From subsidiarity to “free choice”: child- and elderly-care policy reforms in France, Germany, Belgium and the Netherlands.

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Though much work has recently been devoted to welfare state change, and in particular to changes in retirement, unemployment, and health schemes, relatively little attention has been paid to changes in care policies in mainstream work on the welfare state. Despite valiant attempts by gender theorists to highlight the analytical potential of care for analysing welfare state change (e.g. works by Mary Daly and Jane Lewis in particular), mainstream analysts - and political scientists in particular - continue to treat care policies as a side-issue, as – essentially – a private issue. Yet care policies are particularly interesting as they represent in most cases a relatively new responsibility for the welfare state. As such, care policies are part and parcel of the recasting of the welfare state.

Admittedly, care policies raise complex analytical issues and function quite differently from other “traditional” social schemes, meaning that true and tried theories and other mainstream moulds of analysis are difficult to apply to the field of care. For one thing, looking at care policies forces one to take seriously the idea that welfare provision relies on the interaction between the state, the market AND the family (c.f. Esping-Andersen, 1990) – i.e. looking at care forces one to bring the family back in, meaning that the frame of analysis needs to be complexified from a bi-polar to a tri-polar frame.

Secondly, care policies are, to a much greater extent than other social policies, linked to historically constructed societal norms and values and the aims of these policies are arguably more multiple than for other social programmes. The raison d’être of these policies can be partly humanitarian (taking care of the dependent elderly when no other help is available), or educational (for childcare), or linked to concerns with fertility (explicit or implicit pro-natalist aim of some policies), or they might aim to assist families and especially women in combining work and family (in which case care policies can be subordinated to employment policies). It can be difficult to assess which of these aims guide care policies in different countries, not least as care policies usually combine a number of these aims, and as these aims tend to evolve over time.

Care policies require a different frame of analysis for other reasons too: whereas retirement, sickness and unemployment schemes are undergoing processes of retrenchment or at least of restructuring, care is turning out to be one of the most dynamic areas of welfare state expansion and/or restructuring (Daly, 1997; Daly and Lewis, 1998; Lewis, 1998; Pfau-Effinger, 2003). This is true for all welfare states, whether ‘liberal’, ‘conservative’, or ‘social democratic’.

This process of expansion and/or restructuring is the focus of this paper, but I will restrict my analysis to one particular welfare state regime, namely the Bismarckian or ‘conservative corporatist’ welfare regime. The aim here is to show how the specific nature of Bismarckian welfare state institutions has determined or at least influenced the nature and timing of the reform trajectories in these countries, based on a comparison of reforms in childcare and elderly-care policies in France, Belgium, Germany and the Netherlands.
The choice of these countries may at first sight seem somewhat problematic. Indeed, while it has become common for comparative welfare state analysts to speak of welfare state clusters, there has been a considerable amount of debate as to which criteria are most relevant for identifying these clusters. These debates have been mostly spurred by Esping-Andersen’s 1990 tripartite welfare regime typology, which identified a Social-democratic regime (the Nordic countries), a Liberal regime (the Anglophone countries) and a Conservative corporatist regime (continental Europe, i.e. our Bismarckian countries). Esping-Andersen arrived at this typology by correlating a number of indicators including both causal explanations such as political and historical factors, the institutional design of the welfare states and a number of policy outcomes (mostly in terms of levels of decommodification and stratification resulting from these welfare institutions, but also in terms of women’s labour-market participation).

Various scholars have called into question this typology, often by pointing out important intra-regime variations along one or more specific variables (e.g. Leibfried, 1992; Castles and Mitchell, 1993; Lessenich, 1995; Ferrera, 1996). In this respect, the Conservative corporatist regime type is perhaps the one that has elicited most criticism, not least from gender theorists who have argued that Esping-Andersen’s predictions in terms of the low levels of services and of female labour-market participation associated with the Conservative welfare regimes hardly hold true in the case of France or Belgium, which both display fairly high public childcare coverage for children aged three and above. Similarly, various works have highlighted important intra-regime differences with respect to employment levels for women, or for lone mothers, or regarding poverty rates amongst single-headed families, and with respect to other gendered patterns of inequalities (Lewis, 1992; Sainsbury, 1996; Anttonen and Sipilä, 1996; Gornick et al., 1997; Bussemaker & van Kersbergen, 1999; Daly and Rake, 2003; Misra and Moller, 2004?). Thus, it has often been argued that France and Belgium are not properly “Conservative” countries to the same extent as Germany or even the Netherlands, and various other classificatory attempts have tended to separate these countries into different clusters.

Although it is undeniably vital to bring in more gender-sensitive criteria in social policy analysis, the problem with most gendered typologies, however, is that they tend to use specific gendered outcomes (typically the forms and extent of women’s labour market participation) as the main criteria for classification, i.e. the explanandum also serves as independent variable, thus seriously reducing the analytical potential of such typologies.

Also problematic is the widespread assumption of a direct link of causality between certain institutional features such as provision of care services and women’s labour market participation. One has only to look at the high levels of childcare provision in Belgium and yet comparatively low levels of female labour force participation (54.1%), or inversely, at the very low levels of childcare service provision in Germany and comparatively higher female labour force participation (59.3%), to see that the issue is more complex (Eurostat, 2006). As to elderly-care services, there is no direct evidence that they have an impact on female labour-force participation [REF].
Consequently, without discarding the theoretical - and social - importance of looking more closely at the gendered outcomes of different welfare arrangements, I suggest in this paper that looking at policy outputs rather than outcomes is a more relevant indicator for defining “families of nations”. I also suggest that when attention is directed towards both childcare and elderly-care together, there is a much stronger case to be made for grouping these countries together than if one looks just at childcare, which has usually been the focus of study for gender analysts.

Indeed this paper shows, based on a comparison of France, Germany, Belgium and the Netherlands, that patterns of reform in care policies in Conservative corporatist welfare states share similar logics and trajectories. I argue that it is the shared conservative and corporatist traits of Bismarckian labour markets and welfare state institutions – and their impact on labour market adjustment possibilities and preferences – that have driven care policy reforms. Indeed, as we shall see, care policy reforms have been very closely linked to specific employment strategies, and the politics of welfare without work and subsequent attempts to shift away from such a labour-shedding strategy go a long way in explaining both the nature and the timing of child- and elderly-care policy reforms in Bismarckian welfare states. Care policies have been used during the 1980s and early 1990s to reinforce the traditional male-breadwinner model that characterizes Bismarckian welfare states but, in the late-1990s, when low employment rates became widely regarded as the key problem for the sustainability of these welfare states, care policies have been used to raise female employment levels. This change therefore marks a real U-turn in the role assigned to women who are now expected not only to care but also to work - a ‘farewell to maternalism’ which Ann Orloff (2006) has shown to characterize other countries also. However, as we shall see, this shift bears the imprint of the conservative corporatist legacy of these welfare states both in terms of reform trajectories and outcomes.

In the next section (part 1), I draw out the key institutional characteristics of the post-war model in Conservative corporatist welfare states, and discuss briefly how the strong emphasis on the male-breadwinner model, and the resulting welfare without work syndrome, has exacerbated the welfare state crisis in these countries – a diagnosis that became widely shared in the late 1990s. I then move on to a broad overview of care arrangements in Bismarckian welfare states in the mid-1980s in order to draw out the similarities and differences between our case studies at the beginning of the period under consideration.

Part 2 describes the policy reforms implemented in these four countries in the fields of child- and elderly-care and the policy logic that has underpinned them. We will see that two sets of policy reforms have been implemented. The first set of reforms, in the 1980s and up to the late 1990s, based on a (female) labour-shedding strategy, has sought to reinforce the traditional male-breadwinner model as a way to combat unemployment, while the second set of reforms, starting in the late 1990s, has aimed at raising employment levels, and especially female employment rates. In the four countries, however, a focus on promoting ‘free choice’ has justified the introduction of measures that have simultaneously reinforced social stratification in terms of access to the labour
market – meaning that some women have much more ‘free choice’ than others -, and weakened certain labour-market rigidities. Indeed, we argue that care policy reforms have provided a back-door for the introduction of labour-cheapening measures and for increasing employment flexibility in otherwise very rigid labour-markets.

Part 3 offers a concluding discussion of the specific rationale and trajectory of care policies in Bismarckian welfare states.

I. Characterizing Bismarckian welfare states.

I.1. A conservative corporatist post-war social contract.

What characterizes Bismarckian welfare states first and foremost is that their welfare system is based on the principle of social insurance. Social insurance schemes are based on labour-market participation and performance, and welfare benefits mirror previous earnings. As such, social policy does not aim at reducing inequalities but at maintaining status. The role of Bismarckian social protection systems is to temper the more harmful aspects of the market, but without modifying its socially stratifying effects, thus testifying to the strong corporatist historical legacy of this model.

Another defining element of the post-war Bismarckian welfare state is its strong reliance on the male-breadwinner model and its strong support of the traditional family. Various policies and tax disincentives have traditionally discouraged women’s participation in the labour-market or encouraged their withdrawal from the labour market after marriage or childbirth, so female labour-force participation rates have generally been low (van Kersbergen, 1995). In this model, men are expected to work full-time and women to care full-time for children, the elderly and the disabled. This reliance on a male breadwinner in a system based on employment-related social insurance means that women have generally lacked individual social entitlements and have instead received benefits through their husband.

A third defining characteristic of these welfare states is the principle of subsidiarity: intervention should not take place at a level higher than necessary; when an individual is in need of care, help should be sought first from the family or local community, or from voluntary associations, the state steps in only as last resort. The family is therefore the prime actor in the provision of care and public social services are consequently underdeveloped. This principle of subsidiarity is linked to the strong belief that the family is the best possible provider of care and that substitutive policies by the state might undermine the family. Family policies therefore take the shape of supportive rather than substitutive measures and Bismarckian welfare states usually offer generous financial transfers to families to support them in their role of primary welfare providers but little in terms of substitutive social services. As a result, compared to other welfare regimes,
Bismarckian welfare states are very transfer-heavy and service-lean\(^1\) (Esping-Andersen, 1996). As we shall see, the ‘freedom of choice’ rhetoric which later developed and which has guided care policy reforms fits well with this principle of subsidiarity. A second consequence of this principle of subsidiarity is that social assistance is dealt with by local rather than central authorities. Taken together, this support to the traditional family based on a male breadwinner and female caregiver, and this principle of subsidiarity, testify to the catholic and politically conservative origins of this welfare regime.

Active labour-market policies have typically been underdeveloped in these countries. This is even more apparent with regards to policies to promote women’s employment. In fact, this partly explains why in the 1960s, when faced with labour shortages, Germany, France and Belgium chose to bring in foreign “guest” workers rather than draw on the domestic reserve of female labour – thereby also reinforcing the male breadwinner model (Esping-Andersen, 1996; Bussemaker and van Kersbergen, 1999). Scandinavian countries, where active labour-market policies are much more central, chose instead to bring women into the labour market, which prompted the development of childcare services and other policies to help parents reconcile work and family life already in the early 1970s.

I.2. Welfare without work.

Taken together, these various characteristics help to account for the situation of ‘welfare without work’ which Bismarckian welfare states found themselves in after the economic crisis of the mid-1970s. In a system where the family is dependent on the male breadwinner, protecting the employment and “family wage” of this male worker has been a central concern of trade unions. As a result, it has been nearly impossible for Bismarckian countries to implement ‘labour cheapening’ strategies of flexibilization and labour market deregulation as in the Liberal countries. The Nordic public-employment strategy (which also accounts for the rapid increase in female labour-market participation in these countries) has not been followed either. Instead, Bismarckian welfare states sought to maintain productivity via a labour-shedding strategy, which typically took the form of early-retirement schemes and/or an expansion of disability policy in the case of the Netherlands. This labour-shedding strategy also involved discouraging female labour market participation (Esping-Andersen, 1996; Bussemaker and van Kersbergen, 1999).

Such a strategy has proven problematic on many accounts. Writing in the mid-1990s, Esping-Andersen highlighted the self-reinforcing negative spiral Bismarckian countries found themselves in, the family wage model and the labour-shedding strategy having resulted in “prohibitively heavy fixed labour costs which, in turn, discourage[d] employment growth or, alternatively, spur[red] the growth of informal sector jobs or self employment”, and which were “particularly ill-suited to address pressures for greater

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\(^1\) In 1990, the ratio of social services, excluding health care, to social transfer payments was 0.16 in Germany, 0.12 in France and a very low 0.06 in Italy, compared to 0.33 in Denmark and 0.29 in Sweden (Esping-Andersen, 1996).
labour market flexibility and women’s demand for economic independence” (Esping-Andersen, 1996:68).

Indeed, changes in social values, in family structures and in relations between men and women have gone hand in hand with a change in the aspirations of women who have increasingly sought to enter the labour market, despite policies encouraging them to remain at home. Faced with a lack of care options, either public or private (due to high labour costs), women’s increasing participation in the labour market has often been accompanied by a severe drop in fertility rates, and most strikingly so in the most familialistic countries such as Germany, Italy or Spain (cf. annex 1, table 3). Women’s aspirations to work have also come into conflict with their capacity or willingness to care for the dependent elderly. These different trends have thus increasingly called into question the traditional care arrangements that underpin Bismarckian welfare states, and this at the same time as the number of elderly people has increased rapidly, thus leading to a “care crisis”.

For Bismarckian welfare states, ageing populations are not simply a care issue, but also a major financial issue. In fact, the ageing population has often been singled out as the chief cause for the welfare state crisis, as fewer workers must bear the cost of a large cohort of pensioners. Yet, as Esping-Andersen pointed out, “the continental European nations do exhibit an unfavourable age profile. Yet, there are several reasons why ageing may not be the chief problem. The dependency burden is primarily a function of fertility and retirement behaviour, and both are intrinsically welfare state issues. The crisis of ageing in Europe is, to a great extent, the by-product of the welfare states’ labour reduction strategy” (1996:76) … “The real demographic problem in continental Europe is not ageing but low fertility and low activity rates” (1996:78).

This diagnosis became widely shared in the later part of the 1990s, both at the European Commission level and in the countries under study. At the European Commission level, much emphasis has been placed since the late 1990s on raising employment levels, and especially on raising female employment levels, in order to increase the tax-base of the social protection systems. The European Employment Strategy, initiated in Luxemburg in 1997 and since then reaffirmed in Lisbon and Barcelona, has set as key objective employment levels of at least 60% for women by 2010, and at least 70% for men. This employment strategy has been accompanied by a discourse on gender equality and on the need to eliminate all barriers to women’s participation in the labour market, as well as on the need to raise fertility levels. Policies for reconciling work and family life have thus been presented as crucial measures for reaching simultaneously these three aims of raising employment levels, promoting gender equality and raising fertility rates, and member states have been encouraged since the late 1990s to develop appropriate policies (childcare services, parental leave schemes, etc.). However, as we shall see, care policies in Bismarckian welfare states have mainly pursued the first of these aims (raising employment levels).

The development of elderly-care policies has been less explicitly linked to employment strategies, not least at the European Commission level, but we will see how the shape and
content of these policies can nonetheless also be linked to employment strategies specific to Bismarckian welfare states, based on the development of low-skilled, low-paid personal service jobs.

I.3. Care arrangements in Bismarckian welfare states in the early 1980s.

Before looking at the actual developments in care policies in our four countries, a brief description of the situation at the beginning of the period under consideration is in order, to provide us with a yardstick against which to measure change. This is an opportunity to highlight the common characteristics of care arrangements in Bismarckian welfare states but also to acknowledge the differences between these four countries in the middle of the 1980s.

If we look at the table below, which shows the extent of welfare services to the family, both for childcare and elderly-care, clear inter-regime differences are visible with respect to both the generosity of public spending on family services, and the coverage of these services, the Conservative corporatist welfare states being far less generous than Social-democratic welfare states, and only slightly more generous than Liberal welfare states. However, there are notable differences within the Conservative corporatist group also, between France and Belgium on the one hand and Germany and the Netherlands on the other, France and Belgium being paradoxically less generous in terms of public spending on family services than Germany and the Netherlands, but offering a much wider childcare coverage than the other two countries. Such intra-regime differences fade away somewhat, however, if one looks at services for elderly-care: Germany still stands out for its particularly low level of both home-help and institutional care coverage, while the Netherlands display quite high coverage levels, on a par with Sweden.

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<th>Table 1: Welfare state services to the family.</th>
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<td>Social democratic regimes</td>
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<td>Liberal regimes</td>
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<td>Southern Europe</td>
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<td>(Italy, Portugal, Spain)</td>
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Source: Esping-Andersen 1999, pp.61 and 71; and Rostgaard and Fridberg, 1998 for the institutional care coverage.
* including Austria.
Welfare services do not give the whole picture, however. If one looks at the role of the family in the provision of welfare for the elderly, we find a much more familialistic bias in France than when looking just at childcare, with 20% of the elderly living with their children in the mid-1980s (table 2).

Table 2: The intensity of family welfare provision for the elderly.

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<th>Percentage of elderly living with their children (mid-1980s)</th>
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<tr>
<td>France</td>
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<td>Germany</td>
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Unlike the Liberal or Social democratic welfare states, France, Belgium and Germany (but not the Netherlands) also have in common specific legislation concerning family obligations\(^2\) to provide for the elderly.

Therefore, when attention is thus directed towards both childcare and elderly-care together, there is a much stronger case to be made for grouping these countries together than if one looks just at childcare, which has usually been the focus of study for gender analysts.

These four countries also have in common a special tax-splitting system for married couples. The combined income of the spouses is treated as if each partner earned exactly half of it. Because of the progressive nature of the income tax, this system favours single earner couples or couples with large earnings’ differentials, which acts as a disincentive to women’s labour market participation.

II. Trajectories of reform in care policies

The next section describes the policy reforms that have taken place in the fields of childcare and elderly-care in each of the four countries, starting with France and Belgium as these two countries have long stood out amongst Conservative welfare states for the amount of public childcare services provided.

The French and Belgian specificity with regards to childcare provision is mainly due to the existence in these two countries of the ‘écoles maternelles’, or preschools, which take children from the age of three. Although compulsory schooling only starts at the age of six, virtually all children aged 3 to 6 attend preschool, which is considered as part of the

\(^2\) This legislation is based on the Napoleonic Code of 1804, which, amongst other things, specifies that parents and children have a mutual obligation to provide food and financial support to each other.
national school system. In both countries preschools were developed for educational purposes and to form loyal citizens/republicans, rather than as a care service to help parents reconcile work and family life. Day-care services for children below the age of three developed rapidly in the 1970s and early 1980s but, as we shall see, expansion then stopped during the 1980s to give way to more private forms of day-care arrangements. Childcare policies in these two countries share a similar history, and both countries have developed a similar mix of seemingly contradictory policies that include both day-care services to facilitate women’s employment, and cash benefits that encourage women to stay at home. Finally, both countries share pro-natalist aims and have developed family policies that primarily target and favour large families. With respect to the elderly, care policies have long remained underdeveloped in both France and Belgium. It is only in the early 2000s that both countries, and France to a much greater extent than Belgium, have developed specific policies to deal with the long-term care needs of the dependent elderly.

Germany and the Netherlands have remained much closer to the traditional male-breadwinner model and, until recently, mothers of small children were not expected to work. The principle of subsidiarity is very strong, and childcare services have traditionally been provided by voluntary welfare organizations. It is only in recent years that these two countries have started to invest more seriously in childcare services. Both countries, however, have a longer history of providing care for the elderly than France and Belgium. The Netherlands developed institutional care for the elderly long ago, while Germany set up a fifth social insurance scheme to deal with dependency already in 1994.

Despite these cultural and policy differences, we argue that these countries have all followed similar patterns of reform and that this can be explained by the shared conservative and corporatist institutional characteristics of these four Bismarckian welfare states.

To strengthen our argument, policy reforms in France are developed at greater length than for other countries to serve as ‘test-case’. We show that despite the prevailing perception of France as different from other Bismarckian welfare states with respect to family policy (e.g. Lewis, 1992; Anttonen and Sipilä, 1996; Gornick et al., 1997), conservative and corporatist traits are clearly visible both in the types of policies implemented and in the policy logics that have guided reforms in the past 25 years.

From the mid-1980s to the late 1990s, in all four countries, women have been either discouraged from entering the labour market (in Germany and the Netherlands) or, where women had already entered the labour market in the 1970s, as in France and Belgium, measures have been implemented to encourage their withdrawal from the labour market in order to ‘free’ jobs for men. This is particularly true for low-income women, who have been enticed to make use of long and low-paid parental leave schemes. For higher income women, on the other hand, various measures facilitating the use of private forms of childcare have been developed. Such measures have typically taken the form of tax-deductions and social contribution exemptions, thus contributing to a cheapening of the cost of labour in the personal service sector. Such a strategy is highly compatible with the
subsidiarist principle of Bismarckian welfare states as it provides a solution that is neither entirely based on the state nor on the market, instead the state offers subsidies to help families choose how to service their care needs. Furthermore, such subsidies reinforce the corporatist dimension of Bismarckian welfare states in that they tend to reproduce and reinforce prevailing patterns of social stratification. Temporary leave schemes and opportunities to reduce working-hours have also been on the increase, especially in recent years, and have contributed to a flexibilisation of labour, especially of female labour. Finally, as we shall see, despite an expansion of policies to promote the reconciliation of work and family life, these measures have not sought to modify the traditional gender division of labour with respect to care and domestic work, the idea being that it is up to the family to decide ‘freely’ on how to organise their private life.

France: ‘Free choice’...for those who can afford it.

In the 1970s, as a response to both feminist and labour-market demands, France invested quite substantially in the development of day-care services and, by the early 1980s, 20% of children below the age of three had a place in publicly financed day-care. Despite promises by the socialist party for the 1981 elections to further increase the number of day-care places available (cf. Jenson and Sineau, 1995), the 1980s marked instead a shift towards more private and familial forms of childcare (Jenson and Sineau, 2001; Morgan, 2002). This shift has been accompanied by a discourse promoting parents’ “free choice” – freedom to chose whether to care for their children themselves or not, and freedom to chose between different types of care options. This discourse around the idea of “freedom of choice” is, as we shall see, to be found in the other conservative corporatist countries also, and is perhaps the most defining characteristic of care policies in these welfare states.

Two types of policies have been pursued in France, both of which have been part of a wider employment strategy: on the one hand, new benefits have been created to promote employment by subsidizing parents who hire childcare workers in the home. On the other hand, parental leave benefits have been expanded to encourage certain parents to leave the labour market to care for their own children (Fagnani, ?; Morel, 2000; Morgan, 2006).

Encouraging low-paid women to withdraw from the labour market

A paid parental leave benefit (APE) was set up in 1985 by the Socialist government, despite strong criticism from some members of the party who argued that the APE was but a maternal wage in disguise. Indeed, the explicit aim of this new measure was, in a context of falling birth rates and high unemployment, to simultaneously encourage women to have a third child and to withdraw from the labour-market (Jenson and Sineau, 2001). This benefit, which was only granted as of the third child, gave the parent on leave the right to a non-taxable allowance for a period of up to two years. This allowance was equivalent to about €225 per month. The parent asking for the leave had to have worked at least 24 out of the previous 30 months. The results were somewhat disappointing, however, as only 27,000 mothers took a leave in 1986, instead of the 80,000 that had
been anticipated (Fagnani, 1995). The scheme was therefore modified in 1986 so that one needed simply to have worked two years out of the previous ten years (and periods spent on maternity leave or registered as unemployed counted as time worked) to be eligible for the benefit, and the leave was extended to three years. It also became possible to work part-time during the third year of leave (with half-benefits). Pro-natalist aims were thus reinforced, at the same time as the new, more lenient work requirements aimed at getting unemployed women out of the unemployment statistics.

Developing low-skilled, low-paid work by providing subsidies to higher-income women

1986 also witnessed the creation of a special benefit (the AGED) for families who hire a private nanny (who does not need to be licensed or qualified in any way) to care for a child below the age of three in the parents’ own home. This benefit covers the social contribution part of the cost of hiring a private nanny and offers generous tax-deductions. Another benefit, the AFEAMA, was set up in 1990 to cover the cost of social contributions when parents employ a registered childminder to care for children under six in her home. The AFEAMA and the AGED were intended to develop cheaper forms of care than day-care institutions and to increase employment, partly by making it easier to hire someone and partly by bringing women working on the black market into the formal labour market. In both cases, parents use “service cheques” to remunerate the childminder.

Care policies to combat labour market rigidities

In 1994, with unemployment levels over 12% and continually falling birth rates, the Conservative government modified the parental leave scheme so as to make it available as of the second child. The pro-natalist aims remain, but are now more clearly overshadowed by employment-related considerations, the explicit aim of this policy being to render the labour force more flexible by encouraging part-time work, and to free up jobs for men by getting some women out of the labour market. This was stated clearly by the then Minister of Social Affairs for the right-wing government, who defended her project in the following terms:

“[…] the childcare policies that are proposed, in their two components³, will contribute significantly to employment. We estimate that these measures should enable the creation of 100,000 new jobs. 50,000 or so of these will correspond to jobs that have been freed. Indeed, the extension of the APE will lead certain parents to diminish or suspend their professional activity, which corresponds to a significant change in behaviour since it would concern about one fifth of APE beneficiaries at the birth of their second child” (Simone Veil, A.N. débats n°42, 02-06-1994, p.2483).

Another deputy added:

“As you know, in our country, the number of part-time employees is far lower than in all the neighbour countries. If, by incorporating part-time work, average working-

³ She is here referring to the proposed modifications of both the parental leave scheme and of the AGED and AFEAMA, which we will discuss below.
time in France were the same as in the Netherlands, we would have one and a half million fewer unemployed!” (Jean-Yves Chamard, A.N., débats n°42, 02-06-1994, p.2514.)

Eligibility criteria are again modified so that it is necessary to have worked two out of the previous five years to be entitled to the parental leave benefit. Part-time work is more widely encouraged and parents can chose to both work part-time and to be on paid leave part-time. Leave benefits are increased to around €450 a month for a full-time leave.

The amount of this benefit has proven too low to entice men to take the leave, as the financial consequences on the household would be too negative. As a result, 99% of beneficiaries are women. The expansion of the benefit reached its aims and considerably modified women’s labour market participation: between 1994 and 1997, the number of APE beneficiaries tripled, and the percentage of mothers of two children in the labour force dropped from 69% to 53%... (Afsa, 1998). Indeed, the long duration of the leave, and the inadequate job protection associated with this leave have made it difficult for many women to re-integrate the labour market at the end of the leave period.

The 1994 childcare reform also substantially increased the tax-deduction that could be claimed by families who hired a private nanny (50% of costs up to a ceiling of about €6850 a year) and increased the benefit for the AFEAMA so that the benefit covered not only social contributions but also part of the remaining cost.

Re-domesticating childcare.

The AFEAMA and the AGED have met with great success and spending on these programmes has increased rapidly, while investment in day-care structures has stagnated. Total spending on childcare policies paid by the CNAF (the family branch of the social protection system) has increased by 169% between 1994 and 2001. The largest increase in financing has gone towards the parental leave benefit (+213%), followed by the financing of the AFEAMA, the third largest increase has been for the AGED (+54%). The sector that has progressed the least is that of public day-care services with an increase of 39% only. This means that of the total budget the CNAF spends on childcare policies, the proportion spent on day-care services has decreased from 16 to 8% between 1994 and 2001, while the proportion spent on families to help them pay for individual forms of care has increased from 78 to 84% of the total (Leprince, 2003).

It should be noted that while these various schemes are open to all working families, in practice the use of each of these schemes is very much determined by the family’s and especially the woman’s income level. The AGED has been used by high-income families, the AFEAMA by middle-income families, and the parental leave benefit has been too low to attract higher-income earners but has proven very attractive to low-income women (Fagnani, yr? ; CNAF, 2003). Childcare policies have thus served to reproduce and reinforce prevailing patterns of social stratification.
Finally, though there has been a diversification of childcare over the past 20 years, it should be noted that parental care today remains the most common form of childcare for children under three (64%), followed by care in the homes of registered childminders (18%). Nurseries only account for 8% of all childcare today (DREES, 2004).

A new orientation?

New reforms have recently been introduced that seem to indicate a progressive change in childcare policies. For example, since 2002, fathers are entitled to 14 days paid leave (previously 3) following the birth of a child as part of a move to promote a greater investment of fathers in caring for their children. Also, a new benefit was introduced in 2004, the ‘Prestation d’Accueil du Jeune Enfant’ (PAJE), which brings together and replaces various schemes and child benefits. The aim of this new benefit is “to better respond to families’ needs and expectations by promoting their freedom of choice: freedom to work or to withdraw from the labour market to care for their children, and freedom to decide on the appropriate form of care” (CNAF, 2003). It comprises a birth allowance worth €800 and a means-tested benefit of €160 per month paid out until the child turns three. On top of these basic benefits, parents also receive a ‘free choice supplement” which either takes the form of a paid leave from work until the child turns 3 or of a benefit to help cover the cost of a private nanny or registered childminder. This latter benefit varies according to parents’ income. Though strongly reminiscent of the previous schemes (APE, AFEAMA, AGED), the novelty here is that this new scheme includes special measures to encourage mothers on leave to work part-time and to re-enter the labour-force – this is in line with the new (European) agenda of raising female employment rates.

Elderly-care: encouraging informal care.

While France developed childcare policies quite early on, long-term care for the elderly only became a serious issue for policy-makers in the early 1990s. As in other countries, the ageing population, changing family patterns and women’s increasing participation in the labour market have affected families’ traditional caring capacity and therefore called into question traditional care arrangements for the dependent elderly.

During the discussions on possible solutions to the long-term care issue, policy-makers on both the Left and the Right were widely agreed on a certain number of points. First of all, they were all concerned with limiting the cost of a new benefit and were generally agreed that raising social contributions to create a specific insurance scheme was not an option as the already high level of social contributions was seen as one of the key reasons for France’s lack of economic competitiveness. They were also all generally agreed that it was important to provide incentives to families to keep on caring, both because such a policy would prove less expensive than providing formal care, but also because it has generally been considered that too much state intervention is harmful to society as it makes families feel less responsible for their kin.
A social assistance benefit, the ‘Specific Dependency Benefit’ (PSD) was set up, first as a pilot scheme in 1995 and extended to the whole country in 1997. The PSD was a means-tested benefit for people over 60. The amount granted varied depending both on the resources of the person (including those of his/her spouse or partner), and on their level of dependency. The allowance was not subject to tests regarding family obligations to maintain but the state could reclaim some of the cost on the elderly person’s legacy or by mortgaging the person’s estate. The benefit was paid directly to the dependent person and could be used to buy services (domiciliary or institutional care) or to remunerate an unemployed relative, other than the spouse, who provides care.

The PSD faced severe criticism for a number of reasons, however, and reform soon appeared necessary. Despite calls for an insurance-based solution to long-term care, as had been implemented in Germany in 1994, the French government remained adamantly opposed to such a solution, partly for economic reasons, but also for ideological reasons. Martine Aubry, the Socialist Minister for Social Affairs argued that, “unlike a health service which requires input from professionals, help to a dependent elderly person relies in actual facts first and foremost on relatives (spouse, children or other) and only secondarily on the intervention of professionals. To reverse this order by making the community finance a substitutive rather than a subsidiary benefit would lead to the destruction of natural family solidarity, which would have a very high cost for society” (Martine Aubry, April 1999).

A new “Personalised Autonomy Allowance” (APA) was implemented in 2002 to replace the PSD and sought to remedy some of the main problems identified with the PSD. First and foremost, although it remains a social assistance scheme, managed at the regional level, it guarantees the same benefit levels everywhere in France. Secondly, dependency criteria have been extended, which has considerably increased the number of people eligible for this benefit. The benefit is no longer means-tested but the amount is reduced progressively (from 0% to 80%) for beneficiaries who have resources in excess of 949 euros a month (in 2002). Finally, the state can no longer reclaim some of the cost on the person’s legacy. As with the PSD, the benefit can be used to remunerate an unemployed relative who provides care.

This new measure has proven very successful and the number of recipients has increased rapidly, leading to higher than expected costs. This has prompted the right-wing government to introduce new reforms in 2003 to reduce the cost of the benefit, most dramatically by lowering to €623 the income ceiling below which one is entitled to full benefits.

**Cash for care: the elderly as employers.**

By providing a cash benefit to the dependent elderly, the idea has been to provide dependent persons with the means to decide on the type of care s/he wishes – i.e. to promote free choice -, but also to develop low-skilled, low-paid, personal service jobs by

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4 c.f. footnote 2.
5 Wide territorial inequalities and poor coverage of the population in need were the most important issues.
transforming the dependent elderly into private employers. This has proven quite a successful employment strategy: between 1994 and 2002, the number of professional home help workers has almost tripled from 70,000 up to 200,000. 70% of these workers have no professional qualification, and most work only part-time for about 70 hours per month only on average (Martin, ?).

*Care as a source of (low-skilled, low-paid) employment*

Thus, whether for young children or for the elderly, care policy reforms in France have increasingly sought to boost employment – albeit low-skilled and low-paid employment - by providing cash benefits to families to become private employers. Such a strategy was reiterated most clearly by President Chirac during his address to the nation on July 14th, 2005, when he discussed the employment strategy his government wished to pursue. He stated that personal services (for the elderly, the disabled and for mothers who worked and needed someone to care for their children) were the second most important source of potential job creation - an area where 500,000 new jobs could be created according to experts. This, he claimed, was why the government was introducing a universal service cheque to enable people to hire the help they need, and thus to create employment.

**Belgium: Breaking away from egalitarianism**

Just like France, Belgium has gone from policies promoting public day-care services to give all children an equal start in life to policies supporting more private and family forms of care. Also as in France, this shift in policy has been presented as a way to promote families’ ‘free choice’.

*Time to care*

In an effort to synthesize both the Socialist demands for more gender equality through the development of childcare services, and the more traditional familialism of the Social Christians who were calling for more support to mothers (especially in poorer families) who chose to remain at home, the Social-Christian-Socialist coalition promised, in 1968, to develop public services for the family to promote mothers’ labour force participation while simultaneously proposing a child-rearing allowance (the ASP: *Allocation socio-pédagogique*) to be paid to mothers who cared for their own children - an allowance which would have effectively discouraged the labour-force participation of mothers. The justification for voting these two seemingly contradictory measures was, in the words of some Social-Christian senator, to “respect fully parents’ liberty of conscience. They must be able to decide whether they will use a day nursery or they will raise their children themselves. This liberty of conscience would not be guaranteed if certain advantages were only offered to one side” (DS627, 8/7/1971:3, quoted in Marques-Pereira and Paye, 2001:65).

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6 Note the reference to « mothers » rather than « parents » - i.e. childcare is still conceived of as an issue that mothers must deal with...
Although the Parliament had passed this reform, the ASP was quickly amended due to budgetary constraints linked to the economic crisis, and was never implemented. The idea was not dropped altogether, however, and was eventually implemented in 1984 as part of a wider leave scheme, the Voluntary Career Break. Admittedly, this scheme is more than just a parental leave scheme as workers can request a career break for any reason. It allows workers to take a partial or full leave from their job with no risk of being laid off. It is a paid leave and may last from six months to a year, but it can be renewed for a total of up to five years. The employer must consent to the leave or it must conform to conditions set out in a collective agreement. The final condition is that the worker on leave must be replaced by another worker receiving full unemployment benefits. The allowance for this leave is paid at the lowest unemployment insurance rate, that is, the one available to an unemployed worker who is cohabiting. In the case of a half time leave, the benefit is halved. A worker on leave maintains all social protection benefits (Marques-Pereira & Paye, 2001).

Although the break can be taken for any reason, the government and the majority of parliamentarians assumed that the major use would be for child-rearing, family reasons, or other personal reasons. As such, the Voluntary Career Break has widely been seen as a form of parental leave (idem). Yet this scheme’s primary objective was not to help families reconcile work and family life. More fundamentally, it was as an attempt to fight the situation of economic crisis and high unemployment that prevailed in Belgium in the early 1980s. Indeed, the primary aim of this measure was to redistribute work via part-time employment and flexible working time, in the hope to boost competitiveness.

This measure generated a fair amount of consensus, not least as it was presented under the gender-neutral rhetoric of ‘free choice’ – the choice to temporarily withdraw from the labour market to care for one’s children. A few observers did note that it would probably be mostly women who would ask for the leave, which would constitute an additional labour market disadvantage for them since employers might prefer to hire men in order to avoid such interruptions, but such concerns with gender equality were strongly overshadowed by unemployment policy. That it would be mostly women who would/could take such a leave was in fact reinforced by the type and low level of benefit paid to the person on leave: being based on the insurance rate paid to an unemployed worker who is cohabiting, it assumes that the person on leave has a (male) breadwinner to rely on…

_Developing personal service jobs_

The creation of what could effectively be considered as a parental leave benefit was accompanied in the mid-1980s by other measures in the field of childcare that also served to “re-domesticate” childcare. Indeed, in conformity with Belgian pluralism and the rhetoric of free choice, the agency in charge of financing childcare decided to subsidize home-care services provided by ‘daycare mothers’ (assistantes maternelles), i.e. care provided by childminders in their own homes, alongside the day nurseries. As a result, between 1985 and 1992 the number of ‘trained childminders’ increased tenfold in the French Community (Marques-Pereira and Paye, 2001). Since then, the bulk of state
subsidies for childcare has gone to this type of childcare and by 1996, there were twice as many places available with day-care mothers as in nurseries in Flanders (Kremer, 2002). Tax measures were introduced in 1987 enabling parents to deduct about €8,55 per day if their children was with a registered childminder (idem).

New programmes were also set up to tackle unemployment by fostering the creation of low-skill, low-status jobs with fewer rights attached, in the personal service sector. Such schemes took the form of large subsidies to employers who hire an unemployed person, or of tax-deductible “service cheques” available to persons willing to hire an unemployed person through a local employment agency. In 1995, 91% of hours remunerated with these “service cheques” corresponded to housekeeping work, but these cheques have increasingly been used to pay for childcare or elderly-care services.

Here too one can see evident parallels with what was done in France during the same period to both combat ‘black’ labour and to raise employment levels by drawing this black labour into the formal labour market.

Such an approach, though couched in rhetoric of ‘free choice’, was again guided by labour-market concerns and, just as in France, marked a notable shift away from the principle of giving all children an equal start in life through the provision of quality public childcare. The quality of these private forms of childcare has in fact been a source of debate in Belgium, as contrary to workers employed in day nurseries, ‘daycare mothers’ require no formal training (Marques-Pereira and Paye, 2001). Furthermore, these daycare mothers receive very low wages and pay very little tax or insurance contributions, and they have to rely on a male breadwinner for social rights such as pensions or sickness benefits (Kremer, 2002). Daycare mothers therefore constitute a much cheaper and flexible care workforce for the state than formal daycare institution workers.

Also as in France, this subsidized ‘freedom of choice’ has allowed higher income women to combine work and family as they have been able to benefit from tax-deductions when hiring a private nanny, whereas low-income women have had to rely on the Career Break scheme to care for their children themselves. This privatisation or re-domestication of care has thus taken different forms for different women, and reinforced the stratifying dimension of Belgian social policy.

Since 1998, each parent is entitled to three months of paid leave as an individual entitlement. The benefit is flat-rate and paid at a very low level.

In 2001, a time credit scheme replaced the previous system of career breaks. This time-credit scheme grants workers a time credit of one year, full-time or half-time; the right to a career break equivalent to one-fifth of a week for five years; the right to half-time work or 80% work for workers aged 50 or over, with a specific system for companies with fewer than 10 workers; and the right to specific leave (e.g. parental leave or leave to care for an ill family member). Independently of these measures, paternity leave was raised to 10 days (previously 3). The underlying idea of this new time credit is that men and
women must be given the opportunity to reconcile a professional career with family responsibilities, thanks to flexible entry and exit options (European Foundation for the Improvement of Living and Working conditions, 2006).

The career break or time credit scheme have thus been designed in a way that the same measure can be used to care for children or/and to care for dependent elderly relatives. The Flemish Community has also developed a more specific care insurance for the dependent elderly in 2001. Every citizen over 25 residing in Flanders pays a flat-rate annual premium of €25. When a person becomes dependent (independently of any age criteria), s/he receives a monthly flat-rate benefit of €90 for domiciliary care, and of €125 for institutional care (Rottiers, 2005).

Germany: Towards a modified male-breadwinner model?

The German welfare state has long promoted a strong breadwinner model, and strong family obligations. Until recently, mothers of small children were not expected to work and childcare facilities for children below three have traditionally been scarce (Lewis, 1992; Ostner, 1998). Some childcare facilities have developed for pedagogical reasons for children over three (Kindergartens), but these only take children for half days, which means that mothers have tended to work part-time. More recently, new policies have developed to encourage women’s labour-market participation and to tackle Germany’s low fertility problem.

Keeping mothers and children at home

In 1986, the government introduced a child-rearing allowance (Erziehungsgeld) and a parental leave (Erziehungsurlaub) as part of a « family package », which compensated for some of the cuts in family benefits and tax allowances that had been made between 1982 and 1985. The parental leave enables parents to take a three-year leave from work to care for their children until the age of three, but the child-rearing allowance is only paid out during the first two years. It is a flat-rate benefit worth approximately €300 a month for a duration of 2 years. After the first 6 months, the benefit is reduced according to income. The parent on leave can continue to work for up to 19 hours of week, with no reduction in benefit. These schemes were introduced against a backdrop of rapidly increasing unemployment and one of the central motives for introducing these schemes was to encourage women to return to their caring function and to withdraw from the labour market (Schiersmann, 1991). That it was specifically women who were thus encouraged to withdraw from the labour market is evident from the very low level of the benefit.

In the early 1970s, less than 1% of all children below the age of three and about 30% of children between the ages of 3 and 6 had access to publicly financed childcare (based on the principle of subsidiarity, most childcare was actually provided by religious and other non-state institutions) (Seeleib-Kaiser, 2004). These figures remained stable for over two decades, and it is only in the early 1990s that childcare provision started to increase.
A timid expansion of childcare facilities

In 1990, the Children and Youth Act called for an expansion of public childcare for small children according to demand, and the Children and Youth Act of 1992 established a right to childcare for children aged 3 to 6, which was to come into effect in 1996. However, no federal government funds were made available for implementation, nor was there any specification of the types of places (full-time or part-time) that were to be made available (Evers, Lewis, Redel, 2005). Due to financial difficulties at the local level, implementation was delayed until 1999. Between 1992 and 1999, 600,000 kindergarten places were created, representing an increase in spending of €1,5 billion (idem).

Childcare coverage also improved a little for children under three, and by 1996, there were 7,5% of children under three attending publicly financed daycare (Krippen) (Rostgaard and Fridberg, 1998). This rise in figures, however, is not only due to greater investment in the West, but mostly to the reunification since coverage levels were much higher in the East (even if they began to decline after the reunification).

The unification of East and West Germany was indeed one of the drivers for the expansion of childcare provision in the 1990s, the Eastern Länder acting as an example for the West. Another driving factor was the sharp drop in fertility rates. In 1995, fertility rates had plummeted to a very low 1,25 and this was increasingly perceived as a result of the lack of childcare facilities since women were forced to choose between working and having children. Another key factor was the development of a discourse on gender equality at the EU level, which had an impact on the political debates in Germany. By 1998, supporting families, both financially and through the development of childcare provision had become a major issue in the Social-Democratic party’s election campaign.

Farewell to subsidiarity?

Nowadays, mothers of children over three are expected to work, at least part time. Full-time labour-force participation has not yet become the norm, however, and the day-care places that have been created during the 1990s are mostly for part-time care. By 1998, only one in four children aged 3 to 6 had access to a full-time place (Evers, Lewis, Riedel, 2005).

The development of childcare facilities slowed down after 1999 but in recent years the government has shown renewed interest in the development of childcare facilities for children under three, including for full-time care (Evers, Lewis, Riedel, 2005). For the first time, and due to the limited financial capacity of the Länder, the federal government has promised financial support for the development of childcare facilities, thus marking a break from the long-standing principle of subsidiarity. This signals a new role for the state and testifies to the more profound changes the German welfare state is undergoing, which Seeleib-Kaiser (2004) describes as the “dual transformation” of the German welfare state.
Women as flexible workers

A revised Federal Childcare Payment and Parental Leave Act came into force on January 1st, 2001. Since that date, both parents are allowed to take parental leave at the same time; the permitted level of part-time work during parental leave was extended from 19 to 30 hours a week; parents have the right to work part-time for between 15 and 30 hours per week (the employer can only reject such requests if it creates considerable problems for the company); after the period of parental leave the person on leave has the right to return to full-time work; parents have the opportunity to take the third year of parental leave at any time until the eight birthday of a child (European Foundation for the Improvement of Living and Working conditions, 2006). This reform can be seen as a way to encourage part-time work and to further flexibilise the labour force.

Developing low-paid, low-skilled carers for the elderly

With respect to elderly-care, Germany voted a compulsory, universal long-term care insurance (Soziale Pflegeversicherung) in 1994 (c.f. Götting et al, 1994; Morel, 2006). Despite much discussion regarding the form and financing of the measure that was to be implemented, all political parties and actors involved had agreed on a few important points from the beginning. The first point was that home care should take precedence over care in nursing homes. Secondly, the scheme was not to cover the cost of room and board in nursing homes. In fact, the scheme should not cover the whole cost of care either. Thirdly, time spent in formal care work deserved credit within the pension scheme. The idea was to make caring more attractive so that caregivers, especially women of working age, would continue to care rather than enter the labour market. Indeed, the reform was by no means intended to reduce the quantity of care provided informally; in fact it provides measures aimed at encouraging informal care. These elements come out clearly both in the design of the Soziale Pflegeversicherung and in its outcomes.

Benefits are neither means-tested nor income-related, the amount depends entirely on the level of dependency and on whether the person receives institutional or domiciliary care (70.3% of long-term care insurance beneficiaries receive domiciliary care (BMGS, 2003)). In the case of domiciliary care, recipients can choose between cash benefits (Pflegegeld), in-kind benefits or a combination of both. Benefits are not supposed to cover the whole cost of care. The cash benefit is paid to the dependent person who can use it to remunerate a family member or other informal carer. The benefit in kind is paid directly to a professional agency by the insurance fund. The amount granted for the cash allowance is about half the amount of the benefit in kind. Despite this, when the insurance scheme was introduced, 84% of persons receiving domiciliary support chose cash benefits only (Lundsgaard, 2005). This proportion has gradually decreased to 72.6% in 2001 (BMGS, 2003), meaning that there is a progressive move towards services and a combination of cash and in-kind benefits, although surveys still report a greater preference for family-provided care (Lundsgaard, 2005).
Domiciliary care services have rapidly expanded since the creation of this insurance scheme, but these services have remained low-skilled and low-paid. According to Ilona Ostner, the absence of highly defined professional standards in the field of social care can be read as part of an important strategy against unemployment, as, just like in France, politicians of all persuasions perceive these cheap service jobs to be an important source of employment (Ostner, 1998).

Netherlands: The ‘Combination scenario’ as a part-time male breadwinner model

It is in the Netherlands that the male breadwinner ideal has been strongest and most long lasting. Indeed, until the late 1980s, women’s participation in the labour market was particularly low (below 40%). Since the 1990s, however, women have worked in ever-greater numbers, and female participation rates are now much higher in the Netherlands than in our other three countries – a phenomenon that has largely underpinned the “Dutch miracle” (Hemerijck and Visser, 1999). This massive entry of women on the labour market has been made possible mostly thanks to policies that favour part-time and flexible employment. Indeed, most women (75%) only work part-time (c.f. Annex 1).

A corporatist strategy of developing childcare facilities

As in Germany, the principle of subsidiarity has been very strong, and childcare services have remained very underdeveloped. In 1988, only 2% of children used subsidized childcare (Kremer, 2002). The idea that the family should be the prime provider of care for children has remained well-entrenched in the Netherlands, and even today it is considered that it is best for children to attend part-time care only (Knijn, 2001).

Childcare policies only began to develop in the 1990s, and this largely as a solution to the “Dutch disease” problem. Indeed, a report by the Scientific Council for Government Policy, which came out in 1990, underlined the large waste of human capital in the Netherlands due to women’s inactivity and argued that this contributed to the welfare state crisis and to the “Dutch disease” phenomenon. In order to ensure a sustainable welfare state, the government argued that it was necessary to invest in female labour market participation, and therefore in childcare (Kremer, 2002).

The state therefore introduced a Stimulative Measure on Childcare in 1990, which aimed to get employers to buy “company places” for their employees in childcare facilities. These places are financed by a mix of contributions by the state, employers and employees, but the contribution by the state has decreased from 53 to 33% of the total cost between 1990 and 1998. Parents’ contribution has also decreased over this period, from 34 to 19%, while employers’ share has substantially increased, from 11 to 45% of the cost (Knijn, 2001). Despite this, parental fees remain high and most children attending day-care therefore come from higher income groups (Rostgaard and Fridberg, 1998; Knijn, 2001). This inequality is reinforced by the fact that employers can decide which category of their employees they buy day-care places for. Childcare provision is
thus quite socially segmented, once again testifying to the corporatist dimension of this welfare regime.

Parallel to this development, the number of private childminders has also increased rapidly. While children making use of some form of childcare increased from 5 to 15% between 1987 and 1999, the proportion cared for by a private childminder increased from 9 to 31% during the same period (Knijn, 2001).

**The part-time miracle**

Yet expansion in day-care provision has not been the only change in care arrangements to facilitate the reconciliation of work and family life. More important in this respect have been the various policies to promote part-time work. The promotion of part-time work was seen as a way to share work and therefore to combat unemployment. It was also portrayed as a way to allow parents to combine work and care, the idea being to move towards a model where both parents worked and cared part-time – the so-called “Combination scenario”.

Since 2000, all employees are entitled to ask their employer to switch to part-time work. This privilege has mostly been used by mothers of young children as a means to conciliate work and family life, in the face of still insufficient day-care facilities. In fact, this has only served to reinforce the prevailing situation since, as Jelle Visser has pointed out, the generalisation of part-time work for women had largely preceded these policies (Visser, 2002). Today, the Netherlands has both the highest female labour-market participation rate in Continental Europe (66.4%), but also the highest level of female part-time work, with up to three-quarters of the female workforce only working part-time (Eurostat, 2006).

Other measures have also been created to increase work flexibility and to respond to the needs of the family. The Work and Care Act of 2001 includes a series of measures offering workers the possibility to put aside part of their salary in order to finance temporary breaks for family reasons (Morgan, 2006).

In 2004, political discussion focused on the government’s plans to introduce a ‘life-span leave’ arrangement, giving workers greater scope to save for periods of time off during their careers. Care, education and training, leisure time and early retirement are all included and mutually exchangeable in this proposal. The various types of care leave already in existence, combined in the general Work and Care Act, will coexist with this new arrangement. Financially, this proposal is directed at reducing government expenditure by giving employees more responsibility and choice in whether to save for time off for care or for early retirement, or even not to save at all. This topic was one of the contested issues between the trade union federations and the government, as only employees with a longer working history and with higher salaries can afford to save enough to take time off for any substantial leave period (European Foundation for the Improvement of Living and Working conditions, 2006). For this reason, this measure is
unlikely to be of any use as a source of parental leave because of the time necessary with the same employer to save up enough days (Morgan, 2006).

Still a conservative welfare regime

Greater investment in childcare policies has not translated in any substantial transformation of the male breadwinner model – and has not really sought to either. Rather than invest more massively in day-care infrastructure, the choice was made to reduce working time for parents so that they can both work and care, i.e. care is still considered as something that should be carried out within the family. This policy was implemented without any real consideration of the likely gendered outcome of such a measure (Knijn, 2001), the discourse focusing instead, as in the other three countries, on parents’ free choice to decide how to arrange their work and family life. In this respect, childcare policy has remained quite conservative in the Netherlands, as well as quite corporatist in its mode of provision.

Surprisingly enough, although childcare provision has been quite underdeveloped, elderly-care services on the other hand have been much better developed, and for a long time. In the Netherlands, this has taken the form of institutional care mainly, but this has begun to change over the past years with the attempt, as in most countries, to shift towards domiciliary care.

A new policy to support the purchase of private care was introduced, first on an experimental basis in 1991, and on a national level in 1995. This new policy takes the form of a ‘Personal Budget’, which entitles dependent people to a care allowance to be used for the purchase of care services, whether informal (from relatives) or professional. The introduction of this benefit is part of a move towards providing care recipients with greater freedom in deciding how best to service his/her needs. It is also, as in France and Germany, a way to offer some form of remuneration to informal carers – and thus to bring them into the labour market.

The above-mentioned Work and Care Act of 2001 is another measure that has aimed at supporting informal care-giving by giving it more recognition.

III. Conclusion: From labour-shedding to labour-cheapening.

As we have seen, care policies in these four countries have been strongly shaped by, if not instrumentalised in, the ups and downs of Bismarckian labour market policies. From the mid-1980s to the late 1990s, when unemployment was high, women have been either discouraged from entering the labour market (in Germany and the Netherlands) or, where women had already entered the labour market in the 1970s, as in France and Belgium, measures have been implemented to encourage their withdrawal from the labour market in order to ‘free’ jobs for men. A paradigmatic change can be said to have taken place in the mid- to late-1990s, however, and these countries have since then sought to raise female employment rates. This has prompted an expansion of care policies, and signalled
a new role for the state, which is taking on new responsibilities. The principle of subsidiarity has thus become weaker, and has been replaced instead by the idea of promoting ‘free choice’.

While the aim of raising female employment rates marks a departure from the traditional male-breadwinner model, the care policies that have been developed have nonetheless retained both a conservative and a corporatist flavour. With respect to the conservative aspect, care policies have not attempted to modify the traditional gendered division of labour in the household, and the family (or at least a family-like) environment is still considered as the best locus of care. Care policies have also reinforced the corporatist dimension of Bismarckian welfare states in that they tend to reproduce and reinforce prevailing patterns of social stratification. Indeed, we have seen how it is low-income women in particular who have been encouraged to make use of long and low-paid parental leave schemes, and thus to withdraw from the labour market. For higher income women, on the other hand, various measures facilitating the use of private forms of childcare have been developed. Such measures have typically taken the form of tax-deductions and social contribution exemptions, thus contributing to a cheapening of the cost of labour in the personal service sector. A similar strategy has prevailed in the field of elderly-care, where the dependent elderly are encouraged to buy private personal services.

Thus it appears that, rather than develop quality jobs in the public sector as in the Social democratic welfare states, Bismarckian welfare states are responding to the service sector needs of post-industrial economies by promoting low-skilled, low-paid jobs. Such low-skilled, low-paid jobs are mostly filled by women. Women’s entry on the labour-market has also enabled a certain flexibilisation of the labour force, most notably through the introduction of temporary leave schemes and opportunities to reduce working-hours, both of which have proven successful with women looking for ways to reconcile their work with their family duties. One can therefore argue that care policies have provided Bismarckian countries with a means to circumvent certain labour-market rigidities specific to these welfare states.
**Annexe 1**

Table 1: Female employment rates, 1975-2005.

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*New German länder not included for 1975, 1985 and 1990.

Table 2: Women's part-time work (as a percentage of female employment), 1985-2005.

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*New German länder not included for 1985 and 1990.


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Source: EUROSTAT
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