

ADVANTAGES OF A UNIVERSAL AND GENEROUS FAMILY POLICY: THE CASE OF DENMARK

Peter Abrahamson

University of Copenhagen
Department of Sociology
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Rundown of presentation

- Introduction
- Family policy in Denmark
- Continuity and change in Danish family policy
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Introduction

All European states are welfare states; but they come in different regimes:

Yet, North-western ones spend about the same on social security:

Table 1. Total social expenditure as share of GDP, in EU 2000 – 2011 in percent

	2000	2005	2008	2011
Denmark	28.9	30.2	30.7	34.3
Germany	29.7	30.1	28.0	29.4
France	29.5	31.5	31.3	33.6
United Kingdom	26.1	25.8	25.8	27.3
Sweden	29.9	31.1	29.5	29.6
Finland	25.1	26.7	26.2	30.0
Norway	24.4	23.7	22.2	25.2
Iceland	19.2	21.7	22.0	25.0
EU-27	..	..	26.8	29.0

Source: Eurostat (2013).

Table 2. Total social expenditure per capita PPP, in EU 2003 – 2011

	2003	2005	2008	2011
Denmark	7.547	7.921	9.164	10.055
Germany	7.372	7.867	8.217	9.148
France	7.277	7.878	8.459	9.258
United Kingdom	6.431	7.202	7.276	7.404
Sweden	8.070	8.305	9.023	9.142
Finland	5.875	6.487	7.598	8.365
Norway	8.235	8.601	9.878	11.023
Iceland	5.620	6.079	6.711	7.014
EU-27	..	..	6.706	7.292

Source: Eurostat (2013).

This is, however, one area in which the welfare regimes differ with respect to social policy expenditure and that is regarding families and children.

Table 3 shows how the Scandinavian states spend about the double amount of resources than the EU average.

Table 3. Social expenditure on families and children per capita €PPP, in EU 2003 – 2011

	2003	2005	2008	2011
Denmark	970	996	1.206	1.202
Germany	798	814	828	925
France	582	631	697	721
United Kingdom	439	439	467	457
Sweden	731	767	925	958
Finland	652	728	855	909
Norway	945	1.029	1.206	1.351
Iceland	750	829	892	790
EU-27	..	..	519	558

Source: Eurostat (2013).

This article discusses the consequences of a generous family policy with respect to poverty and fertility by analyzing the development in Denmark in some detail.

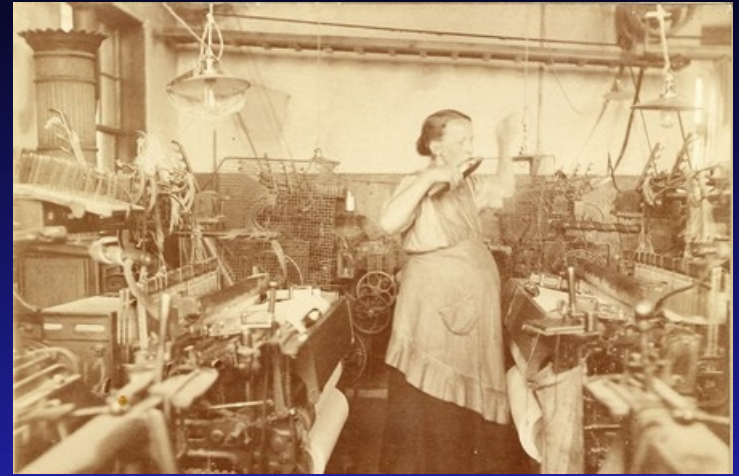
Family policy in Denmark

1870s to the Great War

Inger Elisabeth Haavet found that ‘Children have been a popular target for welfare policy and philanthropy since the 1880s;’ and

‘While the Absolutist state during Mercantilism had occupied itself with the quantity of the population, the quality of the population was more at the centre of the discourse at the end of the 19th century’ (2006: 195, 196).

1901 was also the year that saw the first act on maternity leave: all women working in factories with more than five employees had the right to four weeks of (unpaid) leave after having given birth (Hansen 2003: 1).



The Interwar Period

With the subsequent period of time from 1919 and till the 1950s the state resumed more direct responsibility of the welfare of families and children resulting in the adoption of family allowances in all Nordic countries by the 1940s (Haavet 2006: 207).

With respect to childcare in Denmark Annette Borchorst labels this period

‘institutionalization of a residual policy’ (2002)

and dates it to the Social Reform of the 1930s: the state could now fund the People’s Kindergartens with 50 per cent of the total expenditure; obligations gradually increased with amended legislation in 1945 and 1951 ‘when the Parliament *unanimously* decided that municipalities were obliged to support the running of child care facilities’ (Borchorst 2002: 9; emphasis added).

The driving forces were people related to the pedagogical thoughts such as those of Fröbel and Montessori, which together with Social Democrats put the childcare issue on the political agenda.

Yet, the proposals got support from all political parties.

Regarding the 1919 legislation Borchorst wrote:

‘It is remarkable for the time that all the political parties in the two chambers of parliament voted for the proposal’ (2009: 10).

However, this consensual approach has since then proven to be a hallmark of Danish family policy.

With the 1933 Social Reform maternity leave was also improved both in length, now six weeks after having given birth, and in coverage: women working in factories, members of a sickness fund and those without support were now eligible (Hansen 2003: 2).



The Golden Years

During the so-called golden years of the welfare state a path breaking reform of family policy took place with the universalisation of childcare policy.

Borchorst (2002; 2009) views the Danish 1964 reform of childcare as decisive by stating three major principles:

- a) the relatively high public commitment to providing, organizing and financing childcare for children below school age;
- b) universalism of the central criterion of the policies;
- c) social pedagogical objectives of the services.

More generally, the objective of family policy had changed from restoring the home with a present mother as a security net to establishing a working infrastructure for the two-wage family (Haavet 2006: 209).

This also indicates a changing role of women as mothers and workers:

‘the 1960s witnessed a shift in both discourse and political praxis towards a new ideal of gender neutrality’ (Melby, Ravn, Wetterberg 2008: 9).

Hence, maternity leave was again expanded both in length and coverage in 1960. By then all female employees had a right to 14 weeks of paid leave (Hansen 2003: 3).



1980s and Beyond: Times of Uncertainty and Change

Historians single out a fourth period of welfare state development which they label new challenges since the mid 1970s (Christiansen and Markkola 2006).

Regarding childcare policy this period does not indicate radical changes:

‘In spite of cutbacks in the 1970s, there were no radical changes during the next three decades in the Danish model, and the level of provision kept increasing (Borchorst 2009: 14).

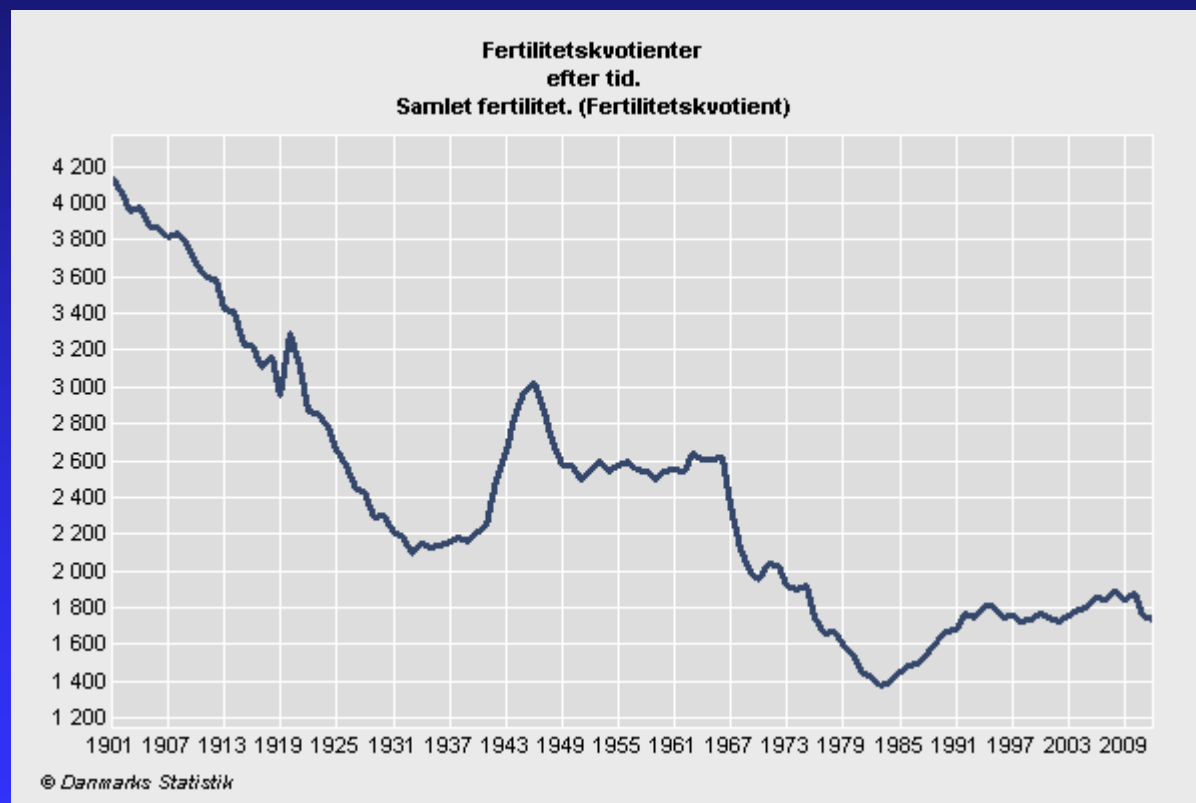
Impact on fertility

An overall trend in modernization of European states has been a reduction in fertility. Until the mid-2000s the average for the European Union was 1.5 children per woman, but that has increased a little bit so that it now stands at 1.6.

This average masks that many EU states including the Southern European and East European ones have a fertility rate around 1.4 while the others have managed to increase fertility recently to around 1.9.

What has appeared as a particular trend is a turn in fertility toward a higher level, which can be observed in Scandinavia and a few other European states such as Belgium and France

Development of fertility in Denmark 1901 - 2011



Impact on poverty

Two things have a profound impact on poverty: one is the distribution of paid employment, the other being distribution of social policy transfers and services.

With highly unionized and well regulated labor markets people in employment, are, generally speaking, able to stay above the poverty line since wages and salaries are adequate.

Furthermore, the distributional effect of social policies can be significant.

Table 4. At-risk-of-poverty after social transfers, in EU 2000 – 2012 in percent

	2000	2005	2008	2012
Denmark	11.7	11.8	11.8	13.1
Germany	..	12.2	15.2	16.1
France	12.0	13.0	12.7	14.1
United Kingdom	18.0	19.0	18.7	16.2
Sweden	11.3	9.5	12.2	14.2
Finland	11.0	11.7	13.6	13.2
Norway	10.8	11.4	11.4	10.1
Iceland	10.0	9.7	10.1	7.9
EU-27	..	16.4	16.5	17.1

Source: Eurostat (2013).

Table 5. Severely deprived people in EU 2000 - 2012 in percent

	2000	2005	2008	2012
Denmark	2.0	3.2	2.0	2.8
Germany	..	4.6	5.5	4.9
France	6.1	5.3	5.4	5.3
United Kingdom	..	5.3	4.5	5.1
Sweden	3.0	2.3	1.4	1.3
Finland	3.8	3.8	3.5	2.9
Norway	2.7	2.7	0.8	2.4
Iceland	2.5	2.7	0.8	2.4
EU-27	..	10.8	8.5	10.2

Source: Eurostat (2013).

Conclusion

All indicators point to Scandinavia as the welfare society with the best conditions for families with children.

This is a combination of high labor market participation of both fathers and mothers and fairly generous transfers and services toward these families.

Besides the security this provides it has also encouraged a relatively high fertility rate.

The comprehensive family policy package has made it possible for mothers to continue their labor market participation after having given birth; hence enabling them both to be chief responsible for care of their children and staying within the labor market at the same time.

This presupposes not only extensive family policies but also a changed distribution of household work between fathers and mothers.

And, even when Scandinavian men are not doing as much household work as mothers, they are doing more over time; thus bringing round a more equal distribution between parents.

Taking Inspiration from other Regimes

Unlike commodities services are not readily exportable; they depend on a number of preconditions, which in the Scandinavian case were the following:



Small states



Late industrializers



Consensual democracy => minority governments =>
a political culture of compromise and consensus



Government is informed by ad-hoc policy commissions



High degree of transparency => high degree of trust



Very long democratic tradition



If these preconditions are lacking
The Scandinavian model is not readily exportable!

Thank you for your attention!