Protection to Activation: The Apotheosis of Work

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This seminar is broadly framed by two main lines of analyses. The first involves an examination of how unemployed and economically inactive people can be helped back into the labour market; the second addresses the broader issue of how social security might address the needs of people who are unable to work or have unpaid caring responsibilities. Although there have been occasional nods to the latter issue, it is clearly the first line of analysis – how to activate the unemployed – that has shaped the political discourse, the research agenda and legislative reforms of social security in the OECD countries since the late-1980s. While the FISS seminar is entitled “social security and participation in social and economic life,” the
titles of most of the papers on the program suggest that we will
treated to varied descriptions and analyses of how to put people to
work.

Indeed, it has become almost universally accepted that social policies
heretofore providing what are now termed “passive” income supports
-- unconditional-exclusively-cash benefits -- should be replaced by
measures designed to stimulate movement into the paid labour force.
This changing orientation is symbolically reflected in three themes
that characterize the current discourse on social policies designed to
aid people who are not working. These themes embrace a shift from
passive to active measures, an emphasis on individuals’
responsibilities to be self-sufficient vis-à-vis citizens’ rights to social
benefits, and a redefinition of policy objectives from income
maintenance to social inclusion.

Reconfiguring Social Protection

Representing more than a rhetorical flourish, the current discourse is
manifest substantively in a wave of policy reforms that has swept the
OECD countries. These reforms have altered the basic features of entrance and exit, and of what happens along the way to participants in programs designed to protect people out of work – programs such as social assistance, unemployment insurance, disability insurance, and old age pensions. The four most prominent dimensions of change in these programs include:

- Restricting entrance and accelerating exit
- Segmentation of participants
- Introduction of contractual obligations
- Formulation of work-oriented measures

Almost everywhere we look we find policy reforms that have raised the bar on entrance into programs (and qualification for their benefits) and accelerated exit by reducing the duration of benefits and introducing sanctions and incentives. In the realm of old age pensions many countries are requiring people (particularly women) to work longer—either directly by raising the formal age of retirement or indirectly by increasing the period of contributions. Regarding
unemployment insurance, without going into great detail, countries such as Denmark, United Kingdom, Finland, Spain, and the Netherlands have extended the period of paid employment required to qualify for benefits; Sweden, Finland, Belgium, and France have introduced or lengthened waiting periods (Daly, 1997; Hatland, 1998; van der Veen, 1998); New Zealand raised the minimum age to qualify for unemployment benefits (Mackay, 2001).

Similar constriction of eligibility has occurred in the disability programs of many, if not most, of the industrialized countries.¹ Reforms in this realm include delimiting what constitutes a disability, introducing more rigorous definitions of degrees of disability, extending the period of contribution required to qualify for a disability pension, and a requiring that a causal link be demonstrated between the claimant’s medical condition and the reduced capacity to earn a living (Dahl and Dropping, 2001, Keizer, 2001; OECD, 1991). Additional measures involve periodic re-examinations and investigations of claims (Kuptsch and Zeiter, 2000). However, like a balloon which bubbles up on one side when
squeezed down elsewhere, policy reforms that constrict access to and levels of social benefits in one area often create a “bubble effect,” which result in shifting the recipients of those benefits and the public expense to other program areas. Thus, for example, a high degree of interaction is found among social provisions such as unemployment benefits, disability benefits, and social assistance. When eligibility criteria for unemployment benefits are narrowed and benefit rates lowered, the reduction in social expenditure is likely to be offset by increasing growth in the public assistance rolls and among those people receiving disability benefits.²

Contemporary reforms have not only raised the threshold for access to benefits, but also substantially changed what happens to claimants once they qualify, particularly in unemployment, disability, and social assistance programs. Upon entering these programs recipients are increasingly being segmented according to characteristics, such as age and length of unemployment, that forecast their service needs and employability. In the United Kingdom welfare-to-work programs are tailored to the needs of five main groups: young
unemployed people, long-term unemployed people, lone parents, people with disabilities or long-term illnesses, and partners of the unemployed (Judge, 2001). In the U.S. statistical models based on unemployed worker profile characteristics (such as education, job tenure, local unemployment rate, and previous changes in employment) have been developed to identify permanently separated workers with re-employment difficulties who would benefit from immediate referral to services (Wander, 1997). Among programs for disabled persons the general trend has been to differentiate recipients more precisely according to degrees of incapacity for work, particularly the potential for part-time employment and work in occupations other than those in which they were originally employed. The 1999 Pension Reform Act in Germany distinguishes among claimants unable to work more than three hours daily, those capable of working between three and six hours daily, and those who can work more than six hours in the general labour market, not necessarily in a job related to their previous occupation (Kuptsch and Zeiter, 2000). A similar classification of capacity for work based on
in-depth assessments by specialists was introduced in New Zealand in the late 1990s (Mackay, 2001).

Efforts to differentiate among claimants are closely linked to what is, perhaps, the most crucial development in the daily administration of social assistance, unemployment and disability programs. That is the introduction of quasi-contractual agreements, sometimes referred to as “activation plans,” which are formulated by mutual consent between clients and administrative officials. Denmark, Britain, Finland, France, the Netherlands, New Zealand, Australia, Sweden, and Australia, among others, have adopted policies requiring individualized action plans, which spell out the steps – education, training, job search, subsidized work, and other activities -- that will be taken toward re-employment. The introduction of individually-tailored social contracts, which take into consideration different peoples’ needs and circumstances, has obvious benefits. At the same time, however, the use of these activation plans converts the administration of benefits from social rights based on impartial
bureaucratic procedures to highly individualized and discretionary dispensations based on case-by-case assessments.

Finally, policy reforms in recent years have initiated an unprecedented array of work-oriented incentives and services. Of course, the idea of work incentives is hardly new -- efforts to design such measures have been around for as long as policy makers have thought about the provision of welfare benefits. The current stream of work-oriented measures are distinguished, however, by a remarkable convergence of liberal and conservative opinion that these incentives are necessary, by the wide assortment of instruments and range of program areas in which they are employed and by the conviction that the proper mix of incentives will produce the desired results.

Regarding the wide assortment of initiatives, work-oriented measures can be divided into four broad categories which include:

- efforts to increase the availability of work both directly through the creation of public employment opportunities and indirectly via tax credits, wage subsidies and other financial
incentives for employers to hire recipients of welfare, disability, and unemployment benefits; or by offering lump-sum grants for unemployed people to create new enterprises. In the United States, for example, a business that employs a welfare client at the minimum wage in the state of Florida can be subsidized by the amount of the client’s welfare check and for companies that provide on-the-job training the state offers to reimburse up to 50 percent of a client’s wages during the training period.

- efforts to strengthen an individual’s readiness for work, which incorporate a variety of direct measures, such as education, training, and work-experience programs, to enhance practical skills and build human capital. There are also therapeutic services aimed at raising self-esteem and confidence, which address psychological obstacles to work. In addition to therapeutic interventions, supportive services to help surmount tangible obstacles to employment, such as needs for child care, transportation, and extended medical coverage.
incentives to ensure a decent standard of living to very low-paid workers, who are disproportionately represented among those on the track from welfare to work. There are several methods advanced to “make work pay” – as expressed in the current vernacular – through tax-code reforms. One approach uses tax expenditures to subsidize low-income employment in schemes such as the Working Families Tax Credit in the United Kingdom, the Family Tax Credit in New Zealand, and the Earned Income Tax Credit (EITC) in the United States. The French version of public support for low-paid workers is called a “job bonus.” established in 2001, this subsidy is paid by tax authorities to those earning less than 140 percent of the minimum wage, adjusted for household income and number of dependents. Subsidizes such as the EITC are a way for governments to mediate between the individual and the market, providing an adequate income to those who work by topping up earnings with a social transfer. These income tax-related benefits may
also help to shrink the “underground economy,” since they offer an incentive for people being paid off the books to report their income. Although tax credits can be seen as a response to the market’s failure to provide an adequate standard of living for workers with families, they can also create a form of market failure by “over-subsidizing” low-wage jobs -- dampening political pressures to raise the minimum wage when an increase would not reduce the level of profit in low-wage occupations to the point that many jobs would be lost. In France the unions favored a rise in the minimum wage rather than the job bonus for low-income earners (Economist, 2001). Political tensions between the EITC and minimum wage legislation were also evident in the United States (Howard, 1997). Coming at taxes from another angle, low-paid workers’ take-home pay can be increased by reducing the effective tax rate on their earned income – discounting or eliminating, for example, social security taxes. Finally, another way to elevate the rewards
of work vis-a-vis social benefits is to cut the level of social benefits.

- measures that heighten the cost of non-participation in work-related activities -- a tactful way of describing sanctions.

Almost every program to activate the unemployed includes a codicil that imposes some degree of financial penalty on those who might reject fair offers of work, training and community service – though in practice sanctions are rarely imposed. (Even in the 19th century, Edward Bellamy’s classic formulation of a Utopian society, mild incentives to work were backed by severe sanctions – those who persistently refused to do their duty were sentenced to solitary confinement on bread and water.)

The reconfiguration of social protection along the lines outlined above is aptly summarized by the motto of the Dutch “purple coalition” (red Social Democrats and blue Liberals), “Work, work and work again!” which formed a new government in the mid-1990s (Vink, 1998). Or we might take a leaf from the Norwegian 1992 White Paper on Rehabilitation that formulated the “Work Approach”
to social welfare policy, a basic premise of which was “that individual rights are not exclusively tied to cash benefits; each individual has, as far as possible, a right and a duty to work, to participate in rehabilitation programs or enter education ...” (Dahl and Dropping, 2001). Or we might refer to the 1998 Green Paper on Welfare Reform (1998) issued by the New Labour government in Britain, which stated that “the Government’s aim is to rebuild the welfare state around work.” This was to be done through active work-oriented policies, supportive services, tax measures that make work pay, and “ensuring that responsibilities and rights are fairly matched.”

All this illustrates the extent to which the promotion of paid employment has been elevated as a central objective of social welfare throughout the advanced industrial welfare states. In pursuit of this objective a tremendous amount of thinking, experimentation and research have gone into reforms designed to help sick, disabled, old people, lone mothers, and other unemployed people move into the paid labour force. One must appreciate the efforts invested in
these policy reforms. But this focus on moving people into the paid labour force and extending their working lives tends to concentrate the spotlight of public attention on certain issues, such as those related to the topics noted above, and to leave many other issues lingering in the shadows – some of which deserve serious consideration.

**Who Wants to Work?**

Work is necessary for survival. In the contemporary discourse it is also widely associated with the virtues of personal empowerment, independence, social inclusion, and self-realization. The risk is that as social welfare policies are increasingly focused on putting people to work they may end up making too much of a virtue of the necessity -- and ignore some inconvenient questions.

The world of paid work encompasses a vast array of activities ranging from those that are low status, boring, physically demanding, poorly rewarded and dangerous to those that are high status, exciting, physically easy, well-rewarded, and safe. It is fair to say that those of
us at this learned gathering labour at the latter, more favorable, end
of the continuum. We journey to the lovely town of Sigtuna, are
invited to a wonderful dinner by our hosts, and engage in discussion
with old friends from around the world – and for this we are paid
(not royally, but well enough for the exertion). Indeed, it is probably
fair to say that almost all of the people involved in designing,
analyzing, and publicly commenting on work-oriented reforms --
policy makers, policy analysts, professors of social welfare, and
media personalities – themselves labour under the most desirable
conditions. They experience the virtues of work – empowerment,
independence, social inclusion, and at least a modicum of self-
realization – and tend to associate closely with others in the same
category. These are the people who designed, analyzed, and
commented on policy reforms, which extended the life of work by
directly and indirectly raising the age of retirement in 18 European
countries in the 1990s. But what about average workers, who are not
quite so privileged?
The evidence here is quite firm -- voting with their feet, average workers scurry to enter retirement as quickly as possible. While policies and plans were being made to raise the normal age of retirement either directly or indirectly through increasing the required period of contributions, an increasing proportion of workers were exiting employment well before the standard age of retirement. Thus, the average employment/population ratio for men ages 55 to 59 in nine major OECD countries declined from 72.2% in 1987 to 69.2%. in 1999; for men ages 60 to 64 the ratio declined more steeply from 45.1% in 1987 to 40.6% in 1999. In 1999, on the average 50 percent of the men in these countries withdrew from the labour force at the age of 62.3 years or younger (the age for women was 61.1 years) and 25 percent of the men withdrew from the labour force at 58 years of age (57.4 for women) or less. Over the last two decades, the overall trend has been clearly in the direction of an increasing rate of early retirement. However, in recent year there has been a slight tick upward in the average of retirement, which still remains well below the age of 65 (OECD, 2001).
Some suggest that the trend noted above has been spurred by pension policies that create incentives for early retirement -- either inadvertently or by design. Although policy incentives may be a factor contributing to early retirement, the attitudes expressed in international surveys convey sober evidence about people’s preferences for work. Findings from the International Social Survey Program 1997 Work Orientation Study, which included over 10,000 respondents in eight OECD countries, suggest that given the choice, the majority of those in retirement would not have preferred to spend more time in a paid job. Responses vary somewhat depending on how the survey questions were posed. When asked “suppose you could change the way you spend your time” an eight-country average of only 8.8 percent of the people currently retired answered that they “wanted to spend more time in a paid job.” Among two other groups outside of the labour force, an eight-country average of 28.7 percent of those currently keeping house said they wanted to spend more time in paid work and an unexpected average of 55.8 percent of unemployed workers indicated wanting to spend more time in a paid job. Similarly for those with part-time jobs only 28 percent wanted
to spend more time working. When the question is posed in a slightly different form, the sample of respondents was asked:

“Suppose you could decide on your work situation at present, which would you choose?” Among the current retirees, an eight-country average of 37.5 percent indicated they would choose a full-time job. What accounts for the seeming contradiction between only 8.8 percent of retirees wanting to spend more time in a paid job and the 37.5 percent of retirees who choose a full-time job if they could decide on their work situation? One explanation is that the latter respondents might have interpreted being able “to decide on their work situation” as a license to select the most satisfying jobs they could imagine – desirable positions of authority, status, and free travel -- which they would be pleased to enter on a full-time basis. The samples’ response to a third question lends a certain degree of credibility to this explanation. That is, when asked how easy or difficult they thought it would be to find “an acceptable job” if they were looking actively, an eight-country average of only 14 percent of the retirees felt an acceptable job would be easy to find, which is
much closer to the 8.8 percent of those indicating they would want to spend more time in a paid job (OECD, 2001).

All this suggests the need for a corrective in both the discourse and the substance of work-oriented reforms. Many workers are leaving the labour force to retire as quickly as they can, most people who chose household work do not seem anxious to trade for more time in paid jobs, and even many of the unemployed express little desire to spend more time in paid jobs. These people apparently have not been convinced by the increasing emphasis on the virtues of paid work, – such as empowerment, inclusion, independence, and self-realization. One of the reasons that this rhetoric falls on deaf ears is that lots of paid jobs are simply not all that pleasant. A recent survey of 1100 randomly selected employees working in mid-size to large companies across North America, for example, found respondents expressing a very high degree of negative emotion about their work experience (Towers Perrin, 2003). Those at the top of the pyramid may experience independence and self-realization, but those at the
bottom experience supervision, repetition, daily regimentation, and increasing insecurity of employment.

The conventional discourse on work-oriented policy has put a positive spin on reforms designed to “activate” people into the paid labour force by emphasizing that these measures really reinforce social rights – in this case the individual’s right to work. But it turns out that when people have a social “right” to work they would rather not exercise – then that right is trumped by the social duty to work.

Activation policies are largely geared to changing workers. At the moment, there is much effort invested in designing work incentives, training, services, and creating a flexible labour force. Considerably less energy is devoted to the development of flexible work and there has been relatively little serious discussion about the quality of work life. As a corrective to both the discourse and the substance of work-oriented reforms, perhaps, more attention should be paid to reforming the qualitative nature of work in modern society – the extent to which it provides stimulation, challenge, recognition,
security, and control. The need to focus on the quality of work provides an apt segue into the next issue.

**What Counts as Work?**
Over the last half a century there has been a tremendous shift of labour from the household to the market economy, particularly among women with young children. In the U.S., for example, labour force participation rates of married women with children climbed from 24 percent in 1950 to 40 percent in 1970 to 70 percent in 1999. As unpaid household labour contracted, many of the activities from cooking to caring have been farmed out to paid jobs – resulting in what one might term the “commercialization” of social care.
Today we have a situation where a mother with two young children who drops her kids off at a public day care center (subsidized by the state sometimes as much $10,000 –12,000 per child) and then heads off to her job at another day care center is gainfully employed. Whereas, if the same woman stayed home to care for her own children, (saving the state $20,000-24,000 a year) she would be a likely candidate for activation. One could draw a similar scenario for a 50 year old woman who worked in a nursing home for the elderly instead of staying home to care for her disabled mother. And one must recognize that in these cases is could also be the father working in the day care center or nursing home – though that is less likely to happen. In both cases we have a shift from performing caring activities voluntarily for children and elderly kin out of a sense of devotion and commitment to performing caring services for strangers for pay.
Of course many mothers might prefer to work outside the home. At the same time that many mothers welcome the opportunity to enter the paid labor force, however, evidence from a number of surveys in Europe and the United States suggest that a large proportion, somewhere around 50 percent, of mothers with young children would prefer not to work outside the home or to engage in paid employment on only a part-time basis. The problem for this half of the population is they can only benefit from subsidized day care if they go to work. This arrangement creates a financial incentive to shift responsibility for the care of children from the hearth to market.
Where child care is subsidized at a rate of $12,000 per year, the financial incentive is not trivial (Swedish Institute, 1992). Child care and elderly care are immensely labour intensive operations. Parents who invest their labour in domestic child-care activities miss out on a huge public subsidy, while continuing to pay the taxes that support it. If the state pays mothers to work in day care centers why not offer to pay them to perform the same work at home? Leaving aside the question of whether children are better cared for by their parents or in a public group care setting, one might argue that home care is less efficient. A day care center might have a one-to-four ratio of adult supervision to children, while a mother at home might be caring for only two children. But the costs of day care services also include facility rent and maintenance, utilities, food, equipment, and supplementary staff (nurses, etc.). Still, even if public day care is more efficient when all is added up, why not offer to pay mothers who prefer to provide home care a pro-rated salary based on a unit cost of service analysis of the average day care provision?
Several countries including Norway and Finland have established home care payments to families with young children, which (unlike universal family allowances) are offered in lieu of publicly subsidized child care services. Other countries such as Austria, Sweden, Britain, France and Hungary provide pension credits toward retirement in varying amounts, which affords partial recognition of home care as unpaid labour that deserves some of the benefits that accrue to paid employment. Yet, in countries which heavily subsidize public day care services, much remains to done in assessing and compensating for the true market value of home care for children, disabled kin, and the elderly.
Caring for children and the elderly are important and concrete functions that satisfy authentic needs – whether the work is performed at home or in a public center. At the same time that these concrete functions are not yet fully valued as “real” work unless performed in publicly day care center, efforts to create public work have sometime morphed into contrived jobs that add little value and even undermine morale. In Italy, for example, Fargion (2001) reports that “socially useful jobs” created by public agencies were supposed to avoid routine activities and place the unemployed in special innovative projects dealing with environmental protection and urban renewal. However, in practice, most of those enrolled in the publicly subsidized “socially useful jobs” ended up engaged in routine paper-pushing administrative activities. A similar issue appears in Denmark, where unemployment was halved from 12 percent in 1993 to 6 percent in 1998; during this period only 1000 jobs were added in the private sector compared to 15,000 jobs in the public sector. One criticism of the Danish success is that too many of these public jobs leave participants stranded in artificial work, without access to regular employment in the private sector (Hinrichs, 2000).
Who Can Work?

As work-oriented policy reforms create pressures and opportunities for employment, we may expect that an increasing number of people receiving public assistance, disability, and unemployment benefits will be moved into the paid labour force. In the U.S., for example, the national welfare caseload has plunged by almost 60 percent since the mid-1990s. Precisely how much of this startling decline should be attributed to policy reforms and how much to the employment opportunities of a robust economy is hard to untangle. As the people most willing and able to work are drawn out of the unemployment, disability, and social assistance beneficiary pools, those remaining will be the people who are the most difficult to employ for reasons of physical and mental health, behavioral troubles and cognitive limitations. This may result in a sharpening of stratification between those inside and outside the labour force along cognitive and behavioral lines.
Returning to the U.S., for example, an analysis of the National Adult Literacy Survey, which tests an individual’s ability to apply math and reading skills to every-day situations, indicates that 35 percent of public assistance recipients score in the lowest of five levels of literacy; people in this category are unable to perform tasks such as locate an intersection on a street map, fill out a government benefits application, and total the costs on an order form (Levenson, Reardon, and Schmidt, 1997). More generally, it is recognized that the approximately 2 percent of the population that scores two standard deviations (30 points) below the mean on measures of cognitive ability, such as the Stanford Binet I.Q. test, has severe cognitive deficiencies, which limit their ability to work (Herrnstein and Murray, 1994). And probably another three percent just above that group has serious cognitive deficiencies. There was a time when people who could wield a pick and shovel could earn their daily keep. Today expensive machines that require skilled operators do that type of work.
Although the issue of what to do about the most disadvantaged and least employable recipients of public aid is not yet as salient as the issue of how to activate the unemployed in general, one can sketch out several approaches to dealing with those hardest to employ. One option, favored by those who emphasize the value of paid work involves the expansion of public employment in protected settings for people who cannot function competitively in the normal labour market; this approach would include community service activities. There is also the option of trying to compensate for deficiencies in basic skills and behavioral problems through intense efforts at education and rehabilitation, which would prepare even the most difficult to employ for regular work. These choices are not mutually exclusive in the sense that a mix of polices can be tailored to various segments of the hard-to-employ population, recognizing that this is a diverse group, which contains many types of problems and faces various obstacles to employment. In the end, however, there may remain a group of unemployed people for whom work-oriented policies are not the answer -- a group composed of the most
vulnerable and least competent, for whom honorable dependency may be the best arrangement the community has to offer.

**A Note of Caution**

Questions about who wants to work, what counts as work, and who can work are posed not so much to challenge the swelling tide of activation policies – but as a note of caution against being carried away by this tide too quickly, without taking a critical look at what public purposes are being served. The words used to frame social policy choices are important in clarifying the public purposes served. If policy choices are posed, for example, between “active” and “passive” social benefits -- there is little doubt that all would prefer an “active” benefit. The word “active” speaks of the force of life’s energy, whereas “passive” suggests a state of mild depression. But what if the choice is between “activation,” which presses disabled people, women with young children, and unemployed workers into the labor force, and “social protection” against the risks of modern capitalism? What if the choice is between the state serving to enforce the discipline of the market on the unemployed and the state
serving to insure against the vicissitudes of the market and to provide communal security in the face of illness, disability, and the inevitabilities of old age? Framing the choices along these lines might temper one’s enthusiasm to ride the tide of “activation.” Policies devoted entirely to cultivating “independence” and “private responsibility” leave little ground for a life of honorable dependence for those who may be unable to work. And while work-oriented policies designed to increase “productivity” are insulated with amorphous claims of “empowerment” and “social inclusion,” the question of purpose remains: Do they insure people more freedom to live fuller lives? A question we might ponder as we listen to the analyses and findings that will be presented during this learned gathering.
Endnotes
Over the last decade, almost every industrialized country has experienced steep growth in their disability rolls, often among young workers. For an analysis of this development and the policy responses see Kuptsch and Zeiter, (2000).

Knight (1998), for example, provides some evidence that restrictive measures introduced in the United Kingdom and the Netherlands have resulted in a shift of public expenditure from insurance-related unemployment benefits to social assistance.

For an informative discussion of this development see, Eardley (1997).

A study of psychological services in Britain suggests that cognitive-behavioral therapy may have beneficial effects in helping the long-term unemployed find work. See, Proudfoot, Guest, Carson, Dunn and Gray (1997).

Under the EITC the value of the refundable tax credit rises by 40 cents for every dollar of income until earnings reach $9,390, and only begins to decline after earning go above $12,250. Since the EITC is a refundable credit, workers with two or more children who are earning $9390 to $12,250 (and do not benefit from the normal tax deductions available to middle-income citizens) are eligible for the maximum $3,756 refund from the federal government. The EITC combined with the value of food stamp benefits lifts the income of minimum wage earners in a family of three to about 20 percent above the federal poverty level. However, raising their wage rate about 75 percent from the $5.15 federal minimum to $9.00 an hour returns only a 16 percent increase in income, as the other subsidies decline.

The countries include Canada, Finland, Germany, Italy, The Netherlands, Sweden, Japan, United Kingdom and the United States. Japan is an outlier among this group with relatively high rates of employment among elderly men. In 1999 the employment/population ratio for men ages 55 to 59 was 91% compared to the nine country average of 69.2% and for men ages 60-64 the Japanese ratio was 66% compared to the 40.6% nine country average (OECD, 2001).

Data from a 1997 survey of families in the U.S. shows 49 percent of women agreeing with the statement “When children are young, mothers should not work outside the home” (Wertheimer, Long, and Vandivere, 2001). A similar reluctance to full-time employment when children are young is expressed by Danish mothers, despite the fact that in Denmark public day care is provided from the age of six months on and 90% of mothers of young children are employed an average of 34 hours per week. When asked to describe the ideal arrangement for a nuclear family with children of nursery school age, only 3% of the mothers preferred to have both parents working full-time, 15% choose to have the mother home full-time as a housewife, 42% favored part-time employment for the mother, and 40% preferred to have both parents working part-time, see, Ministry of Social Affairs (1992). In response to a nationwide Gallup Organization survey in 1980, 55% of the women who wanted to be married and have children did not wish to have a full-time job or career outside the home (Gallup Organization, 1980). The annual Virginia Slims survey of 3,00 women in the United States, reveals that the proportion of women who said that if free to choose they would prefer to have a job rather than stay home to take care of the family rose from 36% in 1974 to 52% in 1985, but then declined to 42% in 1989 (Glenn, 1992). These findings are supported by other surveys. Whitehead and Blankenhorn (1991) cite the Washington Post Poll and a survey by Mark Baldassare and Associates, which reveal that a majority of working mothers sampled in Washington D.C. and Los Angeles would prefer to stay...
In Austria, for example, women receive one year of credit for each child, while Sweden awards credit to either spouse for each year they care for a child under three. In Britain people who interrupt work careers to assume care-giving duties are compensated through the "Home Responsibility Protection" policy, which credits both men and women with a minimum level of contribution during the years they spend caring for children or the disabled. Pensions benefits are increased by 10% for insured persons in France who have raised at least three children and Hungary grants an increased benefit for three years of infant care (Barr and Coulter, 1990; Tracy and Tracy, 1987).

In fact, there has been almost no increase in private sector employment in Denmark since 1948! In addition to the increase in public sector employment, the substantial decline (sometimes referred as “miraculous” as the Dutch experience) in Danish unemployment is explained by measures such as early retirement incentives and special leave arrangements (sabbaticals, educational, parental) (Andersen, 1999).

One estimate suggests that between 1993 and 1996 the falling unemployment rate accounted for almost 50 percent of the caseload reduction (Danziger, Moffitt, and Pavetti, 1998). Studies in the later years conclude that in 1996 to 1999 only about 10-to-20 percent of the decline could be attributed to the strong economy (Besharov and Germanis, 2000).

References


Although the number of recipients increased, the disability rate remained fairly constant when adjusted for the level of disablement. See, Sabine Geurts, Michiel Kompier, and Robert Grundemann, “Curing the Dutch Disease? Sickness Absence and Work Disability in the Netherlands,” International Social Security Review. 53:4 (October-December 2000), pp.79-101.


