



THE INCOMPLETE REVOLUTION



ADAPTING TO WOMEN'S NEW ROLES



GØSTA ESPING-ANDERSEN



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First published in 2009 by Polity Press

Reprinted 2010 (three times), 2011, 2012, 2013, 2014 (twice)

Polity Press
65 Bridge Street
Cambridge CB2 1UR, UK

Polity Press
350 Main Street
Malden, MA 02148, USA

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ISBN-13: 978-0-7456-4315-1
ISBN-13: 978-0-7456-4316-8 (pb)

A catalogue record for this book is available from the British Library.

Typeset in 11 on 13 pt Berling
by Servis Filmsetting Ltd, Stockport, Cheshire
Printed and bound by Clays Ltd, St Ives plc

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The Incomplete Revolution

Acknowledgements

Some years ago I solemnly promised to myself that I would from then on dedicate my research and writing to anything but the welfare state. And here I am at it, once again. It all sprang from one of those offers that you cannot refuse. At the end of 2006, the Collège de France bestowed upon me the honour of giving the annual 'Trois Leçons'. In lieu of the ongoing, and certainly intense, debates on the future of social protection in France, I could not but design the three lectures around social policy questions. The lectures were converted into a slim book, *Trois Leçons sur L'Etat de Providence*, published by Le Seuil in 2008. I used the same three lectures as blueprints for chapters 3–5 in this new book, but found that they required substantial revision and supplementary evidence. The French versions were written primarily for a general, non-specialized audience; the English version aims to be more scholarly.

To be honest, being unfaithful to my solemn promise came easy. My supposedly 'post-welfare state' work has been hovering around issues related to intergenerational mobility, equality of opportunities, family demography and the changing contours of social and economic inequality. It does not take much imagination to see the centrality of such questions for social policy.

One issue that in particular reunited me with the welfare state has been social inheritance in general, but especially the impact of early childhood conditions on later life chances. The search for the true mechanisms that explain life chances led me inevitably to think about how we might forge policies to secure the best chances for all children. In fact, I have found myself trotting in the

footsteps of James Heckman on a campaign to enlighten the world to the urgency and centrality of investing in our children.

To my surprise, I was met with many receptive audiences in politics and in academia. I would in particular like to thank Ruud de Mooij, Paul Nyrup Rasmussen, the people at the IPPR, the EU Presidency and Bruno Pallier for pushing me to campaign for babies. I would also like to thank those who invited me to do the campaigning: the Belgian presidency of the EU, the NETSPAR and the Social Insurance Institute in the Netherlands, the IPPR in Britain, The University of Southern Denmark, Aalborg University, the Danish Parliament, the French and German Socialist Parties, the Swedish Embassy in Berlin, the Max Planck Institute for Demographic Studies, the Catalan government, the Spanish Ministry of Finance, the EU's Social Policy Advisory Board and, not least, the Collège de France.

My research over the past years has found its way into the chapters that follow and, thanks to so many excellent research assistants, many of the empirical findings are, I think, interesting and scientifically on solid ground. I remain hugely indebted to Josep Mestres (who worked with me on the IALS and PISA data); Stefanie Brodmann (who ran thousands of fertility regressions); Berkay Ozcan (who wrestled with all the thorny methodological problems of identifying how women's work affects the income distribution); and Pablo Gracia (who, like Stefanie, is now running thousands of time-use regressions). And not to forget, all this research could evolve only thanks to the generous funding from the Spanish Ministry for Education and Science (Research Grant SEJ 62684).

I have also been helped along by my colleagues, many of whom are also friends. I am hugely indebted to Bruno Pallier for his role in facilitating the 'Trois Leçons' project, from which the idea of this book emerged. I have learned a lot about time-use research from Jens Bonke, and John Myles is always there to bring me down to earth and continues to be one of my favourite co-authors. Chapter 5 in this book is an outgrowth of an earlier paper he and I wrote some years ago. I also owe thanks to Marco Albertini, Lynn Cooke, Anders Holm, Marcus Jantti, Kees van Kersbergen, Shelley Lundberg, Luis Medina, Brian Nolan, Adam Przeworski,

Jackie Scott, Michael Shalev, Tim Smeeding, Jane Waldfogel and Chris Whelan. And the DEMOSOC group at Pompeu Fabra has become a great home for my academic life. During the final stages of this book I was given a really welcome breather and chance to concentrate, all thanks to the Institute for Sociology at Copenhagen University and the Danish Institute for Social Research. I would really like to thank Niels Ploug and Carsten Stroeby who made this opportunity possible.

And to underscore the importance of a good childhood, I dedicate this book to

David and Jacob

Barcelona and Copenhagen, Autumn, 2008

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Introduction

The past few decades have been marked by turbulent change. Turbulent indeed, since the well-trodden corner stones of society, as described in any standard textbook, are eroding as new principles of social life emerge with a thrust that few would have expected. The 'logic of industrialism' used to be a forceful synthetic concept for what propelled our life as workers, our place within the social hierarchies, and the kind of life course we could expect to follow. As, now, two-thirds of economic activity is centred on servicing, the concept is clearly outmoded. The male breadwinner family is, likewise, becoming an endangered species and what were – only a generation ago – considered 'atypical' families are now the mainstay. Those who take their clues from the media see, mostly with alarm, globalization as a gargantuan force that destroys everything we have come to cherish. Technologies evolve constantly but rarely with the degree of abruptness and with such a comprehensive impact as we have seen over the past decades.

The focal point of this book is a less noticed, but certainly not lesser, fount of revolutionary upheaval, namely the changing status of women. The quiet revolution of women's roles, as Claudia Goldin (2006) calls it, is arguably a close rival to new technologies in terms of its seismic aftershocks touching, directly and indirectly, all major social institutions. And, like its rivals, it has not yet come to full maturation. Incomplete revolutions tend to be associated with major disequilibria.

The social sciences have, for some years now, scrambled to catch the driving logic of the new social order. Too often, our efforts amount to little more than labelling. Following Daniel Bell

I, too, came to embrace the post-industrial thesis. Those who feel closer to the humanities have been more inclined to identify the new world in post-modern terms. And still others see us becoming infused with post-materialism. Few have managed to move beyond pasting a 'post' on the past.

I can think of three reasons why we have so much difficulty grasping the nature of societies that experience major transformations. There is first the sceptical scholar's call for caution: there is no need to dramatize because, most probably, the social world continues as always to adapt and adjust in a gradual and piecemeal fashion. Most of what we see today is basically an extension of what we experienced yesterday. The rising chorus of determined 'post-something' advocates affirms, however, that more radical change is afoot.

The second reason has to do with the increasingly fragmented sociological enterprise. Population ageing occurs very rapidly and is undoubtedly associated with profound alterations in the ways our society and economy function. But those who attack the issue remain by and large narrowly focused on the immediate correlates of ageing, be it the emerging need for elderly care or the bleak prospects for welfare state finances. Disciplinary compartmentalization may, likewise, explain why we have been rather unable to identify how revolutionary indeed is the changing role of women. The issue has been hugely dominated by writers whose analytical lens sees little other than gender inequalities. If we are experiencing the kind of *Great Transformation* that Karl Polanyi (1944) depicted in his grandiose exploration of capitalism's rise, then we need evidence that goes far beyond discrete components of the social order. A great transformation is more likely to be unfolding if there are visible interactions and synergies at work between the many components involved. We need to link it all together.

And the third reason, paradoxically, stems from the fact that those few who do venture into holistic analysis are rather disinclined to offer concise empirical explanation. Linking it all together is an intellectual enterprise that easily can monopolize one's entire academic career and also one that demands an extraordinarily synthetic mind. I think it is fair to say that holistic efforts have, so far, produced frustrating reading. The labellers

may furnish suggestive vignettes but they shun away from any systematic attention to the precise causalities that operate. And the macroscopic pulling-it-all-together efforts, such as Manuel Castells's (1996) three volumes on the network society, tend to fall into a functionalist mode. Efforts to join all the pieces of the puzzle together in one great tableau yield, most likely, the uninspiring insight that everything is related to everything. In either case, such scholarly efforts are essentially immune to empirical falsification and this is probably why they have failed to resonate much in the scientific debates.

I am no sociological Michelangelo and will not try my hand at a sociological version of the Sistine Chapel. As the book's title suggests, my aim is to tackle the (unfinished) revolution of women's roles. I am far from the first one to do so. Better and brighter minds have had a go at it for decades. I do see it as an inherently revolutionary process precisely because it has turned upside down so many well-established ways of being and doing. My principal argument, however, is that the so far incomplete nature of the revolution is provoking serious disequilibria in our society. These are particularly evident on three fronts: far fewer children than we desire, way too little investment in the quality of our increasingly few children, and population ageing. A major concern is that the female revolution may also be the harbinger of new inequalities and possibly even of greater social polarization.

Can these disequilibria be adequately managed by families themselves? Can we place our faith in the market? My answer will be: probably not. And this is why the welfare state, yet again, is placed centre stage of my analyses. The colossal feminist literature focuses, like I do, on the need for a new social policy. For the most part it is, however, narrowly concerned with equality issues related to ingrained patriarchy, gender discrimination and the dilemmas of reconciling work and family. I think we all agree that equity is *sine qua non* for a workable remodelling of our society. My analyses aim, however, to also tackle the efficiency issues related to welfare state adaptation. In basic terms, the real challenge I pose myself is to identify a model that is truly optimal in the Paretian sense. This implies, firstly, that any gains in efficiency (say, greater production) cannot be won at the cost of more inequity; vice

versa, welfare improvements may be desirable in their own right but they will not produce an optimal outcome if, simultaneously, they jeopardize efficiency. And, secondly, we can say that we have attained a distributive optimum when there is no imaginable alternative allocation which would improve the position of some without worsening that of others.¹ In chapters 3–5, I do my best to adopt these principles in my search for, respectively, a new family policy, a strategy for investing in our children's life chances, and a retirement reform that ensures not only financial sustainability but also greater fairness between and within generations.

I have, with scant success, ventured into political sloganeering in the naive belief that this would help our politicians see the light. My preferred slogan is 'pension reform begins with babies'. It is a useful kind of sound bite because it connects the stages of people's biographies, highlighting how important is early childhood for people's life chances. An approach that adopts a life-course perspective constitutes, I believe, a potentially very powerful tool of analysis. Firstly, it allows, indeed compels, us to link social realities in a non-functional manner. The stages of the life cycle are causally connected, and if we can identify the social mechanisms that link well-being or social problems at one stage, say old age, to conditions in an earlier stage, we are far better equipped to identify the forces that shape the lives of individuals and the fate of social communities. Were we able to persuade our politicians that everything begins with babies, it is very likely that we would see less inequality and greater productivity in the future. Good child policies are likely to result in a truly non-trivial Pareto improvement.

Identifying Revolutionary Change

We can often find historical precedence for what we identify as novel in society. Much attention has been dedicated to the apparent revolution of the family, not least because it is closely associated with rising welfare inequalities. We see income

¹ For an excellent presentation of the Paretian optimum principle, see Rawls (1967).

polarization between dual-earner career couples at the top and single-earner or, worse, workless couples at the bottom.

The conventional nuclear family is increasingly minoritarian, facing stiff competition from a plethora of 'atypical' alternatives such as cohabitation, single-person and lone-parent households. A superficial glance at contemporary behaviour would indeed suggest that the family, as we once knew it, may eventually end up as yet another exhibit in our sociological Jurassic Park. In Scandinavia and North America almost half of all marriages end in divorce, and more and more people appear to shun marriage altogether. If they do marry, it is far later than what used to be the norm. A sizeable group of women, particularly in the US, opts deliberately for lone motherhood. In Scandinavia, almost half of all children are now born outside marriage. And the timing of our decisive life events has undergone distinct changes. We increasingly postpone decisions regarding marriage and births, but we also anticipate others, like retirement. Key life events are, moreover, becoming disconnected. Decisions about motherhood and marriage appear increasingly as uncoupled whereas, once, the twain were basically synonymous. To this we must add the substantial proportion of contemporary women who remain childless or who seem to limit parenthood to one child. A large part of the advanced world appears to have slid into what demographers term a 'lowest-low' fertility syndrome. This syndrome remains quite puzzling to social scientists.

A closer examination of family statistics will reveal a paradoxical panorama. If we choose the post-war decades as our benchmark, we see revolution everywhere. A longer historical scan produces, however, a picture of surprising stability. It turns out, for example, that the US rate of lone motherhood in the 1980s is basically identical to 100 years earlier, and this holds too for the proportion of never-married women and for median age of marriage. The same pattern is evident in Scandinavian fertility behaviour. Mean age at first birth is almost 30 today which is identical to 100 years ago but 5 years later than in 1960.

There are two important points to be drawn from this. One is that we must be careful indeed when we infer revolutionary transformation from data on change. Post-war social scientists,

like Gary Becker and Talcott Parsons, erred tremendously in their assumption that the stable nuclear family marked the culmination of an epochal evolution towards modernity. In fact, it is now clear that mid-twentieth-century family behaviour was an historical anomaly in virtually all key dimensions. The jump in fertility that produced the baby-boom generation represented, in historical terms, little more than a brief interlude.

The second point is arguably even more important. If we examine social facts and phenomena, we will probably always encounter historical precedents and conclude accordingly that there is nothing new under the sun. But the social sciences are only relevant when they move beyond commentary on social facts and attempt to identify the underlying driving forces that produce the facts to begin with.

In the case of family formation I doubt that many will be surprised to learn that the primary causes behind lone parenthood or non-marriage are different today from what they were a century ago. In the past, widespread poverty meant that people postponed marriage and parenthood. As I shall discuss in chapter 1, postponement today is primarily driven by women's quest for autonomy. In the past, lone motherhood was very much associated with widowhood; today it is mainly the result of divorce. A century ago, a large share of women remained unmarried and childless because they were condemned to a life of servitude in the homes of the privileged classes. Today, unmarried and childless women tend to be professionals and managers – often the progeny of those same privileged classes.

The family example can easily be generalized. Take the emergence of the service economy, heralded as the cornerstone of post-industrial societies. The share of service employment had already eclipsed manufacturing many decades ago. The pace of service growth has been very rapid over the post-war era and this has of course helped fuel the notion of a revolutionary transformation. Some service industries, like those related to information technologies, are indisputably of very recent origin. But a huge mass of the 'new' service economy jobs are simply the same that once were performed within families and manufacturing firms. Families have externalized a lot of caring, food preparation,

laundry, and cleaning; firms have externalized their design, marketing and accountancy departments.

The kinds of national accounts data we use obscure this process of externalization and lead us to believe that we live in an entirely new world. As before, it is perhaps not so much the social facts – in this case servicing – that signal a transformation as the underlying causal mechanisms. A century ago, service consumption was primarily driven by the privileged rich. They were no doubt intensive service consumers, surrounding themselves with an army of maids, nannies and servants – the very same that found it difficult to reconcile servitude with their desires for children and marriage. But aggregate demand for services remained limited because the privileged classes represented a very small consumer group, statistically speaking. In contrast, today's service economy is driven by the broadening of purchasing power throughout the population and, no less importantly, by the disappearance of cheap domestic servants and of the housewife.

All this is not to say that contemporary society exhibits nothing that is historically novel. The past decades have produced extraordinary technological leaps that, in turn, have massive repercussions on earnings, income distributions, and citizens' career prospects. Over the same decades, albeit often with lags, the population has enjoyed a degree of educational and skill upgrading that is historically unprecedented.

The shift from homemaker to a lifetime dedication to employment certainly rivals technology in terms of suddenness and velocity. The momentum has, in this case, been little short of revolutionary. Consider the international forerunners. In Sweden and the US, the rate of female employment hovered around 35% in the 1950s and is now 75% in the former, and 71% in the latter country. The big acceleration started in the 1970s when continuous lifetime employment among mothers became the norm. In laggard countries, such as in Southern Europe, the transformation of women's roles occurs at an astonishing pace. Since 1990 the overall female employment rate in Spain has jumped by 65% and, if we focus on younger women with children, female employment is now close to US rates.

Some have questioned whether this change represents a true 'revolution', arguing that most women in the past were not merely