

**SciencesPo**

OBSERVATOIRE SOCIOLOGIQUE  
DU CHANGEMENT

# **The Political Economy of Welfare State Retrenchment and Family Policy Expansion**

Emanuele Ferragina

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## ACADEMIC PROFILE (1/3)

- Comparative Research
- Interests: welfare regimes, family policy, social capital

## ACADEMIC PROFILE (2/3)

### Comparative Social Policy

#### Welfare Regimes

- Systematisation of previous research and ideal types (*Policy & Politics* 2011)
- Dynamic outlook & MCA (*Social Policy & Administration* 2013)
- Welfare regimes outcomes (*Social Policy & Society* 2015)

#### Family Policy

- Determinants of family policy expansion (*Social Politics* 2015)
- Fifty years of family policy development (*Journal of European Social Policy* 2017)
- Family policy outcomes (*Political Studies Review* 2017)

## ACADEMIC PROFILE (3/3)

### Social Capital

#### Theory

- Amoral Familism (*JASO* 2009; *Stato & Mercato* 2011)
- Inequality & Tocqueville (*Tocqueville Review* 2010)
- Critique to Social Innovation (*Salute & Società* 2015)
- Social Capital and Neoliberalism (*Political Studies Review* 2017)

#### Empirical work

- Social capital in European regions (book, *International Journal of Comparative Sociology* 2012-2013)
- Welfare state & social capital (*International Journal of Comparative Sociology* 2017)
- Revisiting Townsend (UK) (USoc, Report JRF, *Social Policy & Society* 2011-2017)

## BEYOND ACADEMIA

### Books general public

- *Chi Troppo, Chi Niente* (Who gets too much, who gets nothing 2013)
- *La Maggioranza Invisibile* (The invisible majority 2014)
- *Senso Comune* (Common sense, forthcoming 2019)

### National newspapers & TV

- Equality
- Welfare state & work
- Politics
- Lower league football

### Fonderia Oxford & Key note public events

- Confindustria, trade unions, major political parties

## AGENDA

Introduction

Definitions and Context

Describing Family Policy  
Expansion and Convergence

A Critical Interpretation  
of Family Policy Expansion

Conclusion

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## WHY SHOULD WE CARE ?

- We entered an “era of permanent austerity” (Pierson)
- The economic crisis has exacerbated pressures on social policies
- The expansion and maintenance of many programs have been made more difficult
- However, family policies significantly expanded in OECD countries
  - Despite cross-country variation in the degree of “generosity” and duration of parental leaves and childcare services, women’s increased labour force participation has been facilitated by improved public support even in those countries that have previously been identified as featuring a ‘strong male breadwinner model’

## INTRODUCTION TO THE PARADOX OF FAMILY POLICY EXPANSION (1/5)

- Family policy expansion is an emblematic facet of institutional change
- Theories of institutional change are deployed to explain the disruptive effects of incremental labour market reforms but not to explain family policy change
- When documenting the drivers behind this expansion, comparative social policy scholars tend to focus on the role of socio-demographic change, labour market pressures, party politics and more recently on public preferences but surprisingly do not connect it to welfare state retrenchment

## INTRODUCTION TO THE PARADOX OF FAMILY POLICY EXPANSION (2/5)

- The analysis of family policy expansion is an interesting case to understand the political economy of welfare state change.
- It simultaneously impacts on:
  - The work-welfare nexus
  - Care-welfare arrangements (new social risks and gender)

## INTRODUCTION TO THE PARADOX OF FAMILY POLICY EXPANSION (3/5)

- Family policy expansion mediates two conflicts traversing high-income countries
  1. The relation between capital and labour
    - It plays a pivotal role for societal adaptation to a service-based economy
  2. The gender conflict (from male breadwinner to adult worker model)
    - It influences the forms that patriarchy assumes in societies characterized by the increasing commodification of social reproduction

## INTRODUCTION TO THE PARADOX OF FAMILY POLICY EXPANSION (4/5)

- Family policy expansion relates to the extension of market logic to different institutional and social spheres
- The expansion of capitalism commodifies new aspects of social life, boosting parents' activity rates and reducing the time they can devote to family care
- Governments have to replace broken communitarian ties with public services (a Durkhemian interpretation)

## INTRODUCTION TO THE PARADOX OF FAMILY POLICY EXPANSION (5/5)

- This ‘solidarity replacement’ has a high cost in a time of competitive austerity
  - Reduction of overall social spending
  - Minimum income guarantees for families with children – a market breaker policy – is retrenched, while childcare expands in response to market and parents’ need

## RESEARCH QUESTION

What are the characteristics of family policy expansion and how they relate to the political economy of welfare state retrenchment in different high-income countries?

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## DEFINITIONS AND CONTEXT (1/6)

- Explicit family policy vs. Implicit family policy
- Explicit family policies are those supporting families with young children through:
  - Child income support (via cash or tax deductions),
  - Employment-related leaves
  - Childcare
- The idea that family policy moves in a contrary motion to the welfare state rests upon this definition

## DEFINITIONS AND CONTEXT (2/6)

- Family policy expansion as a 'revolutionary change':
  - A quiet revolution: radical transformation of women's role within the market and the family (Golding)
  - An incomplete revolution: to avoid the widening of inequalities, changes in women's role should be accompanied by redistributive policies rather than welfare state retrenchment (Esping-Andersen)
  - A silent revolution: rapid institutional change without notice (Ferragina and Seeleib-Kaiser)
- Importance of family policy expansion in weakening the male breadwinner model and moving toward an adult worker model

## DEFINITIONS AND CONTEXT (3/6)

- The male breadwinner model (inherently linked to Fordism) was based on:
  - The provision of a family wage
  - The social norm of a rigid separation between formal and household/care-work
  - Considerable institutional support for the traditional heterosexual couple with children

## DEFINITIONS AND CONTEXT (4/6)

- Family policy model based on generous child-benefits and the generalization of maternity leave
- The organization of capitalism and the welfare state supported a mutually reinforcing process linking standard employment to the durability of nuclear family
- The fordist family became the cornerstone of post-war western societies
- From a feminist perspective: “the family wage cemented the partnership between patriarchy and capital”

## DEFINITIONS AND CONTEXT (5/6)

- The dissolution of this social model in parallel to the shift from Fordism to a service based economy contributed to the rise of the adult worker model
- With the declining growth of productivity and the stagnation of salaries, the family wage earned by the male breadwinner is not sufficient to guarantee family stability
- Women entered en masse the labour market to compensate this gap, blurring gender differences in the provision of formal work and care

## DEFINITIONS AND CONTEXT (6/6)

- While this shift took place and intensified over the last decades, family policy expanded in all high-income countries
- With this expansion, family policy assumed a new central role in mediating and exacerbating the conflict between capital and labour and between men and women
- The centrality of family policy can be understood situating its expansion within the historical evolution of the welfare state and political economy

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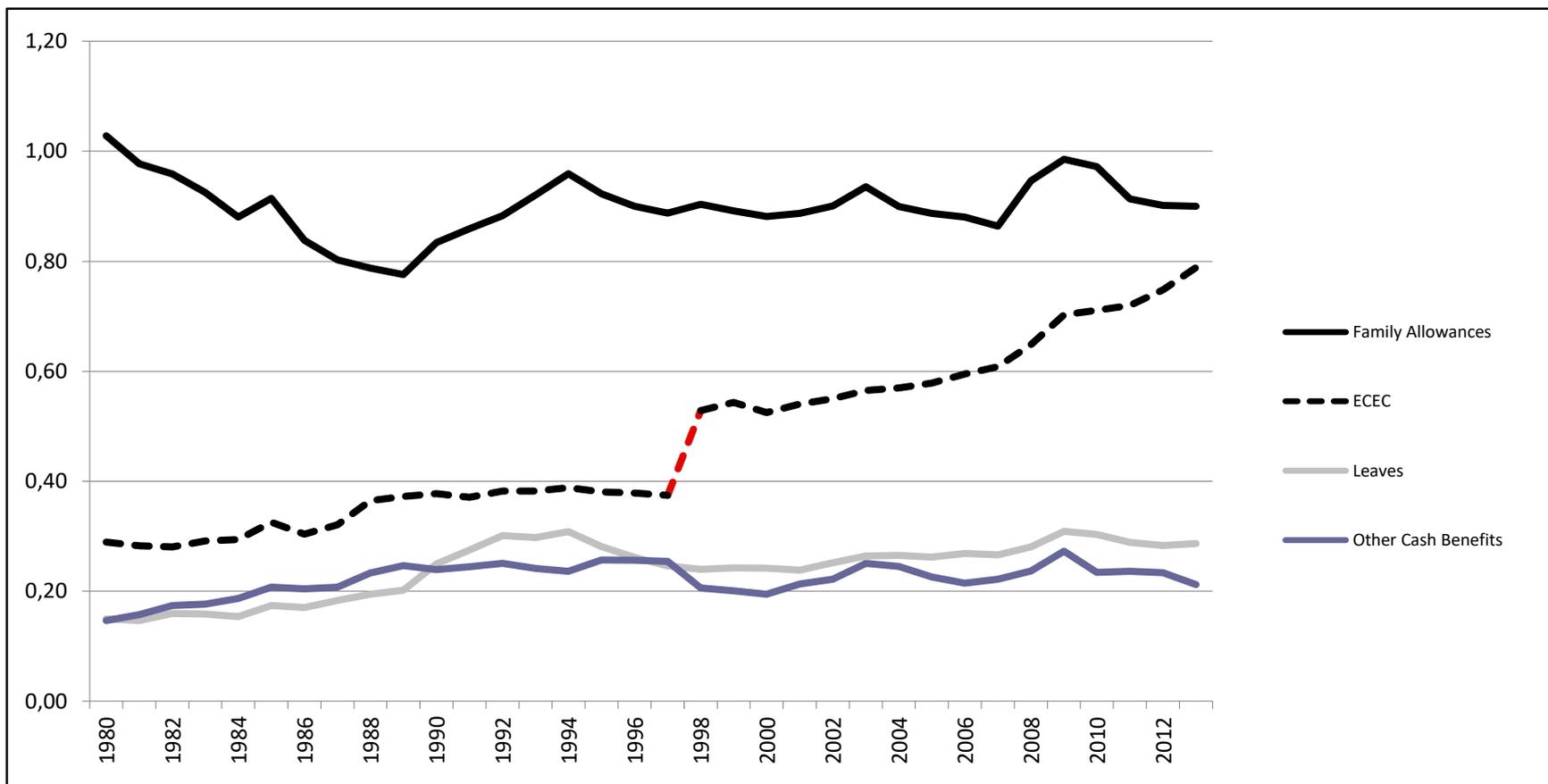
Conclusion

## DESCRIBING FAMILY POLICY EXPANSION AND CONVERGENCE (1/2)

- We empirically traces trends in family policy in 23 high-income countries since the 1960s
- A range of data on income supports for families with children, family-related leave and early childhood education and care are brought together and analysed
- Family policy has developed by layering, in terms of both content and time period

## DESCRIBING FAMILY POLICY EXPANSION AND CONVERGENCE (2/2)

- A 'foundational phase' is characterised by investment in cash and tax allowances for families and employment leave for mothers
- While, a 'consolidation phase' sees states adding to their family policy portfolio, through the diversification of family-related leaves and augmentation of child-related care services



## DATA

Type	Indicators	Measure	Sources
Child income supports to families	Replacement Rate of Total, Universal, Employment Based, Income Tested and Tax Based Income Supports	Measured as % of the Average Production Worker's Wage (net replacement rate of various child income supports for a model family earning an average production worker's wage).	<i>The Child Benefit Dataset</i> (1960-2010). The indicators are retrieved from variables: 'Rr Total Child Benefit (apw)', 'Rr Universal Child Benefit (apw)', 'Rr Child Tax Allowance (apw)', 'Rr Child Tax Credit (apw)', 'Rr Child Tax Rebate (apw)', 'Rr Employment-based Child Benefit (apw)', 'Rr Income-tested Child Benefit (apw)'
Family-related leaves	Maternity and Parental Leave	Measured as Number of Weeks and Average Replacement Rate (as % of the Average Production Worker's Wage)	<i>Comparative Family Policy Database</i> (Gauthier, 1960-2010). The indicators are retrieved from variables: ML_WKS, ML_PAY, PL_WKS, PL_PAY
	Paternity Leave	Measured as Total Number of Weeks and Paid Weeks	<i>Family Database</i> (OECD, 1970-2015). The indicator is retrieved from Table PF2.5
	Weeks of Paid Leave (Parental, Paternity and Childcare) Reserved for Exclusive Use by the Father	Measured as Total Number of Paid Weeks Reserved for Father	<i>Family Database</i> (OECD, 1970-2015). The indicator is retrieved from Table PF2.5
ECEC	Spending on Early Childhood Education and Care (ECEC) for children up to 5 years of age	Measured as % of the GDP	<i>Social Expenditure Database</i> (OECD, 1980-2013). The indicator is retrieved from the variable 'ECEC Spending'
	Enrolment of Children in Formal Childcare and Pre-school Institutions (age 0-2)	Measured as % of the Total Age Cohort 0-2 years	Gauthier (1999: 958) for the period 1988-1993 and OECD (2003-2014). The OECD data are retrieved from Table PF3.2

## CHILD-RELATED INCOME SUPPORTS TO FAMILIES

**Table 2 Replacement Rate of Child Income Supports (Universal, Tax Based, Total), 1960-2010  
(Measured as a Percentage of the Average Production Worker's Wage)**

Country	Universal Cash Transfers				Child Tax Allowance + Tax Credit + Tax Rebate				Total Child Income Supports*			
	1960	1980	1990	2010	1960	1980	1990	2010	1960	1980	1990	2010
Australia	1.8	4.1	4.2	0	2.7	0	0	15.5	4.5	4.1	4.2	14.4
Austria	0	16.4	14.1	10.6	0	0	0	6.1	11.6	16.4	14.1	17.7
Belgium	0	0	0	0	0	2.4	3.8	3.7	15.6	16.1	18	15.6
Canada	4.1	3.4	2.7	2.9	1.9	4.2	4.8	9.5	5.9	7.7	7.5	12.8
Denmark	0	5.4	9	10.3	0	0	0	0	2.5	5.4	9	10.5
Finland	6.4	10.3	10.7	9.6	3.2	4	8.8	0	9.6	14.3	19.5	9.6
France	0	6.8	8.3	7	0	2.7	1.3	0.4	8.5	9.5	9.6	7.4
Germany	0	8.3	6	0	4.3	0.1	3.8	13.3	4.3	8.4	9.9	14.3
Greece	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Iceland	NA	NA	NA	1.6	NA	NA	NA	0	NA	NA	NA	9.6
Ireland	2.3	3.2	4.2	10.6	0	2.7	0	0	2.3	6	4.2	14.4
Italy	0	0	0	0	0	0.7	1.5	6.8	17.8	7.1	8.3	13.2
Japan	0	0	0	7.4	1.4	4.2	3.1	3.2	1.4	4.2	5	8.4
Luxembourg	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Netherlands	0	10.2	9.5	6.2	0	0	0	3.8	10.6	10.2	9.5	9.2
New Zealand	4.8	6.8	0	0	2.8	5.1	3.2	6.3	7.6	12	3.2	16.4
Norway	2.8	7.3	14.4	6.8	0	2.7	2.3	0	2.8	10	16.7	6.8
Portugal	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Spain	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Sweden	8	10.8	11.5	10.1	0	0	0	0	8	10.8	11.5	10.1
Switzerland	0	0	0	0	0.8	4.3	1.2	3.1	0.8	9.7	7.9	10.3
United Kingdom	3.1	10.2	8.1	7.4	6.3	0	0	9.3	9.4	10.2	8.1	17.4
United States	0	0	0	0	5.7	6.4	3.4	8.3	5.7	6.4	3.4	11.7
<b>Average</b>	<b>1.9</b>	<b>5.7</b>	<b>5.7</b>	<b>4.8</b>	<b>1.6</b>	<b>2.2</b>	<b>2.1</b>	<b>5.2</b>	<b>7.2</b>	<b>9.4</b>	<b>9.4</b>	<b>12.1</b>

## FAMILY-RELATED LEAVES (1/2)

**Table 3 Maternity and Parental Leave, 1960-2010**  
(Measured as Number of Weeks and Average Replacement Rates)

Countries	Maternity Leave								Parental Leave							
	1960		1980		1990		2010		1960		1980		1990		2010	
	W	P	W	P	W	P	W	P	W	P	W	P	W	P		
Australia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	52	0
Austria	12	100	16	100	16	100	16	100	52	100	52	37.6	104	37	104	17.9
Belgium	12	60	14	79.5	15	76.4	15	76.9	0	0	0	0	0	0	26	25.2
Canada	0	0	15	60	15	60	15	55	0	0	0	0	10	60	35	55
Denmark	14	19	18	90	18	90	18	39.1	0	0	0	0	10	90	32	39.1
Finland	0	0	39	39	25.8	80	25.8	70	0	0	0	0	31	80	31.6	70
France	14	50	16	90	16	90	16	100	0	0	104	0	156	40.7	156	25.8
Germany	12	100	14	100	14	100	14	100	0	0	0	0	78	23	156	22.3
Greece	12	50	12	50	12	50	17	50	0	0	0	0	26	0	26	0
Iceland	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Ireland	12	34.5	12	24	14	70	26	80	0	0	0	0	0	0	28	0
Italy	21	80	23.7	80	21.5	80	21.7	82	0	0	26	30	26	30	44	30
Japan	12	60	12	60	14	60	14	60	0	0	0	0	0	0	52	40
Luxembourg	12	75	16	100	16	100	16	100	0	0	0	0	0	0	52	90.2
Netherlands	12	100	12	100	12	100	16	100	0	0	0	0	52	0	52	24.6
New Zealand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14	100
Norway	12	40	0	0	0	0	0	0	0	0	18	100	24	100	56	100
Portugal	4.3	33	12.9	100	12.9	100	17.1	100	0	0	0	0	26	0	26	25
Spain	12	60	14	75	16	75	16	100	0	0	156	0	156	0	156	0
Sweden	12.8	45	0	0	0	0	0	0	0	0	39	82	64	70	68.6	65.1
Switzerland	6	0	10	0	10	0	14	80	0	0	0	0	0	0	0	0
United Kingdom	18	36.9	18	47	18	45	39	14.5	0	0	0	0	0	0	26	0
United States	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Average</b>	<b>9.5</b>	<b>42.9</b>	<b>12.5</b>	<b>54.3</b>	<b>12.1</b>	<b>58.0</b>	<b>14.4</b>	<b>58.6</b>	<b>2.4</b>	<b>4.5</b>	<b>18.0</b>	<b>11.3</b>	<b>34.7</b>	<b>24.2</b>	<b>54.2</b>	<b>33.2</b>

## FAMILY-RELATED LEAVES (2/2)

**Table 4 Paternity Leave and Weeks of Leave (Parental, Paternity and Childcare) Reserved for Exclusive Use by the Father (Measured as Number of Weeks and Number of Paid Weeks)**

	Paternity Leave								Weeks of Leave for Exclusive Use of the Father			
	1970		1980		1990		2015		1970	1980	1990	2015
Country	W	PW	W	PW	W	PW	W	PW	PW	PW	PW	PW
Australia	0	0	0	0	0	0	0	0	0	0	0	2
Austria	0	0	0	0	0	0	0	0	0	0	0	8.7
Belgium	0.6	0.6	0.6	0.6	0.6	0.6	2	2	0.6	0.6	0.6	19.3
Canada	0	0	0	0	0	0	0	0	0	0	0	0
Denmark	0	0	0	0	2	2	2	2	0	0	2	2
Finland	0	0	0	0	0	0	3	3	0	0	0	9
France	0	0	0	0	0	0	2	2	0	0	0	28
Germany	0	0	0	0	0	0	0	0	0	0	0	8.7
Greece	0	0	0	0	0	0	0.4	0.4	0	0	0	0.4
Iceland	0	0	0	0	0	0	0	0	0	0	0	13
Ireland	0	0	0	0	0	0	0	0	0	0	0	0
Italy	0	0	0	0	0	0	0.2	0.2	0	0	0	0.2
Japan	0	0	0	0	0	0	0	0	0	0	0	52
Luxembourg	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	26.4
Netherlands	0	0	0	0	0	0	0.4	0.4	0	0	0	0.4
New Zealand	0	0	0	0	0	0	2	0	0	0	0	0
Norway	0	0	2	0	2	0	2	0	0	0	0	10
Portugal	0	0	0	0	0	0	4	4.0	0	0	0	21.3
Spain	0.2	0.2	0.4	0.4	0.4	0.4	2.1	2.1	0.2	0.4	0.4	2.1
Sweden	0	0	1.4	1.4	1.4	1.4	1.4	1.4	0	1.4	1.4	10
Switzerland	0	0	0	0	0	0	0	0	0	0	0	0
United Kingdom	0	0	0	0	0	0	2	2	0	0	0	2
United States	0	0	0	0	0	0	0	0	0	0	0	0
<b>Average</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>0.1</b>	<b>0.3</b>	<b>0.2</b>	<b>1.0</b>	<b>0.9</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>9.4</b>

## ECEC

**Table 5 Spending on Early Childhood Education and Care (ECEC) and Percentage of Children Enrolled in Formal Childcare and Pre-school Institutions (age 0-2), 1980-2014.**

**(Measured as Percentage of GDP and Percentage of the Total Age Cohort)**

Countries	Spending ECEC					Enrolment in Formal Childcare			
	1980	1990	1997	1998	2013	1988	1993	2003	2014
Australia	0	0.1	0.2	0.3	0.6	NA	NA	NA	32
Austria	0.3	0.2	0.3	0.2	0.5	NA	3	5.2	19.2
Belgium	0	0	0.1	0.5	0.8	20	30	33.6	54.7
Canada	NA	NA	0.1	0.1	0.2	NA	NA	NA	NA
Denmark	1.1	1.3	1.5	1.4	1.4	50	50	56.1	65.2
Finland	0.6	1.1	1.1	1.0	1.1	20	27	21.3	27.9
France	0.2	0.6	0.7	1.3	1.3	20	23	28	51.9
Germany	0.2	0.3	0.4	0.4	0.6	5	NA	9	32.3
Greece	NA	0.1	0.1	0.1	NA	5	3	7	13.8
Iceland	NA	0.5	0.7	0.7	1.8	NA	NA	47.6	59.7
Ireland	0	0	0	0.2	0.5	2	2	15	35
Italy	0.1	0.1	0.1	0.5	0.5	5	6	NA	24.2
Japan	0.2	0.2	0.3	0.3	0.4	NA	NA	14.5	30.6
Luxembourg	0.2	0	0.2	0.4	0.8	2	NA	14	55.1
Netherlands	NA	NA	NA	0.3	0.7	2	8	29.5	55.9
New Zealand	0	0	0.3	0.6	1.0	NA	NA	31.5	41.9
Norway	0.3	0.6	0.8	0.8	1.3	10	NA	29.5	54.7
Portugal	0	0	0	0.2	0.4	5	12	12.7	47.9
Spain	0	0	0	0.4	0.5	5	5	11.3	38.1
Sweden	1.5	1.9	1.3	1.2	1.6	30	33	44.1	46.9
Switzerland	NA	0.1	0.1	0.2	0.3	NA	NA	NA	38
United Kingdom	NA	NA	0	0.5	0.8	2	2	27.1	33.6
United States	NA	NA	0	0.4	0.4	NA	NA	NA	28*
<b>Average</b>	<b>0.29</b>	<b>0.38</b>	<b>0.37</b>	<b>0.53</b>	<b>0.79</b>	<b>12.2</b>	<b>15.7</b>	<b>24.3</b>	<b>40.9</b>

## OVERALL PATTERNING IN FAMILY POLICY DEVELOPMENT (1/2)

**Table 6 Overview Table: Child Income Supports to Families, Family-related Leave and ECEC Over Time in 23 OECD Countries, Various Measures and Years**

<b>Child Income Supports to Families</b>				
	<b>1960</b>	<b>1980</b>	<b>1990</b>	<b>2010</b>
Replacement Rate Universal Child Benefit (as % of the Average Production Worker's Wage)	1.9	5.7	5.7	4.8
Replacement Rate Tax Based Child Benefit (as % of the Average Production Worker's Wage)	1.6	2.2	2.1	5.2
Replacement Rate Total Child Income Supports (as % of the Average Production Worker's Wage)	7.2	9.4	9.4	12.1
<b>Family-related Leave</b>				
	<b>1960</b>	<b>1980</b>	<b>1990</b>	<b>2010</b>
Maternity Leave (Weeks)	9.5	12.5	12.1	14.4
Maternity Leave (Average Replacement Rate)	42.9	54.3	58.0	58.6
Parental Leave (Weeks)	2.4	18.0	34.7	54.2
Parental Leave (Average Replacement Rate)	4.5	11.3	24.2	33.2
	<b>1970</b>	<b>1980</b>	<b>1990</b>	<b>2015</b>
Paternity Leave (Unpaid Weeks in Total)	0.1	0.2	0.3	1.0
Paternity Leave (Paid Weeks)	0.1	0.1	0.2	0.9
Weeks of Leave (Parental + Paternity + Childcare) Reserved for Exclusive Use by the Father (Paid Weeks)	0.1	0.1	0.2	9.4
<b>ECEC</b>				
	<b>1960</b>	<b>1980</b>	<b>1990</b>	<b>2013</b>
Spending on ECEC* (as a % of GDP)	NA	0.29	0.38	0.79
	<b>1960</b>	<b>1988</b>	<b>1993</b>	<b>2014</b>
Percentage of Children (0-2) Enrolled in Formal Childcare and Pre-School Institutions	NA	12.2	15.7	40.9

## OVERALL PATTERNING IN FAMILY POLICY DEVELOPMENT (2/2)

- 5 trends:
  1. General expansion
  2. ECEC stands apart from early 2000s
  3. Resilience of income support despite change over time
  4. Existence of a foundational phase
  5. Movement toward a consolidation phase

## MEASURING CONVERGENCE (1/6)

Using the same data we empirically investigate the convergence of family policy measuring the following trends:

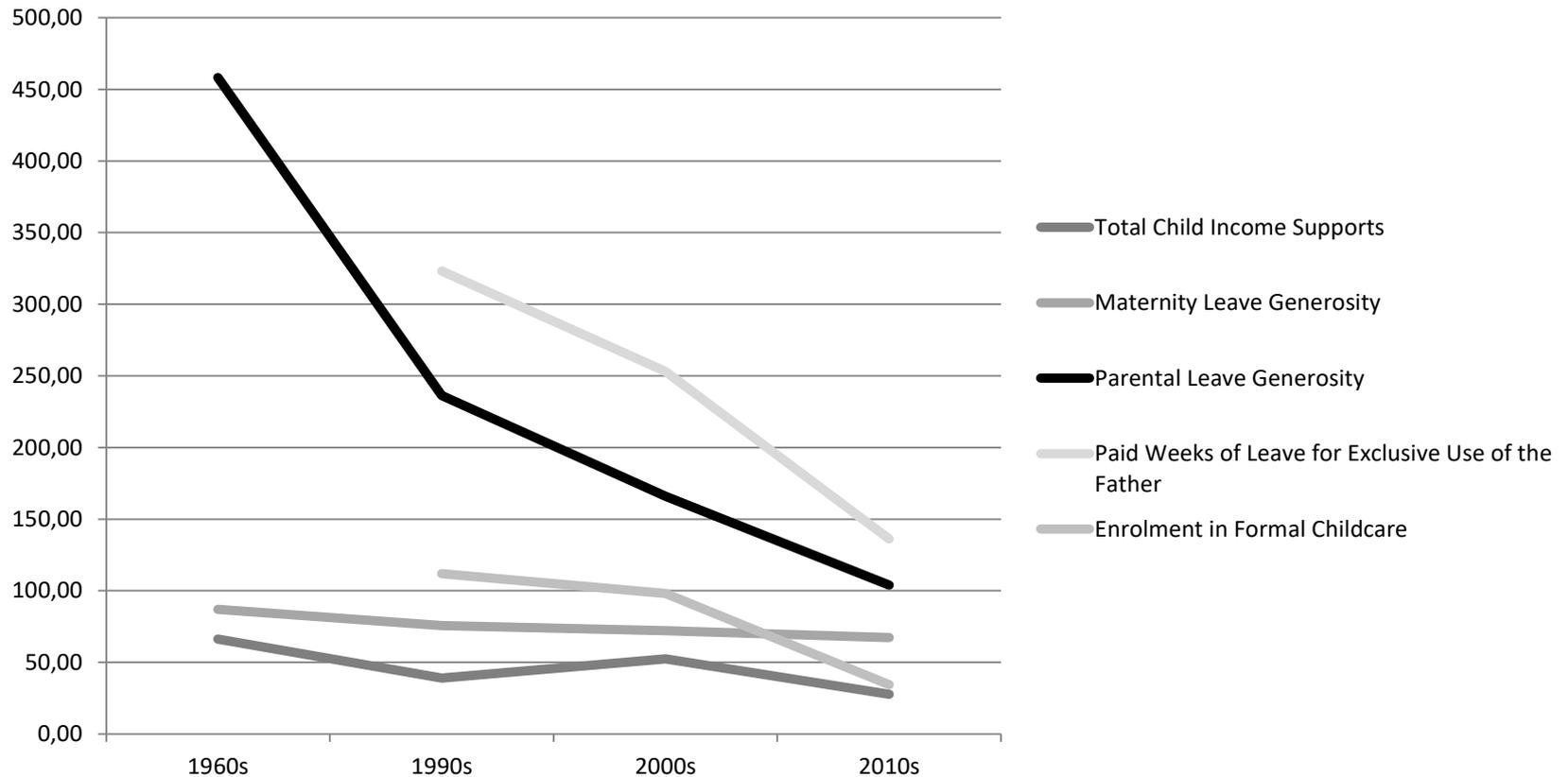
- (1) The over-time and cross-country variation of the standard deviation of all family policy indicators (with spending and qualitative data) since the 1960s
- (2) The over-time and cross-country variation of female participation to labour market and their employment rates in the service sector over the last 15 years

## MEASURING CONVERGENCE (2/6)

- We also measure the variation of the minimum income guarantees for couples with two children
- Minimum income guarantees for couple with children is a redistributive measure that heavily affects the income maintenance of poor parents with children
- Minimum income guarantees decommodify individuals and protect their standard of living besides their labour market position

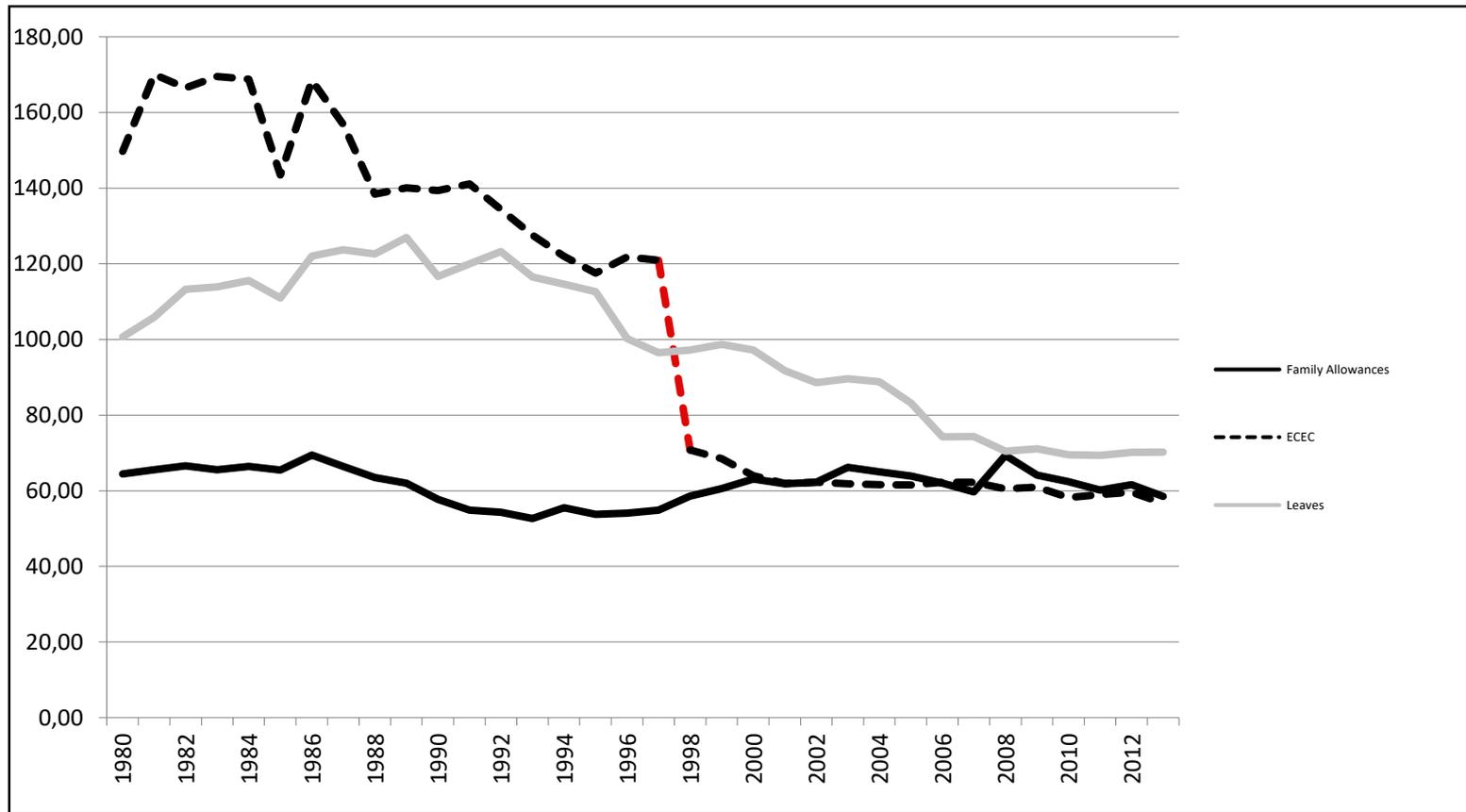
## MEASURING CONVERGENCE (3/6)

### Over Time Variation of the Relative Standard Deviation between 23 OECD Countries for Family Policy Generosity, 1960s-2010s



## MEASURING CONVERGENCE (4/6)

Over Time Variation of the Relative Standard Deviation between 23 OECD Countries for Selected Indicators of Family Policy Spending, 1980-2013



## MEASURING CONVERGENCE (5/6)

- Female participation rates are increasingly similar across OECD countries
- The same consideration applies to the percentage of women working in the service sector:
  - Around 88% in 2015 against 82% in the 2000
  - From 8.3 to 4.9 relative standard deviations (while that of men has increased)
- Despite an increase of female activity rates, global earning differentials between men and women are growing almost everywhere

## MEASURING CONVERGENCE (6/6)

- Strong reduction of minimum income guarantees for couples with children
- In 2005 the average replacement rate was 41% of the median household income (34% in 2015)
- The redistributive capacity of welfare states has been further undermined by cuts to social security, unemployment benefits and income maintenance
- Impact on poor families
  - In a context characterized by deregulation and growing precarization, low-income parents have to accept any employment

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## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (1/20)

- Scholars with different normative stances emphasized how welfare state expansion after World War II mediated the conflict between capital and labour
- For neo-Marxist, the welfare state was a ‘contradictory’ and ‘fiscally unsustainable’ tool in the hands of capitalism to appease the working class
- For power-resource theorists, the strength of organised labour and its conflict with capital determined different levels of generosity and shaped welfare state across countries

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (2/20)

- This expansionary phase was interrupted between the 1970s and the 1980s (restructuring in a regime of permanent austerity)
- The maintenance of many social programs has been jeopardised especially after the 2008 financial crisis and the austerity turn
  - Importance of welfare regime variety when analysing retrenchment

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (3/20)

- Since the end of the 1970s family policy expansion constitutes an exception within the overall motion of the welfare state
- Family policy started to expand and exactly when the welfare state exhausted its expansionary phase

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (4/20)

- This phase can be interpreted as a ‘tipping period’ during which, family policy progressively moves from childhood to adolescence
  - Long transitory phase during which cumulative causes of change built up and only after several decades lead by layering to a significant change of institutional settings

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (5/20)

- This expansion intervenes in the relation between capital and labour
- Family policy expansion is the good face of activation, signalling a paradigm shift :
  - From the old passive social protection to an active approach,
  - From a inequality of condition to inequality of opportunity
- While welfare state is retrenched, childcare services expand contributing to boost maternal employment in a political economy context characterised by labour market precarization

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (6/20)

- From a gender perspective, family policy expansion also intervenes in time of austerity to ease some pressure on women
- Social reproduction in advanced capitalist economies generates growing intra-household conflicts and put under strain women in lack of material resources
- While the welfare state was retrenched, obliging women to assume the role of 'shock absorber of last resort', family policy expansion moved in an opposite direction supporting parents in conciliating care and labour market participation

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (7/20)

- The flexibilization of labour markets and the expansion of employment-oriented family policy supports the interest of employers and organised capital
- It also intervenes in gender relations, offering to women the possibility to acquire a freedom that was constrained under the Fordist family model
- As argued by Streeck:  
“the associated increase in economic uncertainty and social instability appeared to be a price worth paying for what was seen as secular social progress. Commodification of labour, once perceived by the left as a threat to the dignity of the individual and the stability of society, became redefined as a desirable alternative to a repressive, pre-modern way of life, or at least a necessary answer to a new generation of men who could no longer be relied upon to accept traditional social obligations as husbands and heads of families”

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (8/20)

- The simultaneous movement of family policy expansion and welfare state retrenchment is entrenched within a *Great Transformation* of political economy
- Polanyi argued that the social unrest Europe experienced before World War II resulted from a *Great Transformation*, characterized by epochal political economy shifts, i.e. the establishment of the Gold Standard
- Similarly, the demise of Bretton Woods in 1971 is a key starting point to evaluate the shift to a new normal in political economy

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (9/20)

- The 1970s have been characterized by a new *Great Transformation* resulting from at last three intertwined macro-processes:
  1. The advent of Neoliberalism which redefined the relation between states and markets, and capital and labour
  2. A process of EU integration without sufficient fiscal counter-balancing mechanisms
    - Creation of a new monetary straitjacket and transfer of the social costs of global trade adjustments onto workers' shoulders
  3. The growing inadequacy of the welfare state to cover new social risks increased the social and economic costs borne by underprivileged citizens

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (10/20)

- The disruptive nature of the *Great Transformation* is dependent on the attempt to chase up with the stark utopia of creating perfect and self-adjusting markets
- The creation of self-adjusting markets is a utopia impossible to achieve because society has the tendency to react against the full commodification of social life
- Productive factors like labour are too entrenched within social life and family relations to be left to the solely regulation of a self-adjusting market

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (10/20)

- Following Polanyi, two processes allow us to understand daily life under capitalism
  1. The progressive disembedding of the economy from social life
  2. The pervasion of capitalist imperatives into social relationships as markets come to mediate human reproduction
- These two analytical points are essential to interpret family policy expansion in relation to welfare state retrenchment
- Family policy is a privileged locus to observe movements toward commodification and liberalization and counter-movements of gender liberation

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (11/20)

- The liberalization and defamilialization subsequent to family policy expansion is an attempt to activate all individuals in society
- On the one hand, the provision of collective childcare services incentivize mothers to work,
  - however, this process – in an economy characterized by the exponential growth of precarious and low-paid jobs – also contributes to increase the offer of low skilled work and wage compression.

At the macroeconomic level, women (and other marginal groups, i.e. migrants, young people) seem to have brought an increased level of flexibility to labour markets, taking up the slack of reduced public service provision

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (12/20)

- On the other, a counter-movement interpretation might consider the expansion of childcare services and the more egalitarian share of leave between mothers and fathers as a way to support family and foster an egalitarian family model
- If the transformation of political economy has largely contributed to a crisis of social reproduction to perpetrate the current patterns of capital accumulation, then family policy has an anti-cyclical effect

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (13/20)

- Several questions follow these two interpretations
- Is it family policy expansion a regulatory way to foster liberalization processes, allowing a continuous commodification of labour without completely disrupting family life and the reproductive capacity of individuals in high-income societies?
- Or the counter-movement is stronger, decisively trying to re-balance the growing individualism in society fostering a collective mechanism for care?
- Is it family policy expansion yet another way to foster neoliberal capitalism or a way of promoting gender equality supporting social reproduction?
- Can these two movements overlap and concomitantly play to explain the paradoxical expansion of family policy?

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (14/20)

- Following the first interpretation, the retrenchment of redistributive policies is coherent with family policy expansion in:
  - Increasing labour supply with mothers accepting precarious positions and low salaries,
  - Reducing social protection costs linked to unemployment and income maintenance
- Family policy expansion is a component of the shift from the Keynesian Welfare State (KWS) to the Schumpeterian Workfare State (SWS)
- The SWS replaces the distributive logic of the KWS with a productivist logic:
  - Expansion of 'market making' and retrenchment of 'market breaking' policies
  - social policy is subordinated to labour market flexibility and competition

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (15/20)

- Minimum income guarantees for couples with children are curtailed in parallel to childcare expansion even where the male breadwinner model was dominant
  - It is as if the long-lasting Fordist economies are catching-up with those countries who based their competitive advantage on non-Fordist niches.
  - These countries adopt a supply-side approach and manage their welfare state with greater attention to competitiveness than pure Fordist economies
- The Scandinavian early move toward family policy expansion can be read differentially, with gender playing an ancillary role to the competitive imperative
  - However, the expansion of family policy in a period of growing welfare state generosity is different from an expansion in a context of retrenchment and labour market deregulation

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (16/20)

- The shift to the SWS opens new opportunities for profit extraction by commodifying daily life practices
  - To extract new surplus, capitalism demands a continuous spatial reconfiguration of production and social reproduction
- The traditional male breadwinner model is curbed in favour of a productivist logic; however despite the apparent gender egalitarian effect of these reforms, women continue to pay the main cost of political economy adjustments
  - In the Fordist world they mostly performed unpaid work,
  - In the SWS they tend to occupy low-paid and insecure occupations, continuing at the same time to perform a large share of domestic tasks necessary for social reproduction (only partially reduced by family policy)

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (17/20)

- We observe a politics of social policy based on a small carrot (the expansion of childcare) and a big stick (overall welfare state retrenchment),
  - Boosting women's employment rates at the cost of negative distributional consequences for the lower classes
  - This is because the reduction of minimum income guarantees hits low-income families
- Generous policies reconciling work and care have a positive effect on employment mainly at the top end of the gender wage distribution but not at the bottom
- Family-friendly policies encourage a much greater access to employment at the bottom of the income distribution, eroding the economic advantages of these policies for lower class women

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (18/20)

- The second interpretation is based on the liberating role of family policy for mothers and the contribution of this policy package to move from an old welfare state – based on the protection of the (male) APW – to a new one embedded in the adult worker model
- Family policy expansion is targeted to support deserving individuals: working parents having children despite the increasing cost of care
- If one considers social reproduction as a positional struggle for resources and increased control of time in a capitalist economy, the expansion of childcare seem an important policy measure to support individuals in finding a complicated life balance

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (19/20)

- According to this interpretation, family policy expansion rather than being conceived as a component of the SWS is a piece of the institutional puzzle necessary to reduce new social risks and converge towards a LEGO model
- This model is characterized by future-oriented policy aimed at improving human capital and community activity in order to reduce care and time deficits
- Childcare expansion reduces the space for informal work, supports the professionalization of care and contributes to create new jobs in a regulated state service

## A CRITICAL INTERPRETATION OF FAMILY POLICY EXPANSION (20/20)

- Both movements and interpretations are at play
- Family policy expansion is an additional tool to boost maternal employment in low service sector jobs acting simultaneously together with other policies of welfare state retrenchment and liberalization, but at the same it also helps families to balance work and care, moderating some of the negative effects generated by the first phenomenon
- We suggest the predominance of one movement over the other is connected to the size of cuts to redistributive policies and the degree of family policy expansion
  - Where family policy expansion is not matched by heavy retrenchment, the countermovement should be prevalent and give rise to a legislative framework of gentle activation in a context of continuous protection against old social risks, in the other case, the negative effects should be prevalent and follow the wake of hard activation

**Variation of Childcare Spending and Cash Minimum-Income Benefits for Couples with Two-Children, 2005-2015. Measured as % of the GDP (X-axis) and Net Income Value in % of Median Household Incomes (Y-axis)**



## NATIONAL VARIATIONS (1/4)

- Norway and Sweden display a movement of expansion and a countermovement of retrenchment of similar entity:
  - childcare expansion is the highest across our sample (with the exception of Iceland) while cuts to minimum income guarantees for families with two children are the heaviest
- New Zealand closely follows the same pattern – although with a lower level of childcare expansion and a more contained curtailment of minimum income guarantees
- Also France, the Netherlands, Austria and Spain display a childcare spending increase and a parallel reduction of family income maintenance. However expansion and retrenchment are minor

## NATIONAL VARIATIONS (2/4)

- Differently, in Germany, Finland, Australia, UK, Switzerland and Japan, the prevalence of family income maintenance retrenchment over childcare expansion is marked
  - Countries with least generous welfare states – the UK, Switzerland and Japan – display little additional investment in childcare while cuts to income maintenance are considerable
- Portugal, US and Denmark – although starting from very different generosity levels – display cuts to minimum income guarantees and childcare
  - In these cases retrenchment in income support is not even balanced out by an expansion of childcare services

## NATIONAL VARIATIONS (3/4)

- A smaller number of countries does not follow the logic of pursuing childcare expansion in a context of minimum income guarantees retrenchment
  - Luxembourg, Ireland, Belgium, Canada display an increase – although very modest – of minimum income guarantees for couples with children
- Iceland stands far apart from the others for the overall and gender-neutral development of family policy
- Greece operates with an opposite logic; a small increment of minimum income guarantees (although from almost zero level) is matched by small cuts to childcare spending
- In the Italian case there is no minimum income guarantee (hence cuts)

## NATIONAL VARIATIONS (4/4)

- To sum up, the first movement – the coherence of family policy expansion and welfare state retrenchment aimed at fostering employment in low service sector jobs – seems prevalent over the second (family policy as a shock absorber and gender equalizer)
- However, the story is complex and the individuation of a prevailing trend does not mean all countries are synchronized
- ‘Contingent convergence’ -
  - new political economy pressures and welfare restructuring processes are mediated by national institutional structures and family policy responses
- Our prevailing interpretation of family policy expansion as coherent to welfare state retrenchment in boosting low-income employment for mothers should not be taken to imply an inexorable path, but rather as a strong tendency

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## CONCLUSION (1/5)

- Since the 1970s family policy is expanding and converging across high-income countries
- Although at different pace, the family policy package becomes more similar to the Scandinavian blueprint, with growing spending for public childcare and a more egalitarian share of leave between parents
- However, in a political economy context of declining wages and labour market precarization, the rapid expansion of childcare services is matched by a broad reduction of minimum income guarantees for couples with children
  - A state of affairs which contributes to pressurise low-income parents into work

## CONCLUSION (2/5)

- Two opposite movements
- On the one hand, family policy expansion – coherently with welfare state retrenchment – seems to provide further incentives for mothers to more easily accept low salaries in a service-based economy
- On the other, it contributes to liberate mothers from care-work and fosters the overall shift from an old welfare state to a new adult worker model
- The first movement sees family policy as another tool to foster neoliberal capitalism, while the second shows that family policy expansion is instrumental to support working parents with young children in meeting increasing care costs in a more gender-friendly context
- Both movements interplay, however the first is stronger than the second in a large majority of high-income countries

## CONCLUSION (3/5)

- From a public policy perspective, family policy expansion seems a magic wand for politicians as it gathers significant electoral consensus
- Public opinion data show the growing support of a certain image of the modern mother which is paired by an increased opposition to redistributive policies
- Who would disagree with the fact that we need to provide childcare services to 'good' mothers that take care of their children and also work?
- Who would disagree with the fact that 'good' working mothers are more deserving than unemployed or poor people?

## CONCLUSION (4/5)

- However, the commodification of women's labour boosted by family policy expansion, welfare state retrenchment and labour market flexibilization does not seem to be universally conducive to greater gender equality
- While many middle-upper class women entered wage labour as consequence of real free choice for those in the lower classes this choice is heavily constrained by the compulsion to earn more income in a precarious political economy context
- This restricts the validity of the liberal claim – that gender inequality has been strongly reduced with the expansion of female employment – to the upper part of the income distribution
- The increasing participation of women to the labour market remains strongly characterized by persisting occupational and industrial segregation, wage differentials, and gender precariousness

## CONCLUSION (5/5)

- As Hartmann suggested in a essay written forty years ago: “The sexual division of labor reappears in the labor market where women work at women’s jobs, often the very jobs they used to do only at home – food preparation and service, cleaning of all kinds, caring for people, and so on. As these jobs are low-status and low-paying patriarchal relations remain intact, though their material base shifts somewhat from the family to the wage differential”. In this respect the role of family policy expansion in relation to welfare state retrenchment does not seem able to reverse a long-standing trend that characterized class and gender relations during Fordism – and which seems to be perpetrated under new forms in the service-based economy. Family policy expansion without a parallel ring fencing of redistributive policies might contribute to further increase income inequality and play against the societal integration of low-income mothers