

**Is it commodification, de-commodification,
familialism or de-familialization?
Parental leave in Sweden and Finland**

Elina Schleutker

elsc7276@student.uu.se

Institut für Politikwissenschaft

Professur für politische Wirtschaftslehre

Melanchthonstr. 36

72074 Tübingen

<http://www.sowi.uni-tuebingen.de/wip>



Zu der Autorin

Elina Schleutker ist Studentin an der Universität Uppsala.

ISSN 1614-5925

© Tübingen 2006
Elina Schleutker

Hinweis zu den Nutzungsbedingungen:

Nur für nichtkommerzielle Zwecke im Bereich der wissenschaftlichen Forschung und Lehre und ausschließlich in der von der WiP-Redaktion veröffentlichten Fassung - vollständig und unverändert! - darf dieses Dokument von Dritten weitergegeben sowie öffentlich zugänglich gemacht werden.

Abstract

The aim of this paper is to discuss four central concepts of welfare state policy, (commodification, de-commodification, familialization, de-familialization) in the context of parental leave policies in two social democratic welfare states, Sweden and Finland. One could claim that the parental leave in these countries is including all of the four elements, but could mostly be characterized by commodification, de-commodification and de-familialization of the mothers. Sweden with its more generous parental leave (both when it comes to the amount of the days and the compensation) is being more de-commodifying and de-familializing than Finland. Despite the critique towards these Esping-Andersen's concepts, they can be said to be more clarifying than confusing when discussing parental leave in Sweden and Finland, while the dimensions of the parental leave in these two countries seem to be complex and cannot be captured with only one concept.

Table of contents

| | |
|---|-----------|
| 1. Introduction | 5 |
| 1.1 Research question | 6 |
| 1.2. Outline of the paper..... | 7 |
| 2. The problem called Esping-Andersen's de-commodification concept | 7 |
| 2.1. The theoretical framework of the paper..... | 14 |
| 3. Parental leave in Sweden and Finland | 15 |
| 3.1. Gender related policies in Scandinavia..... | 15 |
| 3.2. Sweden: Parental leave for parents, paternity leave for fathers | 18 |
| 3.2.1. Future of the parental leave | 21 |
| 3.3. Parental, maternity and paternity leave in Finland | 22 |
| 3.4. Comparing the systems..... | 24 |
| 4. Finding the concepts to the policies | 28 |

1. Introduction

When trying to understand what the state is doing and why, and what are the results of its politics and policies, it is good to have a fruitful theory or an analytical scheme to guide the research. When Esping-Andersen wrote his famous book about the three worlds of welfare capitalism and divided welfare regimes up into three different types,¹ it seemed like his theory had solved many puzzles of the comparative welfare state research. The core idea of the theory, that the workers were commodified and that the welfare state then tried to decommodify the workers, which in different types of the welfare states happened in different ways, is certainly a helpful analytical scheme to structure the information and understand the research material.

Though, not all are satisfied with Esping-Andersen's thoughts and especially the feminist scholar has been active in pointing out, for example, how Esping-Andersen has based his classification on male premises and how, thus, some of the central ideas cannot be applied to the women, i.e. to all workers.² One of the feminist scholar researchers' concerns is that the theory is actually not as helpful and fruitful as it could be and cannot provide an enough good tool when trying to deal with some of the research problems in the area of welfare state research.

As a response to the feminist critics Esping-Andersen revalued his theory and wrote a new book where he introduces some new ideas and concepts. Although, his original classification of the welfare regimes stays the same. While one of the main arguments by the feminist critics was that the women are not yet commodified and thus cannot be decommodified by the welfare state, Esping-Andersen tries to improve his theory by introducing two new concepts which better would help us understand women's role and position in welfare states; familialism and de-familialization to describe the different kind of attitudes the state can have towards families.³

¹ Esping-Andersen (1990)

² See e.g. Orloff (1993)

³ Esping-Andersen (1999)

Also these concepts have confronted some critique: they are for example said to be confusing and the analytical value of them has been questioned.⁴

1.1 Research question

As the concepts themselves are widely discussed and because they have been criticized that much, I find it useful to test what they can tell us about a special policy area and whether they are helpful when trying to understand it. This study has two purposes: first, to gain more understanding of the four central concepts of the welfare state research, commodification, de-commodification, familialism and de-familialization, and second, to try to apply these concepts to the parental leave policies in Sweden and Finland. Thus, the study starts with two questions: can these concepts be helpful when trying to tell what the Swedish and Finnish states are doing when it comes to the parental leave *and* what are the Swedish and Finnish states doing if explained in terms of commodification, de-commodification, familialism and de-familialization .

First, though, before starting to deal with the research question itself, it is adequate to motivate the choice of the countries and the policy area. As representatives of the social democratic welfare state, the degree of state de-commodification and de-familialization should be high in Sweden and Finland. Therefore, the policies in social democratic welfare state type should provide a good opportunity to discuss commodification, de-commodification and de-familialization. Finland and Sweden are chosen mainly because of my own personal interest and language skills, but this should not be seen as a disadvantage, but on the contrary, while the amount of comparative welfare state literature of Sweden and Finland in English is quite humble. The paper could also have been carried only with one case/country, but the comparative perspective tends to be better, because it helps us to see and understand the special characters of a policy in one country better and to better answer questions like "how much is much?".

⁴ See e.g. Woods (2004)

When it comes to the selection of the policy, I find the parental leave to be one of the most interesting areas of gender related policies. In Scandinavian countries, the question of parental leave is no longer something that is directed to the mothers only, but is more and more becoming a question of the fathers too; it is interesting to look at the ways through which the state is trying to get the fathers to take more responsibility of the child care. The leaves targeted especially to fathers are also giving a reason to ask if the same policy can affect the fathers and mothers differently.

1.2. Outline of the paper

After this short introduction, the theoretical concepts of the study are discussed in section two. Section three provides first some background information of gender related policies in social democratic welfare states and after that follows a summary of parental leave in Sweden and Finland. The paper will be finished with section four, where I will try to answer the research questions.

2. The problem called Esping-Andersen's de-commodification concept

Although "commodification" and "de-commodification" in most cases probably are associated with Esping-Andersen's theories, it was not Esping-Andersen himself but Claus Offe, who first introduced these concepts to the welfare state research. Offe chose to call the state policies which brought more workers into the labour market commodification and similarly, Offe called the policies which provided the workers some exits from the labour market de-commodification. For him these two policy types were in close interrelation with each other. Offe also studied how the state with this kind of policies altered and affected the power relations between the labour and capital - because of the state commodification and de-commodification, the workers got more power in the labour market than they had had before the state intervention. Esping-Andersen adopted Offe's idea of state and labour market as main units in the welfare state

but concentrated mostly on de-commodification giving less attention to commodification and the interrelation between them. He also lifted up the role of the workers and claimed they were central players behind de-commodification, insisting state interventions on labour market.⁵

The basics of Esping-Andersen's ideas are to be read in his *The Three Worlds of Welfare Capitalism* where he writes how, with the capitalistic economy structure, the labour force became commodified; the labour became like a commodity which could be bought by the employers. The people were no longer independent producers but commodities, wage-earners. This, of course, meant different kinds of risks to the workers who now were dependent on their wage: when, for example, becoming too old to work or becoming sick or unemployed, the income would be zero and the survival outside the labour market would be difficult. And, because a worker could always be replaced with another worker, there would always be competition of jobs and because of this competition a worker would be almost forced to accept a job, with any wage, leading, of course, to lower wage rates. Thus, whereas commodification meant more power to the employers, it meant more risks for the workers. In short, as Esping-Andersen himself puts it: "As commodities, workers are replaceable, easily redundant and atomized".

The many risks of commodification were not only problems of the workers, but the whole system was quite fragile when working like this. The welfare state developed with the task to de-commodify the labour force, i.e. to safe a tolerable level of welfare for the workers even if they would not be working; to guarantee their standard of living even if they would be affected by the social risks. This de-commodification was not only for the best of the workers, but also a necessity for the system survival, making for example collective action possible for the workers.⁶ Esping-Andersen's contribution to the welfare state research was to identify the commodification and de-commodification process in the welfare state and divide the welfare

⁵ Knijn and Ostner (2002), p. 141 f

⁶ Esping-Andersen (1990), p. 35 ff

states into three different categories (liberal, conservative, social democratic) according to their de-commodification ideologies and patterns, a classification that can be said to be the paradigm of comparative welfare state research today.⁷

Though, the analysis of the welfare states by Esping-Andersen has been criticized by many. One of the critiques arises from the feminist scholar discussing how Esping-Andersen has ignored the gender and gender aspects in his analysis. Orloff, being one of the best-known critics of the theory, writes how family as a provider/producer of the welfare services is forgotten and how the scheme does not take into consideration the unpaid work the women are doing at home or the power relations within the families. She also says that Esping-Andersen has ignored the impact of the stratification system on gender hierarchies (concentrating only on the effects it has on class hierarchies). After listing these and some other lacks in Esping-Andersen's theory, Orloff writes that because of these misses and because of the hidden assumption that the worker always is a male (supported by the welfare services produced by the family), the concept of de-commodification does not give us information about the impact of social provision on all workers and must be revalued.⁸

The problem of commodification and de-commodification more specific is discussed by, for example, Daly (1994). She describes the concept of de-commodification as "gender blind" and says that it has "discriminating properties". The core idea of her critique of the concept is following: "de-commodification" is based on male standards, but the welfare state has policies directed to others than working men, for example to women and families. According to Daly, there are three problems if trying to apply Esping-Andersen's de-commodification on women too:

First, while based on male standards, de-commodification leaves aside those who are not on the labour market, which mostly are women who stay

⁷ Esping-Andersen's theory contains also other relevant variables, which are left aside in this paper

⁸ Orloff (1993)

at home as housewives. Though, these women do not stay at home because they are de-commodified but on the contrary: they are outside the labour market because they are not commodified. As women are not dependent on the labour market as men are, the state cannot de-commodify them to gain the independence of the market in the same way the state can de-commodify men. Instead of the labour market, women can be dependent, for example, from the income of their husbands. Thus, the dependency/independency of women is not only a product of their position in labour market or welfare policies, but also a product of their family relationships. If summarized, the capability of de-commodification to analyze the relationship between women and welfare state is limited.

Second, the relationship between women's labour relations and the role of the welfare state in them is not as simple as Esping-Andersen's theory might let us expect. In his world, the market commodifies and the state de-commodifies. But, in fact, the women are not only commodified and de-commodified by the state, but the possibility of being commodified or de-commodified by the state is as big for women. This becomes obvious when, for example, regarding the amount of women in the caring work sector, where the welfare state is a huge employer of women. Also, one should bear in mind that women do not enter and exit the labour market for similar reasons as men, but are much more influenced by their family situation.

Third, there exists a possibility that de-commodification itself is a gendered phenomenon. Although there would exist some similarities between the de-commodification of women and men, they can still be de-commodified for different purposes and under different conditions, which can be seen when studying the gender of the receivers of different welfare programs, where men dominate in some programs and women in others.⁹

Obviously, a research problem arises here: what do to with the feminist critique? There exist at least three alternatives to handle the situation. First, one can try to incorporate the feminist critique and approaches into

⁹ Daly (1994), p. 105 ff

the old, mainstream theories. Second, one could try to abandon the old theories and frameworks, and instead try to develop some new theories where gender is incorporated in a proper way. Third, one can keep these two apart. Each of these approaches has, of course, both positive and negative implications.¹⁰

It is also obvious that Esping-Andersen could not ignore the feminist criticism and his response to these critics is to be read in his book *Social Foundations of Postindustrial Economies (2000)*. It is quite natural that he chooses the first one of the three possible approaches named: try to incorporate the feminist point of views in his own theory. Thus, in the book, he is rethinking his theory and concepts, admitting that family as a provider of welfare has been partly ignored because of the assumption that the welfare state would take care of all of the welfare responsibilities. To fill in the lack pointed out by the feminist scholar researchers and to integrate the family/household unit into his welfare state analysis, he introduces two new concepts: familialism and de-familialization.

He writes that the welfare states can also be studied when it comes to their attitudes towards families; to study the states when it comes to their degree of familialism and de-familialization. He states that in some welfare regimes, which he calls for familialistic welfare regimes, the idea behind the state welfare policy is that the family should be the main carer and the main unit of welfare for its members and the state is therefore assigning most of the welfare services to the households, taking care only of those welfare services that cannot be produced by the households themselves. As an example of familialistic welfare states he names Italy and Spain.

According to Esping-Andersen there also exist de-familialistic welfare states which are working quite differently: the idea in that kind of welfare regimes is that the state should ease the welfare responsibilities of the family as much as possible and make the individuals more independent (and less dependent on the family). Quoting Orloff (1993), Esping-Andersen

¹⁰ For discussion, see for example Sainsbury's Introduction in Sainsbury (ed) (1999)

writes that de-familialization is a precondition for women's capacity to commodify themselves.¹¹

Esping-Andersen then asks how we should measure familialism and de-familialization. He suggests that there can be three different kinds of de-familialization dimensions: de-familialization through the welfare state, through market and within households. He, further, tries to operationalize these different dimensions of de-familialization. State based de-familialization is operationalized as four different indicators: overall servicing commitment, overall commitment to subsidising child families, the diffusion of public child care and the supply of the care to the aged. About de-familialization within families Esping-Andersen writes

The intensity of familial welfare responsibilities can be measured by the time spent on unpaid domestic obligations, or by the degree to which families absorb social burdens, such as taking in the aged or supporting adult children /.../ ¹²

He, then, names three more specific indicators to measure this kind of de-familialization: percentage aged living with children, unemployed youth living with parents as a share of total and weekly unpaid hours of women. Finally, when it comes to market based de-familialization, Esping-Andersen writes that there is quite little comparative information of it, such as price data on private day-care etc and does not give any precise empirical definitions to measure market de-familialization. Familialism in turn should according to Esping-Andersen be measured by what he simply calls "welfare state (or market) non-provision."¹³

But, as already mentioned, not all are satisfied with these concepts either. For example Woods points out, how the concepts actually can be more confusing than helpful. According to her critique of the concepts, de-familialization, too, is based on male standards, while measuring to which degree the women can achieve the commodified status of men. Further, Woods asks what the difference between male breadwinner model and fa-

¹¹ Esping-Andersen (1999), p. 51 ff

¹² Ibid., p. 62

¹³ Ibid., p. 52 and 61 ff

miliastic welfare regime is and should not these two be regarded as synonyms? Moreover, Woods asks what is actually the difference between de-commodification and de-familialization and points out that there might be a difference only when talking about female workers.

Woods also claims that the terms may be useful when studying the Scandinavian welfare state where the de-familialization -commodification-de-commodification – development works, but that the conditions in other welfare states are different and the scheme by Esping-Andersen might not work. She takes help from Knijn and Ostner¹⁴ who have showed that women in many cases actually were commodified before men but were then encouraged to stay at home. Woods also claims that the difference between market based commodification and de-familialization might be a very fragile: if a family hires a nanny, this should be regarded as a market based de-familialization for the family, but wouldn't it at the same time be market based commodification for the nanny? In addition, Woods claims that the two liberal welfare states, the US and UK are being different when it comes to their market and state de-familialization. Further, she says that the conservative welfare state covers family risks indirectly through the employed man. Also, Woods points out that Esping-Andersen does not touch the concept of de-familialization, which is the concept that originally was criticized.¹⁵

Also Leitner has discussed de-familialization and especially familialism. Leitner wants to point out, as Woods, how the market based de-familialization (which occurs especially in liberal welfare states according to Esping-Andersen) is connected to the income and is thus, class biased. She writes that

/.../ either only the better-off can afford to be de-familialized or the quality of de-familialization varies considerably by income. ¹⁶

¹⁴ Knijn and Ostner (2002)

¹⁵ Woods (2004), p. 46 ff

¹⁶ Leitner (2003), p. 357

Another thing Leitner finds disturbing in Esping-Andersen's revised theory is his claim that the Scandinavian states are the most de-familialized ones. According to Leitner, also in the Scandinavian welfare type the family is the most important unit which provides welfare.

Leitner then discusses familialism more specific. She claims that the theoretical and empirical definitions Esping-Andersen gives to the concept are not enough good to tell us about the differences between different kind of familialistic welfare states. The problem Leitner recognizes is Esping-Andersen's way to concentrate on the policy outcomes instead of the mechanisms leading to these outcomes. She herself suggests a scheme where also the mechanisms behind the outcomes can be identified.¹⁷

2.1. The theoretical framework of the paper

What we now have after this short introduction of the welfare state theory is four different concepts to help us to classify the welfare states and policies. When analyzing the parental leave in Sweden and Finland with these concepts, it could, of course, be helpful to have precise operationalizations to guide the study. Though, when trying to analyze this specific policy area, the theoretical definitions might be enough. The concepts if only defined theoretically are, of course, quite vague, but I have decided to leave them that way while I find the definitions to be enough complete to be able to answer the research questions of this paper.

When it comes to the commodification, the questions one should ask are, whether the state policies are leading to more workers entering the labour force *and* if the aim of the parental leave policies is to get the workers to attend the labour market. De-commodification, on the other hand, is about the state giving support when the worker is affected by the social risks. Therefore, some simple questions can be enough when trying to decide whether the parental leave is having a de-commodifying effect: is the child birth a social risk and to whom and if so, is the risk covered by the state?

¹⁷ Ibid., p. 357 f

About de-familialization can be said that none of the measures by Esping-Andersen can really help us to capture the possible de-familialization aspect in parental leave policies in Sweden and in Finland, while Esping-Andersen wanted to study the welfare states whereas we want to study a specific policy area. Though, one could claim that while the core idea of de-familialization is to get the family members to be less dependent on the family and especially to lessen the unpaid working hours of the women one should in this context ask if the aim of the parental leave is to ease the family responsibilities of the individuals and if so, how much (de-familialization) or to assign more obligations to the households (familialism).

3. Parental leave in Sweden and Finland

In this section we will first take a short discussion about gender and the social democratic welfare state. Then, a description and comparison of parental leaves both in Sweden and Finland will be provided and some of the possible consequences of the Scandinavian parental leave system will be discussed. While the extent of the study is limited and because of the general nature of the study, I do not find it important to describe the details of the policies in Sweden or in Finland, such as how the parental leave is affected if giving birth to twins - the paper only contains the main features of these policies.

3.1. Gender related policies in Scandinavia¹⁸

To be able to take a closer look at gender issues in the social democratic welfare states, I have used Diane Sainsbury's comparative study of gender and welfare policies in Scandinavian countries. Sainsbury analyzes these welfare states with help of four dimensions: *gender differentiation in entitlements, individualized versus familialized benefits, state responsibility*

¹⁸ This chapter is based on Sainsbury's *Gender and Social-Democratic welfare states* (1999)

in caring activities and women's and men's equal access to paid work. She claims that when it comes to gender related policies, there exists some differences between the countries and that the Scandinavian countries are not as similar as one might expect in the basis of Esping-Andersen's theory. According to Sainsbury, one reason for the variation between the Scandinavian states arises from their difference to encourage both women and men to combine the earner and carer- roles in their lives. Another variable which according to her explains the variation is "the importance of family responsibilities in shaping entitlements and tax benefits." Of course, there also exist some common features: Sainsbury writes, for example, how all the countries have had strong entitlements of women as mothers (compared with the other welfare states, where the entitlements of women are based on their status as wives). Sainsbury also recognizes, that something what she calls for separate gender roles regime, where men are family providers and women mothers and caregivers, has been common feature in the countries in Scandinavia. Though, during the past 25 years the policies in Scandinavia have been changing towards individual earner-carer-regime, where women and men are both earners and carers.

When it comes to Sweden, Sainsbury describes the development in the country as a long term change towards individualization in many policy areas. She writes that the labour market measures were still directed to men during the 1960s, but already in the 1970s more labour market measures were directed to women, with an aim to get them to participate more in the labour market. One should also bear in mind that the expansion of public sector during that time created more work opportunities for women. All in all, the reforms were so succesful that in 1980 the country could show a female labour market participation which was about 15 percentage points higher than ten years before. Also other women friendly policies that took place in the 1970s can be named here: the introduction of separate taxation of married persons in 1971; the pre-school reform in 1973 which made the public child care available to all parents and parental leave reform in 1974.

About Finland Sainsbury writes that the country has had a “long standing norm that mothers are workers and carers”. The Finnish state has wanted, with different policies, to encourage the women to combine work and parenthood, and later, as in Sweden, to encourage men’s participation in caring responsibilities at home. The late 1970s and the early 1980s in Finland saw an expansion of public child care and parental leave benefits (compare to the development in Sweden). It can be mentioned that at that time the parental leave in Finland was so much more generous than in Denmark and Norway, that the Finnish women could get twice as much parental leave days as the women in Denmark and Norway. Also the share of the fathers of the total parental leave days was quite high in Finland if compared with Denmark and Norway.

The women in Finland had it actually quite good, even better than the women in Sweden if one looked at the Finnish women’s labour market participation in the 1980s, when it was so high it came closest the labour market participation of men’s (in comparison with other welfare states). What also is interesting in the Finnish case is that a larger share of working women in Finland has had full-time jobs compared with the other Scandinavian countries. Though, the negative side of the Finnish model is that in income-testing programs the unit of the benefit has been family and as a consequence, this means- testing have been discriminating for women.

When talking about parental leave, Sainsbury claims that the early structures of the leave, it is in the early 1980s, were quite similar in Sweden and Finland and she then lists following common features in this policy in Sweden and Finland if compared with Denmark and Norway:

- 1) a longer leave
- 2) a lengthier period of high compensation
- 3) a more generous policy towards fathers to take leave, rights to care for a sick child, and flexibility in taking leave

The development of the gender related policies in Scandinavia did not, of course, end in the 1980s. One of the questions Sainsbury finds interesting to answer is: has there been a convergence or divergence in the gender related policies in Scandinavia during the past years? Her answer is following: there are several variations between the countries (for example in the areas of entitlements, taxation and parental leave). These variations have been diminishing in the past years, but some variations still persist.

On the other hand, there are many areas where the policies in all of the countries are very similar, or have been moving to the similar direction. As an example of these kind of policies Sainsbury names for example "the weakening of familialized benefits in income-maintenance programs and taxation", "extensive child care provision" and "ambitious parental-leave schemes with strong entitlements for both mothers and fathers compared to most other industrialized countries".

3.2. Sweden: Parental leave for parents, paternity leave for fathers

The Swedish parental leave *föräldraförsäkringen*, (insurance for the parents) was introduced already in the 1974, when it replaced insurance for mothers only. The new leave for both of the parents gave a possibility also for the fathers to get compensation if they wanted to stay at home with the child. Naturally, it also created opportunities to share the caring work between the parents, which would improve women's situation in the labour market.

There were several reasons behind this new policy. If summarized, one can say that the core idea was that family and family policies were seen as a part of the labour market policies: the women could work (more) if they would not have to stay at home with their children a so long time. The amount of the days in the 1974 was quite humble compared with today: totally 180 days with specific rules when and who could take out these days.¹⁹ Naturally, the early parental leave has gone through some major

¹⁹ SOU 2005:73, p. 107 f

changes during the past thirty years: the amount of the days has increased and the rules are different. Also the idea behind the policy has changed a bit: when one talks about parental leave it is no longer a policy which should bring more women into labour force and make it easier for the women to stay in the labour market. At present the system is officially said to be based on the best for the child and it should promote gender equity. The gender equity-aspect can be seen on the structure of the parental leave: there exists now both parental leave for parents (compensated with parental benefit) and paternity leave for fathers (compensated with paternal benefit).²⁰

When wanting to understand the present parental leave system and the changes it probably will go through in the future, it might be fruitful to go ten years back in time: in the 1994 the system was once again reformed. From the beginning of the 1995 the parental leave consisted of totally 450 days as it has been doing already from the 1989. The thing with the reform was that from the beginning of the year 1995 these 450 days should have been equally shared with the both parents. Though, one parent was able to give up his/her share of the days to the other parent, apart from 30 days. These 30 days were a very special element in the Swedish parental leave and was called *pappa/mamma-månaderna*, (daddy/mommy-months). Introduction of the 30 days meant in practice that the family would lose 30 days of its total parental leave days if only one parent would take out the parental leave.

This system was, though, reformed again in the 2002. The main change was about the amount of the days: one decided to add 30 days more to the total amount of the parental leave days, which after the reform consisted of 480 days totally. Like in the system introduced in the 1995, the days should still be shared equally, but the other parent could give up his/her share of the days to the other parent, now apart from 60 days. The extra 30 days could thus be given to a family only if the parent who was more passive in the caring work would take out more leave. This reformed parental

²⁰ Dir. 2004:44

leave system from 2002 is still valid, and the days can be taken out until the child reaches the age of eight or the end of his/her first school year.²¹

Each of these 480 days is compensated with parental benefit. The amount of this benefit depends on the income of the parent who chooses to stay at home with the child: generally the first 390 days are compensated with 80% of the wage (with very high income the rules vary). Though, if the parent does not have any income at all, the minimum amount for these 390 first days will be 180SEK²²/day. The last 90 days will be compensated with 60SEK/day for all.²³

Both the mother and father can not take out the parental leave at the same time and thus, cannot be at the home at the same time.²⁴ Although, there exists a special leave for fathers called paternity leave, which gives an opportunity for the father to be at home at the same time with the mother. The paternity leave in Sweden is ten days long and must be taken out during the first 60 days after the mother and the child has come home from the hospital. The father is only allowed to take out the days when the mother is taking out her days of the parental leave. Paternity leave, too, is compensated with an amount that is 80% of the wage.²⁵

According to the statistics, the reform in the 1995 has resulted in that the percentage day share of the fathers has been rising. Although the years 2002 and 2003 are missing from the comparison, it is quite safe to draw the conclusion that also the reform in the 2002 has raised the share of the fathers significantly. Thus, one can also draw the conclusion that the “obligatory parental leave” for fathers has worked positively.

²¹ SOU 2005:73, p. 112 ff

²² 1EUR ≈ 9,33SEK (5.1.2006, Homepage of Bank of Finland)

²³ SOU 2005:73, p. 114

²⁴ Homepage of Försäkringskassan (“föräldrar”→”att bli förälder”→”när barnet är fött”→”så kan föräldrapenning tas ut”)

²⁵ Homepage of Försäkringskassan (“förälder”→”att bli förälder”→”när barnet är fött”→”nybliven pappa”)

Table 3.1. Parental leave in Sweden, the day share of women and men (percentage)

| Year | Men | Women |
|-------------|------|-------|
| 1990 | 7,4 | 92,6 |
| 1991 | 8,1 | 91,9 |
| 1992 | 9,1 | 90,9 |
| 1993 | 10,1 | 89,9 |
| 1994 | 11,4 | 88,6 |
| 1995 | 9,6 | 90,4 |
| 1996 | 10,6 | 89,4 |
| 1997 | 9,9 | 90,1 |
| 1998 | 10,4 | 89,6 |
| 1999 | 11,6 | 88,4 |
| 2000 | 12,4 | 87,6 |
| 2001 | 13,8 | 86,2 |
| 2004 | 17,5 | 82,5 |

Source: *Finansdepartementet and Socialdepartementet*

3.2.1. Future of the parental leave

In the spring 2004 the government of Sweden requested a research/investigation of the rules of the parental leave in Sweden to be made. The investigation was to be based on the main principles of the parental leave; that it should be for the best of the child and to promote gender equity. One of the main purposes of the investigation was to find out how the parental leave even better could facilitate the best for the child so that the child as early as possible could spend a lot of time with both of its parents.

This investigation was finished in September 2005 and contained some proposals for the change of the rules of the Swedish parental leave as well as some complementary proposals as to spread information etc. As the proposed changes were many, I will concentrate only on the most important changes, i.e. on the suggested changes of the rules.

The first of the new elements suggested was a special leave for pregnant women. This leave could begin earliest 30 days before the estimated date

of child birth and would naturally end when the child is born. The purpose of this new leave would be, for example, to give the becoming mothers some time to rest in the end of the pregnancy.

When it comes to the parental leave itself, the investigators suggested that the limit should be reduced so that one could use the parental leave days only til the child reaches the age of four. The amount of the days was also suggested to be changed to 15 months totally, where five months should be used by the mother and five by the father. The compensation was suggested to be 80 % of the wage during the whole leave. Thus, the last 90 days during which one in the present system has some kind of minimum amount would be taken away.

Another suggestion deals with the now existing paternity leave of ten days: these ten days are suggested to be taken away and replaced with something which is called *dubbel-dagarna* (double-days). The core idea of these days is that during them both of the parents can stay at home with the new born child at the same time. The double-days are suggested to be totally 30, each compensated with 80% of the wage, and taken out during the first sixty days after the child and the mother have come from the hospital.

Also another kind of a new leave was suggested: a special leave of 10 days/year for one of the parents for children older than four but younger than ten years. These 10 days could be used for visiting the school or primary school and it was suggested that two of these days would be compensated with 80 % of the wage.²⁶

3.3. Parental, maternity and paternity leave in Finland

To be able to compare the Swedish system with another social democratic welfare state parental leave system, I decided to take a short look at the present situation in Finland. When compared to the Swedish parental leave, the Finnish system might at first seem to be a bit more complicated to understand while it consists of four different elements: maternity leave,

²⁶ SOU 2005:73, p. 13 ff

paternity leave, parental leave and extended leave for the fathers. In Finland, thus, it is more specified who should take out the leave.

Before and after the child birth the mothers have an opportunity to take out maternity leave (during which maternity allowance is paid), which is totally 105 days long. The parental leave usually begins when these days are being used. This parental leave is totally 158 days long and both the mother and father can take out the days. Though, as in Sweden, the parents are generally not allowed to stay at home with the child at the same time. But, as in Sweden, there exist a special paternity leave for fathers during which both parents can be at home at the same time. The length of this leave is 18 days, and it can be taken out during the maternity leave or mother's parental leave, in up to four segments. When it comes to the fathers' share of the parental leave, there exists a Finnish specialty called paternity leave extension: if the father takes out the last 12 weekdays of the parental leave, he can apply paternity leave extension, which can be 1-12 days long.²⁷

Each of the maternity/paternity/parental leave days will be compensated with an allowance and the amount varies depending on the income. [With the income between 1 055 - 27 468 euros/year the compensation is 70% of the wage, with the income between 27 469 - 42 261 euros the compensation is $64,09 + 0,40 \times (\text{income/year} - 27\ 468) : 300$, with income over 42 261 euros: $83,82 + 0,25 \times (\text{income/year} - 42\ 261) : 300$.] Though, the minimum amount, for example for students and unemployment people, is 15,20e/day.²⁸

The number of parental leave days in Finland might sound quite humble when compared to the Swedish system and therefore, it must be mentioned that in Finland, after all the parental leave days are used, the parents can choose to take out child care leave, which means that one of the parents can stay at home with the child until the child reaches the age of

²⁷ Homepage of Kela, ("lapsiperheelle" → "vanhempainetuudet")

²⁸ Ibid., ("kun sairastat" → "Sairauspäiväraha" → "sairauspäivärahan määrä")

three. The compensation for the child care are though more humble than those of the parental leave.²⁹

3.4. Comparing the systems

When comparing the systems, it is striking that in Sweden the parental leave is significantly more generous when it comes to the total amount of the days. When the maximum amount of the days in Sweden is as much as 490 days, in Finland it is almost 200 days less, 293 days. The more gender-specified leaves in Finland than in Sweden are also striking and the Swedish system with its gender neutral “parental leave” sounds more equal from the gender point of view than the Finnish leaves. Though, in real life the difference might not be that big: for practical reasons it should be quite reasonable to believe that also the Swedish mothers often are taking out the first months of the parental leave days; in Finland the first 105 days are assigned for the mother only, but probably these first 105 days are also in Sweden used by the mother.

Table 3.2. How many days of parental leave?

| | Sweden | Finland |
|-----------------|--------|----------|
| Maternity leave | ----- | 105 |
| Paternity leave | 10 | 18+ 1-12 |
| Parental leave | 480 | 158 |
| Total (days) | 490 | 293 |

Despite these big differences, both countries seem to share the idea that the fathers should be taking out the days as well; both of the countries have a special paternity leave, which in Finland is significantly longer. Also, in both countries the family can take out the maximum of the parental leave days only if both of the parents are willing to stay at home.

²⁹ Homepage of Kela, (“lapsiperheelle” → ”pienten lasten hoitoon tukea”)

Though, this mechanism seems to be more developed in Sweden: the family loses totally 60 days if one of the parents refuses to stay at home. In Finland this loss is not that big, only 12 days. In Finland it is also specified that the family will lose the days if the *father* will not stay at home with the child the last 12 parental leave days. In Sweden, though, for the practical reasons already mentioned, it is quite logical that the family will lose the 60 days if the father refuses to stay at home.

What is interesting, though, is the wording used when talking about the parental leave days of the fathers. In Sweden it seems to be a matter of losing 60 days if the father does not want to stay at home. In Finland it is more getting 12 days extra if the fathers chooses to take the leave. In Finnish one is actually talking about “bonus leave” and “bonus”. It would also be interesting to ask how the policies in both countries are affecting the freedom of choice: in Sweden the family is punished with 60 days if only one of the parents wants to stay at home; in Finland the punishment is only 12 days.

The compensation is also an important part of the parental leave. According to the studies made in Sweden and in Finland, the economical facts are being one of the main explanations behind the reasons for fathers not to take out the leave as much as the mothers or at all. In Finland where the compensations is lower than in Sweden, the compensation for the parental leave is simply said to be too low (if one is asking the fathers), but in Sweden, while the compensation is counted as a percentage of the wage, the households have counted that it is more rational for the mothers to stay at home as the wage rate for the fathers is generally higher.³⁰

When, then, looking at the effects of the parental leave policies in Sweden and in Finland, we can first take a look at the share of the parental leave days the fathers are taking out. The share of the fathers is interesting while both of the countries have the aim to get the fathers to be more interested and motivated to stay at home during the parental leave. Sweden clearly has succeeded in its aim and the share of the fathers is high compared to

³⁰ Takala (2005) and Socialdepartementet (2004)

Finland. Though, it must be noticed that up to date statistics are missing. It must also be pointed out that the high rates of fathers taking out parental leave are affected by the fact that the men are forced to take out 60 days, if the family wants to take out all of the days of the parental leave. So, the high level of the days the fathers are taking out is happening at the cost of the freedom to choose.

Table 3.3. The parental leave days the fathers draw in Nordic Countries (percentage)

| Year | Denmark | Finland | Norway | Sweden |
|------|---------|---------|--------|--------|
| 1990 | 4,1% | 2,4% | 0,0% | 8,8% |
| 1995 | 4,4% | 3,6% | 5,8% | 10,3% |
| 2000 | 5,5% | 4,1% | 7,2% | 13,7% |
| 2001 | 5,7% | 4,3% | 8,3% | 15,0% |
| 2003 | ---- | ---- | ---- | 17,2% |

Source: *Socialdepartementet (2004)*

When it comes to the other effects, the relatively generous parental leave system in the social democratic states is often said to be one of the reasons to the high percentage of Scandinavian women working outside the household and to the high fertility rate. Of course, these two things are also affected by other factors and it is difficult to tell how much or little impact the parental leave has.

Below we have some statistics about these two things in some countries, representing the three different kinds of welfare states. The conclusion is, that in Sweden the women are working more than women in other states, but in Finland the share of women at work is at the same level as in the USA and the UK. On the other hand, when then looking at the percentage point difference between women and men at work, one clearly sees that the difference is at lowest in Sweden and Finland.

Table 3.4. Women at work, percentage (*the number of women aged 15-64 in employment divided by the total women population of the same age group*):

| Country | Women | Men | Difference |
|----------------|-------------|-------------|------------|
| United States | 65,7 | 76,9 | 11,2 |
| United Kingdom | 65,3 | 78,1 | 12,8 |
| France | 57,2 | 69,4 | 12,2 |
| Italy | 42,7 | 69,6 | 26,9 |
| Austria | 61,7 | 76,4 | 14,7 |
| Germany | 59,1 | 71,0 | 11,9 |
| <i>Finland</i> | <i>65,7</i> | <i>69,7</i> | <i>4</i> |
| <i>Sweden</i> | <i>71,5</i> | <i>74,2</i> | <i>2,7</i> |
| Denmark | 70,5 | 79,6 | 9,1 |

Source: *Eurostat*

When it comes to the fertility rate, it is difficult to draw any greater conclusions. The fertility rate in Sweden and in Finland is higher than for example in Austria and Italy, but still lower than that in France and the USA. And, as already mentioned, it is difficult to know how big is the impact of parental leave system on fertility rate and the women at work.

Table 3.5. Total fertility

| Country | 2003 |
|----------------|-------------|
| Denmark | 1,76 |
| Germany | 1,34 |
| France | 1,89 |
| Italy | 1,29 |
| Austria | 1,39 |
| <i>Finland</i> | <i>1,76</i> |
| <i>Sweden</i> | <i>1,71</i> |
| United Kingdom | 1,71 |
| United States | 2,07 |

Source: *Eurostat*

4. Finding the concepts to the policies

In the beginning of this paper I was claiming that it is important to have a good analytical scheme to guide the research. With writing of this paper I wanted to gain more understanding of one of them, namely Esping-Andersen's concepts of commodification, de-commodification, familialism and de-familialization. My aim was to find out whether these concepts, despite the critique directed towards them, could be helpful when trying to analyze a specific policy, in this case parental leave in Sweden and Finland. I also wanted to find out how the parental leave in these countries could be explained with the help of the concepts. After the short description of Swedish and Finnish parental leave it is time to try to answer the research questions.

I would like to take the last question first: *what are the Swedish and Finnish states doing if explained in terms of commodification, de-commodification, familialism and de-familialization?* I did not give any strict definition to any of these concepts, but was hoping that the vague theoretical definitions would be enough. When talking about commodification I claimed that we could classify the parental leave to be a commodifying policy, if it was leading more workers entering the labour force and if the aim of the policy is to get the workers to attend the labour market.

If comparing women at work in different welfare states, the conclusion we could draw was that the difference between women and men at work was smallest in Sweden and Finland. Though, it is impossible to say how much of the small difference between women and men at work is affected by the parental leave policies. On the other hand, we can be quite sure that the generous parental leave in these two Scandinavian countries have some effect on the high rate of women at work. Logically one could think as following: the parental leave is giving an opportunity for one parent to stay at home with the child. Without this opportunity many would probably rethink their decision to have children: one could either choose to stay at home with the children or not work at all or to work but not have any children. Parental leave can be seen as one of the solutions to a compromise

between these two alternatives and can lead to a situation, where women and families dare to have children, while they, because of the parental leave, have a good opportunity to combine the work and the family. The parental leave, could therefore be seen leading to more persons entering the labour market and to have a commodifying effect.

On the other hand, why could not the parental leave be seen as a de-commodification policy too? I wanted to know if the child birth is a social risk and to whom and if this risk is covered by the state. One can easily claim that child birth is a risk at least for the mothers, while they, automatically and at least directly after the child birth, have to stay away from the work place because of the child. If the state in that kind of situation would not provide any kind of social protection system, the income would be zero. The parental leave gives social protection to the mothers: both in Sweden and Finland there exists a relatively generous system giving the mothers possibility to stay at home with their child(ren) and having children in these countries do not mean that the mother would lose her income completely. Neither will the mother lose her job, while the regulations give the possibility to stay at home a quite long time. Thus, when asking if the child birth is a social risk and if the parental leave is covering this risk being state de-commodification, the answer is yes both in the Swedish and Finnish case. When comparing the systems in Sweden and Finland, we could state that the Swedish state was more generous when covering this risk: a mother in Sweden can stay longer at home than a mother in Finland, and the compensation for staying at home with the child is also higher in Sweden. Thus, the Swedish parental leave policy is better de-commodifying the child birth risk than the Finnish one.

How about the de-familialization then? Is the aim of the parental leave to ease the family responsibilities of the individuals and if so, how much? When thinking of those parents who want to combine parenthood and work, we could say that if they are given a chance to the parental leave, they for a while do not need to combine these two but can concentrate on the family only. Therefore, it is reasonable to say that de-familialization takes place.

On the other hand, one could claim that the state is not easing the family responsibilities of the family: after all, somebody still has to stay at home, the state is not providing the families with a nanny, but is giving the possibility to stay at home and whoever of the parents stays at home with the new born child, the family as a unit is not affected. Though, it is obvious that both Swedish and Finnish states want to form policies which more and more are encouraging the fathers to attend the child care. Thus, the policies now are not so much trying to de-familialize the parents by easing their family responsibilities by providing governmental child care etc but the state is easing the family responsibilities of the mothers by assigning some of the family obligations to be taken care of by the fathers. The state is thus de-familializing the mothers, but doing something else for the fathers. While the fathers should take out some of the parental leave days so that the family can draw the maximum amount of these days, parental leave can actually have a familializing effect on fathers. This effect, again, is bigger in Sweden than in Finland.

Another question I wanted to answer in this paper was: *can these concepts be helpful when trying to tell what the Swedish and Finnish states are doing when it comes to the parental leave*. Above I have claimed that the parental leave policies in Sweden and Finland are including all of the four concepts. Mostly, though, it seems that the parental leave policies have de-commodifying and de-familializing effects. After all, it is difficult to know how big the commodification effect is, and it can be that the reason for the high employment and fertility rates of the women in Sweden and Finland are more affected by the public child care. It can also be a bit far fetched to claim that the parental leaves are having a familialising effect on the fathers. Therefore, in my opinion, one can claim that parental leaves in Sweden and in Finland are policies mostly characterized by de-commodification and de-familialization of the mothers by easing the family responsibilities of the mothers by assigning more of them to the fathers. With Esping-Andersen's terms, we could perhaps call this de-familialization within families, though, it is the state policy which is behind this de-familialization.

When we can, in principle, identify four different processes in same policy, I claim that there exists two possibilities: the policy is very complex one and all of its dimensions cannot be captured with only one concept, which would mean that the concepts are really being helpful when guiding us in our research to see and notice all the complex aspects of the policy. The other possibility is that the concepts are not being very helpful at all but are for example overlapping each other making the policy to look more complex than it really is.

In this case, I would say that we are dealing with the first of the alternatives: parental leave in Sweden and Finland is a complex policy and the state might have many aims when introducing it. The state has wanted more women to go to work and wanted to somehow introduce policies which would help the state to gain this aim (commodification). One of the policies being parental leave, which would protect the mothers and the family from the risk of zero income when having children and from the employers who would perhaps want to get rid of a worker who is staying at home for a while to take care of the child (de-commodification). Though, the state has not only wanted to improve the situation of the mothers by introducing the parental leave, but also wanted to get the fathers to take more responsibility of the child care which would ease the family responsibilities of the mother (de-familialization for the mothers and within the family). At the same time, while familialization is being the opposite for de-familialization, the fathers are getting familialized by the state. Though, the family as a unit is neither de-familialized nor familialized. And, what is very typical for the social democratic welfare states, the de-familialization and familialization have been individualized.

Bibliography

Daly, Mary (1994):

”Comparing Welfare States: Towards a Gender Friendly Approach”
In Diane Sainsbury (ed): *Gendering welfare states*, London: Sage,
1994

Dir 2004:44:

översyn av föräldraförsäkringen, beslut vid regeringssammanträ-
de den 7 april 2004. Available
at[online]:<<http://www.sou.gov.se/ffu/direktiv.htm>>

Esping-Andersen, Gösta (1990):

The Three Worlds of Welfare Capitalism, Cambridge, Polity

Esping-Andersen, Gösta (1999):

Social Foundations of Postindustrial Economies, New York, Oxford
University Press

Finansdepartementet (2003):

Bilaga 12 till LU 2003

Knijin, Trudie, Ostner Ilona (2002):

”Commodification and de-commodification” In Hobson, Barbara,
Lewis, Jane, Siim, Birte (ed): *Contested concepts in gender and so-*
cial politics, Cheltenham : Elgar, 2002

Orloff, Ann Shola (1993):

”Gender and the social rights of citizenship: the comparative analy-
sis of gender relations and welfare states” in *American Sociological*
Review, 1993, Vol. 58, June, Pages 303 – 328

Sainsbury, Diane (1999):

”Gender and Social-Democratic Welfare States”, Diane Sainsbury (ed): *Gender and welfare state regimes*, Oxford : Oxford Univ. Press, 1999

Socialdepartementet (2004):

Föräldrapenning, pappornas uttag av dagar, fakta och analys

SOU 2005:73:

Reformerad föräldraförsäkring-Kärlek, omvårdnad, trygghet

Takala, Pentti (2005):

Uuden isyysovapaan ja isän muiden perhevapaiden käyttö, Sosiaali- ja terveysturvan selosteita 43/2005, KELAn tutkimusosasto, Edita Prima Oy, Helsinki 2005

Woods, Dorian R. (2004):

Family, employment and the liberal welfare state. The politics of employment-related family policy in the US and UK 1993 – 2003
Dissertation zur Erlangung des akademischen Grades Doktor der Sozialwissenschaften in der Fakultät für Sozial- und Verhaltenswissenschaften der Eberhard-Karls-Universität Tübingen

Internet

Homepage of Eurostat:

http://epp.eurostat.cec.eu.int/portal/page?_pageid=1090,30070682,1090_33076576&_dad=portal&_schema=PORTAL [21.7.2005]
→ structural indicators → database

Homepage of Försäkringskassan, Insurance Office in Sweden

www.forsakringskassan.se [29.7.2005]

Homepage of KELA, the Social Insurance Institution of Finland

www.kela.fi [29.7.2005]