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## **How do sanctions help maintain the Danish Flexicurity model?**

### Abstract:

This presentation provides results on how sanctions affect individual transition from unemployment insurance. The design of the Danish labour market model (aka flexicurity model) implies that the process from unemployment into employment needs support. Flexible employment legislation induces a high flow of individuals into unemployment and rather generous unemployment insurance benefits create incentive problems in terms of bringing individuals back into work. It is therefore crucial that other means support this process. One of these is the use of monitoring and sanctions. The project adds to the small but growing literature that evaluates how sanctions affect individual unemployment.