Trends and Variations in Public Child-Caring Responsibility


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Abstract

During the past few decades, two clear phenomena have emerged that are shared by modern democracies – an increasingly globalized economy and a substantial transformation in the demographics. Yet, scholars have not reached an agreement as to what kind of an impact these trends have brought to the current welfare states. The heated debate is: Has social welfare spending retrenched as a result of globalization, or, has it expanded instead, both to compensate inequalities generated by globalization, and to meet the rising needs. This study addresses this controversy by examining the trends and patterns of young child policies, based on systematic analysis of the expenditure data derived from the 18 OECD nations from 1980 to 2000.

Introduction

Most of matured welfare states are under transformation and re-structuring in the era of globalization during the past twenty years. The major challenges for the development of welfare states coming from opposite directions: on the one hand, globalization and fiscal constrain aim to retrenchment while new social risks such as reconciliation of work and family conflict calling for expansion. This study addresses the issues by answering the following three research questions: First, under the challenges both coming from globalization as well as reconciliation of work and family responsibility, whether the public support toward the families with very young children have been retrenched or expanded? Second, what is the distribution pattern or relative importance among the three major components of reconciliation policies—cash benefits, time entitlement, and provision of child-care services? Third, whether Esping-Andersen’s regime type still applicable when reconciliation policies are under examination?

This paper proceeds in three parts: In the first section, the theoretical framework regarding the debate between globalization and new social risks, the introduction of components and strategies of public young child policies which aim to support those families bearing the burden
of raising next generation, and their possible effect on de-familised or re-familised will be summarized. Then in the second, research design adopted in this paper will be introduced. The third part demonstrates the major findings and the policy implication.

**Theoretical Framework**

**Who Win the Scenario: Globalization Or Social Risks ?**

The major concern of academic debates during the golden age of welfare states centered on: What is the best distribution of responsibility between market mechanism and state authority (G. Esping-Andersen, 1999). The right-wing favors market allocation while the left-wing advocates government intervention (Garrett, 1998). In the 30 years after the Second World War, the government intervention approach dominated; thus, welfare states expanded and matured in almost all developed nations, though with huge variations across nations.

Since the 1970s, the ascendancy of neo-liberal ideology and the popularity of globalization emerged (Crepaz & Moser, 2002; Garrett, 1998; Mishra, 1999; Swank, 2002). Given the new global political economy, the most heated debate in contemporary comparative welfare state literature centers on: Whether globalization leads to the retrenchment of the welfare state (Ohmae, 1996; Strange, 1996) or whether it actually strengthens the welfare state (Garrett, 1998; Garrett & Mitchell, 2001; Hall & Soskice, 2001; Rodrik, 1997; Swank, 1998, 2001).

On the one hand, those on the pro-globalization side argue that globalization has forced governments to constrain social welfare spending as well as reduce the role of the state in social welfare policies. This side argues that economically, the contemporary welfare state has been forced to deal with intensified international commercial competition and budgetary burdens, causing slowed revenue growth, high unemployment rates, and severe fiscal strains. Politically, in most developed nations, the world of policy makers is dominated by conservatives, who prefer the freedom of the market over government intervention (Bonoli, George, & Taylor-Gooby, 2000).
On the other hand, the pro-welfare state side claims that demand for an expansion of the welfare state has been rising due to the needs of an increasingly aging population, an ongoing diversification of family forms, low fertility rates, and a rise in female labor force participation. In addition, this side views globalization as necessitating more public provisions to compensate for severe market-generated inequalities (Garrett, 1998). It also sees welfare states as having created their own constituencies—the recipients of various benefits and the professional providers of social provisions. These interest groups have joined together to protect the welfare state; thus, the political power of the left and the scope of welfare policies have not been undermined (Leibfried & Pierson, 1995).

That is to say, it is no doubt that global competition does constrain the domain of domestic policy choices to some extent. However, it can be argued that the level to which global forces determine the prospect of the welfare state has been overstated. While many welfare states have taken some steps to control the growth of social spending, the changes that have actually occurred have generally taken the form of tightened eligibility, reducing the generosity of benefits or shortening their duration, while the fundamental structures still remain intact (Pierson, 1996). As a result, even though the ideological and political attacks on social spending have been intense, the reality is a mixed picture (J.C. Gornick & Meyers, 2001; Iversen, 2001).

**New Social Risk: From De-Commodification towards De-Familisation**

As a reflection of reality, the major concern of the welfare state before the globalization era was centered on “Does social citizenship really weaken class divisions?” (G. Esping-Andersen, 1999) As a result, decommodification, class politics, and welfare state structure design constitute the center of research interests. Meanwhile, most postwar welfare states assumed that single earner families dominated, and for this reason, most social protection efforts were aimed at job protection and income equality among male breadwinners, while women’s risks in being a caregiver in general and a mother specifically were not critical concerns (G. Esping-Andersen, 1999, pp. 33-45). Consequently, family needs were interpreted as private matter and thus family policy appeared to evaporate within the heated discussion of a comparative political economic paradigm.
There is no doubt that most welfare states have been successful in dealing with the social risks regarding the elderly and health care issues. Nonetheless, the risk structure has been altered in remarkable ways (Taylor-Gooby, 2004). Among which, major social structural changes creating new challenges that welfare states need to address include low fertility rates, an increase in female labor force participation, and a rise in dual-earner families as well as lone-parent families (Daly & Rake, 2003; Janet C. Gornick & Meyers, 2003; Leitner, 2003a).

The major dissatisfaction with the contemporary welfare state actually comes from the rising discrepancy between evolving social needs and current social protection schemes (Esping-Andersen, 1996). The major reasons lie in the assumption upon which contemporary social policies originated and in the circumstances underpinning the development of the welfare state, both of which are largely invalid today. First, a somewhat homogenous, predominantly male, working class composition appears less possible. Second, a stable family structure and strict gender role divisions with high fertility rates have become harder to sustain (Esping-Andersen, 1999; OECD, 2004). The male breadwinner family model is not the standard anymore; rather, two-earner households, single-parent households, cohabitation, and divorce rate are all increasing. Third, the rise in the ageing population and the decline in fertility have imposed pressure on pension and health care systems, owing to worse dependency ratios, thus threatening the financial capacity of welfare states. Finally, the post-industrial, globalization, and individualization are interpreted as weakening the willingness and capacity of kinship to provide care for dependent family members (Beck, 1992). All of these changing structures project an increasing care deficit (Hochschild, 1995). As a result, how to harmonize work and family obligation, and how to redefine the state-family division of responsibility and costs for childcare create new challenges for contemporary welfare states (Hausermann, 2006; Leira, 2002).

Everyone agrees that the welfare state needs younger generation so that ageing burden will be relieved; also, no one doubts that maximizing employment will lead to lower dependency rates. It is thus obvious that the controversy on the table concerns how to harmonize family formation and female labor force participation (Sainsbury, 1999c). On the one hand, it is argued that more mothers going to work will jeopardize fertility, given the lack of time as a resource. Yet,
the reality is a mixed picture. High fertility rates occur both in nations with low female employment, as in Ireland, as well as in the high female labor force participation in Social democratic countries, while Italy and Spain have Europe’s lowest fertility levels and lowest rates of female full time workers (Addio & d'Ercole, 2005; Esping-Andersen, 1996).

Thus, the other side argues that the critical point is not the female labor force participation itself, rather, the incapability for women to balance family and occupational needs because more and more women require greater economic independence and thus insist on working. In addition, higher levels of double income will lead to more household income, lower poverty rates, a larger tax base, and less waste of human capital. Therefore, the traditional “familialism” strategy—which refers to efforts to bring back traditional family values, assigns a maximum of welfare obligations to the household, and thus relies upon the availability of housewives and full time mothers—can no longer serve the current needs (G. Esping-Andersen, 1999, p. 51). Rather, the Social democratic experiences reveal that the conflict can be successfully compromised with a comprehensive availability of public services and parental leave(Janet C Gornick, Meyers, & Ross, 1997; Leira, 2002). In other words, the welfare state arrangement makes the difference(Michel, 2002; Sainsbury, 1999a).

It might be true that social policy has shared part of the expenses for raising children by transferring cash benefit to families, yet most nations have devoted little to relaxing the service burden on families by providing more comprehensive state-funding childcare services. As a result, women’s domestic unpaid labor still plays the major caregiving role for a family’s diverse needs(Mahon, 2002). Yet, as the reality illustrates, an insightful understanding of the postindustrial era should focus more attention on two inherent and related components of the developing social transformation: women’s changing role and family arrangements that are evolving and diverse. For this reason, scholars have started to focus away from de-commodification to the parallel concept of de-familialization. The goal for de-familialization is to lessen individuals’ welfare dependence on kinship, as well as to detach women from family obligations(Esping-Andersen, 1999; Leitner, 2003b; Saraceno, 2004; Schleutker, 2006).

This largely explains why public young child policies, which have the largest impact on families with working parents and young children, have caught more attention recently(Gabel &
Kamerman, 2006; Janet C. Gornick & Meyers, 2003; Kamerman & Kahn, 1997). In addition, contemporary quantitative comparative welfare state studies have made a huge evolution by expanding policy analyses from the aggregate level to the sub-aggregate level (Hicks & Swank, 1992; Huber & Stephens, 2001; Immergut, 1992); still, most studies have restricted their focus to old-age pension, unemployment, sickness, and worker compensation. Only a very few of them (Wennemo, 1998) have specifically focused on analyzing young child policy per se. This study, accordingly, will make a contribution by systematically identifying developmental patterns and variations of spending on young child policies both cross-nationally and over-time.

**Childcare as New Component in Welfare State Regimes: Converged or Diverged?**

As distinguished comparative welfare state scholar, Esping-Andersen (1999) has argued that when changing needs and social risks emerge, existing institutional arrangements and the welfare state structure have more influence in determining each nation’s response, generating unique scenarios from one country to the next. In order to identify the distinctiveness of social welfare policies and among nations, there have been debates on how to conduct an ideal comparative framework for establishing welfare state typologies (Korpi, O'Connor, & Olsen, 1998; Sainsbury, 1996). Esping-Andersen’s (1990) “three world” typology, which groups welfare state regimes in “clusters” determined by similar attributes, is the most well-known work to have been done within this paradigm. The key analytical dimensions that define such regime clusters are degree of de-commodification, pattern of stratification, and particular arrangements among state, market, and family. Accordingly, the designations of “social democratic”, “conservative”, and “liberal” represent the triad regime types (G. Esping-Andersen, 1999). Given their diverse ideological stands with respect to the issues of class politics, boundaries of state intervention, the liberal market, and property relations, the welfare state regimes distinguish themselves via their varying distributional principles, dec-commodification strategies, and policy solutions for the de-industrialization trend.

Overall, the social democratic regime is distinguished by its comprehensive socialization of risks; its generous benefit level and much higher social wages; its relatively high level of public provision of social services, covering almost the entire population; its strong commitment to full employment (G. Esping-Andersen, 1999); and its funding strategy of high levels of taxation and
a greater reliance on general taxation as opposed to contributions (Huber & Stephens, 2001; Korpi, 1983; Stephens, 1996). All of these distinct features lead to a weaker influence of the market in distribution, and promote an egalitarian spirit.

The conservative regime does not lag far behind the social democratic regime, in terms of aggregate social spending (Bussemaker & Kersbergen, 1999). Added to this, the conservative regime does not quite diverge from the social democratic regime with respect to coverage ratios or replacement rates in most of its social protection systems (Kersbergen, 1995). Nevertheless, most conservative regime nations have several unique points that categorize them as a distinctive regime. The first of these is the limited scope of state intervention, and the strong familialism. The second is the organic view of society, and a philosophy of natural inequality. The third is an expenditure pattern featuring a high percentage of cash benefits and a low percentage of services. The fourth is the dominance of fragmented status reproduction and benefit differentiation via earnings-related social insurance (Kersbergen, 1995; Sainsbury, 1996).

The liberal regime has three preferred ideologies: primacy of market, privacy of the family, and principle of minimal state intervention in the economy and the family (Sainsbury, 1999b). Given these beliefs the liberal welfare regime has been characterized as “residual” owing to the following features. First, it holds a narrow conception of what kinds of risk should be “socialized.” Second, it relies heavily upon needs- or means-tested social assistance programs, with modest social insurance schemes (G. Esping-Andersen, 1999). Third, it promotes market solutions to issues such as occupational benefits, fiscal welfare, and private insurance (Sainsbury, 1996).

As Esping-Andersen’s argument focus on the various extent of de-commodification and stratification effect across regimes, Leira (2002) further advocates that, accordingly, the degree of family as care provider varies, too. Namely, although departure away from male-breadwinner models toward dual-earner family is commonly being experienced by most OECD nations, welfare state approaches to reconsolidate the conflict of work and parental roles have not been uniform.
As a result, social care in general, and childcare policies in specific, serve as new components for analyzing the rearrangement of boundaries between family, market and state (Morel, 2007). Some scholars start to incorporate childcare into comparative welfare state regime debates (Anttonen & Silila, 1996; Bettio & Plantenga, 2004; Daly & Lewis, 2000; Rostgaard, 2002). By analyzing the cross-national spending trends, this study intends to figure out whether there is possibility to identify certain trends or patterns that different nations have in common with reference to de-familizing the child care responsibilities.

**Public Young Child Policies : Cash, Service, or Time Entitlement**

For families with very young children, there are three major caring demands calling for support: first, extra financial cost for satisfying developmental needs of young children; second, time for working parents to care and build personal relationship with their own children, and third, provision of day-care services and educational programs both for readiness for school as well as allowing parents to work (Kamerman & Kahn, 1997). The necessities of these demands are intensified by the rise of dual-earner families as well as lone-parent families. As we elaborated previously, in order to encouraging fertility rate as well as promoting female labor force participation, 「socialization of parenthood」emerged as a political agenda, therefore, three sets of policy responses co-existed in most OECD nations: family allowance, parental leave policies, and public-funding childcare services.

Though these three worlds of young childcare policies all aim to share some extent of the caring responsibilities of parents, they actually reflect diverse care policy logic, different family models and concept of parenthood governments aim to promote. In addition, different combinations have various impacts on the renegotiation of caring responsibility among family, market, and welfare state (Leira, 2006). Finally, the relative importance of these three strategies varies across countries and the focus might shift during the past twenty years (Janet C. Gornick & Meyers, 2003; OECD, 2004).
Leira (2006) advocates that, on the one hand, cash transfer, the most popular scheme adopted by most OECD countries, as well as parental leave have intention to endorse parental/maternal care for children at home, thus reinforce a specialization of parental roles as breadwinners and carers respectively, thus, indicating the re-familised policy logic. On the other hand, public provision of childcare services illustrate de-familised policy logic which endorse services provided by someone outside the family, functioning as a substitute for parental care on a part-time basis. One of the policy goals for day care services is facilitating women’s employment thus promote the dual-earner family type.

Methodology

Data Sources

With regard to the data source for the aggregate spending of young child policies for each nation selected in this study, the OECD is the institution that regularly collects and releases the most complete and relevant social expenditure data (SOCX) for comparative political economic studies. This study thus draws on the SOCX as the major data source for comparison. The SOCX database provides reliable annual and internationally comparable statistics on public and private social expenditures at the program level, which allows one to monitor trends in aggregate social expenditure and analyze changes in its composition. The newest updated SOCX (2004) includes historical series for the 1980 -2000 period on public and mandatory private social expenditure, classified under nine major policy areas. This study basically focus on the expenditure derived from 「family」 only.

According to Kamerman and Kahn (1999), a nation’s young child policy—public policy on families with pre-school children—generally includes three major components, which we term the “three worlds of young child policy”: 1) cash benefit—family allowance, and other cash benefits to families with young children\(^2\); 2) maternity and parental leave benefits\(^3\); 3) early

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\(^2\) Family allowance is broadly defined under SOCX, which includes both universal, non-means-tested and means-tested cash payments, as: child allowance, family allowance for children, child family benefit, child maintenance benefit, family income support, at-home child care allowance, family supplement, family support, income supplement, basic family payment, home child care allowance, AFDC, TANF, family care, rearing allowance for handicapped children, allowances for children in lone parents’ family, partner allowance, parenting allowance, parenting payment, child tax benefit (Canada), family tax payment,
childhood education and childcare (ECEC) and pre-school education expenditures.\textsuperscript{4}

In addition, when OECD collected the expenditure data for each membership country, it distinguished them in terms of total, public, mandatory private, and voluntary private expenditures. Since the major interest of this study is in the changing role of government in providing social protection systems, public social expenditures will be at the core of the ensuring analysis. The mandatory private and voluntary private expenditures will be excluded.

Finally, though SOCX has expenditure data for ECEC, however, they do not have aggregate spending data for pre-primary education. This study therefore draws on the 「OECD Education Database」 as major source for public expenditure on pre-primary education. This annually published database provides internationally comparable figures on key aspects of education systems, such as enrolments, numbers of graduates and new entrants by sex, age and level of education, teaching staff, and expenditure.

\textbf{Units of Analysis}

The original aggregate social expenditure data in \textit{SOCX} are measured and expressed by

\begin{itemize}
\item family tax benefit (Australia), child tax benefit, parental tax credit (New Zealand).
\item Other cash benefit to families with young children in SOCX include: Supporting parents’ benefit, sole parents pension, domestic purposes benefit for lone parents, deserted wives’ benefit, deserted wives’ allowance, single unmarried mothers’ assistance benefit, prisoners’ wives assistance benefit, lone parent’s allowance, cash benefits by health services, work family tax credit (cash part), income support and family credit, breadwinner’s allowance for national service men, family supplements on wages for civil servants, social compensation, assistance to war, single parent allowances, lone parent cash benefit, single parents transitional benefit, adoption grant, maintenance allowance, maintenance support (health care and social services).
\end{itemize}

\textsuperscript{3} Maternity and parental leave in SOCX include: maternity grant, maternity and parent’s allowance, parental leave benefit (child home care allowance), parental leave benefit (municipal supplements to child day care subsidies), income maintenance benefit in the event of childbirth, income support during parental leave, temporary parental cash benefit, pregnancy cash benefit, adoption allowance, birth grant, parental education allowance, young child allowance, pre-natal allowances, post-natal allowance, maternity benefit, aid at child birth, daily cash benefit, employees statutory maternity pay, maternity allowance.

\textsuperscript{4} Day care in the SOCX includes: child day care, institutions and family care, private day care, private day-care, crèches, kindergarten, age-integrated institutions, play schools, free day care places, child day care, assistance with requests and orders concerning child, free school milk and/or meals, At-risk childcare, child care development block grant (CCDBG, USA), child nutrition and special milk programs, special supplemental nutrition program, for women and infant, child care in residential homes, supply of milk, children’s services program.
differences in national currency value across nations, and for inflation over the time period in question, the original data will be converted into 1995 constant US dollars and adjusted according to the 2001 PPPs (purchasing power parities)\(^5\) index, so that a standardized unit of comparison across time and nations can be used in this study.

And yet, this aggregate 1995 constant and PPPs measurement can yield us only a partial truth about the generosity of public young child policy, as such scholars as Pontusson & Yong-Kwon (2004) pointed out, differences among countries in total expenditures might be the result of an underlying scope of need, such as a different demographic composition, or may instead be highly associated with a particular level of economic resources. In order to compensate for this drawback, this study further uses population of children under age six as a numerator to reveal the public social policy effort per capita (controlled for needs).

**Case Selection**

The nations compared in this study are all industrialized, democratic OECD members. This choice has been made both because the OECD as a pool is large and diverse enough, in terms of welfare state structures and political institutions, and because these nations are similar in levels of economic, political, and welfare state maturation. In addition, with regard to data availability, the OECD regularly collects and releases the most complete social expenditure data (SOCX) with respect to monitoring trends in its member nations’ aggregate social expenditures.

Some exclusions have however been made, based on the following rationales: The first criterion, inspired by Wilensky (2002), is that the nation must have at least three million citizens, in order to achieve a degree of complexity in terms of social economics, demographics, and family structure. Second, this study requires that an included nation possess a certain level of richness, such that it has adequate resources to devote to social policy. This study therefore takes GDP per capita in 2002 as 100, it will include only the high income group (over 120) and high middle income group (101-120). Third, this study focuses on nations that have had stable

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\(^5\) The use of PPP-adjusted dollars means that expenditure levels across countries should correspond to equivalent levels of aggregate purchasing power. The use of constant PPP-adjusted dollars thus controls both for cross-national variation in the cost of living and for inflation.
democracies sufficiently long that their political institutions have made contributions to welfare policy formation. As a result the following 18 selected OECD nations are covered in this study: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Sweden, Switzerland, the UK, and the US. Data will be analyzed for each of the years between 1980 and 2000; the first and last year for which data for each of the variables analyzed in this study are available.

Analysis

As elaborated previously, this study seeks to identify trends and patterns among public young child policy responsibilities by analyzing aggregate spending over the last two decades (from 1980 to 2000), among the 18 OECD nations. With regard to “trends,” issues of interest are whether the public young child policy effort has led to expansion or retrenchment across these last twenty years. In terms of “patterns,” the discussion will focus on the similarities and variations within and among welfare state regimes, with the goal being to evaluate whether the various regimes are still diverging or have begun to converge during the past two decades.

Retrenchment or Expansion? The Spending Trend for Public Young Child Policies

Whether total young child policy expenditures, per child under age six, in the selected 18 OECD nations, increased or decreased from 1980 to 2000 is the first research interest of this paper. Figure 1 clearly demonstrates that from an absolute-dollar-value point of view, average expenditures in the 18 OECD nations on young child policy programs showed a steady increase, doubling from $2,649 in 1980 to $5,359 in 2000. That is to say, from 1980 to 2000, families with young children in the 18 selected nations were able to obtain more public financial support, more time-related-entitlement benefits, or service provisions to help them shouldering the burden of raising young generation and relieve the conflict of reconciliation of work and parental responsibilities, or, combining the earner and carer roles of parents with young children. Gable and Kamerman (2006) also observe the similar rising trend by analyzing family polices in 21 industrialized nations since 1980.
The comparatively lower values seen between 1980 and 1984 are perhaps partially accounted for by the exclusion of pre-school education expenditures, due to missing data. The average spending on three worlds of young child policies was around 3,000 to 4,000 US dollars, per child between 1985 and 1990. Afterward, it rises to $4,000, peaking at $4,934 in 1994 before showing a small decrease from 1995 to 1997. Spending subsequently turns upward again beginning in 1998, reaching more than $5,000 dollars per year per child.

When examining the absolute spending on young child policy each year for each of the 18 OECD nations over the two decades, data demonstrates that the highest level of expenditure for most nations came in 1999 or 2000. This suggests that most countries did not cut back their levels of investment in families with young children; to the contrary, the volume of effort actually has swelled over the past two decades including the period 1995 - 2000, which neo-liberal scholars had argued would see restraints on social welfare expenditures due to globalization. Nevertheless, there are some exceptions to this trend of rise. Finland, Denmark, Sweden, and Ireland evidenced modest decreases during those critical five years. Expenditures in
Sweden achieved their peak early in 1988 ($14,510), and decreased to their lowest level in 1997 ($9,077) before beginning to increase again. Finland experienced a similar trend, with spending peaking in 1992 ($11,167) and reaching its lowest level in 1997 ($8,988).

**Young Child Policy and Three Worlds of Welfare State Regimes**

Whether differences in each nation’s spending correspond to the three welfare state regime types developed by Esping-Andersen, or whether we are seeing new patterns emerging, is our second interest here in this study. The spending patterns on the “three worlds of young child policy” from 1980 to 2000 are pretty much in line with Esping-Andersen’s regime theory.

Table 1 further illustrates patterns in young child policy expenditures, by five-year periods among regime types. The most common trend was that of an increase, sometimes gradual and sometimes dramatic, in spending. The public spending on families with children under the age of 6 increased from $4,654, in 1980, to $10,810 in 2000, in countries considered to be of the social democratic regime. In nations of the conservative regime, spending grew from $3,532 in 1980 to $5,557 in 2000, with a similar trend being seen in the liberal regime nations.

<p>| Table 1: Total Young Child Policy Expenditure, Per Child under Age Six |
|---|---|---|---|---|---|
| Finland       | 2,709.95 | 5,147.17 | 8,085.23 | 10,145.21| 9,349.15 |
| Denmark       | 5,981.17 | 7,466.61 | 10,189.23| 15,006.14| 14,475.67|
| Sweden        | 8,640.26 | 9,840.17 | 13,078.23| 9,469.68 | 10,251.52|
| Norway        | 1,285.68 | 2,355.51 | 4,544.53 | 7,687.57 | 9,165.86 |
| Social democratic | 4,654 | 6,202 | 8,974 | 10,577 | 10,810 |
| Belgium       | 2,654.93 | 4,087.86 | 4,366.65 | 4,465.04 | 5,086.46 |
| France        | 2,285.85 | 2,392.64 | 5,661.23 | 6,852.21 | 7,517.15 |
| Germany       | 9,940.77 | 7,815.08 | 2,864.40 | 5,821.41 | 6,127.65 |
| Italy         | 818.77   | 1,848.84 | 2,667.96 | 2,537.28 | 3,773.97 |
| Netherlands   | 1,639.70 | 2,593.53 | 2,309.30 | 2,092.04 | 2,219.41 |
| Austria       | 3,857.59 | 4,264.08 | 6,252.64 | 7,336.92 | 8,620.83 |</p>
<table>
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<tr>
<th>Conservative</th>
<th>3,532</th>
<th>3,833</th>
<th>4,020</th>
<th>4,850</th>
<th>5,557</th>
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<td>1,532.36</td>
<td>1,409.89</td>
<td>1,445.14</td>
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<td>738.22</td>
<td>803.07</td>
<td>1,683.80</td>
<td>2,236.02</td>
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<tr>
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<td>2,198.58</td>
<td>2,266.54</td>
<td>2,288.32</td>
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<td>Liberal</td>
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<td>1,356</td>
<td>1,503</td>
<td>2,188</td>
<td>2,958</td>
</tr>
<tr>
<td>Ireland</td>
<td>378.95</td>
<td>964.12</td>
<td>1,255.94</td>
<td>1,546.16</td>
<td>1,342.84</td>
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<tr>
<td>Japan</td>
<td>419.66</td>
<td>530.95</td>
<td>850.94</td>
<td>1,268.15</td>
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<td>New Zealand</td>
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<td>2,126.90</td>
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<td>18 OECD</td>
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<td>3,192</td>
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</table>

**Figure 2** shows us a noticeable variation among the three regime types, with the social democratic nations leading the pack throughout the twenty-year period by a large margin. They are followed by conservative regime nations, with liberal regime nations accounting for the smallest outlays. Interestingly, while absolute spending was the lowest among the liberal regime nations, this also was the only group to show a consistent increase in spending over the entire period. Spending in social democratic regimes showed wide fluctuations, while spending among the conservative regime nations remained relatively flat.
Though the three regime types show observable diversities in their efforts to help support families with young children, the disparities between the top and the bottom rankings among the 18 nations decreased across the twenty-year period. In 1980, spending per child in top ranked Germany ($9,941) was 26 times higher than that of lowest ranked Ireland ($379). The disparity between the highest—and—lowest ranking nations decreases to 16 in 1990, and a little over 10 times in 2000 (Denmark, $14,476 vs. Ireland $1,343). The coefficient of variations decreased from 0.97 in 1980 to 0.77 in 2000 (Figure 3). This would indicate that while efforts in these 18 OECD nations to aid families with young children have continued to show significantly different levels of spending, they nevertheless also have shown a trend toward convergence, with public spending in the social democratic nations dropping and with the liberal nations showing increases across the twenty years from 1980 to 2000.
Finally, social democratic nations, as a whole, prove to be a service-oriented welfare state regime, with relatively high investment in ECEC. Conservative regime nations, on the other hand, took during the earlier decade leading role in providing cash benefits as a preferred policy mechanism to support families with young children. Spending in liberal regime nations, as a whole, trails behind that of the other two regimes, in each of the three young child policy areas. Figure 4 demonstrates that in the social democratic regime, ECEC always outnumbers leave and cash benefits by a large margin over all the twenty years; this phenomenon never occurred in the other two regimes (Figure 5 & Figure 6). In other words, ECEC has never been the leading component in the young child policies of the other two regimes. Figure 4 also show that leave policy is the second most important tool when it comes to supporting families with children in social democratic nations; once again, this phenomenon never cropped up in the other two regimes.

Anttonen and Sipila (1996) argue that both the principle of universalism and the relative independence of local governments in funding and planning the production of social care services serve to explain the extensive availability of public services both for children and for frail elderly people for Nordic nations. However, as far as social provision for children in conservative regime is concerned, two different models actually emerged. Belgium and France could hardly be more different from Germany and the Netherlands. On the one hand, the
extensive day care and pre-school programs are evidenced in France and Belgium, on the other hand, day care provision for children is less developed in Netherlands and Germany. Primary responsibility for the childcare still lies with the family.

Figure 4: Average Spending on Three Young Child Policies, Social Democratic Regime

Figure 5: Average Spending on Three Young Child Policies, Conservative Regime
Both the conservative and the liberal regime share some common trends. Cash benefit is the most important mechanism and leave policy is the least important one, with ECEC standing in between and beginning to outnumber the cash benefit at 1990 for the conservative and 1997 for the liberal regime. The major difference between these two regimes is level of spending: the conservative regime always outspends the liberal regime, no matter in which policy arena.

**Relative Importance of Three Worlds of Young Child Policies**

As indicated earlier, in addition to examining the change in the level of total young child policy expenditures, this study also will disaggregate the total young child policy package into individual policy components—cash, time, and services—and compare the pattern and trend of each component. These represent the relative investments allocated to each of these policy arenas by the 18 selected OECD countries over the last two decades. We can clearly observe that the importance of ECEC\(^6\) swells dramatically. The average spending of the 18 nations increased by

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\(^6\) ECEC includes early childhood education and care services. There are two major components that constitute this arena: public pre-school education for children under the age of six, and child day care
132 percent, from $1,420 in 1980 to $3,305 in 2000; the figure is 129, 169, and 340 percent for each regime, respectively (Table 2).

Table 2: Average Spending on Each Policy, and Change Rate, for Each Regime

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>Social Democratic Regime</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>39.68</td>
<td>5.49</td>
<td>47.35</td>
</tr>
<tr>
<td>Leave</td>
<td>142.99</td>
<td>9.86</td>
<td>166.94</td>
</tr>
<tr>
<td>ECEC</td>
<td>80.58</td>
<td>27.12</td>
<td>129.56</td>
</tr>
<tr>
<td><strong>Conservative Regime</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>-45.76</td>
<td>3.37</td>
<td>-43.93</td>
</tr>
<tr>
<td>Leave</td>
<td>48.92</td>
<td>27.85</td>
<td>90.40</td>
</tr>
<tr>
<td>ECEC</td>
<td>58.11</td>
<td>70.69</td>
<td>169.87</td>
</tr>
<tr>
<td><strong>Liberal Regime</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>4.69</td>
<td>44.73</td>
<td>51.53</td>
</tr>
<tr>
<td>Leave</td>
<td>103.08</td>
<td>30.32</td>
<td>164.66</td>
</tr>
<tr>
<td>ECEC</td>
<td>138.23</td>
<td>84.81</td>
<td>340.28</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>-14.24</td>
<td>14.44</td>
<td>-1.85</td>
</tr>
<tr>
<td>Leave</td>
<td>124.99</td>
<td>16.86</td>
<td>162.93</td>
</tr>
<tr>
<td>ECEC</td>
<td>64.23</td>
<td>41.71</td>
<td>132.73</td>
</tr>
</tbody>
</table>

The same increasing pattern holds for each regime. The social democratic nations started from a comparatively higher level of spending and, though funding levels showed sizeable fluctuations between 1984 and 1992, nations of the other regimes never matched the social democratic willingness to share responsibility with parents and families for child care. While level of spending among the conservative and liberal regimes did not match that of the social democratic group, the former regimes’ spending did steadily increase, especially in the provision services such as play schools, crèches, kindergartens, school milk and/or meal programs. Due to the unavailability of comparative data however, we have only pre-school education expenditures from 1985 onward to draw upon, and for some nations we can track expenditures only later than this: France from 1988, Finland and Switzerland from 1991, Germany from 1992, and Canada from 1993. Given this fact, spending on ECEC from 1980 to 1984 consists only of figures for child day care.
of services for pre-school children. From 1985 onward there were no observable retrenchments in ECEC spending, by either the conservative or the liberal nations.

Conversely, the traditionally most important policy mechanism—the average family cash benefit (with family allowances as the primary component, but also including other cash benefits such as child maintenance and allowances for single parents) shrank at the modest rate of 1.85 percent across the twenty years. The average family cash benefit expenditures of the 18 nations unexpectedly fell from $1,303 in 1980 to $1,118 in 1990, but increased slightly to $1,279 in 2000. A look at the change rates in Table 2 show us only negative figures for the cash benefits of the conservative regime (-43.93%) and of the total 18 nations (-1.85%), which means that the average of cash benefits decreased within these ten and/or twenty years. The rest of the figures for change rate of cash benefits, regardless of time period or regime type are all lower than 50 percent. It increased only by 5 percent for social democratic regime and by 3 percent for conservative regime between 1990-2000.

The average spending on cash benefits by the social democratic, conservative, and liberal regimes in 1980 was $816, $2,348, and $855 (Figure 7), respectively; apparently nations of the conservative types led by very large margins. By 1990 the respective expenditures had become $1,141, $1,273, and $896, with the conservative nations still leading but now by a much smaller margin, and with the social democratic regime surpassing the liberal ones. The margin of difference among regimes becomes even smaller in 2000, as these regimes expend $1,203, $1,316, and $1,296, respectively, on cash benefits. Again, the liberal nations exceeded the social democratic ones. The trend of cash benefit spending, for each regime after 1990, is the only one among the three worlds of young child policy that does not show any clearly pronounced variation among the regime types. Indeed, not a single regime led by a large margin, in terms of spending on cash benefits after 1990.

Finally, if we take total young child policy expenditures as 100 percent, two conservative nations (Germany, and Netherlands) and four liberal nations (Switzerland, UK, Canada, and Australia) have cash benefits that make up more than almost half of their total young child policy spending. Namely, they invest more than one-third of their total young child policy efforts on providing cash benefits as a way of sharing with families the cost of raising young children.
In terms of leave policy, this was the least-developed policies of the three components in terms of level of spending to start with; after 1990, however, it began to surpass by a very slim margin the cash benefits, so as to become the second most important policy after ECEC. As Rostgaard (2002) argued, the potential objective of expanded leave entitlement differs across nations, in some countries the major goals is mainly to promote that children are cared for in their family, and in others chiefly to reconcile parenthood and work roles. Since 1996, guarantees for entitlements to time-related provisions have been underpinned by a directive of the European Council (Moss & Deven, 1999). However, most OECD nations still differ considerably on benefit levels, duration, and eligibility (Bettio and Plantenga, 2004). If we break into regime types, however, it is observable that the considerable growth in leave policy spending has largely been driven by the comparatively high spending of the social democratic nations; otherwise, leave policy remained the least-developed, in terms of spending, both in the conservative and the liberal regimes across the twenty years.

What, do these phenomena tell us about the trends in young child policies? One of the most noteworthy facts is that the role of government in supporting families with young children has already gone beyond focusing only on providing cash benefits as a way of sharing with families the cost of raising children. As a corollary of sorts to this fact, we note that the focus already has shifted to improving and providing more public pre-school education and childcare.
services, as well as to providing better maternity and parental leave packages. Both of these phenomena can be attributed to the varying impacts of three related trends: an increased need on the part of adults for governmental support, to help them cope with responsibility of work and of parenthood; greater attention being paid pre-school education and to school readiness in general; and a wider awareness of the gender impact of all these policies. As Gabel and Kamerman (2006) argue, although cash transfer continue to be the dominant policy response, importance of leave policies as well as service provision increased. The shift of distribution of public resources and policy strategies away from cash towards in kind benefits actually reveals that OECD nations start to acknowledge that policy goals can’t only focus on de-familising the financial burden of raising next generation, rather, de-familising the care provision, reconciliation of parenthood and work demand, as well as preparation the school readiness of children should all be integrated as package of policy goals.
Reference


