

The OECD and the Reconciliation Agenda: Competing Blueprints

- 0 4

Rianne Mahon, Carleton University

- * Paper for the Workshop *Governance of Welfare for the 21st Century: New Social Risks and Renewal of Social Democracy*, 18-19 February 2005
- * None of these papers should be cited without the author's permission.

The OECD and the Reconciliation Agenda: Competing Blueprints

Rianne Mahon, Institute of Political Economy, Carleton University

Across advanced capitalist countries, welfare state restructuring has come to include a “farewell to maternalism” – i.e. political support for mothers’ domestic caregiving role – albeit one proceeding at different speeds and taking diverse forms (Orloff, 2004). For some, the “farewell” may be identified with retrenchment – the withdrawal of support for mother-caregivers, especially in the form of the shift from “welfare to workfare” for lone parents. Yet it also involves the prescription of “reconciliation of family and work” policies designed to support mother-wage earners. Just like the earlier maternalist policies, these new policies can take different forms, with quite different consequences for women’s equality and for children’s rights. National states continue to play an important role in redesigning welfare regimes to meet new challenges and welfare regime theory suggests that this will result in path dependent change: the different forms of maternalist policies will leave their stamp on how states seek to reconcile work and family life. Yet, as Peck (2002) argues, channels of policy learning are increasingly multi-scalar, including an important role for transnational flows of ideas and “best practices.” This opens up the possibility that new ideas will be injected into domestic policy debates and may even give rise to “path-breaking” policy learning.

In other words, the shift from maternalism to reconciliation is not simply due to structural changes (e.g. the shift to post-industrial employment), demographics (ageing societies), nor even the impact of second wave feminism, although all of these have contributed. It is also being strongly promoted by influential supra- and international organisations such as the European Union (EU) and the Organisation for Economic Cooperation and Development (OECD). It is important to examine how such policy advice is picked up in national (and sub-national) politics (Zippel, 2000; Peck, 2001; Palier, 2003; Armingeon and Beyeler, 2004) and how transnational advocacy networks are used by domestic actors, “jumping scale” to shift the domestic balance of forces in their favour (Keck and Sikkink, 1997; Rousseau, 1999). This paper undertakes a more preliminary task, examining the OECD’s post-maternalist policy discourse(s).

The OECD operates as an authoritative source of economic and social policy prescription. Through regular country reports, special thematic studies, colloquia and the like, it contributes to transnational policy transfer and learning.¹ It is therefore of interest to ask, just what sort of

¹ “Policy transfer” is a term developed by Dolowitz and Marsh (1999) to describe the transfer of policy knowledge at various levels. While Hecló’s (197) pioneering work shows that cross-national policy transfer is not a new phenomenon, the recent interest in “globalisation” has sparked research on cross-national policy transfer (Daguerre and Taylor-Gooby, 2004) and the role played by supra- and international organisations (Stone, 2003). It is Peck (2002), however, who brings out the increasingly multiscalar (trans-

advice? Throughout the 1980s and for much of the 1990s, that advice bore a marked neo-liberal stamp (McBride and Williams, 2001; Armingeon and Beyeler, 2004). As the twentieth century drew to a close, however, the OECD's policy prescriptions began to reflect something of a third way perspective, with a (liberal) feminist twist. It is this perspective that dominates the new social policy agenda announced in *A Caring World* (1999), and which carries through the important series dealing with reconciliation policies, *Babies and Bosses*. As will be argued in this paper, however, this set of prescriptions at best promotes a shallow version of gender "equity" and does little for the rights of children.

Yet the OECD has not one prescription for bidding farewell to maternalism, but two. Although the prescriptions in *Starting Strong*, the special thematic review of early childhood education and care (ECEC), fall short of the feminist ideal – the full *sharing* of care and paid work by men and women (Fraser, 1997; Stratigaki, 2004), it clearly stakes out an alternative that not only is more "woman-friendly," but treats children as citizens "in the here and now." This raises questions about what shapes the policy advice tendered by international organisations and, more basically, how we think about them.

Farewell to maternalism, hello?

Feminists have rightly argued that the welfare states, begun in the late 19th century and consolidated in the 20th, focused on the male breadwinner and the risks – unemployment, injury, old age – he faced. Yet it was never just about the male breadwinner; welfare regimes also incorporated a maternalist strand, supporting in various ways the role of women as providers of (unpaid) care in the household.² The maternalist component could take the form of joint (family-based) taxation, spousal allowances in male breadwinner social insurance programs or child/family benefits paid directly to caregivers. In many countries, moreover, mothers were exempted – for greater or lesser periods – from the necessity of turning to paid work in the absence of the male breadwinner. While they varied in the degree of generosity and in who was designated beneficiary, in none of these variants, was the domestic caregiver on par with the male breadwinner. Rather, as Orloff points out, "nowhere did the programs of modern social protection instituted in the late nineteenth and early twentieth centuries...embody feminist ideals of women's individuality and independence. Instead, gender difference was linked to gender inequality and women's lack of independence" (2004:6).

and international, national, local) nature of the process. See also Mahon (2003) and Mahon, Andrew and Johnson (forthcoming).

² This is reflected in the "strong, moderate and weak" male breadwinner classification of Lewis and Ostner (1991; 1994) but the "maternalist" strand, and the forces behind it, constitutes the focus in Jenson (1985), Koven and Michel (1993), and Skocpol, 1992). See also Sainsbury (1994, 1996) whose scheme focuses on the difference between family and individual-based benefits.

While the workfare turn in the US, Britain and Canada has focused attention on the repeal of the “right” of lone mothers to assistance as domestic caregivers (Bashevkin, 2002), it is actually the whole gamut of maternalist policies that are in question today. The end to maternalism is not just about retrenchment, moreover, as the (partial) termination of women’s domestic caregiving role generates the need for alternative care arrangements (Jenson, 1997; Daly and Lewis, 2000; Mahon, 2001). In other words, the end of maternalism has given rise to pressures for new state initiatives such as public support for non-parental childcare, parental leave arrangements, “flextime” and the like. Yet, just as there were different ways of sustaining maternalism, so, too, are there different ways of supporting mother-wage earners. These differences have consequences for equality – among women, as well as between men and women – and for children.

In North America, attention has understandably focused on the neo-liberal model, for which the US, at the national and state level, constitutes the paradigm exemplar. In the US women’s labour force participation rate is amongst the highest in the world while the solution to the resulting need for extra-parental care is largely found in the existence of a large pool of low-wage workers (Esping-Andersen, 1999). In care work, this labour force is usually female and often racialised (Glenn, 1992). National state involvement comes in the form of neo-liberal labour market (and immigration) policies, as well as the turn to workfare, but state and local level experimentation play an important part (Peck, 2001). The national government also offers tax deductions, for corporations as well as individuals, which has encouraged the extension of corporate (or “private”) welfare to “reconciliation” needs – for some (Michel, 1999).

The US model also includes important feminist elements, however. Thus feminists have secured employment equity rights (O’Connor, Orloff and Shaver, 1999) as well as the right to freedom from sexual harassment in the workplace (Zippel, 2000). As Orloff notes, this has contributed to a labour market in which “women with good educations or training are able to take advantage of many employment opportunities, and have ...penetrated the upper echelons of private business and the professions and masculine working-class occupations to a greater degree than their Nordic or European counterparts” (2004:24). These feminist gains are, however, not sufficient to challenge the dominance of the neo-liberal model in the US. Consequently, this version of reconciliation comes at the price of greater (class) inequality among women and the “care solution” – via low wage labour of some - does little to contribute to the growth of good post-industrial jobs (Myles, 1988; Esping-Andersen, 1990).

As I have argued elsewhere (2002), in Europe three other models have attracted more attention than the neo-liberal: the neo-familialist, third way, and egalitarian. The neo-familialist draws on, while seeking to modernise, traditional views of gender difference. It is more likely to be found among the conservative welfare regimes of continental Europe, but there are also signs of this approach in “social democratic” Finland (Mahon, 2002). Neo-familialism shares with neo-

liberalism an emphasis on “choice,” but here the choice is understood not as in terms of markets for care but as women's right to choose between a temporary housewife-mother role and labour force participation, with the balance tipped in favour of the former. Thus neo-familialists advocate public support for long childcare leaves (two-four years) and there is little, if any, public support for nonparental childcare for children three and under. Women are encouraged to return to work, but rarely to their former job, and usually on a part time basis, when the child enters public preschool. This model does little for gender equality and, as typically low rate of reimbursement means that it operates primarily as an incentive for working class, not professional women, to withdraw from the labour market.

Whereas neo-familialist reconciliation policies would preserve the older gender difference model, third way advocates favour a gender sameness view, in which equality of the sexes is defined as encouraging women to remain in the labour market. Ignoring the unequal division of care work within the home, third way advocates focus on short (“to preserve their human capital”), but funded, parental (in name, maternal in practice) leave and public support for childcare. Consistent with the “new public management” theory on which third way, as well as neo-liberal, thinking draws,³ however, the state is not to play the role of provider. Rather, in the name of efficiency and equity, the public role should be limited to supporting the choices of consumer-citizens through demand-side subsidies, improving the flow of information, and/or regulation. States work thus work in “partnership” with the private (commercial and non-profit) sector, usually at the local level.

The third way should not be confused with neo-liberalism, although there are shared elements. As Giddens notes, “the third way developed essentially as a critical riposte to neo-liberalism....The emerging synthesis stressed that active government is an essential prerequisite for successful economic development and social justice. But...some established notions and policies of the left had to be rejected or rethought” (2003:3). Such “rethinking” involves the abandonment of earlier social democratic/social liberal visions of equality of condition, for post-industrialism has supposedly rendered equality “in the here and now” no longer feasible, due to the productivity gap that exists between the goods and service sectors. As net job growth will occur in the latter sector, politicians will have to choose between inequality (the US model) and un- or low employment (arguably the continental European choice).⁴ The third way option is to allow for greater inequality in the short run, but aim for equality of condition over the life cycle. This form of reconciliation is found in hybrid regimes like Britain's and Canada's (liberal with

³ As Giddens himself notes, “First-wave Third Way ideas about reform of the state were strongly influenced by the New Public Management (NPM).... According to the NPM, state-based organisations should learn from best practices in business. They should move towards flattened hierarchies, the setting up of quasi-markets, local responsibility for budgets, and assessment by outcomes rather than process” (2003:14).

⁴ This is the argument put forward by Iversen and Wren (1998) and Esping-Andersen (1999). See Herzenberg et al (Mahon (2000; 2004) for a critique of the logic underpinning this.

social democratic elements) or the Netherlands (conservative-social democratic),⁵ which fits the path dependency thesis.

In the name of social inclusion, third way advocates are thus prepared to accept the formation of a market for personal and social services as low wage, low skill jobs. There is a role for the state here, however, in “making work pay” via targeted tax credits and the like, and in providing training and other supports designed to help people get off the poverty bus (Esping-Andersen, 1999). In other words, equality in the here and now can be abandoned in favour of equality over the life course. What this overlooks is that women, as well as racialised minorities, hold a disproportionate share of nonstandard jobs. Moreover, women’s continued primary responsibility to provide care creates barriers to their making off the poverty bus. Although third way advocates reject long care leaves as destructive of (women’s) human capital, they see part time work as a good “bridge” back into the labour market. In this sense, they share with their neo-familial counterparts an acceptance of a one and a half earner model.

There is a fourth approach that I called “egalitarian,”(2002:349) which might incorporate the following features:

1. Parental leave structured to foster an equitable sharing of domestic childcare between mothers and fathers;
2. Provision of universally accessible, affordable childcare non-parental care services
3. Children have the right to early childhood education and care, whether or not their parents are working or involved in some form of training;
4. Care is provided by skilled providers and the value of their skills is recognised through equitable wages, good working conditions and in-service opportunities to improve their skills;
5. Provision is made for democratic control, including a strong element of parental and community voice.

Sweden and Denmark, countries with “social democratic” welfare regimes, come the closest to this. This model does better than all the others in terms of equality of the sexes, in that it promotes equal *sharing* of the remaining domestic caregiving. It contributes to the continued abatement⁶ of class inequality in that, by supporting the development of quality childcare, provided by caregivers whose skills are duly recognised, it contributes to the growth of good post-industrial jobs. In fact, one of the strengths of Esping-Andersen’s earlier (1990) work, is that it showed the connection between differences in social policy models, notably the liberal American and the social democratic Swedish, and the important variations in the structure of post-industrial labour markets. While the former yields a polarised “good jobs, bad jobs” labour market, the latter produces a lot of decent jobs and far fewer bad ones.

⁵ Mahon, 2002 on the UK and the Netherlands; Lister, 2004, on Canada and the UK.

⁶ Here I agree with Marshall, that social citizenship can contribute to class abatement, and the egalitarian (or, for Esping-Andersen, social democratic) version can go a long way in this regard. On its own, however, it cannot, eliminate class inequality.

This sketch of alternative care models focuses on the gender and class implications. Yet the generational consequences – or, more specifically, the implications for children – cannot be ignored.⁷ Children do not figure large in neo-liberal discourse, as they are seen as the responsibility of their families. Yet there is some – albeit limited - room for remedial state action to “save” children from the “cycle of poverty,” through targeted programs like Head Start. The neo-familial discourse sees maternal care in the early years as in the best interests of the child. While this position was supported by in the 1950s and 1960s by child development experts like Bowlby (Michel, 1999), the dominant view today sees an important role for quality childhood education and care.⁸ This is clearly reflected in recent third way thinking, which sees children as adults-in-the-making. Public expenditure for quality childcare is thus seen as an investment in the future, an important initial contribution to human capital formation. In his recent work, Esping-Andersen highlights the normative dimension, in a way that clearly puts this in the frame of third way discourse on equality (of opportunity) over the life cycle:

If childcare policy were nothing more than a response to women's demands for greater compatibility, there would be a priori, no reason why the welfare state should assure uniform high quality standards.... The key point is that a policy of universal access to high quality day care for the zero to six-year-olds kills two birds with one stone. It obviously helps resolve the incompatibility problem that working mothers face, and it is arguably an effective tool in the war against social inheritance....it is a productive investment in children's life chances and in society's future productivity. (2003:117)

An alternative, egalitarian view would seek to balance this emphasis on the future payoff with concern over children as beings in the here and now (Lister, 2004). Moss et al (2004) would take this further, arguing that children need to be seen as active citizens, with rights of their own, including voice. It is this approach that permeates the important work on quality in childcare services produced by the European Commission Network on Childcare (CRRU, 2004).

Transnational policy learning: the OECD

The end of maternalism and the concomitant embrace of reconciliation policies do not occur automatically. It occurs through a (contested) process of policy learning (and unlearning) and involves the development of new capacities for public action. The national state remains an important locus of such policy learning and contestation. Yet, as Peck notes, “channels of policy learning, transfer, and networking are increasingly being structured in transnational...terms as

⁷ It is the work of Peter Moss and his colleagues that has pushed me to think not only of the implications for women, racialised minorities, and workers in general but also of children.

⁸ See for example the work of Fraser Mustard (Mustard and McCain, 2000).

new knowledge communities, intermediary agencies, global consultancy houses, and multilateral partnerships are established to facilitate and foster the process of fast policy transfer” (2002:349). Peck focuses on the role played by such cross- and transnational networks in the more limited⁹ case of the shift from welfare to workfare. Yet similar dynamics come into play in the broader field of reconciliation policies where supra- and international organisations and advocacy networks are contributing to national policy learning processes.

Some work has been done on the role of the European Union in this regard.¹⁰ Thus Ross (2001) has described the formation of the important European Commission’s Childcare Network. Building on this, Mahon (2002) traced the shift of childcare from the purview of Equal Opportunities (gender equity) to the new Employment strategy. Stratigaki places childcare in the broader frame of reconciliation policies, arguing that feminist criticism of women’s “double day”, and the concomitant demand for the equal “sharing” of care work, began to infiltrate the European Community in the 1970s. Yet increasingly, “sharing” was replaced by “reconciliation,” as the original vision was gradually co-opted. By the time it was integrated into the EU’s new employment agenda, the main thrust had become “increasing women’s capacity to work (their employability) in the new flexible working time and working conditions. This left the existing gender division of labor within families out of consideration and thus failed to challenge stereotyped gender relations” (Stratigaki, 2004:50).

The OECD’s role has received less attention. The OECD may not be able to ensure compliance with its policy prescriptions as forcefully as the EU. Nevertheless, it functions as an important source of economic, and more recently, social policy analysis and prescription for advanced capitalist countries. In fact, Marcussen suggests that the OECD operates most effectively in its role as a source of new ways of thinking, prepared to help member states “learn in situations in which they have gone through a painful process of unlearning” (2004:16). Thus its advice is likely to be all the more important in situations like that with which this paper is concerned, in which states are involved in a process of “unlearning” the policies associated maternalism, and adopting a new reconciliation paradigm.

In this context, the OECD can contribute a new way of framing social policy issues, and marshal a kind of moral authority behind the new paradigm. Thus documents, such as *A Caring World* (to be discussed below), consolidate “what is at any point in time considered by the OECD and its committees to be politically correct behaviour, and it indirectly compels member states into promoting a certain legitimate discourse and sometimes even a certain concrete behaviour” (Marcussen, 2004:18). Peer pressure may be more effectively marshalled through the reviews it conducts of member country performance, like the “Babies and Bosses” “Starting Strong” series,

⁹ From the standpoint of the end of maternalism, the shift from welfare to workfare is but one part of a broader process. It is in this sense that it can be seen as “limited”.

¹⁰ In addition to the sources cited below, see the special issue of *Social Politics* devoted to gender politics in the EU (2004).

to be examined in the next sections. Yet it is important to locate these first in relation to the broader evolution of the OECD's policy line, and the role played by documents like *Caring* in seeking to chart a new course.

Initially, the OECD functioned within a Keynesian policy paradigm. In fact, during the 1960s it operated as an important source of "Keynes plus" ideas. For instance, when Gösta Rehn, co-inventor of the famous "Rehn-Meidner" development of Keynesian ideas (Martin, 1979), was seconded to the OECD, the organisation became a promoter of active labour market policy as a solution to the Phillips curve inflation-unemployment tradeoff. In the 1970s, however, it became an early convert to neo-liberal supply-side paradigm (Serré and Palier, 2004:111). Demand management was seen as no longer able to solve problems of unemployment; in fact, it made the situation worse, fuelling inflationary expectations. Neo-liberal nostrums informed its Jobs Strategy of the 1990s (McBride and Williams, 2001) as well as the country reviews (Armingeon and Beyeler, 2004). These documents were both produced by its powerful Economic Secretariat, however. Was this view shared by other divisions?

McBride and Williams admit that the Directorate for Employment, Labour and Social Affairs¹¹ (DELSA) had staked out a more moderate line than the Economic Secretariat, one that, in fact, rebutted the Jobs Strategy's core arguments. This may, however, be a more recent development. For instance, in 1980 DELSA organised a high profile conference on the welfare state, in which social policy was presented as an obstacle to growth and this attitude persisted throughout the 1980s (Deacon, 1997:71). The turn seems to have begun in 1991, when the Council commissioned a new round of social policy studies by the Directorate. The newly appointed Director, Tom Alexander, was "concerned not simply to repeat the 'welfare a burden' liturgy" (Deacon, 1997:71). The *New Orientation for Social Policy*, which appeared at the same time as the Jobs Strategy (1994), was perhaps the first to articulate the third way's emergent "social investment" paradigm.

The social investment paradigm seeks to align the member states' social policies with a post-Keynesian employment policy. According to Deacon, it is comprised of the following elements:

1. Non-inflationary growth can be combined with political and economic stability through social expenditure as an "investment in society";
2. Fiscal restraint remains important but it is important to ensure that economic and social objectives are reconciled;
3. The choice between public or private provision needs to be made "in light of the comparative advantage of each sector";

¹¹ Established in 1974 as the Directorate for Education, Employment, Labour and Social Affairs (DEELSA), it became DELSA, when Education was split off to form its own directorate. For simplicity's sake, I will simply refer to it as DELSA.

4. "High priority should be given to active measures which relate to employment, rather than to reliance on income maintenance alone; in general, the emphasis should be on the encouragement of human potential as an end in itself, as well as a contribution to market efficiency. Consistent with this objective, income transfer programmes should be structured to foster self-sufficiency through earnings, without sacrificing the goals of the system of social protection"
5. Greater efforts should be made for horizontal (social, education, labour market and economic policies) and vertical (levels of government) coordination (1997, 71:2).

These themes are further developed in *A Caring World* (1999), produced under the direction of Mark Pearson and Willem Adema, who would later be responsible for *Babies and Bosses*.

In the introduction to *Caring*, the Secretary General noted that the new paradigm was beginning to catch on among member states:

I believe that we can see emerging across OECD countries a new balance in rights, obligations and opportunities of individuals and all the different institutions involved in social protection, including developments such as "workfare," "patients' charters," a more responsive public sector and greater involvement of the private sector and not-for-profit organisations in the delivery of social policy....The new social policy agenda is how to achieve social solidarity through enabling individuals and families to support themselves. (OECD, 1999:4)

These ideas accord well with the third way's (economically) "active" citizens, and its emphasis on "welfare to work."¹² It accepts a greater role for the state than is admitted in neo-liberal discourse but, in the new social policy agenda, states need to operate within the strict fiscal parameters established by globalisation (OECD, 1999:35). Expanding the employment is important, but this is to be done through the use of supply-, not demand-, side measures. It prescribes "making work pay" not by focusing on job quality, but rather by (directly or indirectly) subsidising low wage employment.¹³ As we shall see, the new social policy agenda is informed by NPM's concern to promote the formation of markets – or quasi-markets – as a solution for governments concerned "to do less with more," by counteracting the power of by budget-maximising bureaucrats.¹⁴ It also picks up NPM's emphasis on decentralisation. As *Caring* notes, the economic case for decentralisation concerns the capacity of local authorities to tailor policies to local needs and their sensitivity to financial pressures, which will induce them to invest in reducing social assistance rolls (1999:103).¹⁵

¹² In a recent presentation, Mark Pearson (2004), Head of DELSA's Social Policy Division, noted that welfare to work was one of two (the other being ageing populations) concerns that have dominated since the mid-1990s.

¹³ There is, however, some effort to promote greater equity between standard and non-standard work via prorating wages and extending equivalent benefits to workers holding non-standard jobs.

¹⁴ NPM draws on the political economy of public choice, a world populated by self-interest maximising groups responding to perverse incentive systems that are said to run counter to the public good.

¹⁵ See Peck (2002) for a critical take on the new interscalar arrangements such as "decentralisation" projects entail.

The gender and generational dimensions to the third way project appear too in the OECD's new social policy agenda.¹⁶ Thus *Caring* announces:

Social policies based on the male-breadwinner model of family relations have become outmoded.... First, the growth of female labour market participation provides a forum of self-insurance to households, with the income risks attached to involuntary non-employment reduced. Second, working women become entitled to insurance-based benefits in their own right. Third, demands increase for some sorts of social support (in particular, childcare and maternity and paternity leave). (1999:14-15)

In other words, dual earner families constitute an important complement to the flexible labour markets long recommended in OECD economic policy documents. They also make pension reform easier, another theme running through its recommendations since the 1980s.¹⁷ This new family requires public support, of course, but in different ways from that accorded the male breadwinner/female caregiver family of the past. Lone parents, and the poverty to which their children are exposed, are of particular concern. Here, high quality early intervention programs can help break the cycle of poverty, but as these are seen as costly, such programs should be narrowly targeted on the most disadvantaged families (1999:86). And, just as in the third way discourse, the best way to address the poverty of lone parents is welfare-to-work programmes.

The intellectual foundations of this new view of families were perhaps laid in an earlier study commissioned by the OECD, *Sustainable Flexibility* (1997). Here Carnoy and Castells linked their analysis of the flexibility requirements of the new economy to a view of the family as an "investment-production partnership":

The family in a flexible work system is...a hub of productive and reproductive activity. When it is potentially "strong" (with two highly educated adults at its core) it serves as a risk hedge against periods of unemployment, as a source of child development for its offspring, of investment capital for adult and child education and training, and of personal security and growth. (1997:41).

The state's role is to "enhance the household partnership's capacity to invest in learning..." This includes "helping the family acquire education for its children even as parents are on flexible work schedules; [and] giving parents new possibilities to take further education and training themselves" (1997:49).

By 2003-4, the generational emphasis¹⁸ seems to have shifted somewhat, from the child as investment in the future, to the problem of posed by ageing. This time women's labour force "activation" is presented as part of the solution to ageing – along with other under-represented

¹⁶ In fact, Pearson (2004) suggests that "family, caring and social well-being" are central to the emerging social policy paradigm.

¹⁷ Looking back on the OECD's achievements, Pearson (2004) noted that "overgenerosity" of some provisions had been reduced and sources of retirement income "diversified."

¹⁸ As reflected in the self-description and main projects listed on DELSA's website: www.oecd.org/departement/0,2688,en_2649_33729_1_1_1_1_1_1,00.html

groups in the labour market.¹⁹ Again this requires reconciliation measures. As the 2003 Employment Outlook notes, “financial incentives are not enough. Subsidised childcare services, promoting flexibility for workers with family responsibilities and expanding part time work can be effective ways of facilitating access to employment, notably among women.”²⁰ The reconciliation message was reiterated in the 2004 Employment outlook, which noted that, while some have succeeded in boosting employment levels, “governments must consider a range of issues including the need to boost employment levels and meet individuals’ needs for job security and work-life balance.”

Thus, others may be correct to claim that neo-liberalism is the dominant line within the OECD and this perspective may still predominate in the Economic Secretariat, as Armingeon et al (2004) suggest. Nevertheless, the social policy paradigm enunciated in documents produced by another important department, DELSA, has a pronounced third way hue. Its gender and generational assumptions similarly fit a third way perspective. In the next section, we analyse the OECD’s prescriptions for reconciliation policies in greater detail. As we shall see, this perspective clearly informs *Babies and Bosses*. Yet this is not the only counsel offered. The thematic series, *Starting Strong*, offers an alternative vision that comes closer to the egalitarian version sketched above, especially as it concerns children.

Babies and Bosses: The Family--Friendly OECD?

Family-friendly policy, including improved access to affordable and quality childcare, arrangements to take leave to care for children, flexibility in workplace arrangements, financial incentives to work, and employment support for jobless parents, provide a key to better employment opportunities for families with young children. As such family-friendly policies help both mothers and fathers to simultaneously increase the living standards of the family, fulfil individual aspirations to have a career and a family, and give their children the care and support they need. Hence the reconciliation of work and family life is an important goal in itself.

But the importance of reconciliation...also lies in the fact that getting the right policy balance will promote other societal goals. Aggregate labour supply and employment will be increased; stable, secure sources of income for families fostered; gender equity facilitated; child development supported; and independence promoted. (OECD, 2002:3)

The previous section focused on the broader “framing” document produced by the Social Policy Division in DELSA. Such documents may certainly contribute to policy learning by member governments – if the member country is interested in sodoing. It is through the publication of country-specific assessments, however, that the OECD is able to employ the “name and shame” instrument of peer review to press “laggards” to learn. In this and the next section, therefore, we

¹⁹ The others are older workers, migrants and the low-skilled. DELSA and Gender Coordination unit have projects involving the integration of immigrants. DELSA is also in charge of a series specifically focused on ageing and employment countries, notable Japan, Korea, Sweden, and the UK.

²⁰ www.oecd.org/about/0,2337,en_2649_33729_1_1_1_1_1,00.html
www.oecd.org/documentprint/02744,en-2649-33729-14753163_1_1_1_1_1,00.html

focus on two such reviews: *Babies and Bosses* and *Starting Strong*. The first, produced under the direction of those involved in the framing documents discussed above, consists of three volumes, that analyse the full gamut of reconciliation policies in Australia, Austria, Denmark, Ireland, Japan, New Zealand, Portugal and Switzerland. *Babies and Bosses* counsels the rejection of maternalism in favour of supports for the new dual earner (or lone parent earner) family. Not surprisingly, it shares the third way view of how to support such a family that characterises documents like *Caring*. As we shall see, while the detailed analyses do recognise “anomalies”, the power of the social investment paradigm prevails. The prescriptions thus fall short of “helping both mothers and fathers.” In other words, this view of reconciliation does not include measures designed to ensure men and women equally share the unpaid care work. Where children appear, moreover, they are treated in an instrumental way.

This is in marked contrast to the advice tendered by the *Starting Strong* project, which examines the early child education and care practices of more than half the member countries, placed in their wider economic, social and policy context.²¹ Located in the Education Directorate,²² this thematic review came under the Education and Training Policy Division, headed by Abrar Hasan, with John Bennett as project manager. Drawing on a different network – or “epistemic community”- *Starting Strong* works from a “broad and holistic” view of children as individuals and as active members of their families and communities. It also sees providers as skilled workers whose skills should be properly valued²³ and this, too, is in marked contrast to *Babies and Bosses*.

Babies begins with a recognition that replacing maternalist with a new, “reconciliation”-oriented, “family friendly” policy may involve the “potential escalation of public intervention” but “this may not be a bad thing” (2002:13). Echoing Carnoy and Castells, it is argued that having two earners,

the family becomes richer; it becomes less vulnerable to labour market shocks (i.e. if one partner loses their job, the family still has income from work); family dissolution is less catastrophic for the partner who becomes the main carer for the children if she has income from work.... It is incumbent on governments to eliminate barriers to work, so that families can realise these gains. (OECD, 2002:22)

Accordingly, countries like Australia, Austria, Ireland, Japan and the Netherlands are chided for not having done more to break with maternalism. Thus, for example, in the volume dealing with Austria, Ireland and Japan, all three countries are warned that more needs to be done: “...current labour supply is less than it could be, and human capital is underused. This result is not an

²¹ These are: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, Korea, Mexico, the Netherlands, Norway, Portugal, Sweden, the United Kingdom and the United States. All countries volunteered – the US, when the Clinton government was still in office.

²² The Education Directorate, once part of DELSA, was created in 2002.

²³ The first summary report, *Starting Strong*, was dedicated to “those who work with and for children on a daily basis” (OECD, 2001:4).

efficient use of labour market resources, and were this situation to be perpetuated, it will limit economic growth relative to potential. At the same time, the declining number of children also has obvious implications for the shape of future society" (OECD, 2003:10). In another volume, the Danish example is used to suggest that governments should not be held back by (maternalist) public opinion: public preferences can be reshaped by policy leadership ((OECD, 2002:14).

Countries should therefore eliminate the remaining vestiges of maternalism. In some countries, this means spousal allowances need to be eliminated from government and employer social insurance schemes (e.g. Japan²⁴) and countries are encouraged to move to individual, rather than family, taxation (e.g. the Netherlands and Austria). Of greater concern, however, is the special treatment of lone parents as exempt from the obligation to seek work. The "welfare to work" orientation is to be embraced by all. Accordingly, the Swiss are admonished to "avoid negative effects on financial incentives to work," when implementing supplementary family benefits (OECD, 2004:14). Similarly, the New Zealand government is encouraged to modify its Domestic Purposes benefit to "make work pay" and to enforce mutual obligations "requiring sole parents to seek work actively" (OECD, 2004:12). Ireland is asked to "reduce long term benefit expectations" among recipients of One Parent Family Benefits²⁵ and to develop "a comprehensive employment support approach" to ensure that the family income supplement "becomes a more effective tool in helping single parents back to work" (OECD, 2003:12).

The authors of the *Babies and Bosses* series favour "choice," but not the neo-familial choice between parental (maternal) care and childcare services. Parental leave does constitute an important part of the new family-friendly policy kit, but neo-familialism's long leaves are rejected as destructive of mothers' human capital and weakening their labour market attachment. Thus Austria is encouraged to "introduce higher Childcare Benefit payment rates for those who return to work at an earlier stage, for example, upon one year of parental leave" and to "ensure parents are fully aware of the different durations of Childcare Benefit (30/36 months) and the employment-protected parental leave period (up to the child's second birthday), to reduce the risk of parents not returning to work when the parental leave period is over" (OECD, 2003:11).

After a leave of suitable length – one year seems to be the emerging norm – then, parents/mothers should be in paid work. The *Babies* studies do make some attempt to address labour market and workplace barriers to women's labour force integration. Japan, in particular, is criticised for the highly gendered split between regular and irregular employees and the Japanese government is encouraged to "enforce more actively gender equity and equal pay for equal work legislation" (OECD, 2003: 13). Yet the series also recommends the expansion of part time work to

²⁴ The current Japanese system discourages the dependent spouse to earn more than 31% of the average production employee's wage as after that they need to pay into health and pension schemes. Employer spousal allowances cease if the dependent spouse earns 24% of the average production employee's wage.

²⁵ Currently the Irish system offers lone parents long term benefits until children are 18 years, with no requirement that they are available for work.

Austria, Ireland and Portugal as a “women-friendly” development (OECD, 2003; 2004). It does this despite its recognition that part time work contributes to channelling women into low paid, nonstandard jobs. Thus, for instance, the first volume notes that “many households in Australia and the Netherlands distribute paid work along a ‘one and one half’ earner model in terms of hours of paid employment, while in terms of contribution to household income a ‘one and one quarter’ model appears a better description” (OECD, 2002:28). The second volume admits that “the gender gap in terms of job quality is larger than that in employment rates....” (OECD, 2003:14).

Moreover, the *Babies* studies recognise that it is women whose lives are being changed in this new “family-friendly” world, not men. The first volume notes that “men do not appear to have changed their behaviour markedly....Indeed male behaviour remains largely traditional in all three countries: take up rates of parental leave among men are low, and although the gender gap in unpaid housework is smaller in Denmark than in the other two countries, caring remains primarily a female activity” (OECD, 2002,:14). In the second volume, it is noted that there is a long hours culture for male workers in all three countries, leaving men little time to make a contribution to daily housework ((OECD, 2003: 15). In this context, the vision of shared care through the reduction in working time for both parents, which has been on the agenda in the Netherlands, “is likely to remain illusory for the near future, as it would require a fundamental change in male labour market behaviour, evidence for which is lacking” (2002, :15). Despite this, reconciliation does not include measures to change men’s work patterns.

What happens when mothers are at work? Clearly non-parental childcare arrangements are needed and here *Babies* advocates parental choice in the form of a (subsidised) childcare market. Public sector “monopolies” are not recommended, even though *Babies’* authors recognise that wage rates and employment conditions in the Danish system, which are mainly municipally-run,²⁶ are much better than in the countries relying on private sector provision (OECD, 2002:91). Private provision is to be preferred as it “is geared towards serving customer demand...and may also be conducive to innovative practices” (OECD, 2002:88). Here and elsewhere in the reports there is also the suggestion that private provision is to be preferred when there is need for rapid expansion to “exploding public budgets and tax rates” (OECD, 2002:88). Thus recent Australian (since 1990), Dutch and Japanese reforms, which support the growth of private, including commercial, provision, get the stamp of approval.

At the same time, *Babies* acknowledges that in the Netherlands, choice “is severely constrained by very limited childcare capacity” (OECD, 2002:97). In other words, markets are not capable of delivering the number of spaces needed, at a price parents can afford. There is a role for government to compensate for the failure of markets to generate adequate supply. For the

authors of the *Babies* volumes, however, demand-side subsidies are to be preferred to subsidising the supply side. Part of the rationale is “equity,” the logic here being that, in the context of scarcity, supply-side subsidies only benefit those who are able to get a place and do nothing for parents who cannot find one. If governments subsidise parents, then the latter presumably can find some form of care, even if in the informal sector (OECD, 2003:149). The main reason, however, has to do with “efficiency”: demand-side subsidies put pressure on providers to keep costs low and to meet parental demands, e.g. for more flexible opening hours. Cleveland and Krashinsky suggest, however, that “the debate over demand-side and supply-side is often really a debate over what kind of quality will be provided and what kind of standards will be set” (OECD, 2003a:42). In other words, demand-side subsidies usually cost less because they are set at levels that are too low for many parents to purchase high quality care.

What, then, of quality? *Babies and Bosses* certainly recommend that public subsidies only be used for quality childcare, including that provided by childminders. Yet how is quality to be assured? This is where *Babies*’ economic, or public choice, view of childcare providers as a group pursuing its own self-interest, potentially at the expense of children and parents unless checked by market-like mechanisms, comes through strongly. Thus the first volume notes the important role allocated to parents in the Danish system but raises the concern that “without any external bench-marking, the system leaves local professionals in a very powerful position, relative to parents” (OECD, 2002:108). The Australian quality assurance system, introduced after the way was opened to subsidising commercial provision, is discussed in considerable detail. Caution is needed even here, however: “Although this system appears to be working well at the moment, care is needed to avert the risk that over-reliance on other childcare professionals may create a profession more concerned about defining its collective interests, rather than promoting wider social objectives...” (OECD 2002, 21). In other words, the authors of the *Babies* reports are concerned parents and governments will be held hostage by self-interest optimising professionals. It is this that underlies their emphasis on demand-side subsidies as well as the call for external benchmarking.

Babies and Bosses thus does lay out a post-maternalist vision of “family-friendly” policies but it is one informed by the same third way approach mapped out in the frame documents. As such it refrains from advocating for the full sharing of care and paid work (the Dutch ideal) as between parents. Instead, governments should make it easier for mothers to care for their child during its first year,²⁷ and then to choose part time work while their children are young. Children

²⁶ While noting that Danes can choose between municipal childcare and private provision, they acknowledge that most Danes choose public provision as they “dislike the idea of having their children looked after by a commercial provider” (2002:21).

²⁷ The one time *Babies* acknowledges that fathers might be induced to take their share of “parental” leave is in the discussion of Austrian policy, which offers 6 months (after the first 30 are taken by the mother) to the other parent, but at a low rate of pay. The authors suggest that this period might be shortened but the rate of remuneration raised in the hope of attracting more fathers to take it.

figure in this series as potential impediments to parental/maternal labour market participation and, to a lesser extent, as human capital to be developed by prudent social investments. Although the issue of the quality of non-parental childcare is raised, *Babies* favours demand-side subsidies to private providers over public investment in the development of a high quality early child and education system. The expansion of childcare should thus occur within the fiscal parameters (low tax, low spend) consistent with “making work pay.” Pressure will be kept on “childcare professionals” to keep costs down, while meeting parent demands for flexibility. As we shall see, this is a very different approach from that taken in the *Starting Strong* reviews.

Early Child Education and Care: Policy for Children

Although the *Starting Strong* thematic review started in DELSA, it was set in motion by the 1996 meeting of Education Ministers which resulted in an invitation to the OECD to “monitor progress towards the realisation of life long learning for all in OECD member countries, through thematic reviews of aspects such as early child education”(OECD 1996). The ECEC Policy Branch of the Division of Education and Training was charged with carrying this out, under the direction of John Bennett. *Starting Strong* thus drew on a different epistemic community – experts in early child development rather than economists – than *Babies*. It also carried out its work in such a way as to draw *in* and develop a transnational network of early child specialists,²⁸ in a way reminiscent of the political work earlier done by the European Commission Childcare Network (Ross, 2001). In this sense, it can be seen as something more active than an epistemic community – more akin to a transnational advocacy network, capable of working effectively across scales (Keck and Sikkink, 1998).

As might be expected, rather than being treated primarily as potential impediments to their mothers’ labour force participation, children occupy a central place in this project. Thus all children should have access to quality ECEC, irrespective of their parents’ labour market status. This is as true for under-threes as it is for pre-schoolers, though in most countries, infant and toddler care is still treated as a babysitting service for working mothers. More broadly, *Starting Strong* rejects the narrow child as human capital-in-the-making focus found in other third way writing and practice (OECD 2001:41). Clearly ECEC can and should help lay strong foundations for future learning, but children must also be seen as active learners and citizens in the here and now – just as they are in the UN Convention on the Rights of the Child. Thus genuine ECEC thus recognises that “children not only have their own culture, but also their own rights and ‘voice’”

²⁸ In each participating country, a national coordinator and steering group was established to oversee the production of the initial background report. This was followed up by a visit of an international team that drew on leading experts in the field, including several involved in the European Network, which was responsible for producing the country note. In the second round, national coordinators were invited to

(OECD 2001:42). This means using appropriate pedagogies²⁹ and the rejection of didactic teaching methods, narrowly focused on laying the foundations for literacy and numeracy. It also means that children participate in the ongoing quality assessment process.

A second important difference between *Starting Strong* and *Babies* is the view of staff. For the former, staff are self-interest maximising agents who are inclined to use their professional knowledge to fend off principals (parents, governments). Moreover, although their detailed studies showed that, while no childcare staff are well-paid, those in publicly-owned centres fared better, they prefer a competitive market for care, and subsidies targeted at parent-customers to keep providers efficient. In contrast, *Starting Strong* argues the importance of appropriate training and working conditions to quality ECEC:

Quality ECEC depends on strong staff training and fair working conditions across the sector. Initial and in-service training might be broadened to take into account the growing educational and social responsibilities of the profession. There is a critical need to develop strategies to recruit and retain a qualified and diverse, mixed-gender workforce and to ensure that a career in ECEC is satisfying, respected and financially viable. (OECD 2001:11)

In personal services like ECEC, that is, quality depends not only on the skills of the providers but is also fostered by fair wages and good working conditions, which are crucial for recruitment and retention.

Although *Starting* recognises the skills required to deliver quality ECEC, it also recognises the importance of quality assessment. For *Starting*, however, this is envisioned as a dialogical, democratic process: “defining, ensuring, and monitoring quality should be a participatory and democratic process that engages staff, parents and children” (OECD, 2001:11). In support of this dialogical and on-going process, governments have a role to play in ensuring the collection and availability of good data³⁰ and supporting on-going research and innovative practice.

Starting Strong does not take a clear position on public versus private provision, though it does note that most OECD countries favour public delivery, at least for preschoolers (OECD, 2001, 90). In the Irish *Country Note*, moreover, the disadvantages of commercial care are brought out:

Without public management and sustainable public funding, market-led childcare provision remains fragmented and inequitable. For this reason, governments in English-speaking countries are obliged to intervene constantly by increasing childcare allowances, reviewing quality supervision and even directly funding parts of the system, such as Head Start (US)... that are aimed at targeted groups. Although competition can lead to some good programmes, these are often confined to parents who can pay high fees. When dominated by private, for profit interests, profits are often derived from

participate in semi-annual workshops on issues such as financing (Cleveland and Krashinsky, 2003a) and innovative pedagogies.

²⁹ There is no one best pedagogy, as the ECEC project recognises (OECD 2004a).

³⁰ See OECD (2002b) for a more detailed discussion of the kinds of data needed.

high fees, increasing numbers of children per staff and/or low staff wages. There is a tendency to employ untrained staff at the bottom end of the market, where modest and disadvantaged families are the clients. (OECD, 2004b:46).

Starting Strong does not explicitly come out in favour of supply-side subsidies. It does, however, underline the fact that, again, in systems which rely on demand-side subsidies, it is difficult for low income families to get access to quality ECEC (OECD, 2001:57, 94 and 130). It goes on to spell out the key conditions for developing a quality ECEC system, laying particular emphasis on the need for *substantial* levels of public investment, including in the infrastructure, and co-ordination, both horizontal and vertical³¹. (OECD 2001:*passim*). Clearly, this kind of system requires substantial public backing and requires resources that the low tax states favoured by *Babies* would find difficult to marshal.

Starting Strong thus has many of the elements of the egalitarian model outlined in the first section. It counsels the establishment of an ECEC system that would offer quality care to all children, irrespective of the labour market status of their parents.³² Its preferred system of governance certainly allocates an important coordinating role to national states. At the same time, it stresses the democratic involvement of children, parents and their local (and ethnic) communities in the co-determination of the aims and methods, as well as in quality assessment. This is related to its conception of system that develops through an on-going, dialogical process, in which different values and perspectives are at play, a conception that has much in common (and not by accident) with that developed by the European Commission's Childcare Network in the 1990s (CRRU, 2004). Its recommendations would also contribute to the development of good post-industrial jobs, and thus would help counteract the emergence of a polarised labour market. Women would continue to hold many of these jobs, and thus would benefit from improved wages and career possibilities. Ideally, however, there would be a better gender balance among staff, reflecting a view that men are carers too.

Yet *Starting Strong* does not come to grips with the unequal distribution of unpaid care work in the home, which contributes to gender inequality in the labour market. The low value placed on women's domestic care responsibilities, moreover, feeds into a system that systematically undervalues care work in the market place. In this sense it shares the strengths and weaknesses of the European Commission's Network, on whose foundations it builds. For the latter, it was important to make the needs and interests of children central:

Whilst the Network has been established as part of an Equal Opportunity Programme, and retains a strong commitment to supporting equal treatment for women in employment, it has emphasized that the needs and interests of children must also be a

³¹ Like *Babies*, *Starting Strong* recognises that decentralisation can bring some real advantages but this needs to be balanced by the "need to limit variation in access and quality" (OECD, 2001:9)

³² One point I have not brought out is that *Starting Strong* also aimed to provide feasible advice, adjusted to national circumstances and this does come out strong in the country notes. In this sense, it appears to break with the approach staked out by the Economic Secretariat (Armingeon, 2004), and followed by the *Babies and Bosses* team.

major concern.... However, the Network has not seen the two interests...as in opposition. Both can be met and are indeed interdependent, since services that are adequate in quantity but poor in quality will be a major obstacle to employment for many women....(CRRU, 2004:1)

In this respect, both the Network and *Starting* have an important contribution to make to realising the egalitarian vision. Yet as we have seen in third way discourse, gender equality is easily subordinated to “primary” goals such as growth and competitiveness. For gender and generational equality and social justice, the child-centred vision needs to be incorporated into a broader strategy for “sharing” work and family life.

Conclusions

The OECD is thus an active participant in the push to eliminate the last vestiges of maternalism and it forms an important part of the international chorus calling for policies that facilitate the reconciliation of work and family life. Its role can be understood as contributing to the establishment of “reconciliation” as the new common sense, especially for conservative regimes in Europe and Asia and laggard liberal regimes of Australia, Ireland, New Zealand and the United Kingdom.³³ This does not, however, mean that this is leading to convergence in the details of welfare state redesign.³⁴ This is not, in fact, the aim of *Starting Strong*, which clearly recognises the importance of institutional legacies, though what may seem to be incremental changes may indeed turn out to be “path breaking” (Streeck and Thelen, forthcoming). Moreover, the OECD has not one but (at least) two distinct conceptions of the post-maternalist world – one informed by third way thinking, the other by a vision that is consistent with the egalitarian blueprint. Both, moreover, part ways, albeit to quite different degrees, with the neo-liberal model favoured by the dominant state in the contemporary world order, the US. How is this possible?

Deacon makes a claim for the “relative autonomy” of international organisations like the OECD, and particularly their human resource specialists, from the policies of the powerful states among their membership (1997: 61). This may go too far, but he is right to emphasize the impact of the OECD’s European location (and staff) on the its outlook, which is reinforced by a Board voting policy that “does not privilege the US” (1997:70). In addition, as we have seen, the OECD is not monolithic. Although the weighty Economic Secretariat continues to offer advice which is “IMF-flavoured”, DELSA and the Education Directorate can pursue their own agendas. In doing so, moreover, they do not work in isolation. As Stone has argued, international organisations form part of a series of “networks and overlapping clubs” that operate internationally and across scales (2003: 15-16). Thus DELSA establishes connections that permit the exchange of ideas among social and labour market policy ministers and bureaucrats of the member countries and also

³³ On changes in Japan and Asia, see Peng (2004). On the persistence of maternalism in Australia and the UK, see O’Connor et al, 1999.

³⁴ See Hay (2004) for a good dissection of the convergence argument into the five different levels.

representatives on the Trade Union Advisory Committee (TUAC), with whom it meets on a regular basis.

The ECEC unit, whose perspective represents more of a challenge to the status quo, has taken network building further. It has structured the review process in such a way as to blur the boundary between epistemic communities, made up of experts linked by cognitive and professional ties (Haas, 1992), and transnational advocacy networks – “networks of activists, distinguishable largely by the centrality of principled ideas or values in motivating their formation” (Keck and Sikkink, 1999:89). In this it has built on, and extended, the earlier work of the European Commission’s Childcare Network. Just as the latter forged links among childcare advocates operating at different scales – local and national – adding the European, the ECEC branch has done the same across the OECD. Its success, of course, will depend on the capacity of advocates to make good use of these reports in their struggles and most face substantial obstacles. Part of the hope may lie, as Cohen et al conclude, in countries where “the long default position of the child located in the private sphere of the family is being disturbed by some glimmerings of the ‘public child’, replete with voice, rights and citizenship” (2004:211). Yet this new child will need allies to be found, inter alia, a recharged feminist movement.