relative decrease for the largest enterprises. An examination of the large enterprises by the researchers also revealed a labour income ratio falling from 68 to 63 per cent over a little more than 20 years.

This falling labour income ratio, i.e. the wage-earners' share of the growth in value, corresponded with a rise in profit which, in the manufacturing sector, increased from less than 20 to more than 30 per cent of the growth in value. The decline in the labour income ratio in the largest companies could be attributed to the growth in value developing more rapidly than the rise in wage costs.

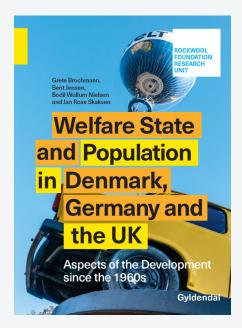
Another of the findings was that companies working with the production of Artificial Intelligence (AI) employ relatively more computer scientists, mathematicians and physicians, while users of AI employ more biologists, chemists and laboratory technicians. In contrast, employment figures for graduates in the field of the humanities and social sciences are extremely low in these companies. The human sciences are thus not allocated a bridging assignment between man and machine.

Following a presentation of the findings, a panel debate was held featuring Lars Andersen, Director of the Economic Council of the Labour Movement (ECLM), Lisbeth Lintz, Chair of The Danish Confederation of Professional Associations (Akademikerne) and Steen Nielsen, Deputy Director of the Confederation of Danish Industry (DI). Much of the panel debate — and the subsequent public debate — centred on how the study showed that, while there is no cause to be afraid of technological development per se, it is important to be aware that such development will not necessarily benefit all wage-earners equally, so there may be good reason to maintain focus on the supplementary training of the workforce.

With the publication in July 2022 of the book entitled *Velfærdsstat og befolkning i Danmark, Storbritannien og Tyskland* [Welfare state and population in Denmark, the UK and Germany], Grete Brochmann, Bent Jensen, Bodil Wullum Nielsen and Jan Rose Skaksen continued their comparative analysis of the North-West European welfare states and the lives of the populations in same. One of the principal findings was that the three welfare states, which shared a number of traits when they were established in the 1960s, had become increasingly similar in a large number of areas. This harmonisation towards common standards likely occurred under the steady rise of globalisation and the introduction of new technology.

The book provided the basis for a conference in autumn, where the topic was the future of the welfare state. Jan Rose Skaksen, Chief of Research, launched the event with a review of the

findings presented in the book, after which NN and NN commented on the perspectives of the welfare state in North-West Europe at a time of major social and financial upheaval.



Book cover - "Welfare State and Population in Denmark, Germany and the UK".

The book was the second volume in a set devoted to thematising the welfare states in North-Western Europe from a comparative perspective, with emphasis on the three forms of welfare state in the region: the universal, the continental and the liberal. The first volume, which focused on the welfare state in Scandinavia, was published in 2020 and, as mentioned in the commentary on 2020, revealed corresponding harmonisation between life and the nature of the state in the welfare states of Denmark, Norway and Sweden.

Marginalised groups and risk behaviour

A special study looked into how early social problems in the home and placement outside the home affect the risk of criminality. The study documented how early contact with the social services or early placement outside the home increase the risk of the child becoming involved in criminality at a young age. This risk is further accentuated in the event of corresponding events later in childhood. Fully 30 per cent of boys who were in contact with the social services between the ages of 12 and 14 were found guilty of – and sentenced for – a crime before they turned 18. More than 10 per cent had also spent time in prison before the age of 21.

Social heritage in criminality is a consistent theme in the Unit's research, and another study thematised the consequences of a father's imprisonment on his children's education. The findings

showed that if a father is handed a prison sentence rather than community service or a course of treatment for alcoholism, the risk of his children failing to complete mandatory schooling increases two-fold.

A third study continued along the family path, analysing the significance to prisoners of receiving visits from their family while incarcerated. The study illustrated that receiving visits from family members in prison does not have the preventive effect that it is otherwise assumed to have by the authorities and politicians. Visit intensity does reveal a strong social gradient, however, in that prisoners who enjoyed a solid family life and a high level of income prior to incarceration received relatively more visits during their time in prison than prisoners without this more favourable background.

It is a common assumption in the field of criminology that marriage has a prophylactic effect on criminality among young men. It therefore seemed logical to conclude that the "age-24 rule" introduced in 2002, which limited the opportunity for family reunification with spouses under the age of 24, would lead to a rise in criminality among young men of non-Western origin. However, a study conducted by the Research Unit revealed that there was no substance to this assumption. While it is true that the marriage frequency among young, non-Western men did decrease, the rate of criminality has remained unchanged after 2002.

Within the field of "Marginalised groups and risk behaviour", the Research Unit has produced a series of studies of living conditions for children and young people placed outside the home. This topic was revisited in 2022 through the publication of a survey conducted among the staff of institutions that house children and young people placed outside the home. Anbragte børn og unge på døgninstitutioner og socialpædagogiske opholdssteder [Children and young people placed in day-care institutions and social-pedagogical residences] was supported by the ROCK-WOOL Foundation and produced jointly by Aalborg University and researchers from the Unit. The book analysed the distinguishing features of the institutions with regard to aspects such as pedagogical approach, ownership conditions and the educational background of the staff. The book also examined the distinguishing features of the children themselves, looking at aspects such as their age, gender, problem issues, year of placement and placement process.

The book runs to more than 400 pages and is too broad in scope to allow a summary of findings to be presented here. However, one of the principal findings was that almost all children and young people placed in institutions have comprehensive difficulties and complex needs. Children and young people placed in such institutions nevertheless experience significantly fewer breakdowns than children and young people placed in foster care. The book also concluded that both children and young people placed outside of the home who attend internal schools, and children and young people placed outside of the home who do not attend internal schools face significant chal-

lenges in relation to their academic level: half of them have not attended school for notable periods, and half fail to take lower secondary school leaving examinations.

Equal opportunities in the welfare state

This area of research has been accorded particularly high priority in the ROCKWOOL Foundation's research portfolio for the coming years – up to 2025 – which was reflected in a large number of publications in 2022.

A series of studies focused on the development of equality in general and on equality in access to public transfer incomes and services.

One of these studies found that the past 25 years have shown clearly rising inequality in disposable income. Even though Denmark remains one of the countries in the world with the lowest inequality in disposable incomes, inequality measured on this parameter has nevertheless increased by 33 percent between 1995 and 2019. As inequality in market incomes — i.e. all taxable incomes before tax, excluding public transfer incomes — has remained unchanged, this rising inequality can be traced back to a tightening of the public sector purse strings, which takes the form of reduced redistribution through taxes and transfer incomes.

Another study focused on equality in access to public services such as education and health. This study elucidated how the use of public services by Danish families is defined by the financial circumstances of the family's adults when they were growing up. Expenses for day-care and schooling were unaffected by these financial circumstances. In contrast, there were marked social differences in the support provided by the public sector for health and education services. Families with a strong financial background received much more support from the public sector for their own education, but received a little less support for health services than families where the adults experienced less favourable financial circumstances when they were growing up. The bottom line was that adults who grew up in affluent homes received more public services than adults who grew up in less advantaged homes.

Within this area of research, the ROCKWOOL Foundation supported a study by researchers from the Danish Center for Social Science Research (VIVE), which focused on the everyday lives of young people and their families during the first Corona-induced lockdown. The researchers found that both young and older family members had difficulties with everyday routines during the lockdown, and that the "empty hours" were a particular problem for already vulnerable young people.

Equality in opportunities also has to do with equality between generations. Yet another study debunked the commonly held opinion that young people would face poorer financial circumstances than their parents' generation. A significant majority of young people can expect to enjoy better financial circumstances than their parents throughout their lives. The study was conducted as a partnership between Nobel Laureate J. Heckman from the University of Chicago, and the ROCKWOOL Foundation Research Unit, and was based on a new economic perspective on what "financial resources"



Panel discussion on the aging population in Denmark.

actually comprise. The researchers had in fact developed a calculation method that was appropriate for measuring the projected financial resources over an entire lifetime, and the welfare that each individual would thereby obtain.

A lively discussion is currently taking place in society – from both scientific and political perspectives – about the significance of ageing on life conditions and societal development. The ongoing demographic changes are appreciable and likely to have a marked impact on the welfare state over the coming years. This was the background for the publication of *Et aldrende Danmark* [An ageing Denmark], edited by Torben M. Andersen and Jan Rose Skaksen. The numerous consequences of alterations to the composition of the population called for a broad approach to understanding the implications of these changes, and the book presents, from several professional perspectives, a general introduction to the topic, as well as an overview of key aspects linked to the changes in the composition of the population.

The many research findings presented include an alternative population forecast, which took as its starting point the fact that the average life expectancy in Denmark is approaching the levels achieved in countries with the highest average life expectancies around the world. If this proves to be the case, it is likely that there will be many more elderly people – for example, 350,000 more people aged over 80 in 2070 – than stated in the official population forecast from Statistics Denmark. This book thus seems to indicate that there may be a "ticking time bomb" under the financial sustainability of the Danish welfare state if the "burden of the elderly" increases so strongly.

At the same time, the book suggested that the cognitive skills of elderly people have improved significantly over time. Based on the available data and developments to date, there can be no doubt that in the future, elderly people will function better cognitively than elderly people do today. Another aspect of this positive image is that elderly people are more active than they were previously.

Two days after publication, the book provided the basis for the Finance Committee to put questions to the Danish Minister of Finance regarding how the alternative population forecasts would be likely to affect the sustainability of the country's financial policy. The response from the Ministry of Finance arrived in June. Calculations performed by the ministry indicated that if Danish life expectancy were to increase to the levels seen in Japan or Sweden, for example, this would adversely affect Danish public finances in the amount of DKK 124 billion.

The Interventions Unit

2022 saw the start of a working relationship with the Danish Design Center (DDC) intended to improve well-being among young people by engaging stakeholders to come up with a com-

plementary approach to mental health. The Interventions Unit is working to generate scenarios with the potential to achieve a new, more comprehensive approach to mental health. The objective is to create new initiatives within a sturdy framework in the areas of schooling, further education and employment as a means to produce better outcomes for young people. By working with the DDC, which has extensive experience in creating scenarios with a wide range of stakeholders, it will be possible to use these scenarios to inspire stakeholders, support them in taking action, and engage them in developing interventions in collaboration with the ROCKWOOL Foundation Interventions Unit, across programme-related boundaries.

Why is this relevant?

The players are agreed that a relational and mutual approach to promoting good mental health is a relevant and viable supplement to the existing clinical, individualised input. Society is experiencing a growing proportion of schoolchildren, students, and both employed and unemployed young people who are battling with poor psychological well-being. Among these players, we have encountered a growing consensus that the existing, individualised approach is untenable, given that the proportion of young people who are unhappy and discontented continues to rise.



Colaboration between Danish Design Center (DDC) and the Interventions Unit on how to improve well-being among young people.

The predominant model at present focuses on the symptoms of poor well-being, which leads to psychiatric diagnosis with the emphasis on access to means from individualised support systems. In step with these symptoms becoming increasingly widespread, this model is becoming less and less tenable. The players acknowledge that well-being among young people is closely linked to participation in positive practice communities and a sense of social affiliation — a condition that is also supported by research. In view of this, the ROCKWOOL Foundation Interventions Unit detects a need to activate the framework

that the Unit has developed in a project on mental health. This framework sketches out what a complementary approach to promoting well-being might involve: focus on structures, well-being as a shared responsibility, promoting well-being in the everyday environment, and allowing people to be resources for one another.

The ROCKWOOL Foundation Interventions Unit is keen to tackle the systemic challenges that underpin the growing level of unhappiness. We know that the figures for perceived unhappiness among young people give grounds for concern. Every third woman and every fifth man in the 16–24 age group experiences unhappiness, along with signs of stress, anxiety and loneliness. We also know that unhappiness in the years of youth has consequences for adult life, with regard to areas including education, friendships, work, health and parenthood.

Given the large proportion of unhappy young people, and backed by what we know about the consequences of unhappiness, this problem has the potential to challenge the social and financial sustainability of the welfare state. In the short term, in the form of steadily rising pressure on our psychiatric care system, as well as increased pressure on primary and secondary schools and other educational institutions, and an increasing demand on local authorities to provide initiatives and treatment for the numerous children and young people experiencing issues with stress and anxiety.

In the long term, it may be of significance to the number of young people who complete a course of education and enter the labour market, and it may also affect future generations of children and young people if their parents are unhappy.

Selected Publications from the ROCKWOOL Foundation in 2022



Et aldrende Danmark [An ageing Denmark]

Edited by Torben M. Andersen and Jan Rose Skaksen

Copenhagen: The ROCKWOOL Foundation Research Unit and Gyldendal



Anbragte børn og unge på døgninstitutioner og socialpædagogiske opholdssteder

[Children and young people placed in day-care institutions and socialpedagogical residences]

Intergenerational Transmission of Family Influence

By Sadegh S.M. Eshaghnia, James J. Heckman, Rasmus Landersø and Rafeh Qureshi

Copenhagen: The ROCKWOOL Foundation Research Unit

Refugee Migration and the Labour Market: Lessons from 40 Years of Post-Arrival Policies in Denmark

By Jacob Nielsen Arendt, Christian Dustmann and Hyejin Ku

Copenhagen: The ROCKWOOL Foundation Research Unit

By Inge Bryderup and Sofie Aggerbo Johansen, with contributions from Signe Hald Andersen, Anne Sofie Tegner Anker and Emil Anton Libak Simonsen

Copenhagen: The ROCKWOOL Foundation Research Unit and Klim

What Can I Do? How a Global Crisis Demands the Improvisation of Three Generations' Everyday Temporal Orientation

By Jeanette Østergaard, Sofie Henze-Pedersen and Rachel Thomson

Copenhagen: The ROCKWOOL Foundation Research Unit



Welfare State and Population in Denmark, Germany and the UK

By Grete Brochmann, Bent Jensen, Bodil Wullum Nielsen and Jan Rose Skaksen

Copenhagen: The ROCKWOOL Foundation Research Unit and Gyldendal

Velfærdsstat og befolkning i Danmark, Storbritannien og Tyskland

[Welfare state and population in Denmark, Great Britain and Germany]

By Grete Brochmann, Bent Jensen, Bodil Wullum Nielsen and Jan Rose Skaksen

Copenhagen: The ROCKWOOL Foundation Research Unit and Gyldendal

Refugees's Settlement Pattern, Educational Background and Formal Danish Language Acquisition

By Anna Piil Damm, Ahmad Hassani, Trine Skriver Høholt Jensen, Mathias Schindler and Marie Lousie Schultz-Nielsen

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Bosætning i Danmark i ot 35-årigt perspektiv

Bosætning i Danmark – i et 35-årigt perspektiv

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