



IDHEAP

POLICY BRIEF

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The aim behind IDHEAP Policy Briefs is to make the general public aware of scientific research conducted at IDHEAP, underlining its pluridisciplinarity and multidisciplinary, while bringing out its implications for public policy, thereby asserting our place “at the heart of public service”.

This edition focuses on the labour market, looking at how three specific sectors are directly or indirectly affected by public policies. The first study addresses workers in the “gig economy”, analysing the impact of social and educational policies on the dynamics of the market for “platform workers”. The second looks at difficulties experienced by Swiss parliamentarians in reconciling their political office with their professional lives, highlighting issues arising from the system of part-time public service, a central pillar of direct democracy. The third and final study focuses on the transfer market in football, the basis on which clubs employ players and create economic value, but which is conditional on current regulations.

Wishing you excellent and interesting reading!

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Working in the “gig economy”: an individual response to failed social policies?

Social Policy unit Prof. Dr. Giuliano Bonoli, Dr. Juliana Chueri, Carlo Dimitri

Introduction

The “gig economy”—in which online platforms such as Uber, Upwork and Deliveroo enable individuals to sell services—has developed at different speeds in different countries. A convincing explanation for this phenomenon is the varying scope and omnipresence of technological development in different countries, and the size of their tertiary sector (their degree of “tertiarization”). However, it has already been pointed out that technology and structural economic factors are not the only determinants of the spread of “platform work”.

Generally, platform work is characterized by great flexibility, which is sometimes sought by workers, who can decide when to make themselves available to the platform. **Yet studies show that the flexibility is often imposed on workers, rather than chosen by them, and that in reality those who take work in the gig economy have few alternatives.** Platform work may be accessible, but has little to offer in terms of income, job security and social protection.

Our study examines the impact of social and educational policies on the growth of this form of work.

The research process

Our main hypothesis was that decisions to engage in platform work depend on the availability of alternatives, and that the extent to which individuals have alternatives available to them is dependent on the success of social and educational policies in attaining three major goals: 1) protecting individuals and families against poverty; 2) enabling parents to reconcile work and family life; and 3) facilitating the transition from education to employment.

We tested our hypotheses using a sample of 21 European countries. We obtained the main dependent variable from two major surveys of platform work carried out in 2018 and 2020 (known as COLLEEM II 2018 and ETUI IPWS 2020). Unfortunately, Switzerland is not included in these databases. Swiss data on platform work, collected by the Federal Statistical Office, do exist, and show a very low prevalence of this form of work. However, these data are not comparable with those that we used.

Results

Figure 1 presents a descriptive data analysis. It suggests that welfare regimes (or other related institutions) play a part in explaining the variations between the rates of platform work in different countries. The highest prevalence of platform work is found in liberal welfare states (United Kingdom, Ireland). In contrast, Nordic countries, whose welfare states quite efficiently fulfil the three functions on which our study focused, show the lowest rates of this type of work. Eastern and Southern Europe lie somewhere between the two, and continental European countries show relatively low levels of platform work, with the exception of the Netherlands, which has the highest rate. We think that the Netherlands could be considered as an outlier in this analysis, mainly because of the historical importance of part-time work.

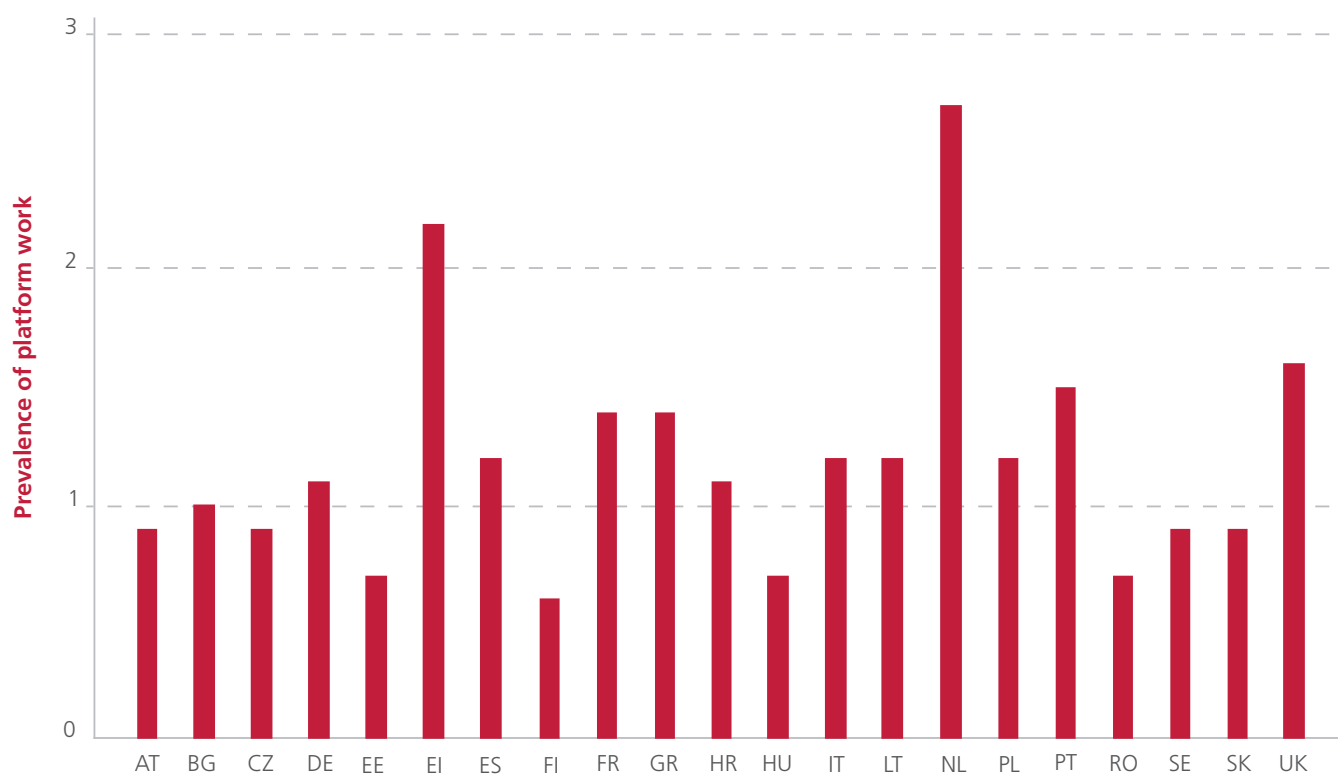

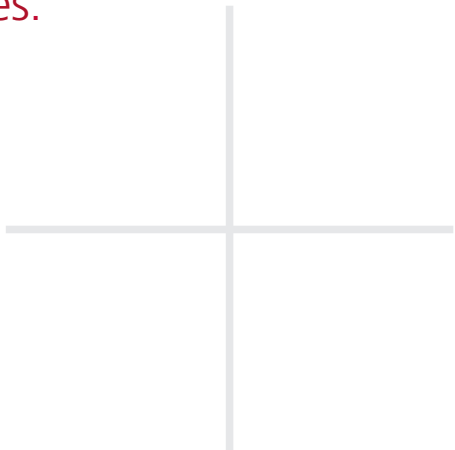


Figure 1 | Prevalence of platform work in Europe (as a percentage of the active population) by country

We then attempted to identify the factors that explain transnational variations in the prevalence of platform work. Of the three hypotheses that we examined, it was the third that was best borne out by the data. The prevalence of platform work is highest in countries where there is a greater mismatch between the labour market and the skills of higher-education graduates.



“Yet studies show that the flexibility is often imposed on workers, rather than chosen by them, and that in reality those who take work in the gig economy have few alternatives.”



Overall, our study suggests that platform work is not necessarily a choice that individuals make because they value the liberty and flexibility that this type of work can offer. The choice may instead be an individual response to the inadequate performance of key social and educational policies, particularly those intended to facilitate the transition from school to work.

Reference

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Professional reintegration for federal parliamentarians

Public Communication unit Iris Sudan, Prof. Martial Pasquier, Yohann Debons

Introduction

The Federal Assembly is composed of active parliamentarians who, as part-time public servants under the Swiss “militia” system, continue to engage in professional activity throughout their time in elected office. This feature of our political system can make combining parliamentary duties with professional life difficult. **Our study analyses, on the one hand, how former parliamentarians reconciled their professional and political commitments, and on the other, the transition between the end of their term of office and the resumption of their professional activities.**

In extending our previous studies from 2019 (Assanti et al., 2019) and 2021 (Bhatia et al., 2021), we gathered the opinions of parliamentarians ending the most recent legislature (2019-2023). With the new added data, the sample now encompasses 402 responses, and is representative in terms of gender, language and party.

Database analysis

The new data show that 43% of former members consider it difficult to combine both the professional and political activity. The difficulty is more strongly felt by women: in 2023, 64% of female former members found this conciliation difficult, as opposed to only 37% of men. We also found a clear difference between left-wing and right-wing parties, with major difficulties reported by members of the Socialist Party (54%) and the Green Party (62%).

Many parliamentarians cut back their professional activity during their term of office (72%). There was no significant difference in terms of gender, but a reduction in professional activity was more marked for members of the Green Party (89%) and the Centre (82%).

The combination of parliamentary tasks and professional activities has become consistently harder over time: the number of those who consider the combination as “very difficult” today has doubled in comparison with the 42nd legislature (1983-1987), with a stronger increase for women from 1995 onwards (45th legislature).

The data collected in 2023 confirms the trend that was already apparent in 2019: a political term of office is generally seen as professionally favourable, with a notable exception for members of the Green Party, 40% of whom are of the opposite opinion. In addition, 47% of respondents consider that election to the Federal Assembly does not have a negative impact on one’s professional career, and this was especially the case for members of the FDP (centre-right).

The new data also confirm the increased difficulty perceived at the time of professional reintegration (see Figure 1). This was particularly marked for women (44%) and parliamentarians from left-wing parties (44%).

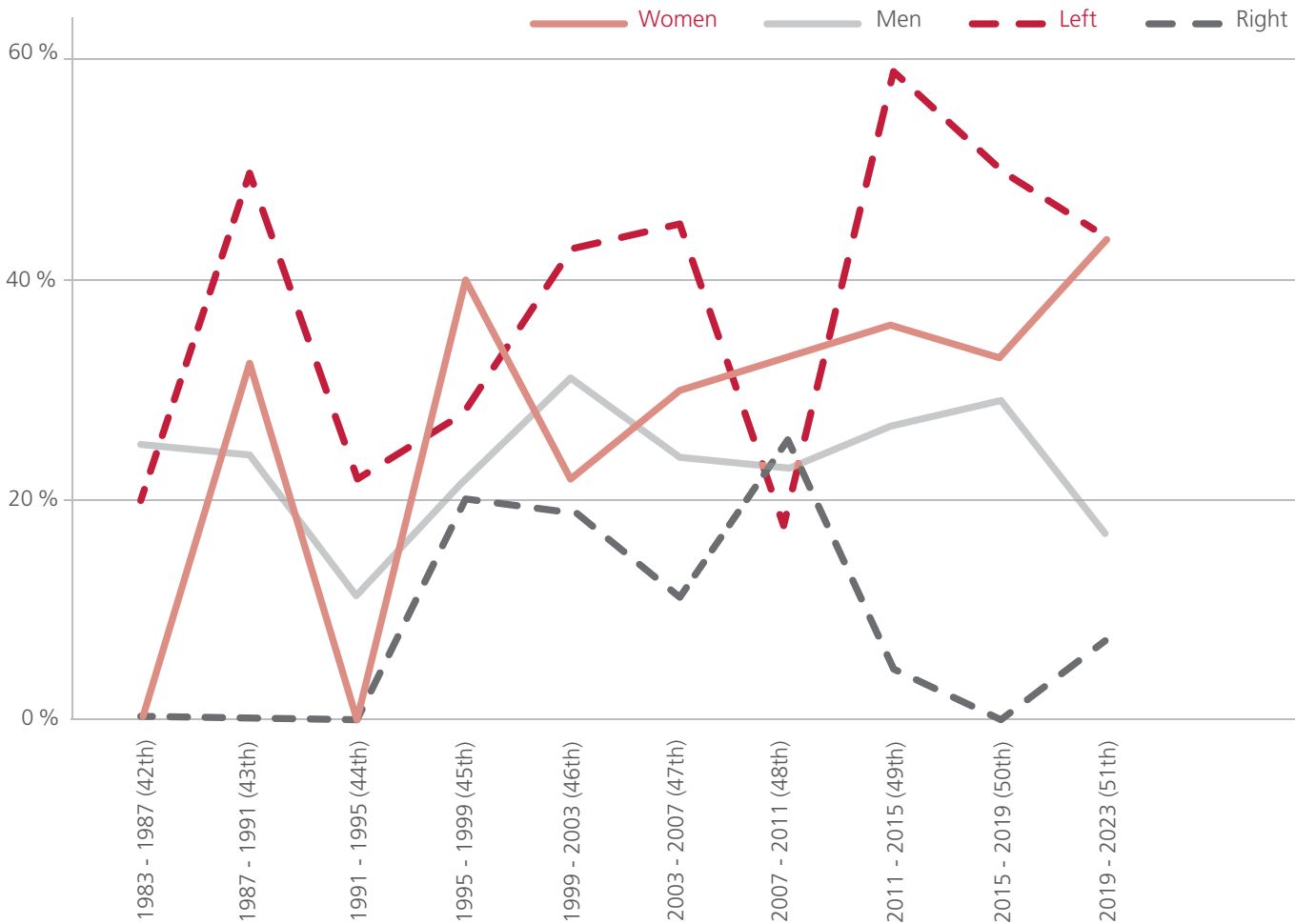




Figure 1 | Percentage of persons who perceive the transition as difficult by gender and political affiliation



“ Our study analyses, on the one hand, how former parliamentarians reconciled their professional and political commitments, and on the other, the transition between the end of their term of office and the resumption of their professional activities. ”



Conclusion and discussion

Our study shows that, in general, **combining professional activity with elected office is perceived as difficult by former parliamentarians, and more so by women and left-wing members**. In contrast, **a parliamentary term of office is generally seen as professionally favourable, and political exposure is not considered to be an obstacle when seeking employment**, except made for the members of the Green Party.

The results of our studies, confirmed by data on the 2019-2023 legislature, can be compared with the changing nature of the Federal Assembly. The number of parliamentarians aged between 18 and 30 more than doubled between 2008 and 2020. Also, women are proportionally more numerous than men in the youngest age bracket. Parliament is now younger and more representative of genders, which is likely to render the combination with professional activity more problematic. Professional reintegration at the end of a term of office in the federal parliament could therefore emerge as a major issue in the future.

References

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Developing a lasting competitive edge in a competitive labour market: the case of Swiss football clubs

Regulation of Sport unit

Prof. Mickaël Terrien

Introduction

After three decades of relative ignominy (1964-1994, during which the national team failed to qualify for the World Cup), Swiss men's football has experienced three decades of glory, capped by reaching the quarter-finals of two successive UEFA Euro championships. The causes of this lasting success are many. One is the economic necessity for Swiss clubs to train young players for profitable future transfer.

Between 2015 and 2020, BSC Young Boys, FC Basel, FC Luzern, FC Sion and FC Thun earned 277 million Swiss francs from the sale of players, against a much more modest investment of 103 million. These overall figures, however, hide different realities. For example, over this period FC Basel made a profit of a CHF91 million, while for FC Luzern and FC Thun the figure was only CHF6 million. What explains these discrepancies?

The research process

A multiple-case study of the five clubs named above was undertaken to answer the question (Mustafi et al., 2024). The theoretical approach was rooted in resource theory, which holds that it is possible to gain a lasting competitive advantage by developing and exploiting internal resources that are unique, rare, difficult to imitate and non-replaceable.

Three types of data were collected. First, the Transfermarkt website was used to identify all transfers of players made by these clubs. Second, a documentary analysis (based on the clubs' websites and specialized press) brought in a great deal of secondary data on the functioning of these clubs. Third, interviews were conducted with sporting directors and/or those in charge of talent scouting to refine the analysis and identify sources of lasting competitive advantages. The data resulted in two sources of lasting competitive advantages being identified.

Clubs	Seasons in Super League (max = 5)	Purchases	Sales
BSC Young Boys	5	31,5 19 players	68,6 11 players
FC Basel	5	51,3 26 players	14,3 23 players
FC Sion	5	16,6 11 players	46,1 121 players
FC Luzern	5	3,1 7 players	13,5 8 players
FC Thun	4	0,5 3 players	6,7 6 players

Transfer market activity of Swiss clubs from 2015 to 2020 (in millions of euros)

Research results

The first source of advantage stems from the **asymmetry of the labour market resulting from the pyramid system in European sport**. FC Basel, and more recently the Young Boys, benefit from their regular participation in European competitions, which allows them to attract talented players relatively cheaply. These players are often prepared **to accept lower pay in the short term for the chance of international exposure and a future transfer**.

Participation in European competitions also provides a second source of competitive advantage. The additional revenue generated (ticket sales, sponsors, prize money) enables these clubs to invest in developing their specific capacity to find and train young talent. This results in a wider network of scouts, numerous specialists to provide training, and modern training facilities. This advantage (valuable, rare and difficult to reproduce or emulate) in the acquisition and development of talent leads these clubs into a virtuous circle. The outcome has been the dominance of FC Basel (11 championships between 2004 and 2017), followed by that of the Young Boys (6 championships between 2018 and 2024).



“The first source of advantage stems from the asymmetry of the labour market resulting from the pyramid system in European sport. FC Basel, and more recently the Young Boys, benefit from their regular participation in European competitions, which allows them to attract talented players relatively cheaply.”



While this situation diminishes the competitive balance of the Swiss Super League and hence its attractiveness, it benefits national selection. The national team gains from these clubs' work in training talented young players. This situation could however be threatened by the recent European Court of Justice ruling in the Diarra affair, which challenges FIFA's power to govern the labour market of professional footballers. This judgment could result in the abolition of transfer fees, which would reduce clubs' incentive to train young players. Ironically, this incentive had largely been created by a previous court decision, the Bosman ruling of 1995, which considerably liberalized the transfer market. The upshot is that the competitiveness of the Swiss national team could depend on the decisions of European courts.

Reference

Mustafi, Z., Bayle, E., & Terrien, M. (2024). Non-Big five football clubs' strategies for generating transfer revenues : the case of Switzerland's Super League. *Soccer & Society*, 1-18.

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