

Cultural and structural determinants of female labour market participation in Europe: the role of public childcare services.

Paper presented at the FamChIP Conference (2013) held in Warsaw, December 17-18.

Raffaele Guetto (raffaele.guetto@unitn.it)

Stefani Scherer (Stefani.Scherer@unitn.it)

Long abstract

This work focuses on cultural and institutional factors underlying the low fertility-low female labour market participation equilibrium, trying to disentangle an apparent “paradox”: many “traditional” and “familistic” Central and Southern European countries have both lower fertility and female labour market participation rates compared with countries holding more “modern” and “individualistic” values. Among the mechanisms potentially responsible for these patterns, we suggest the centrality of the different degree of adaptation of institutional settings to new women’s roles. In short, a rapid adjustment of institutional settings toward a better reconciliation of work and family duties where dual-earner families only occurred were culturally supported. Family policies such as childcare services for children aged <3 are indeed likely to develop only if the de-familialisation of care is culturally accepted.

The effects of “culture”, usually defined as a macro(national)-level factor, are difficult to disentangle from other institutional and economic features. In this paper we conceptualise culture at the micro-level, trying to answer the following research question: how different women adapt their labour market choices, in presence of a child 0-2 at home, to changes in childcare availability? The specific cultural dimensions examined are religiosity and generalised trust. Religious people tend to think that a child suffers if the mother works and religious women are often found to be out of the labour market. On the other hand, it has been suggested in the literature that low-trust individuals might perceive high transaction costs in the outsourcing of a sensitive activity such as the care of little children. Thus, low-trust individuals would opt to produce childcare services within the household.

We answer the above mentioned research question using data on regional enrolment rates of children aged <3 in public childcare institutions, collected for 198 regions and 20 countries for the time-window 2000-2011. Data have been retrieved from national administrative and other available data sources and merged to 5 waves of the ESS (2002-2010).

Empirical results corroborate our hypotheses concerning the moderating role of religiosity and generalised trust in the relation between childcare services and work-family reconciliation. The positive impact of public childcare services on the labour market participation of women with little children is particularly high among secular and trusting women.

Results confirm the importance of childcare availability in order to foster both fertility and female labour market participation. However, where the de-familialisation of care is not yet culturally supported among potential recipients, investments in such family policies are obstructed and might be less effective. A possible functional equivalent in this case could be the increase of the availability of part-time jobs. But the ongoing process of secularisation (Biolcati-Rinaldi and



Vezzoni, 2013) in countries such as Italy, Austria, Spain and (West-)Germany hints toward unsatisfied demand for de-familialisation policies in many Central and Southern European countries.

