Subjective Well-Being of Social Assistance Recipients in Serbia: Experience of Public Work Participants

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Paper prepared for presentation at the World Bank International Conference on
Poverty and Social Inclusion in the Western Balkans
WBalkans 2010
Brussels, Belgium, December 14-15, 2010
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Abstract

The paper explores whether and how work activation of social assistance beneficiaries impacts on their subjective well-being outcomes. It provides a conceptual framework for understanding the main dimensions of subjective well-being for the unemployed poor and puts the overall discussion in the context of work activation of welfare recipients. The applied qualitative analysis of the data obtained from semi-structured in-depth interviews focuses on the changes in different dimensions of subjective well-being before and after public work activity. Together with the findings on low employment of public work participants after the completion of the program, the presented qualitative analysis reveals significant positive impact of work engagement on subjective well-being of social assistance recipients. The evidence is strongest in relation to their positive perceptions about the level of acquired qualifications, skills, and social contacts.

JEL classification codes: I38, H53

Keywords: public works, qualitative analysis, social assistance, subjective well-being

1 Introduction

Subjective well-being (SWB) refers to people’s assessments of their lives and includes both measures of cognition and measures of affect. While the cognitive measure relates to the rational and intellectual aspects, affect is linked to moods and emotions. The cognitive component can be analyzed as the sum of satisfaction across different life domains or as a single response about overall life satisfaction. Affect can also be measured and interpreted as the aggregate of certain items or as a single response to a question on how happy a person feels with regard to his or her life as a whole. For the purpose of this study, measures of cognition and affect will be regarded under the generic notion of subjective well-being.

One of the major rationales for studying SWB is the belief that it has important implications both for people’s lives and decision makers’ responses to certain situations. The perception of well-being is an experience that appears to be more complex and multiple determined than the relating objective indicators influenced by external factors in a society (Diener and Suh, 1997). For
example, involuntary unemployment is bad and labor market indicators will indicate the kind and extent of this in a society. In contrast, from a subjective well-being perspective it would be important to know whether and how individuals’ moods and life satisfaction are affected by unemployment and employment. In sum, both kinds of measures are needed to understand human well-being and to make informed policy decisions. Nonetheless, the focus here is on subjective well-being measures.

There is a considerable amount of work on the topic of subjective well-being both in psychology and economic science (see Diener, 1984; Diener, Suh & Oishi, 1997; Frey & Stutzer, 1999, 2002; Layard, 2006; Van Praag & Ferrer, 2004; Veenhoven, 1991, 2000, 2004). Besides one comprehensive study about the voices of the poor by Narayan, Chambers, Shah & Petesch (2000) and the discussion of the life of the poor as part of broader quantitative or qualitative analyses by Cummins (2000) or Camfield (2006), little research has been done on the topic of subjective assessment of the poor about the quality of their life. The presented analysis includes a qualitative assessment of SWB dimensions in the discussion of a specific public policy measure.

The forthcoming discussion of dimensions of subjective well-being of the poor and socially excluded has been clearly absent in theoretical discussions and research explanations of poverty and social exclusion. With regard to the general population it may be well the case that SWB measures comprise only part of the overall explanation. But, from the perspective of the most disadvantaged, these measures bring forward a significant input in the social inclusion discourse, with potentially large policy applications.

Conceptually, there are several philosophical approaches to determining individuals’ quality of life. Characteristics of a good life could be determined by normative ideals such as religious or philosophical systems (Diener & Suh, 1997). Secondly, good life is based on utility and
satisfaction of preferences, the approach dominant in economic thinking. The third approach, rooted in the subjective well-being tradition of the behavioral science, defines quality of life in terms of people’s experience. Related to the latter, there has been a long and non-conclusive discussion about ‘domains’ or ‘dimensions’ of subjective well-being (Alkire, 2002).

Taking above listed gaps and shortcomings into consideration, the paper contributes to a more systematic understanding of subjective well-being of the poor. This study is aimed at gaining insights in the perceptions of able-bodied working age social assistance beneficiaries about the effects of their work engagement through public works. The research question that this study attempts to answer is whether and how the work activation of social assistance beneficiaries impacts on their subjective well-being outcomes over time. Toward that end, we first provide a conceptual framework for understanding the main dimensions of SWB for the unemployed poor based on the work of other scholars. Second, we put the overall discussion in the context of work engagement through public works program in a transition economy. We use the example of Serbia and ask respondents to judge if their situation changed following their involvement in the public work program. Finally, data containing a self-assessment of changes with respect to self-confidence, the desire to find a job, social contacts, the family income situation, personal qualification and skills, and the chances to find a regular job were evaluated using qualitative analysis.

The findings indicate that a particular work experience is beneficial for participants even if it does not lead to their immediate employment. For example, the participation in the public work program increases the participants’ employability judged by the level of ‘qualifications and skills’ and ‘chances for employment’ attained. It also reduces the mental cost of being unemployed and increases the participants’ ‘self-confidence’ and ‘social contact’. This is important for
understanding the linkages between subjective well-being and social inclusion. The conceptual and policy implications of these findings are further examined.

2 Conceptualizing Subjective Well-Being

In the Introduction we started out with the identification of main theoretical approaches to well-being. In this section we identify critical dimensions of subjective well-being of the unemployed poor. Towards that end, we rely on the conventional definition of dimension. Dimension is usually defined as one of the constituting aspects of a given situation, in this case subjective well-being, which co-exists with other aspects. Although the literature recognizes numerous lists of well-being, values, and human needs, those have been developed in response to varying theoretical and empirical questions (see for example Alkire, 2002, for a comprehensive discussion on different approaches). For the purpose of this paper, the discussion focuses primarily on two relevant pioneering studies of subjective well-being. One defines the ‘domains’ of subjective well-being (Cummins, 1996) and the other one all the personal assessments of the poor people (Narayan et al., 2000).

In order to define seven domains of subjective well-being, Cummins (1996) surveyed theoretical and empirical literature on the ‘quality of life’. The seven domains included material well-being, health, productivity, intimacy/friendship, emotional well-being, safety, and community. The question relating to subjective well-being would usually ask how satisfied is the person with ‘domain’, referring to material well-being, health, social ties and similar. Cummins identified 1,500 articles relating to ‘quality of life’ and subsequently developed five criteria for the inclusion of the data on quality of life for the study. The selected 32 studies yielded 173 names of ‘domains’ for the indicators of ‘quality of life’. Finally, each of the named domains was classified into one of his seven domain categories for the general population presented in Table 1.
In their cross-cultural study of the values of 20,000 poor people only, Narayan et al. (2000) explored how the poor define poverty and wellbeing. The analysis focused on how people define well-being or a good quality of life and ill-being or a bad quality of life. Particular aim was to understand poor people’s definition of well-being, but also their understanding of the concept of vulnerability, risk, and social exclusion. Not surprisingly, the poor defined ‘well-being’ as multidimensional phenomenon in a similar vain to Cummins’ (1996) understanding of subjective well-being. The qualitative analysis under the study resulted in the defined components of ‘well-being’ and ‘ill-being’ that are common across 23 countries. According to this study, well-being has been divided into following components: material, bodily, social, and psychological well-being, security, and freedom of choice and action.

Table 1 about here

In contrast, the components of ill-being as perceived by the same respondents included: material lack and want, physical ill-being, bad social relations (exclusion, rejection, isolation and loneliness), insecurity (vulnerability, worry and fear), powerlessness and helplessness, and psychological ill-being (humiliation, shame, anguish and grief).

Concerning the SWB dimensions of the unemployed poor, it appears that specific definitions of the poor people’s subjective well-being or ill-being relating to various life domains have been rarely described in the academic literature. Bonin and Rinne (2006) made an attempt in that regard. They judged the positive effects of an active labor market program on measures of subjective well-being as possible outcome indicators for the disadvantaged involved in the
Building on the Frey and Stutzer’s (2002) discussion of items of personal happiness and the psychic and social cost associated with unemployment, Bonin and Rinne (2006) developed a set of domain measures, or dimensions, for assessing subjective well-being outcomes among the disadvantaged. These included: family income situation, health status, personal qualifications and skills, desire to find a job, chances to find a regular job, social contacts, and self-confidence. Obviously, these cut across different well-being domains earlier defined by Cummins (1996) and Narayan et al. (2000). The responses in the Bonin and Rinne’s (2006) study were captured in a survey specifically designed to evaluate the overall effectiveness of the program.

In SWB analysis, people’s responses are most often captured either by single-item or multiple-item questions. The question related to life satisfaction or happiness is usually framed as following: “Taking things all together, how satisfied/happy are you with your life these days?” Individuals’ satisfaction may also be captured by multiple-item questions. Box 1. shows examples of questions used in both types of approaches. Usually, the respondents are asked to grade the level of their satisfaction/happiness on different scales (Diener et al., 1997; Fray & Stutzer, 1999, 2002; Veenhoven, 2000; Bonin & Rinne, 2006).

Defining the right set of questions depends on the purpose for which they are to be employed. The presented qualitative analysis of SWB of social assistance recipients involved in public works uses a variant of Bonin and Rinne’s (2006) approach that cuts across different well-being domains and points in time.

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1 The program under evaluation was Beautiful Serbia program - an ad hoc operation supported by the Government of Serbia and donors which provided training and temporary employment to disadvantaged unemployed.
3 Context: Public Works

The literature evaluating specific public policies with regard to their impact on subjective well-being is very limited. To our knowledge, this study is the first that incorporates a qualitative assessment of subjective well-being dimensions in the evaluation of a public work program.

In general, public works programs make income transfers in return for work done, implying low information and uncertainty costs. They have two distinct types of impact: income transfers in return for services provided by unskilled workers who are employed and, most often, infrastructure construction or rehabilitation (Datt & Ravallion, 1994; Subbarao, 1997). A third advantage of such programs that has recently been studied is the impact on institutional development.²

Effectiveness of public works programs depends on three key factors, including coverage and targeting, simplicity of design and cost (Coady, Grosh & Hoddinott, 2002; Smith & Subbarao, 2003). The most common targeting technique used for these programs includes self-targeting: the benefit is set low so that only the poorest are attracted to take up employment. Usually, such targeting methods help reduce leakages and help increase coverage but where poverty is related to structural causes such as exclusion of certain ethnic groups, this method may not reach the poorest. Design principles also include wage rates, timing of activities and labor utilization that determines labor intensity. Theoretically, wage rates are set low to facilitate self-targeting. If the wage rate is set too high, the total number of beneficiaries decreases. If the program is timed

² Devereux (2002) has analyzed public works programs and highlights how such programs have evolved from employment-based safety nets (ESBN) to labor-based infrastructure programs (LBIP).
incorrectly, the benefit is not delivered when it is needed most, which implies inefficient utilization of funds. High labor intensity implies high utilization of unskilled labor.

The issue of public works as one of the active labor market programs targeted at ‘hardly employable’ categories of the unemployed is ranked high on the political agenda in Serbia. In its four public calls since 2006, the Ministry of Economy and Regional Development provided temporary employment and low pay to the neediest unemployed, great majority of which being unskilled workers. Targeting method involved self-targeting but also a purposeful inclusion of the poor representatives of the Roma minority as a measure of their social inclusion. The pay rate was set at the level of the minimum wage. The programs also entailed learning component in the form of off- and on-the-job training. Training and work components combined lasted between 6 and 12 months. Social assistance beneficiaries were one but not the only group targeted by the program. As noted earlier, the program included other categories of the disadvantaged such as the Roma, refugees, youth, the disabled, women, persons older than 50, and other long-term unemployed.

In 2008, precisely 263 projects were approved by the Government which enabled employment for 5,315 individuals. Project activities covered three broad areas: social, humanitarian, and cultural activities; public infrastructure; and environment protection projects. The total of 650 million dinars or 0.02 percent of GDP was allocated by the Government for these activities. The overall expenditure on active labor market programs, of which public works were only a small part, comprised only 0.1 percent of GDP. The long-term employment impact of the public work program in Serbia was insignificant. The study analyzing the impact of the public works program

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3 The wage was 15 percent higher for those with completed high school, 30 percent and 45 percent higher for college and university degree holders respectively.
4 In this study, social assistance benefit refers to the official guaranteed minimum income program (“materijalno obezbedjenje”) run by the Government of Serbia.
estimated that as low as 1.4 percent of all the participants turn out to be employed six months after the termination of the program (Arandarenko & Krstic, 2008). In terms of social assistance recipients’ involvement and their employment prospects, the outcomes were no different and maybe even worse. For them, the public work activity represented a temporary income-support program. On the positive side, it was a rare opportunity to involve in formal employment.

It is paradoxical that without work experience social assistance beneficiaries hardly get a job, yet without employment they cannot gain any experience as their activation is low on the agenda.\(^5\) Judging from the pure economics perspective, their labor market integration and social inclusion prospects are grim. However, this is not always the case and hardly the only truth. This paper seeks to explore various personal experiences of public work participants and explain other dimensions involved in self-assessments of well-being.

4 Data and Method

Data for this study come from the qualitative analysis of semi-structured in-depth interviews with social assistance recipients and other disadvantaged people who participated in two separate public works projects in 2008. In total, 26 interviews were conducted. The focus of the study was on subjective well-being outcomes of social assistance recipients. The presented analysis is part of a broader qualitative study on social assistance recipients’ experiences with work engagement through public works.

\(^5\) In Serbia, the Public Works Program is the only existing activation program aimed at social assistance beneficiaries.
In order to focus and streamline the data gathering process, the study benefited from pre-structured qualitative data collection and analysis. The research questions were well specified prior to the field work. Unlike traditional approaches to qualitative analysis, the case outline, including conceptual framework and a defined set of specific questions with regard to subjective well-being dimensions, had been developed and included in the in-depth interview guide before any data were collected.

A purposive sample was applied in the selection process. In line with Berg’s (1998) reasoning, this strategy required special knowledge and expertise about a certain group under investigation. Despite its serious limitations for wide generalizations, this kind of approach certainly provided meaningful insights in the perceptions of the selected group of public work participants.

Since time for the data collection was limited, advanced planning for respondents’ selection and within-case sampling was necessary. Access to the public works participants was ensured through the official government registry. The respondents under the study were involved in two different projects meeting the geographic and project type criteria. For the interviews, it was important to have a good sample of public works’ participants who were both social assistance recipients (20) and non-recipients (6) of diverse backgrounds.

To ensure territorial diversity, but also diversity in types of public work activities performed, the interviews were carried out in two towns: Ada (North Serbia) and Kragujevac (Central Serbia). In both towns public work activities were planned and implemented in close cooperation of local authorities, public firms, and non-governmental organizations. The public work activities in Ada included mainly infrastructure and environment protection projects. The activities in Kragujevac
focused more on provision of social services, namely, the types of home care activities that could be performed in the homes of service beneficiaries – the, so called, home care assistance services.

There were 15 women and 11 men among the respondents from different backgrounds: urban, semi-urban, rural, and independent Roma settlements. The age ranged from 18 to 60 years. Most of the interviewees (16) completed only primary education while two young non-recipients had a university degree. Additional key characteristics of the approach involved the right balance between people receiving social assistance for longer periods of time and those who were rather new recipients.

The interviews were conducted face-to-face during February 2009. This meant that for some respondents they took place shortly after the completion of the work engagement in public works. In all the cases, the timing of the interview corresponded to the period of one to six months from the completion of their work. Interviews took place in the offices of the public work implementation agency and lasted 50 minutes on average. All the interview participants were provided with detailed information about the study and the type of interview they were participating in. The interviews were recorded and confidentiality was guaranteed.

First raw field notes were coded without being previously transcribed. Notes were subsequently transformed into write-ups. The missing information, unclear data, and quotes were added by using the transcribed text. The data were entered directly in the earlier designed concept note by using the Word processor and writing accompanying analytic text. The conclusions drawn from the data were compared with those of Bonin and Rinne (2006) in which the same dimensions of subjective well-being were explored in an econometric analysis of survey results covering a broader group of participants in the public work-type of activity.
The questions in the interviews were aimed at gaining insights in the participants’ overall experiences with public works and covered three broad categories: beneficiaries’ experiences with different types of assistance and support received, the experience of direct participation in public works, and their experience with social services in general. While this qualitative approach entailed a broader set of questions related to overall experiences with public works, the analysis in this paper focuses only on the question of the impact of work engagement on social assistance beneficiaries and their subjective well-being outcomes. The subjective aspects, introduced by Bonin and Rinne (2006), have further been investigated in the qualitative analysis of the data obtained from in-depth interviews.

The primary interest of the presented analysis was to get responses to the questions concerning particular dimensions of life that provide insights on how the respondents’ personal situations had changed over time. They were asked to compare their situation at the time of the interview with the one before the public work program came into effect. They were expected to judge whether their situation has improved, has stayed the same, or worsened. More precisely, the interviews entailed a self-assessment of changes concerning family income situation, health status, personal qualifications and skills, desire to find a job, chances to find a regular job, social contacts, and self-confidence. These items have already been identified in the literature as determinants of personal happiness (Frey & Stutzer, 2002; Bonin & Rinne, 2006). The analysis in this paper entails a summary of positive and negative assessments per item.

Finally, we carefully examine to what extent each of the above defined individual dimensions is related to subjective well-being. For example, the discussion on the link between personal health

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6 The presented analysis is part of a broader study on social assistance recipients’ overall experience with public works that was commissioned by the Government of Serbia.
ratings and happiness which Bonin and Rinne (2006) discuss in their paper, has been noted but excluded from the questions and detailed analysis as they are highly correlated. However, in the description of their feelings, the respondents often referred to their mental states. At the same time, changes in income often have only temporary impact due to the trends of adaptation (Bonin & Rinne, 2006; Layard, 2006) and will be further explored as such. The discussion proceeds with these caveats taken into account.

5 Findings

The data collected through in-depth interviews provided us with an opportunity to analyze impacts of formal work engagement on different dimensions of life, including social assistance recipients’ own assessment of their well-being. Studying this rather narrow definition of SWB relating to work activation helps us gain a greater understanding of specific conditions that might influence welfare recipients' better integration in the labor market and their social inclusion in general. While the most often method of measuring SWB is through survey analysis, that was not possible in this case as there were no survey data available. The respondents' judgements have been captured in face-to-face interviews. To comprehend better their perceptions on labor market and social well-being outcomes, we start out this section with gaining insights in their socio-economic status.

5.1 Socio-Economic Status of Public Work Participants

Basic human needs include more than just material needs. Subjective well-being is caused by the satisfaction of these needs. Nonetheless, the presented qualitative analysis has confirmed that social assistance beneficiaries grade their experiences high on the subjective well-being measurements even when their basic needs remain unmet. This is in line with context theories which claim that the factors influencing SWB vary across individuals and time (Diener et al.,
1997). How good or bad people judge life events is based on circumstances in which they live and events they experience. For the group of social assistance recipients included in the qualitative analysis, those were rather harsh life circumstances.

The primary aim of understanding the types of support received by the social assistance recipients was to learn about their social status in general. Majority of respondents were identified as long-term welfare dependants. The questions relating to types of assistance and support concerned both the lives of respondents and their families. Social assistance benefit was usually described as a minimal benefit that covers only basic needs. Among the basic needs, the respondents include bread, basic groceries, and, very often, utility payments.

Child allowance was another equally important and stable source of income for families with children. It was not surprising to learn that for social assistance recipients 'stability' matters a lot as the assistance and support of extended family was almost non-existent, the role of non-governemental sector was limited to a certain number of cases, and informal jobs were only occasional. Practically, all the interviewed participants admitted that they worked in informal economy. In the informal work activities they include agricultural and construction works, garden maintenance, cleaning jobs, singing, and similar.

For social assistance recipients, it is a combination of the above noted sources of income that comprise the main survival strategy. Their survival strategies are usually illustrated with a great deal of disappointment. On the other hand, the respondents appear very enthusiastic in the explanation of their work experience and income earned in the public work. They describe the earned income as a matter of pride and happiness relative to the situation in which they receive official support. Prompted to compare the overall feelings associated with the receipt of social
assistance with the one of earning money through formal employment, the respondents often reacted hastily and provided arguments in favor of official work engagement:

„I feel as if, if this work continues, I am useful in this society. Why do I feel useful in the society? Because I also pay social contributions. Am I expressing my self well?...It means – I am useful! So, it means that I am providing assistance for someone else. Let the social assistance exist, but it should be given to those who really need assistance, who are not able to work. I think that's what the Government should do. But, we the young, we should work. Okay, not all the people are well educated, but I think, for example, we all have our own qualification. Why wouldn't I be able to clean the streets? Why wouldn't I clean the street – it's a respectful job and I can earn decently?!?“

(male, 32 years)

At the time of interviews, most of the respondents were registered as unemployed. Only three interview participants, including one social assistance recipient, retained employment status after the completion of the public work project. In terms of labor market achievements, this outcome could be described as rather disappointing. This is particularly true for the group of social assistance recipients since only one participant out of the twenty interviewed ones managed to find a formal job following the public work engagement. One third of former welfare beneficiaries had already re-applied to social assistance program, the other third claimed unemployment benefits, while the rest of them found themselves in some kind of limbo awaiting the decision on 'the beginning of a new public work'.

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7 According to the Serbian welfare law, the employed person is entitled to social assistance if his/her family income does not exceed the established subsistence minimum in the period of three months preceding the application. Other requirements include asset tests.
Worth noting here is that public work employment has officially been defined as an active labor market measure with the aim of increasing the level of employability and the chances for employment of ‘hardly employable’ categories of people registered by the employment agency. By default, social assistance beneficiaries belong to the category of ‘hardly employable’. For a great majority of them, employment through public works was the first official employment that followed after years of ‘waiting’ or searching for a job. Interestingly, one respondent was offered employment through public works after being registered as unemployed for more than 22 years. Most of them had to wait for formal employment between 10 and 20 years. The overall impressions about employment were exceedingly positive. Some of them are presented in the Box 2 below.

Box 2 about here

At the individual level, the experience of work engagement had a significance of mental stability, personal satisfaction, and pride. At the family level, besides financial security, the formal work experience had impacted on improved mood, mental health, and ‘peace at home’ as shown in the Box 3.

Box 3 about here

Except for the non-recipients with university degrees, for all the respondents the earnings from the public works appeared to be a significant work incentive and a source of satisfaction. The minimum wage, received by majority of them, was described as financial resource ‘paid on time’ which allows them to ‘plan the financing of their needs’. ‘Stability and security’ of earnings are usually described as the most important factors influencing their decision to opt for formal employment with a minimum wage rather than informal activity that could eventually yield
higher income. The older respondents also stress the importance of paying social contributions and meeting the requirements for pension.\(^8\)

### 5.2 Subjective Well-Being and Employability

Employment probability for social assistance recipients is generally very low. Only one public work participant among those formerly receiving social assistance was employed three months after the completion of the public work. This is in line with the recent findings of the study on impacts of active labor market policies in Serbia indicating that temporary employment through public works does not raise the chances for new formal employment (Arandarenko & Krstic, 2008). Despite these rather unfortunate labor market prospects for welfare recipients, important articulating in this study are some additional objectives of the public work programs such as increasing participants' competitiveness in the labor market, gaining additional knowledge and skills, and mitigating negative consequences of participants' socio-economic status. For this reason, the presented analysis does not focus solely on labor market outcomes in terms of employment and short-term employment prospects, but builds on the concepts of employability and subjective well-being.

The expressed views and feelings about work engagement through public works lead us to conclude that the participants' employment has positively affected the level and kind of their subjective well-being. It appears that the positive effects on certain aspects of life are larger than the objective outcome of being unemployed, as perceived by the program participants. For them, there might be paths other than employment that impact on their well-being. This is in line with Bonin and Rinne's (2006) findings in the analysis of the Beautiful Serbia program.

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\(^8\) Public pension system in Serbia functions as a pay-as-you-go scheme.
For the purpose of the study presented in this paper, only a set of questions concerning the participants' views on their subjective well-being has been analyzed in detail. As noted earlier, the respondents were asked to compare their situation before the public works with the one at the time of the interview, which happened after the completion of the public work activity. Their personal assessment consisted of precise descriptions on whether the situation had changed, for good or bad or had it remained the same. This qualitative analysis centers around individuals' perceptions about their willingness to search for a job, the level of family income, personal qualifications and skills, the chances for a new employment, and the level of self-confidence and social contacts.

It is assumed that each of the above listed determinants describes subjective well-being appropriately. Furthermore, the literature recognizes 'qualifications and skills' and 'chances for employment' as particularly important factors contained in the concept of 'employability' (Bonin & Rinne, 2006). Employability could be viewed as a concept somewhat broader than 'employment'. Some authors (Frey & Stutzer, 2002; Bonin & Rinne, 2006) argue that improvement of subjective employability decreases the mental cost of being unemployed. The qualitative analysis presented in this paper confirms that on all the assessed dimensions of subjective well-being, except for the family income, the social assistance recipients' personal situation has improved.

The strongest positive effect have 'qualifications and skills', signaling that the training component of public works programs might have had a rather positive impact: „I believe that I acquired some knowledge. Both as a brick layer and other stuff...We did all sorts of things there. “

Prompted to assess the change, the participants almost unanimously singled out the acquired qualifications and skills as the biggest positive achievement from public works: .Really, it increased, my knowledge has increased. You learn when you work with people and you learn how
to work with them...I don’t want to lie. There were things that I didn’t know how to do and I learned.”

A significant number of respondents participated in training activities as part of their public work employment. The duration of training varied from few days of on-the-job training to a month long certified training programs in specialized institutions. This could partially be the reason why many of them would like to perform exactly the same activity in the future. For most of them, those were the only training obtained and the first skills and qualifications acquired in their life.

Contrary to the overwhelming positive perceptions about achieved qualifications and skills, the assessment of changes related to family income revealed that income levels remained the same or they even decreased. At the time of interview, many of the respondents were either non-eligible for social assistance because of the earned income or they were still awaiting the decision by the authorities. On the other side, this timing overlapped with the beginning of the economic crisis characterized by the decreasing availability of informal job opportunities in which they are usually involved (Matkovic, Mijatovic & Petrovic, 2010). These reasons taken together posed significant threats for the material well-being of the poor: “When it comes to the money...It’s worse, worse...When you work you have...And now, you don’t work and above all it’s not even like it had been before...It’s worse, worse...”

With regard to the 'chances for employment', the opinions were more diverse. Participants older than 50 years, but sometimes also the younger ones, expressed significant doubts in their chances to find a new job. This is very often supported by anecdotal evidence about potential employers who are more interested in younger workforce as depicted in the Box 4.

Box 4 about here
Additionally, some respondents made rather optimistic and short decisive statements in favor of their chances for future employment. It was particularly evident among the participants for whom the work in public works was the first official integration in the labor market. Moreover, for many of them the inclusion in the labor market was perceived as a first sign and an instrument for greater inclusion in the society.

1.3 Subjective Well-Being and Social Inclusion

In the analysis of the voices of the poor (Narayan et al., 2000), the components of social well-being included care and well-being of children, self respect and dignity, as well as peace and good relations within the family, community and country. Some of these components will be discussed here. Namely, it is the level of social contacts and established confidence for social exchange that is analyzed under the notion of social inclusion.

In our study, personal contacts, established at work place, represented one of the core reasons for the very high subjective assessment of social contacts. Very often, it was the established level of self-confidence that enabled the participants to increase the level of their social interaction. The level of self-confidence marked a significant increase, particularly among the former social assistance beneficiaries. This was usually coupled with their willingness to look for a new job, the level of which has also dramatically increased. However, important mentioning here is that in the absence of formal employment opportunities, the able-bodied social assistance recipients very often undertake activities in the informal economy, and, thus, rarely make a distinction between jobs in the formal market and activities in the informal one when judging their willingness or readiness to look for a job and accept an offer. This, however, should not undermine the general social integration effects of their activation, as presented in Box 5 below.
Social assistance beneficiaries feel more and better heard after their work activation. The number of contacts as well as their position in the society has increased. Their work is valued. They feel accepted and more integrated:

“I felt nice and free, and I felt that they accepted me in the society. That's the fact. Here, in our municipality, they accepted me very well. All of them, without exception: president, manager, to start with the highest positions...and all the others. They respected me and there was no discrimination. Somehow, it felt like a second family to me.“

(female, 35 years)

These kinds of responses comprised the core of changes along the social inclusion dimension. The question on social inclusion was not posed explicitly. Rather, it was assumed that people would most probably answer the questions about different aspects of social exclusion and inclusion when telling about these other experiences.

A satisfactory level of subjective well-being is observed when goals and needs are reached (Dinier, 1984). The causes of SWB depend on individual's values and desires. Values influence SWB in a way that individuals who are involved in goal activities that they find important and right have higher chances of experiencing positive feelings of well-being. Certainly, the value-emphasis constitutes part of the explanation for positive feelings among social assistance beneficiaries as they value work high and put it forward as their primary goal. When asked to describe the type of work activity they would like to pursue, the respondents often choose the type of work they were performing in the public works. However, most of them also mention that they would be willing to perform any other formal employment activity that would be offered to them.
Their qualifications, or the lack of them, are not perceived as obstacles to undertaking a new job offer and integrating in the labor market.

In general, the linkages between subjective well-being and social inclusion are diffuse and cannot be well understood. An issue often raised in the discussion on subjective well-being concerns the relationship between the person’s objective situation and expectations that are subject to adaptation. People usually compare their actual situation with some reference point in the past or with some anticipated position. SWB measures evaluate the difference between expectations and realities and as such are valuable in exploring quality of life and its dimensions. Nevertheless, these measures are often difficult to interpret and they cannot be used as the only values guiding policies that promote social inclusion (Marlier, Atkinson, Cantillon & Nolan, 2007). For the social inclusion analysis, assessments focused on the level of financial insufficiency or, for example, work intensity, rather than happiness or satisfaction, have more analytic value. However, considerations have to be made to include SWB measures into deprivation indicators.

The qualitative analysis further revealed that there were no significant demographic differences in SWB assessments among the contacted public work participants. This might be perceived as the effect of adaptation to new conditions. The adaptation theory argues that people first react strongly to new circumstances but they return to their original position over time (Diener, Suh & Oishi, 1997). For example, it might have been the case that high SWB outcomes for public works’ participants reflect the timing effect. In other words, if analyzed not so close to the completion of the public works program but few months later, or from a more distant time perspective, the findings could have been different.

Finally, the findings of the study suggest that even a temporary work engagement has a significant impact on certain aspects of life, particularly in acquiring qualifications and skills,
broadening social contacts, and building self confidence for greater social exchange and integration. The explained effects might have serious policy implication if taken together with conventional economic performance indicators, as both kinds of measures are needed to understand well-being and to make informed decisions. This increases our understanding of subjective well-being of the poor and sets the stage for greater policy actions leading to increased activation and social inclusion of welfare recipients.

6 Conclusion
We started out the paper with the argument that the focus on SWB measures is relevant from the perspective of both people who are involved in a particular program and a decision maker who seeks to improve individual welfare. At the same, the objective was not to undermine the role of conventional economic indicators but to stress the importance of using SWB measures in addition to them. We focused the analysis on social assistance recipients as we wanted to contribute to better understanding of subjective well-being of the poor involved in a particular program. Based on the presented qualitative analysis we concluded that the positive effects of work engagement on subjective well-being of social assistance recipients appear to be very strong. The evidence is strongest in relation to their perceptions about the level of attained qualifications and skills and social contacts. In addition, the program has impacted on individual welfare by strengthening job desire, self-confidence, and social inclusion of social assistance beneficiaries. The emerging conclusion speaks in favor of further work activation of social assistance beneficiaries.
References


Annex

Table 1. Dimensions of subjective well-being (SWB)
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<th>Domains of SWB (Cummins, 1996)</th>
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<td>• Confidence in the Future</td>
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</table>

Box 1. Examples of questions related to life satisfaction or happiness

The University of Michigan’s Survey Research Center (SRC) and the National Opinion Research Center (NORC):

*Taken all together, how would you say things are these days – would you say that you are very happy, pretty happy, or not too happy?*

The World Value Survey:

*Taken all together, how happy would you say you are: very happy, quite happy, not very happy, not at all happy?*

Eurobarometer Survey:

On the whole are you very satisfied, fairly satisfied, not very satisfied, or not at all satisfied with the life you lead?

Satisfaction With Life Scale (introduced by Ed Diener et al (1997).; answers rated on a scale 1-7 from “strongly agree” to “strongly disagree”):

1. In most ways my life is close to ideal.
2. The conditions of my life are excellent.
3. I am satisfied with my life.
4. So far I have gotten the important things I want in life.
5. If I could live my life over, I would change almost nothing.

Bonin and Rinne’s (2006) assessment of the Beautiful Serbia program – survey respondents were requested to provide a self-assessment of changes concerning:

1. self-confidence
2. the desire to find a job
3. social contacts
4. health status
5. the family income situation
6. personal qualifications and skills
7. the chances to find a regular job

Answers were rated on a scale: strongly improved, somewhat improved, stayed more or less the same, somewhat deteriorated, strongly deteriorated
Box 2. Social Assistance recipients’ impressions about work engagement

„Oh, it was the first official stamp in my worker's booklet!!! After so many years...I felt very well...This work gave me a lot...“

„When I received the first salary, I think...it was for me as if I was flying...Look at it from this side: not a single sick leave day, nothing, it was an incentive to get up and go to the work place...You work...You have a job...“

„When I receive social assistance, I feel very useless. In general...Personally...I don't feel comfortable, because the assistance should be receiving those who can’t work. Those are the disabled and the elderly. They should receive social assistance. And we? We are young and we should work. So that even for the others...The others should also benefit and we should benefit. It's mutual...If we work for a firm, the employer...He should also benefit, and we should be fine. So, we get the money and they get the job done...I feel very bad when I have to wait to receive 4,000-5000...when I work, I get 15,000 and I could plan. Both my husband and I used to work. I feel more confident, important, and useful...“

Box 3. Perceptions about the impact of work activity on mental health

„When there was the public work, the atmosphere at home was very nice...Otherwise...We are all sick, nervous...“

„First of all, the family mood is at a higher level. Why? When I don’t work, it has a negative mental effect, on all of us, you understand...When, for example, I have monthly earnings, my spouse as well, we get the money and schedule how we are going to spend it. The overall atmosphere in the family is better immediately. “

.....My daughter had been sad all day long, I didn't know what to say. I told her that I got fired. I felt uncomfortable and very very useless and sad, both because of her and because our family. And, because of the society in general...“
Box 4. Perceived changes with regard to chances for employment

„I don't know, son...It all depends...it depends on other people as well...Is there anyone ready to give me some job and pay for my contributions...I just want the same...It's all the same, the chances are not that big, but still it all depends...“

„I've been looking for a job since December 'til now. I haven't found, I mean, I've found but...I was at one place. They had been looking for a worker. I went there. Took a seat. We talked this and that...And, then, they said...up to 30 years of age. And, I am 32. We talked for half an hour. The man said: «Well, you are too old for this». I was supposed to work in a storage. What shall I say? I couldn't say anything. I spent half an hour there, we talked, I thought there will be something out of this since we had been talking for half an hour. But, he said up to 30 years of age. What can I say? I didn't want to believe in what I had just heard.“

„The first thing they asked me was: « How old are you ? » and « How many kids do you have ?»“

„I think that the chances to find a new employment are bigger. I have some work experience now and I have a stamp in the worker's booklet. It should be easier...I hope...“

„My chances should be bigger now, but you never know...Still, I hope...I hope and expect some better days. I already told you about that certificate....I know a bit more now then before...should help...“

Box 5. Perceived changes with regard to the level of social contacts

„Yes, I am in contact with people and I better understand them.“

„I know more people now and I am in better contact with people because of the public work. In the past, even if they were looking for a worker, they didn't know who to contact. Now, if she decides to do something with the garden, she knows that you work that and that you are free after work. She gives me a call: « Would you please come? I have one tree that needs to be pulled out.» Or any other job around the house...It means, I know more people and they offer me jobs. And, in general, I have more contacts with people.“

„My social contacts are much better. I've met more people, which opens the door...“

„Oh, yes, definitely. The circle is bigger...Both friends and others...And nice communication and better words..everything...“