Work-family reconciliation policies between family-centered and work-centered approaches. A comparative analysis of two small and open economies: Slovenia and Latvia

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Abstract

Some economists claim that Central and Eastern European societies are converging towards the same welfare regimes and work-life reconciliation strategies (Bovenberg 2005), due to fiscal constraints faced by different transitions processes. This paper argues that greater attention is needed in the work-life field to how variation in cross-national contexts influences work-life-policies, practices, processes, and outcomes for individuals, families, businesses, and society. This paper traces the beginnings of regulation of the European Union work-life-directives and the agenda setting vis-a-vis individual member states. The European Commission has advocated a work-centered approach to work-family reconciliation. With reference to this context the authors of this paper argue that despite comparable points of departure Central and Eastern European societies diverge in their approaches to work-family reconciliation, despite budget constraints faced through transitions to capitalism and accession to the European Union. Evidence for this argument is given by a comparison of work-family reconciliation policies in two small open economies, with divergent fiscal leeway, Slovenia and Latvia.

Empirical findings in the period between independence (1991) and 2007 confirm that countries implement a mix of welfare regime elements. Fiscal constraints indeed have an impact on work-family reconciliation policies. Rather than to distinguish solely between welfare regimes (Esping-Andersen 1990), a distinction between work-centered and family-centered reconciliation is invoked (Warth 2004). In the surveyed period Slovenia followed a work-centered approach and Latvia followed a family-centered approach to the work-life field.

Keywords: Work-family; Work-life; National context; Institutions; Social Policy; Employment Policy; European Studies; Governance; Slovenia; Latvia;
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Introduction - The Puzzle

The reasons for the decline in fertility patterns are most commonly framed in what Fahey and Speder (2004: 1) refer to as the ‘affordability’ thesis, which comes in two variations. The first interpretation stresses that economic constraints limit the opportunities of individuals to have a family considerably, so that birth control comes as a reaction to an unfavourable economic condition (ibid.). The second interpretation is borrowed from economic theory, stating that today as time is more precious and individuals enjoy growing levels of human capital, the feasible set of opportunities broadens (ibid.: 2). The more human capital individuals accumulate, the more options to spend their time arise, child-bearing is but one of many life priorities on the market.

A work-life balance policy should broaden this opportunity set and thereby enable choices in favour of family formation. We focus on the 'life'-priorities family formation and up-bringing.

Fahey and Speder (2005: 2) point to the fact that for women in particular, opportunities have broadened. Would-be parents face constraints, be they social, economic or legal that inhibit their feasible set of opportunities. Gender divisions of labour within households are assumed to result from preferences that “are context specific and to a large degree shaped by economic and social circumstances. In particular, both market developments and welfare state arrangements […] may impact on family-work systems” (Saraceno 2005: 2). The policy planner of political economy (‘der soziale Planer in der Volkswirtschaftslehre’) needs to take into account also the long term effects that trends in societal change may have upon the public good. “Economic problems arise” according to Hayek (1948: 82) “always and only in consequence of change”.

In today's European Union birth rates are declining and the population of European societies is moving beneath the rate of self-replacement. Work force supply will prove crucial for financing future pension systems. Work-life balance comes in as a promising concept to alleviate the constraints would-be parents face. The intention of work-life balance strategies is to make the best of both worlds, to allow the combination of employment and family life.

A clear connection between family policy and labour market dynamics is assumed (Esping-Andersen 1990: 146), i.e. incentives to take up work, or form a dual earner
family have an effect on the employment rate. Examples of how family policy and social policy take influence on the labour market will constantly be provided throughout the text.

The conception of work-life balance applied here conceives of itself as a strategy with which policy-makers try to maximize the utility of the human capital that their citizens harbour. Two clear cut directions are discernible, one in which it is possible to be a wage-earner and a carer – the approached favoured by the European Commission (2006b). The other one in which a combination of a caring and wage-earning in one person are not supported. Of course there are also intermediate transitions towards either end of the spectrum, and definitely there are individuals who are un-moved by domestic policy in line with this or that approach. Nevertheless, we argue that policy matters to most of the people.¹

Changes in the social structure present governance problems or policy dilemmas for the European societies (Hayek 1948). The majority of citizens are considered to be responsive to governmental policy. Governance or ‘global’ governance is understood as a political authority with a long term view on sustainability – opposed to the individual political actor, who faces the problem of short time horizons (Pierson 2000: 478).² An ideal-typical constellation would be that a supranational institution finds a remedy to policy demands faced by domestic polities, and uses its power to make these polities comply with this supranational policy.³ Supranational governance is considered to be in a valuable and advantageous position to solve policy problems that keep arising from social change in nation state. Whatever the policy outcome of the collaboration between national and supranational bodies may be, the degree to which the ‘end-users’ are responsiveness to policy incentives depends on the thoroughness of policy. Inference will be made into these reconciliation strategies through effective labour market turnover. A comparison of countries facing similar policy puzzles helps to find out viable policy choices for troubles many countries encounter and it integrates insights from different strands of thinking, thereby crossing disciplinary borders.

¹ Hakim (2000) shows, that most of the women’s preferences adapt to policy stimuli regarding employment and family policy.
² This problem could mean the postponement of necessary, but unpopular reforms, which might dampen politicians’ chances to become re-elected.
³ In the European Union the European Commission is an institution which during its time in office is meant to pay loyalty only to the founding treaties of the community (see section 2).
The perhaps most popular international relations standpoint on the erosion of established power as an instance of social change is commonly explained by the phenomenon of globalization or internationalization (Kahler/Lake 2003: 1). All the same it is acknowledged that the state is no longer the only authority which caters to governance needs of the public (ibid.). In Europe the migration of governance from the state to supranational institutions is most pronounced in the case of the European Union and its member states.

Governance, defined narrowly is a set of “authority relationships” (Kahler/Lake 2003: 7). The European Commission is the governance authority which commands a particular approach of work-life balance towards firstly, its member states and secondly the European citizens living there. The balance between the Commission’s commands and the voluntary compliance of firstly the member states and secondly the citizens living there are a measure of the authority’s strength in governance. It is important to note that there is a great deal of mediation involved in the policy process, firstly the European Commission as the keeper of the European Treaties, mediates primary community law to develop policy proposals. The Commission has the role of the policy entrepreneur and the member state government lets its policies be influenced by these policy proposals. The extent to which this influence is tolerated leads only so far that could not endanger the government’s standing on the domestic level (Pierson 2000: 487). The domestic constituency holds its government accountable, which has before mediated the commands of the European Commission. The employment data is understood to signal appreciation, disapproval or equanimity of the individuals towards the incentives in favour of particular work-life balance strategies advocated by the government.

Within the range of policy fields the leverage of the European polity on domestic politics varies, important for the work-life balance concern is the domain of labour market and social policy, and within this framework the European Union may be seen as a regulatory state (Majone 1996: p. 74). In this view the European institutions resemble administrative agencies, to which credit has to be passed for awarding “gender equality” a higher profile. That has served the process of judicially confirming gender equality to have the status of a human right (Kahler/Lake 2003: 433). In this case the innovation passed from the supranational to the national level,
which underlines the talent of supranational institutions for feasible policy innovation (ibid.).

Sceptics of globalization bemoan that governance, e.g. within the European Union, urges small states to cook according to policy objectives that do not suit the taste of their domestic constituency; in other words convergence with European standards limits the manoeuvring space of decision-makers on the national level of the member states (Weiss 2003: 3). Fiscal constraints on national governments take two shapes firstly that of the global economy which is considered to be caused by mobile capital and the second kind of constraint is a rule-based which has been exerted in the European Monetary Union (McNamara 2003: 333).

Despite European integration nation states will retain their national peculiarities, in the work-family nexus a range of combinations exist which by typology conventionally lean on welfare regime clusters (see section 3.1). The so-called ‘big-bang’ accession of 2004, in which 10 new states became members of the European Union even increased the diversity amidst unity. The established welfare regimes of Western Europe have been examined thoroughly; far less attention has been paid to the Central and Eastern European countries. The post-communist states had to manage a transition to democracy and integration into the European Union. These countries were in the position to set out on new policy paths as they became independent. The emerging policy patterns as regards work-life balance are likely to show similarities to those in the established welfare state of Western Europe, since possible variations are limited. Since work-life balance may not be regarded as a clear cut policy field, we focus on three policy fields namely social, labour market and gender equality policy.

Given the fiscal constraints of firstly, the global economy and secondly, the European Monetary Union (Bovenberg 2005: 413; McNamara 2003: 333) it is of interest whether European integration has caused states to adopt similar policies in the sphere of work-life balance. We apply descriptive inference (King et al. 1994: p.44), to map the confluence of pressures from the EU to harmonise public policies with those of the acquis communautaire during the accession process and country specific policies.

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4 Serving as a counter example to the picture of the European Commission as a super bureaucracy obsessed with the setting of superfluous standards.
5 The „race to the bottom“ assumption has it that states compete for the lowest level of taxes in order to attract and retain capital, which would otherwise move elsewhere.
6 In order to qualify for the European Monetary Union one condition is that a state’s budget deficit is may not exceed 3% (Borchardt 2002: 262).
In-depth comparison and contrast of two cases will lead up to a balance sheet that focuses on the likely impact of parenthood on employment as indicator of a fair work-family reconciliation strategy and the direction that government policy delineates for the future. We decided to compare policies and effective labour-market turnover in two small open economies, from among the ten member states that joined the European Union in 2004.

What we are interested in is:

What kind of work-life reconciliation strategies do the governments of Slovenia and Latvia offer to their citizens, given similar policy demands?

This question is of interest both from a ‘global governance’ and a ‘social theory’ perspective. The work-life balance strategies of European Union member states (Central and Eastern European countries) which have recently joined the union will be described. It is assumed that the European Commission has taken an ideational influence on these strategies, therefore we will examine:

To what degree has European integration influenced the work-life balance strategies of the member states?

We want to find out, whether there is convergence or divergence of policies and polities due to the influence of globalization.

A proponent of the convergence hypothesis, Bovenberg (2005: 413) stated that the Central and Eastern European countries are all moving into the same direction as regards work-family reconciliation models, which means that they have abolished programs that favour a work-centred approach to reconciliation. The reason that is given for this move is the hypothesized fiscal constraint that transition states face. The indication that follows from this assumption is that there exists homogeneity among the group of eight Central and Eastern European countries. The introduction of the indicator ‘fiscal constraints’ as a cause for convergence follows the so-called “globalization thesis” (McNamara; Weiss 2003), under which adaptive pressures of the global economy are pushing for convergence. Work-family reconciliation policies are constructed as a strain on the public finance of a state (Bovenberg 2005: 413); accordingly fiscal constraints are assumed to result in a downsizing of reconciliation policies.

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7 This institution has negotiated the pace of the accession process and may be considered a policy entrepreneur striving for the realization of the European Union’s primary law (Majone 1996).
The hypothesis outlined above will be tested by conducting case studies. The choice of samples will take into account the fiscal constraints that stem from the global economy ceteris paribus. The alternative rule-based fiscal constraint of the European Monetary Union (McNamara 2003: 333) will serve as an independent variable with a possible impact on work-life balance strategies. On the basis of the trait fiscal constraints Bovenberg’s assumption about convergence will be tested, asking:

Are the work-life balance strategies of Central and Eastern European countries converging towards the same model?

Derived from this puzzle we formulate our hypothesis accordingly:

The work-life balance strategies among Central and Eastern European countries are diverging. The phenomenon persists despite global economic pressures for adaptation and integration through the European Union.

By ‘adaptive pressures’ we mean the overall work-centred work-family reconciliation strategy, which is biased towards the idea that both men and women should be carers and income-providers. We ascribe the following intentions to the European Commission policy-makers: once institutions are put in place which clearly allow a combination of work and care, effectively more Europeans will work and have (more) children. Both things are important for the European Union’s economic competitiveness on a global scale.

In other words work-life balance is to be taken as the opportunity structure that working parents face to reconcile the tasks of a carer at home, and an employee at the workplace. We focus on three tools of family policy to reconcile work with family life, which have been well documented (Warth 2004): cash, time and services.

Time can mean the creation of employee opportunities for reconciliation at the workplace, i.e. on the level of employers includes policy measures that often introduce flexibility in working times (Leitner et al. 2005: 2). Services encompass the state support for child-rearing facilities for pre-school children, usually until kids reach the age of 5 or 6 years, and cash benefits for children which at times are granted throughout the child’s education (Rostgaard 2004: 6). Synonymously this is referred to as work-family reconciliation policy (Warth 2004). We are concerned with the impact of policies on parents’ numbers in paid labour, especially that of mothers (OECD 2001). The provision of sufficiently sound opportunities for striking the balance between work and family life is a precondition for increasing the employment rate of mothers (ibid.).
Work-Life Balance in an Enlarged European Union

2.1 Market failures - Demand for work-life balance

According to the "fundamental theory of welfare economics" competitive markets will bring about an efficient allocation of resources under ideal conditions (Majone 1996: 28). The underlying normative concept is that of a ‘good society’ in which parents are always also income-providers besides being carers (Saraceno 2006).

The market is considered to produce welfare, but only if the preferences of the consumers are met by the production costs and production capabilities (Schneider 1998: p. 160). According to economic theory, market failures occur, when ceteris paribus conditions are not met, every time when the positive externalities which parents generate through child-rearing are not rewarded. This occurs constantly, the market even penalizes child-rearing. In other words, the costs of child-rearing extend the immediate costs of nappies and piano lessons for the children. The indirect costs of care increase for mothers who are involuntarily out of labour. The sources of such an exit from activity to in-activity in the sense of labour market participation will be laid down underneath.

In a market situation not all the components of costs and benefits are taken into account by the individuals, knowledge is limited. This is the ideal place for the social planner to intervene. Children and child-rearing imbue positive external effects which have to be taken into account in order for the market to reach a Pareto-efficient outcome. Therefore the public support for households with children should consider three points (Bovenberg 2005: p.403), firstly the externalities of children, secondly the externalities of human capital formation and thirdly the adverse selection in labour markets. Child bearing brings positive external effects to people without children, remember that tax payers finance pension systems. The systems of social protection insure against childlessness, today’s children will pay tomorrow’s pension or so the argument goes. Therefore in a macro-economic perspective children are a means to an end. It is for this reason that public support should compensate for the opportunity costs which come along with child-rearing in a society that promotes the dual-income family.
2.2  **Regulation of the Common Market**

In the preceding section instances of relevant market failures and anecdotal evidence has been provided, to exemplify the need for state intervention. Besides vowing for family friendly adjustment of working regulations, the domain of social policy helps to even out inequalities across society.

In the work of Marshall (quoted in Streeck 1995: 397) Social Policy is the application of

"political power to supersede, supplement or modify operations of the economic system in order to achieve results which the economic system would not achieve on its own, guided by values other than those determined by open market forces".

Three major functions of the governmental intervention may be distinguished which are practiced in different variation depending on the prevalent welfare state principles of the society: income redistribution, regulation and macroeconomic stabilization (see e.g. Majone 1996: 54).

The *redistribution function* is concerned with cash transfers from better off to worse off parts of society, like universal or means-tested child benefits. Universal benefits are a means of expressing the value that child-rearing brings. The means-tested benefit may be both an instance of fiscal constraints that the public budget faces or the expression of the residual welfare state in which only those worst off are targeted. Besides these transfers there are ‘merit goods’ provided for by the state, goods which citizens should be encouraged or even be compelled to consume in any case.\(^8\) For example in Germany schooling is compulsory for children, unlike in Great Britain but here medical service in the form of the National Health Service is free of charge, again unlike in Germany. Provisions vary across European countries, a clear sign of national peculiarities, but also an indicator of what counts as important in the view of the policy-maker.

The *regulatory function* is directed at the manifold market failures that families face, and may try to curb these imperfections through regulations that try to water down the rigidity of labour markets, to make the employment of women less risky for companies. One instance could be the public provision of early learning facilities. For example in Germany an employer has to wait up to three years for a mother to return from parental leave, also no sufficiently broad provision of care for children under

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\(^8\) Definition available at [http://www.auburn.edu/~johnspm/gloss/merit_good](http://www.auburn.edu/~johnspm/gloss/merit_good) (Glossary of Political Economy Terms, 03.05.2007)
three years exists. The regulatory function could provide better child care while simultaneously limit the duration of parental leave, so that a swift reintegration of mothers into employment can take place.

A well documented drop in fertility rates (see, Fahey/Speder 2004: 7, 9) may also be interpreted as an avoidance of the work-life reconciliation dilemma. Another concern is to encourage fathers’ take-up of parental leave through reserving time and income replacement especially for them⁹, since this could trigger a more nuanced sharing of caring tasks for men and women. Overall market failures are a likely reason for an insufficient investment of economic man in the replacement of the citizenry in most European Union member states.

The stabilization function includes policies that focus on the maintenance of sufficiently high economic growth, employment and price stability. In the European Union member states the stabilization function is split into supranational and intergovernmental competencies (see e.g. Borchardt 2002; Goetz/Hix 2001). Price stability and its adjunct instruments of fiscal and monetary policy are contracted out by more and more member states to the European Central Bank in the process of the European Monetary Union. Labour market policy and industrial policy remain firmly rooted in the member states' portfolio, which are recently being coordinated in the intergovernmental sphere (ibid.). For example in the domain of employment policy, the development of soft law mechanisms is beginning to be appreciated as a new sort of supranational governance (De la Rosa 2006; Goetschy 2006; Schäfer 2004; Szyczak 2006).

Of the three main governmental functions outlined above the rather important redistributive function in social policy that targets individuals does not fall within the supranational realm. Here the member state alone decides (Heimerijk 2002: p. 175). At this point the case studies of section 4 come in. The European Union has a remarkable record in the domain of non-discrimination legislation, also because here its competences for intervention are most clearly laid down (Borchardt 2002: p. 28; Münch 2006: 80). The equal opportunity principles for the work-place have continually been developed further to facilitate the activity of women. Accordingly the directives passed by the European Commission are a means of exerting the regulatory function, e.g. allowing for parental leave, and simultaneously furthering the goals of the stabilization function. Macro-economic stabilization through a high

take-up of employment is of great concern to the common market as a whole. The European Commission (2006a) has taken care to make use of its political influence to increase efficiency in this regard. In the case of parental leave e.g., the directive was designed to allow for time off for child-rearing without losing attachment to the labour market. The rationale is two-folded; ideally all adults are both income-providers and carers (Saraceno 2006: 57).

Conventionally the European Commission is characterized as the keeper of the treaties, the institution that constantly attempts to realize the objectives and provisions of the European Union. There remains the question of how the Commission does pursue the realization of the treaties as a political actor. Majone (1996: 74) has likened this institution to a policy entrepreneur, which seeks to accomplish the solution of problems, through being receptive to manifold policy ideas and then push the policy package into the realm of politics at the ideal point in time (Kingdon quoted in ibid.). Majone (ibid.) recalls the institutional setting in which the Commission acts. While the Commission has the right to formulate policy proposals, these may be vetoed by member states, therefore persistence is an important trait of such a policy entrepreneur, having the patience to await the opening of a policy window. During a constellation of policy dead-lock the cunning entrepreneur has to introduce innovation into the policy process through the setting of new agendas which might gather new supporters, thereby re-drawing the battlefield to implement the preferred ideas (Riker in ibid.: 75).

Majone (ibid: 76) notes that policy entrepreneurship works particularly well in the sphere of social regulation. This regulatory domain bears diffuse benefits and therefore is likely to apply to many citizens. Take the pregnant worker directive as an example, which regulates the activities that pregnant workers are not fit to perform at work.10 This directive aimed at improving the working conditions of child-bearining women and thereby the health of this group. The costs were concentrated on the side of companies involving leave schemes or the provision of recreational facilities at the workplace. The beneficiaries in this example are not likely to lobby for it, but for the companies that bear the costs for setting up facilities for this group there is an incentive to resist. The policy entrepreneur is needed to arouse public concern and sympathy for the issue. The drafting of legislative proposals through the entrepreneur which meet a societal consensus of shared values, then is likely to mute the

opponents concerns. The policy entrepreneur takes the role of the benign representative of under-represented groups of society, thereby preserving the public good (Wilson in ibid: 77).

This preceding view on the European Commission's characteristics could lead one to conclude that Work-Life Balance initiatives are an exercise in social regulation. The demand of families for reconciliation opportunities has increased, yet is lacking representation (see above), the case for the policy entrepreneur to step in is strong. If an increased demand for opportunities to work-life balance by the European citizens is assumed, then it appears to converge with the Commission's expectations of simultaneously improving the labour market performance of the common market area through more working parents. Note that the European Union policies draw its legitimacy from being deliberately Pareto-efficient (Majone 1996), and see also that social policy is endorsed where it is considered to enhance economic efficiency (Daly 2006: 464).

The case for a treatment of the work-life balance issue moving from the supranational to the domestic level is further underlined through the following authors. Scholars like Warth (2004) working along the conceptual lines of Kingdon (see above) have given the European Union considerable credit for triggering a policy shift in member states' work-life reconciliation policies. Warth (ibid: p.2) distinguishes between work-family reconciliation policies that are 'family-centred' or 'work-centred'. In respect to the effects these policies have on parents' labour market attachment, the first one provides incentives to exercise child-rearing within the family, thereby advocating a single breadwinner, respective single carer model. The second 'work-centred' approach, advocates continuous attachment to the labour market, and it proposes incentives like in-work benefits that in effect reduce the time parents invest in child-rearing, thereby proposing contracting-out of caring and household tasks (ibid.: 3).

This 'work-centred' approach lies in the concern of the European Commission. Warth describes the cases of Great Britain and Germany as two countries in which the influence of supranational work-family reconciliation policies occurred at an opportune time to help open a policy window that allowed the European Union's work-centred strategy for work-life balance to trickle down into labour market and social policy institutions.
A different perspective on the European Union's role in designing work-life reconciliation is taken by Treib and Falkner (2006) who see the initiatives by the European Union as a supplement to the regulation of 'new social risks'. Since social security systems remain wedded to shielding off risks from single male breadwinners, and cover 'old social risks' that apply only to this type of workers, striking the work-life balance means additional risks that need to be taken care of by the policy-makers. The authors (ibid.) analyse how the Parental Leave Directive was implemented in the EU-15, finding that the Directive was a success for leading to significant policy reforms in most member states. The general approach in European directives has been to introduce minimum standards and then let member states innovate, establishing a competition for the most progressive provisions (Schäfer 2004: p. 7).

The point is that in the European Union the governance style for social policy is termed 'neo-voluntarism' (Streeck 1995: p. 423) because regulation often prescribes minimum standards while encouraging more extensive reforms of member states legislation. For the topic of this paper, this insight advocates a more in-depth examination of the work-life balance policies in particular member states. Cross-national surveys are usually restricted to comparing quantitative indicators of a large number of countries, such as government spending on child care policies. The European Union provides framework parameters for macro-economic performance, thereby living up to its regulatory functions. The next section treats the employment strategies the European Union has so far developed.

When trying to discover the origins of today's work-life balance policies in Europe, it appears as though the EU did not have a distinct portfolio in this field right from the beginning of the European Communities. These policies that are referred to as work-life balance initiatives were first introduced as part of the efforts for the inclusion of females in workforce. The following part sketches the development of the first legal acts and guidelines, which is necessary to understand the European Union's general approach. This initial focus means that when researching the European Union’s stance on the issue one needs to look in different places.

The need for the promotion of equal opportunities for women was laid down as early as 1957 in the Treaty of Rome (Art. 119), in which equal pay for both male and female was claimed. In the beginning of the 1970s the Directorate General

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11 EU-15 stands for the European Union with its 15 member states prior to 2004.
responsible for Employment, Industrial Relations and Social Affairs included an ‘Equal Opportunities Unit’. This special unit should be the source of decisive advances for the work-family reconciliation agenda. Under the auspices of the European Commission several so-called ‘Action Programmes’ were launched by this unit, with the aim to express the concern with equal opportunities. Therefore the disadvantaged position of women in the labour market was acknowledged early on (van Stigt et al 1999: p. 151).

In the same decade Directives concerning equality between the sexes were issued: Firstly the directive on equal pay for women and men in 1975, secondly the Directive concerning the equal treatment of women and men in the labour market, thirdly the 1979 Directive concerns equal treatment between men and women in the domain of social security (ibid: p. 153). As of 1982 the first four-year Action Programme was launched which was less regulatory and more oriented towards positive action and the reduction of an implementation gap regarding equal opportunities (ibid: p. 153). A 1984 Commission recommendation called on member states to introduce affirmative action policies to allow more women to enter paid work (ibid: p. 154).

The Second Action Programme (1986-1990) became more concrete in the measures that had to be taken to achieve more egalitarian opportunities. Child-care facilities were targeted as concrete measures to allow more women to enter the labour market. An expert group that was handed the task of surveying existing child care arrangements in the member states concluded with the recommendations to produce a directive on child care provisions and a change in work-place and organisational cultures to enable a combination of paid labour and child care via leave provisions for parents (ibid.)


The Third Action Programme (1991-1995) comes across as striving for a direct integration of work-family reconciliation with the "business-as-usual" policy of the European Union, stressing economic integration. It appears as though the recognition has grown that indeed both families and workers are needed to ensure the realisation of the aims laid out in the treaties, like peace and prosperity. As of now equal
opportunities were part of the socio-economic and structural strategy of the Union (van Stigt et al 1999: 155). The three aims were to implement and develop legislation, to include women in the labour market, and to implement measures allowing for a combination of domestic and professional tasks. In the early 1990s important steps towards the legalization of work-family reconciliation were taken (ibid.).

The ‘Directive on Maternity Leave’ was brought about in coordination with the European Trade Union Committee, which had initially proposed sixteen weeks of paid maternity leave (ibid.: 156). The European Commission presented a draft directive building on the Framework ‘Directive on Health and Safety at the workplace’. The negotiations brought about a directive that fell short of the more extensive proposal of the social partners and established minimum standards on maternity leave. The resulting Directive of 19 October 1992 was a fourteen weeks leave with cash benefits similar to those women would receive on sick leave, and not in full payment of wages (ibid.: 157).

The 1996 Directive on Parental Leave established the minimum standards for parental leave provisions. The entitlement applies to both fathers and mother on the grounds of birth or adoption of a child to allow them to care for that child for at least three months. Additionally time off for workers in case of emergency situations was granted, so that workers as a last resort may stay home to take care of sick family members (ibid.: 161).

With the 1992 Treaty of Maastricht equal opportunities policies and social policies became to be recognised as a precondition to realise a successful common market, so that they became an integrated part of economic policy. The task (function) of macro-economic stabilization could be exercised through the intervention of the European Union, with this provision providing a different interpretation of what this might look like in practice. The social regulation function through a range of directives helped to keep parents in work, high employment numbers proved this type of policy-making to be successful and prepared the extension of the European Union competences in this field (ibid.).

Part-time work moved into the focus of the European strategy on employment. On the Commission's initiative the directive was established in May 1997. Minimum requirements relating to Part-time jobs were agreed on which aimed at making this
atypical form of employment more attractive, through lifting disincentives assumed to be associated with it. These European directives outlined above are relevant, because they determine the minimum standards of social protection that all member states have to adopt (ibid.: p. 163). The overall goal was to raise the profile of part-time workers, so that they could enjoy equal treatment compared to full-time workers. This group was targeted since assuming that reconciliation with child-rearing tasks could be facilitated this way.

2.3 **Stabilization of the Common Market**
The stabilization function of governmental intervention is curiously split up between supranational and intergovernmental bodies in the European Union. While it is still the task of this function to maintain economic growth, employment and price stability, intervention is carried out at two speeds. From the early 1990s onwards European integration - in the form of the European monetary union and the Stability Pact - has reduced member states’ political manoeuvring space in the domain of employment and social policy (Hemerijk 2002: 176; Goetschy 2005: 66). In employment letting go of the regulatory tools like currency devaluation, national interest rate adjustments and deficit policies decreased the set of policy options (ibid.). While economic integration was carried out at high speed in the monetary field, a slower pace was taken in macroeconomic coordination (ibid.) A solution to this imbalance was sought while at the same time not expropriating yet more competences to the supra-national realm, a European Employment Strategy was seen as the appropriate remedy.

The legal basis of the European Employment policy is laid down in the Maastricht Treaty’s chapter ‘employment’ (Art. 125-130). ‘Coordination’ is the catch-word of the employment strategy (below).

The European Employment Strategy, as a methodological forebear, is important to understand the Lisbon strategy; therefore its genesis will be briefly outlined underneath.

What is known as the European Employment Strategy goes back to the European Employment Initiative passed at the 1994 Essen summit of the European Union. The objectives passed at that time remain valid even today (Schäfer 2004: 4). Contrary to the Community method's hard law approach requiring all member states to incorporate the exact legal provisions into their national legislation, the initiative
stood out through a soft law approach. The process consisted of the setting of common objectives, national implementation and surveillance by the European Commission (Schäfer 2004: 8). The objectives spread out by the Council (quoted in ibid.) included: investment in human capital, allowing for more employment created growth, the reduction of non-wage labour costs, the promotion of activating labour market policies and the support of socially disadvantaged groups that are excluded from the labour market. The social partner dialogue was deemed important, reaffirming the European Union's notion of moving towards a "corporatist policy community" (Falkner 1998).

These objectives were not legally binding; obligation to conform to them was limited in the first place (Schäfer 2004: 8). Instead of hard ‘adaptive pressures’ the slogan that could be used to label the process is something like soft benchmarking. Nevertheless, the procedure agreed upon by the European Council was that the European Commission and the Councils of Labour and Social Affairs and that for Economic and Financial Affairs should monitor the developments in the member states and report annually about the progress.

Schäfer (2004: p.8) considers today's Open Method of Coordination to be both influenced by the procedures to meet the employment objectives of Essen and the convergence process introduced with Maastricht Treaty to let states enter the European Monetary Union. Again the process of convergence was not to be accelerated by sanctions but strong incentives to meet the terms (ibid.).

In a governance perspective, as defined in the introductory section, the authority of the European Commission was weak. Confer that breaching the stability pact of the European Monetary Union will result in receiving financial penalty from the European Commission. If a state lags behind in the implementation of family friendly part-time work, this may provoke a comment of the responsible Commissioner in the newspaper.

In the Amsterdam Treaty employment received a chapter of its own in which the voluntary character of coordination in employment policies across member states was re-affirmed (Schäfer 2004). The employment chapter demanded states to agree on Employment guidelines with specific objectives. Governments should design National Employment Action Plans individually laying out how they were planning to reach the objectives. The European Council would then authorise the Joint
Employment Report prepared by the European Commission that assesses member states National action Plans and their policies (De la Rosa 2005). According to the results of the reports the European Council would amend the annual employment guidelines (Schäfer 2004). The years 1999 and 2000 saw the completion of two cycles of this process and considered a success for being decent policy tool since unemployment went down and GDP growth increased (Schäfer 2004: 10).

At the 2000 Lisbon summit the approach of the European Employment Strategy was baptized ‘Open Method of Coordination’ (Schäfer 2004: 9). The objectives outlined there consisted of a range of quantitative indicators. A commitment was made to transform the European Union into "the most dynamic and competitive knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion, and respect for the environment" (European Commission 2004). Welfare policies are one productive factor to attain this goal (Heimerijk 2002: 177). And work-life balance strategies emerge at the crossroads of labour market and social policy.

The Open Method of Coordination is applied also to social inclusion, pensions, healthcare, education and training and youth policy (Goetschy 2005: 67). An assessment of the effects that it has in particular member states is difficult as Goetschy (2005: 69) remarks, since there are many effects that the national polity might have undertaken anyways and were not due to structural reforms proposed by the European Union. In the field of employment where the method is most strongly practiced Goetschy (ibid.) cautions that it is not facile to explain improving or worsening employment records, because it is hardly possible to disentangle cause and effect.

To consider the Open Method of Coordination to bear influence on member states’ work-life balance strategies appears troubling at the outset. The urge for states to comply with the policy objectives appears weak. Nevertheless the issue of integrating the female work force stronger with the labour market falls squarely into the domain of the Open Method of Coordination, so that there is no way around a treatment of the issue.

As of 2007 the European Union consists of 27 member states. Guidelines that are designed for so many member states each comprising diverse national political and institutional traditions, beg the question of whether one type of policy really suits the
demands of the individual member states. The national socio-political institutions of member states were granted tribute in the European Union polity through the principle of subsidiary already in the 1992 Maastricht Treaty (Goetschy 2005: 67). The Open Method of Coordination was invented to be a new method of integration that was meant to accommodate diversity of its participants and deeper integration, albeit non-binding, in the social and employment fields (ibid.). De la Rosa (2005: 634) points to the fact that the group of new member states are markedly different from the EU-15 states also in regard to labour markets.

In the next section, the incorporation of social regulations and employment objectives of the supra-national level through the Central and Eastern European countries will be outlined.

Europeanization of the new member states' social and employment policies occurs in two ways (Münch 2006). The first alternative way is the adjustment of national laws to European directives that often become mirrored in the national regulations, e.g. on parental leave and working time –these are the ‘time’-indicators of work-life balance strategies. The competitive principle of non-discrimination provides the legal basis for the directives (ibid.: 80). The second alternative way is presented through the Open Method of Coordination with a clear focus on increasing the efficiency of national labour markets and social policies for economic competitiveness.

For the applicant countries the European Union's chapter within the catalogue of rules and regulations is of interest that deals with Social Policy; this is the first way of adapting to Europe. The adoption of the acquis should put the new members into a good position to integrate with the common market. Before joining, the adaptive pressure to 'meet the criteria', among which a number concern time policies (Warth 2004: 4) is considerable, after all countries don’t want to risk a disapproval of their application. The Council Directives of the time dimension are those regarding Parental Leave and Part time work.

The Council Recommendations like the one on Child care (1992), see previous section and Employment Guidelines (since 1998), this section, allow the keen observer to form an idea of the work-family system that the supranational authority has. After determining the overall work-life balance concept of the European Union, it will be easier to detect the marks that it has left in the new member states. This is relevant since by this we can show that the institution that is most involved with the translation of community law into policy objectives is the European Commission.
An alternative portrayal of the enlargement process is provided by Aguilera and Dabu (2005) who depict the role of the EU as that of a driver of macro-institutional change. Here the transformation of employment relations, during the ‘transition’ decade is meant. Relevant for this paper is the "transformation of employment relations systems under the impact of Pressures for the accession to the EU" (ibid.).

The objective of ensuring gender equality legislation to allow maintenance of fair female employment rates has been part of the compulsory menu for accession countries leading to respective concerns on the national policy agendas (Joint Assessment Papers: Latvia and Slovenia). The first European provisions in regard of work-family reconciliation concerns were put in place long before Central and Eastern European states filed their application for EU membership, nevertheless these countries brought along an own tradition of strategies for work-life reconciliation (cf. Pollert 2005, on communist gender equality legacy).

Daly (quoted in Saraceno 2005: 57) remarked that a welfare regime is also “a set of ideological practices and a framework for redistribution”. In order to understand the significance of European integration for the post-socialist countries, the normative basis behind the policy goal to raise the female employment rate has to be considered. The concern with gender-equality is certainly functional for the project of market integration. For if the barriers to female employment are lifted, all adults, women and men alike, can be income providers and therewith independent citizens. This line of thinking may be attributed to the social liberalist tradition of political philosophy (Svab 2005: 137). Citizenship is derived from the independent individual’s integration in paid labour. This liberalist discourse dominant in European Union policy-making may be seen in the rationale of the European Employment strategy, which intends to curb social ills, such as social exclusion through integration in paid employment (European Commission 2004; Daly 2006).  

The integration of the post-communist Central and Eastern European countries into the European Union brings along the application of this social liberalist discourse. Both communism and capitalism may be credited for positive changes in women’s role in society, i.e. changes that allowed more women to become income-providers. Regard also, that in capitalism reconciliation strategies construct work as a choice

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12 See as an example YUSEDER-Project of the EU (YUSER= Youth Unemployment and Social Exclusion: Dimensions, Subjective Experiences and Institutional Responses in Six Countries of the EU)
besides fertility decisions and caring, while in communism work was mandatory, and only the latter objective was up to the decisions of the individual.

Although the ideologies behind the quest for female advancement diverged, at first hand the present policy proposals for work-life balance may take institutions of both systems for granted to develop innovative reconciliation strategies. Yet, each country has different institutions in place and provides a more or less benevolent starting point.

Warth (ibid.: 8) marks that "the approach taken is strongly work-centred, focusing primarily on the removal of obstacles and 'barriers' to female employment". The European Union continues to attribute a ‘market-making role’ to gender equality (Daly 2006: 468).

The issue of labour supply is high up on the European Union’s policy-agenda. Yet in the absence of clear trends towards a common institutional design of labour governance among the EU-15 (Aguilera/Dabu 2005), the need for a role-model for the acceding countries was provided by the social acquis. The convergence criteria that had to be met by the acceding countries were straightforward in so far as acquis conform legislation had to be passed and implemented gradually before accession (Aguilera/Dabu 2005: 35). The coordination of employment policy prior to accession was led by the instrument of the ‘Joint Assessment Papers’, which included an evaluation of the local market characteristics and a set of policy recommendations to ensure conformity with the European Employment strategy (see also De La Rosa 2005). The European Commission has taken a ‘one-size-fits-all’ approach to the creation of labour market institutions, which have been translated almost without mediation into national legislation (ibid.). At the same time it has consequently been expressed that the "corporatist institutions of social partnership are weak in the CEE countries". Remarkable is, that the role of the state in designing employment relations legislation is most likely to be extended, since social partners in the employment relations systems are only weakly developed (ibid.: 37). Regarding the subject of reconciliation of work and family life, given the un-even role of social partners in the EU-15 and the EU-25 policy implementation is likely to precipitate into diverging directions (European Foundation 2006: 2-7). This could mean that time policies for work-life balance will only be joined up from efforts of e.g. trade unions in the EU-15 and Slovenia as one exception of the group of new members (Demetriades et al. 2006). For all members of the European Union the same policy
documents, directives, the European Employment Strategy and the Community Action programme on gender equity apply. The collective bargaining traditions on the national level let deliberation take distinct directions. In places where corporatist traditions are scant it appears that the first draft of new legislation is legalized right away, without the deliberation of social partners that could control it. The point is that corporatism is weak in most of Central and Eastern Europe and so there is a one-to-one transposition of legal doctrines into national legislation. The legislation may be good, but it may not reflect the reality of society. The lack of corporatism could be an indicator for this phenomenon. Resulting from this top-down governance approach, the legislation may be sound, but implementation may be delayed. In other words an implementation gap surfaces (see Pollert 2005: 228).

3 Work-Life Balance: Review of Current Issues and Research

3.1 Western Welfare States and the question of labour supply

Contemporary welfare states constitute a great part of the institutions that make up the respective work-life balance regime, namely public policies concerning cash, time and services. In each country these policies create opportunities that may influence parents’ work patterns. In times of decreasing fertility rates and budgetary constraints the labour supply of a political economy is crucial for its sustainability and should not be left to chance. In order to understand the established patterns of female employment, that are also determined by social regulations with peculiar national traditions, a range of welfare state models will be touched upon. In line with Bovenberg (2005), it is useful to adopt the typology of welfare regimes drawn up by Esping-Andersen (1990) to point out variation in policy for the reconciliation of work and family life. Esping-Andersen (1990) distinguishes between The Nordic Model, or Social-democratic (Scandinavian) model, the Anglo-Saxon (Liberal) Model and two Corporatist models, that of Continental Europe and that of the Mediterranean. In each of these models responsibility to arrange work-life reconciliation strategy is ideally carried out by either the government (Nordic model), directly by firms and employees (Anglo-Saxon model), or the social partners
negotiate policies (Corporatist model) (ibid.: 414). Below the key characteristics are outlined.

In the smallest of the regime clusters, the Social-Democratic welfare state, represented by the Scandinavian countries and therefore also referred to as the ‘Nordic model’, the costs of familyhood are pre-emptively socialized (Esping-Andersen 1990: 28), which means that tax revenues are used to finance reconciliation strategies. The idea is to provide individual independence, instead of dependence on the family (ibid.). This results in generous public child care provision, and policies that provide young mothers with the opportunity to work. Here, child-bearing does not inhibit career ambitions, in the other welfare regimes constraints will become obvious. The public sector here is a large employer that allows many parents to reconcile work and family life (Bovenberg 2005: 409). Further we find "generous maternity programs and flexible work hours with job security and good job prospects after childbirth" (ibid.). Leave arrangements of several years for childrearing or care for elderly family members aren’t well advised, since "this would reduce labour supply, thereby depreciating highly taxed female human capital” (ibid.). The latter effect is considered unsustainable and shall be avoided because the tax base’s full breadth is needed in order to provide finance for family services and elderly care. The labour market is more inclusive, which means that being a parent doesn’t hamper one’s job opportunity, simply because it is rather common among professionals (European Commission 2006b: 83).

Quite the opposite of the previous regime, the liberal or Anglo-Saxon model has a small public service provision (Esping-Andersen 1990: 29). Means-tested social benefits only reach the neediest and therefore it is associated with stigma. The labour markets are highly flexible, so that the women would find it easy to re-enter paid work after child rearing (Bovenberg 2005: 412). For highly-skilled women it is an option to contract out household tasks to the low-wage sector. The lack of greater child care or early learning facilities, provides little opportunity for children from disadvantaged families to transcend social disadvantages inherited from their parents (ibid.: 412).

There are two kinds of corporatist countries, the Continental and the Mediterranean sort. In the Continental corporatist countries social partners accept the task of negotiating reconciliation policies (Bovenberg 2005: 412), yet the intensity of the claims brought forth or even the necessity diverges starkly. Trade unions may be
more willing to lobby for part-time employment and flexible work patterns for the sake of work-life balance strategies. Young parents might find their caring tasks easier to combine under these conditions. Initially, unions in corporatist countries fought for high job protection and high wage floors, but now it has become apparent that these very provisions serve as institutional barriers to females’ advancement (Bovenberg 2005).

Exactly these two aspects of the corporatist model make work-life reconciliation difficult in these countries. With leave arrangements and part-time work becoming more common, young parents gain time sovereignty.

"Parents in corporatist countries contract out a smaller part of child care than in Nordic or Anglo-Saxon countries, and a smaller part of household, cleaning and repair services than in Anglo-Saxon countries" (ibid.: 413). Public child care facilities are not extensive, but due to flexible work practices the female employment rate (including voluntary part-time work) is relatively high (indeed for Germany the employment rate is just below the 2010 target margin).

The second type of corporatist countries are the Mediterranean, they stand out for the equanimity with which social partners have treated the issue of "more flexible and inclusive work place cultures" for fear of eroding the protected position of the male breadwinner (Bovenberg 2005: 413). This reluctance to change may have to do with the fact, that the Church, which is strong in the Mediterranean countries, typically shaped corporatist regimes. For this reason a traditional connotation of the family has been sustained, consisting of a single carer/single breadwinner division of labour between the sexes (Esping-Andersen 1990: 27).

In the following paragraphs the official position of the European Commission on wor-family reconciliation strategies and the corresponding incentive structures are laid out.

Time policies in the form of entitlements to maternal and parental leave integrate parents into the labour market (European Commission 2006b: 85). There are incentives for women to choose a two-track career, firstly in the labour market and secondly in the family at the same time. Integration in labour has priority over family formation, accordingly the first step is to become employed the second step is to form a family; this lies the basis for the dual career. First women are encouraged to enter employment and build up leave entitlement until they build a family. Then,
second, leave arrangements accommodate mothers’ wish to take time off, when children are young. During this time employment rewards are state protected from deterioration, so that employment may be resumed after the end of child care leave. The constellation of leave entitlement, income-replacement during the leave period and employee protection, is what I refer to as the public benefits manual to work-life balance. One should perceive of it as an instruction leaflet in the hands of couples with family plans detailing the legal provisions of the country in which they are living. An underlying assumption is that couples make an informed choice about the timing and the amount of children they would like to have in the future. It is possible to infer this assumption from quantitative indicators of what is commonly misleadingly referred to as ‘fertility’, or neutrally birth rates in the European countries. It would be more appropriate to conceptualize this indicator as a choice, or a commitment. As we can see in Rostgaard (2004: 7), birth rates are low and declining in most of the European countries. In another graph (ibid.: 10) we can see that the average age of mothers at their first marriage is increasing pointing to a later begin of family formation (Rostgaard 2004: 8). These two trends may hardly be attributed through a biological deficiency that has befallen so many countries, but rather that the choice to form a family is being postponed and the commitment to reconcile work habits and professional careers is delayed. Of course there may certainly be people who decide not to have children in the first place, or the other way around who received children which were unforeseen, these groups are assumed to be a minority. The issue of declining birth rates is a large scale problem for the macro-economic sustainability of the European Union, since if the trend continues there will be a dramatic shortage of labour supply in the future. Work-life balance strategies try counter this trend and carry with it the policy makers’ intention to smoothen potential parents’ transition into family life.

A related concern when discussing time policies for work-life balance is to note whether the government provides incentives for fathers to share household and family responsibilities, thereby promoting a move towards equality of the sexes. So far, the fact has to be faced that women remain the primary target group for work-life balance policies. There is a broad range of combinations for period of leave and payment level across countries. Some tenets of the likely labour supply returns to policies are outlined in the following sequence.

Long leave periods for mothers bear the risk of establishing or confirming the second earner status of women. Frequent and longer interruptions in paid labour hamper the
prospects for advancement and rise in wage. The alternative to a long leave is child care (discussed further below in more detail). This option of contracting out child care may reduce the transaction costs mothers face when re-integrating into the workplace after a longer leave period. Although it causes an additional strain on the family budget, it may pay off over the life course, when more time is spend on the job (European Commission 2006b: 85). After all the amount of payment received by the beneficiaries is usually below a 100% compensation, which may be understood as a push factor to re-enter employment. At the same time a short leave period may also act as a labour supply disincentive, when the mother simply wishes to spend more time with the child than is on offer within the national framework. The point is to provide parents with opportunities to balance and not to leave working parents with no other option than a swift return to employment. It is the European Commission’s (2006b: 90) postulate to provide parents with sufficiently attractive opportunities to reach their preferred arrangement. Since there is no single combination between parental leave provision and wage re-compensation that is presented as a role-model, child benefits and child care services have to be taken into account. The authors of the 2006 European Commission study (2006b: 86) find that the impact of the parental leave policies depends also upon whether the leave period is supported through a state-funded child care facility and whether the male partner also takes leave. From a labour supply perspective there are in-build defects of parental leave policies across countries the authors identify (ibid.), among them there also lists ‘poor compensation’ and transferability of leave period between mother and father. The latter characteristics re-enforce gendered role perceptions and practice, because under these conditions the leave will be taken by the mother, since man will try to live up to his role of an income-provider and woman to her role as a carer (Sedlenieks/Vasiļevska 2006: 4). The reason why mothers usually take the parental leave may also lie with the gender wage gap - the fact that women on average have lower earnings than men.

Across Europe most countries display a larger demand for child care services, than supply can cater for (European Commission 2006b: 105). Lack of child care means more parents stay at home to work within their households, instead of practicing their skills on the labour market. Due to the scarcity of state funded child care places, parents are confronted with the situation of a seller’s market, in which private institutions can determine the price (ibid.: p.106). Since the cost of child care is
increasing, a common decision made by parents is to care for their children at home for a longer period. Another disincentive to re-enter the labour market is provided for by child care allowances. In many European countries the institutional provisions that influence a parents’ decision to engage in paid or unpaid labour is less of a framework and more of a palette. There are a number ways to arrange child care after parental leave, public child care is often only provided between 8 o’ clock in the morning and midday, afterwards parents, the wider family or friends may take care of the child. There are severe gaps between periods of child care leave, and subsequent external child care, because the latter is bound to eligibility criteria. Since places for example in German kindergartens are scarce, parents have to prove that they each already have a job, which means that job-seekers have a problem in proving demand, besides the costs for child care are not generally subsidised by the state, and not all parents can afford it (European Commission 2006b: 108).

Where child care facilities exist, the opening hours should be synchronised with the working patterns of parents, otherwise more than a part-time employment does not seem to be possible.

Statistical surveys have demonstrated a “positive correlation between state provision for maternity, parental leave and childcare and maternal employment rates” (OECD 2001 in European Commission 2006b: 85). In other words: When there is a decent parental leave period and subsequent child care supported by the state, more mothers will be employed.

The impact of maternity and parental leave on employment (re-)integration (European Commission 2006b: pp. 85) will be discussed in section 5, detailing the contrast between the group of eight Central and Eastern European countries and the pre-2004 EU-15 members.

### 3.2 Emerging pattern in Central- and Eastern Europe

Bovenberg's 2005 work on balancing work and family life in a life course perspective ignited interest in the situation in Central- and Eastern European Union member states. However all of the states were considered to follow similar transitions in their work-life-regimes. Interestingly for the purpose of this inquiry Central- and Eastern European Countries make up a group of their own, Bovenberg positions all of them on a single developmental trajectory (ibid: 413). Claiming that during Communist
rule they resembled the Social-Democratic model, Bovenberg contends that currently they are becoming more alike to the Mediterranean countries (ibid).

The new EU member states from Central- and Eastern Europe share a common communist past. The standing of these countries in regard to the welfare regime they prescribe to is a debated topic. The ‘communist welfare state’ as it could be found in Central and Eastern Europe provided minimum subsistence to all citizens (Cerami 2005: 132). There was a welfare regime, which in the relevant domain of work family reconciliation is most alike to the Scandinavian model (Bovenberg 2005; Speder 2004; Rostgaard 2004). We focus on the question, does the observed work-family regime rather encourage women to stay at home, or return to work after childbirth? Which way of living does family policy favour and how high is the precipitation in the female employment rate?

A remarkably explicit indicator of comparability is women’s activity rate which in 1989 in the Central and Eastern European countries lay between 70 and 90 percent of working-age females, which is comparable to that of Sweden today (Pollert 2005: 215). After establishing the assumption that indeed work-family reconciliation under communist rule was most similar to the Scandinavian model, the next question has to tackle the development of female employment numbers during the transition period, leading up to European integration and accession of the states to the European Union. Here, the most straightforward claim in the literature is to be found in Bovenberg’s (2005) work. According to the latter, governments across the region have let go of the comprehensive child care service provision for lack of sufficiently sound finances (ibid.). The state has stepped back from the task of facilitating work-family reconciliation to re-establish the family network as primary actor of caring, which means that the state is reducing its activities in this domain. The diminished role of the state finds the Central- and Eastern European countries becoming alike to the Mediterranean countries, marked by an absence of social partners to lobby for family support (Bovenberg 2005). These Southern European countries are to be grouped with the corporatist continental welfare regimes (ibid.).

Since the Mediterranean countries appear as one possible reference group in the observation of change in the post-communist countries an alternative view should be noted. In Speder’s chapter on family roles across 28 European countries he finds that the Mediterranean countries could well be grouped with the liberal regime cluster13,

13 Speder makes this comparison on the basis of the extraction of a single trait of the welfare model.
since just like in the United Kingdom family support is mainly targeted at those who are worst off (European Foundation 2004: 57).

An alternative view is presented by Cerami (2005) who in his dissertation on “Social Policy in Central and Eastern Europe”, lays out evidence in favour of “A New European Model of Solidarity” which is not like the other Western European models. After the analysis of four welfare state sectors (etc.), Cerami turns to family benefits finally. He emphasizes that family policy follows social, economic and political objectives determined by the ruling government. Cerami (ibid.) stresses that policies were made to make citizens perform the functional tasks necessary to construct a particular type of society. In Western Europe the male-breadwinner with a female house carer was advocated as the suitable family model. Which image was promoted in the Communist Eastern bloc? Men and women had to be workers, which was meant to guarantee egalitarian values, yet besides being dutiful workers women were also left with the traditional tasks of household and caring activities (Cerami 2005: 134). Family benefits were a means to sustain the support for socialist society and consisted of “universal birth grants, extensive maternity leaves and generous childcare” (ibid.: 135). Then there came the collapse of the Communist camp and in the transition period when there was frenzy for social policy decision-making governments had to experiment with a new welfare-mix. To some extent the states retained the welfare state principles inherited from pre-Soviet times, e.g. the Bismarckian social insurance model, while trying to maintain the universalistic and egalitarian principles in force during communism (Cerami 2005: 143). The policy environment was, as other authors before mentioned, characterised by fiscal constraints. Cerami (ibid.) points out that the amount of benefits granted determines the effectiveness of family policies, i.e. the higher the monetary amount of birth grant per child, the more children will be born under otherwise equal conditions. He claims that family policies in an economically well off transition country will be more effective, assuming that cash benefits will be higher, than in one experiencing a dramatic crisis, for in the latter the level of benefits will be depressed, and therefore family policy will be less effective (ibid.: 140). Another indicator of effectiveness is the determination with which governments pursue the establishment of comprehensive and extensive benefits (ibid.). Policy may re-enforce gender divisions through e.g. restricting eligibility criteria for maternal benefits, so that female dependence on the male bread-winner is supported. Once a particular family type is
taken as a role-model, alternatives such as lone-parenting and extra-marital cohabitation may be disfavoured, and therefore not qualify for family benefits.

Cerami finds the similarities in the post-communist family policy-making striking, stating that "governments have clearly aimed to target the family in order to amortize the costs of transition, giving to this institution the important role of main engine of innovation" (ibid: 142). This new role of the family encompasses the support of more unpaid work, mainly through women, which to an extent might explain the drop in female employment rates during the transition (Rostgaard 2004: 8). Cerami stresses that this is not a case of deliberate "gender-segregating policy-making" (ibid.: 142). Cerami argues that where the support of female employment has been reduced, this happened out of pure economic necessity (ibid.).

Welfare regimes cluster around recognisable traits such as the female employment rate (Esping-Andersen 1990). Evidence of general tendencies in the development of the post-communist societies will be laid out below.

The transition period put democratically elected governments in the archetypical position of what Max Weber (1998 [1919]) referred to as society’s switchmen at the railroad junction. We are concerned with female employment rates, and therefore our description begins with the immediate development of this indicator. Communist regimes across the region resigned from office at a moment of high female employment rates. The regime change in favour of capitalism resulted in a decrease of public finance for child care services, which ironically were needed to a lesser extent also because many parents lost their jobs, while unemployment increased. The transition adversely affected women’s "legacy of strong integration in paid work […] by the decline in publicly funded support for working mothers and children" (Pollert 2005: 216; Rostgaard 2004: 10). Work-life balance regime change in Central- and Eastern Europe has given new life to the fundamental tension facing modern women, that of their dual role of reproduction/caring tasks and employment (ibid.).

Rostgaard (2004: 6) remarks that on the way "from a centrally planned economy to a labour market" two alternative paths were on the agenda (ibid.: 33). She finds evidence for a turn towards either the corporatist social insurance model that grants benefits to those with an employment record, an approach with some similarities to previous socialist regimes. The alternative approach, often advocated by international actors, shifts towards liberal-residual welfare regime (ibid.: 34), in which benefit
distribution is means-tested. During the transition period a blend of both approaches has emerged. Writing in 2004 Rostgaard finds the Czech Republic, Slovakia, Poland and Bulgaria approaching the liberal paradigm, in which among other things benefits are means-tested; in Romania, Hungary and the post-Soviet Baltic States governments have come up with a hybrid mixture oriented towards universal benefits, and others depend on the employment record (ibid.: p.33).

The reconciliation of working life and family did not lead to a coherent framework in many countries. Support to families was emphasised through cash benefits, and the rise of more generous parental leave provisions supported the model of the housewife (Rostgaard 2004: 34). In some countries paid parental leave is means-tested, in a way that only low-income families are eligible for the benefits. This incentive for low-income parents puts them at risk of exclusion from the labour market, while caring for their children at home. From a child care perspective, high-income women would have the possibility to outsource some part of child care, while remaining employed.

The early policy makers of post-socialist states were confronted with high unemployment rates. There was an oversupply of labour, which could be eased through a reduction in female activity rate, although there may have been different personal choices involved in the exit from the labour market for many women, it becomes obvious that incentives for a resort into the family were laid. This policy has been dubbed “Taking time off to be with your child – a new labour market strategy” (Rostgaard 2004: 25). This strategy falls prey to the ‘lump of labour fallacy’, which assumes that the amount of labour is fixed (see, Bovenberg 2005). However, encouraging longer absence from the labour market, was considered advantageous by policy makers to diminish the share of active jobseekers as pointed out by Rostgaard (2004: 25).

While a common pattern of women’s reduced employment rate during the transition period has been established across Central- and Eastern European countries, significant national differences in regard to the policy measures have emerged (Pollert 2005: 226). In order to gain a better understanding of work-life balance in an enlarged European Union a comparative politics framework is applied to allow descriptive inference (see sections 4.2 and 4.3).
3.3 **Conceptual frame, Sampling and Measurement Method**

The proposition guiding this inquiry was that the European Union has advocated a work-centred approach to work-life balance strategies in deliberations with post-communist accession states of 2004.

Warth (2004: 2) has provided a dichotomous concept of work-life balance policies, distinguishing between institutional change and variation of "'family-centred' and 'work-centred' policy approaches [...] over time and across countries". Family-centred policy approaches are keen on stressing the importance of child care exercised within the family over formal care, provide financial disincentives for a swift return into paid employment after child-bearing and grant benefits without acknowledging parents labour market participation (ibid.: 3). Work-centred policy approaches support families in which all adults are income-providers, here child care is seen as an issue that may well be contracted out, so that care obligations do not stand in the way of parents' employment. Work-centred strategies allow parents to focus their skills on paid labour tasks. The concept of early child care and education (Rostgaard 2004) advocates an early integration of children into educational institutions, a practice prominent in the Nordic countries. Early learning for children is understood to prepare the child for a future of life-long-learning, and quality standards in care fulfil the social policy task to even out social disadvantage children may inherit from their parents (Warth 2004: 3).

Warth's (ibid.) typology will be applied to Bovenberg’s (2005: 413) proposition about the development of the welfare regimes of Central and Eastern European countries as regards their work-life balance models. The Central and Eastern European countries while under communist influence are likened to the Nordic countries as regards work-family reconciliation policies, due to a great commitment of the state to facilitate work for parents. This is what Warth (2004: 3) calls a work-centred approach to work-family reconciliation. Bovenberg (2005: 413) remarks that “fiscal constraints and a shrinking public sector” were the prime reason for these states to let go off their commitment to working parents, and that presently the resemblance to the Mediterranean countries is growing. Bovenberg (ibid.) presents the Mediterranean countries as a group in which the key actors of corporatism, such as trade unions have hardly recognised the necessity for a commitment to work-life reconciliation measures. Accordingly since the state in Central and Eastern European countries is considered to have stepped back from the responsibility to reconcile
work and family through policy (ibid.). Also Bovenberg (ibid.) considers the public-private partnership to be still in a state of ‘construction’. This means if neither the state nor social partners have identified work-life balance as an area of activity, then the family is left to its own in the struggle for reconciliation of paid labour and unpaid labour. In absence of support for work-centred reconciliation strategies in the field of employment policy, care is carried out at home in the family (Warth 2004: 3). A family-centred work-life reconciliation strategy is the consequence. In summary, when Bovenberg assumes a shift from a Nordic to a Mediterranean model, Warth would call this a move from a work-centred to a family-centered work-life reconciliation strategy. The combination of the works by Warth (2004) and Bovenberg (2005) have let us to compose our hypothesis which holds that work-life balance models in the Central and Eastern European countries are diverging. The underlying proposition holds that fiscal constraints are a cause in the move away from a work-centred to a family-centred model of work-life balance. Bovenberg (2005: 413) observes a vanishing “public responsibility for work/family reconciliation programs”, i.e. there is no support for a work-centred approach to reconciliation. This would mean that by implication a public responsibility to foster a work-centered approach to reconciliation is unlikely to be found in a political economy with considerable fiscal constraints.

The communist legacy of the work-family regime in eight Central and Eastern European countries\(^\text{15}\) may be characterized as a work-centred one. As has been remarked in the last section the overall employment rate fell sharply after independence in all of the post-communist states. With the transition from a command economy to a labour market many women left the workforce. This trend coincided with many post-independence governments pursuit of a family-centred approach to work-family reconciliation (Rostgaard 2004: 25).

As many states entered the accession talks with the European Union, the policymakers of the post-communist states had to take account of the employment objectives of the common market which came along with European integration. In doing so, some double talk was bound to occur, since as already mentioned in the last section many countries of the region resorted to a family-centred strategy, but to

\(^{14}\) For example in post-Soviet Latvia, formerly state-run recreational facilities for families have been privatized (Kaupuza 2005).

\(^{15}\) Poland, Czech Republic, Slovakia, Hungary, Slovenia, Lithuania, Latvia and Estonia.
comply with the accession procedures required the adoption of work-centred policy objectives.

This study observes quantitative data like the employment rate and qualitative data like policy incentives to infer the reconciliation of work and in the countries in question. No space is provided to grasp the life world of working parents through, e.g. interviews. The dimensions of reconciliation are firstly time, secondly cash and thirdly services. The mixture of these three policy tools reveals the objectives of the nation state in the domain of work-life balance. In order to spell it out quite clearly much cash, little services, and some time (i.e. leave arrangements) point towards a family centred model; little cash, great services and some time appear like the work-centred model, since here parents have to return to work, since income replacement or child care benefits are meagre.

Our sampling is based on a procedure that Yin (2003: 47) has referred to as a ‘theoretical replication’, which describes contrasting results but for predictable reasons. One independent variable that is considered to have caused a transformation of policies for work-life balance is the degree of fiscal constraints on the governmental budget. According to Bovenberg (2005) fiscal constraints cause a move from the model of work-life balance which is similar to that of the Social-democratic welfare model towards one similar to the Corporatist Mediterranean countries. To simplify the indicator of fiscal constraints, we decided to choose the state with the lowest degree of fiscal constraints. Slovenia was chosen since it is the first of the states that joined the European Union in 2004, which as of 2007 has joined the European Monetary Union and introduced the Euro currency (Walter et al. 2006). The strongest contrast to the fiscal performance of Slovenia was found in the Latvian example (Hazans 2005a, 2005b; Grzibovskis 2006). Both countries are small and open economies.16

The dependent variable is the work-life balance strategy, which is a dichotomized variable that is inferred from the data on policy incentives. Policies are considered to favour either work or family, if they are consistent. Although the new European Union member states have a comparable communist history, transitions to democracy and capitalism have led to different constellations in the socio-economic model.

Having controlled for the independent variable fiscal constraints in the selection of cases (King et al. 1994: 137), we will be able to judge whether this variable is a good

16 Both Latvia and Slovenia are inhabited by roughly two million people.
predictor for the work-family reconciliation that emerges. The degree of possible variation in the dependent variable work-life balance policy is in no way restricted by this selection, in spite of the dichotomy. The choice to sample a political economy with an extreme value along the dimension of fiscal constraints offers insightful treatment (Gerring 2001: 217). Since “extreme cases offer an informal method for dichotomizing a continuous variable” (ibid: 218), they are especially useful for testing the second hypothesis that links a balanced work-life regime to economic performance. Accordingly research will bring to light the values on the dependent variable (ibid: 139), therewith broaden the base of research into work-life balance on the level of European states. The variation on the dependent variable (work-life policies) will be analyzed in order to answer the question: Do fiscal constraints breed family-centred reconciliation strategies?

At first hand sampling on the criterion of Euro-currency introduction may appear simplistic, given that in the European Union not only economic success determines the eligibility for joining different stages of integration. Keeping with Yin’s (2003: p. 139) recommendation to accommodate additional observations that come along the way of research, this choice of sample countries indeed has to be double checked. Instead of maintaining our choice of samples for reasons of convenience, and hide facts in order to prove my initial propositions, discoveries made during the phase of research will be taken into account. In keeping with the ideal scientific conduct (ibid.) we will be critical of sampling decisions made and striving for an improvement in the argument.

The comparative politics approach chosen here intends to use multiple case studies with two cases to answer the propositions posed. The design of a multiple case study as recommended by Yin (2003: p. 139) treats each case separately. Then it compiles the two studies into a cross-case synthesis, which contrasts the outcome on the dependent variable. Also in the cross-case synthesis the assumptions about the relationship between fiscal constraints and the indicators of the dependent variable will be touched upon.

The variation sketched briefly above is considered an important factor for parents' decision to take up work soon after child birth. However, if the incentives to re-enter employment are low for mothers, or there is no work-place to return to, such type of variation is associated with a lower employment rate.
The rationale behind this procedure is that an economically successful country will be likely to offer better public finance for work-life reconciliation programs, i.e. cash and services, than those with long-lasting fiscal problems. It is more than that, innovative time policies have to be rooted in a socio-economic model that is geared to equal opportunities. It is hardly a secret that the Nordic countries embody exemplary work-family reconciliation patterns and therefore at times will be referred to as a sign post. Also, for illustration, reference to Mediterranean countries and their work-family balance related indicators will be made. The different work-family regimes, or more generally welfare states, will be used for constant comparison. The decision-making of the policy-makers will not be sketched, also it will not be attempted to closely follow the discussion of the different actors involved in issues of work-life balance at the domestic level. The decision-making aspect of politics is conceived of as a black box, but a direct comparison of the policy indicators will in effect point whether the objectives of the supranational institution were adopted. Some limitations have to be acknowledged. Finding comparable, qualitative and longitudinal data for Central and Eastern European Countries has been problematic. The data that serves as the basis for the case studies is of a disaggregated manner, this variation means that cross-national comparisons need to be interpreted with caution.

4 Evidence of Work-Life Balance in two cases

4.1 Recent Labour Market trends

4.1.1 Overview of European Labour Markets
The goal to increase the overall employment rate is tied up with macro-economic considerations that are also related to Europe’s competitiveness in comparison to other economies.

Despite the current improvements in the labour market performance of the European Union, the goal of competitiveness vis-à-vis the rival advanced economies is not met, as labour input remains sub-optimal (European Commission 2006a: 33) – see graph (ibid.: 20), detailing activity/employment compared to Japan and the USA. The activity rates in the European Union are to a large degree determined by age, gender and the country you live in. The activity rates of Slovenia and Latvia are on the
average of the EU-27\textsuperscript{17} (see, European Commission 2006a: 34). The outliers in terms of low activity rates (around 5% below average) are Poland and Hungary from the Central and Eastern European countries and Mediterranean Malta and Italy. The activity rates are always higher for men than for women, the intra-gender difference is most pronounced in the Mediterranean especially in Greece, Spain, Italy and Malta that make up the bottom of the league. The countries identified in this regard have a fair deal of potential for improvement, and since family responsibilities have been presented as the reason for female inactivity, according to the labour force survey, enormous un-tapped labour force potential exists (European Commission 2006a: 33).

The employment for male and female has expanded from 60% in 2000 to reach 62.5% (see, European Commission 2006a: 34, 38) over the last five years, the features of this growth should be briefly noted. The type of employment that has grown substantially is part-time (European Commission 2006a: 42) and fixed-term (ibid.). As the availability of part-time jobs has increased, the report of the European Commission (2006a: 39) notes that this trend facilitates the participation of women in paid labour, since it is considered more valuable that a mother works part-time, than not work at all, due to her caring work at home. Also the relative growth of part-time employment in the two countries selected for the case study has to be noted (European Commission 2006a: 42). The downside to this type of employment is that the professional advancement of parents is delayed and fewer fringe benefits are accumulated than in full-time jobs. Fixed-term employment has even more adverse side effects for both men and women, since the limited duration of contracts does not serve to lay the basis for a secure household budget. This is highly problematic for single earner families and for the so-called breadcrumbs conception of female family income – with a mostly male breadwinner and female supplementary income. The latter group is likely to delay family formation still further than already is the case in the post-transition countries (Rostgaard 2004: 7). Child bearing brings along the great likelihood that mothers do not find their fixed term contracts extended, and therefore are excluded from the labour market. At this point the step-by-step public benefits manual to a successful combination of career and maternity breaks down, because it is modelled on the traditional un-fixed duration of contracts.

Part-time employment appears to be a female affair, as females outnumber males strikingly in the take-up of part time employment. Also there is a territorial division

\textsuperscript{17} EU-27 refers to the 27 member states that the European Union consists of since 2007.
in the propensity of part-time employment, 20% of the total employment among EU-15 states are part-time. The exception from this group being Greece, which dwells in the lower quarter with the ten new incomes of 2004 in which part-time employment displays around 5 to 10% of total employment (European Commission 2006a: 40). Although it may be a favoured tool to boost the female employment rate of the EU member states, in the CEEC-8 only Slovenia increased its share of part-time employment, while Latvia and Lithuania even decreased their share between the year 2000 and the year 2005, the remaining states from the group had slight increases (see, European Commission 2006a: 34). In the course of analysis we will try to explain the lower prevalence of part-time employment in the Central and Eastern states.

The increase in this so-called ‘family-friendly’ type of employment occurred predominantly in the corporatist and social-democratic welfare states of the EU-15 such as Germany and Sweden. Leader in the expansion of part-time employment as share of total employment between 2000 and 2005 has been Luxemburg with an increase of 7% followed by Sweden, Austria, Germany, the Netherlands, Spain and Italy leading to an enormous 2% increase for the EU-15 (European Commission 2006a: 34)). Slovenia has an increase of around 2% just like the EU-15, but for the group of Central and Eastern European countries this indicator in the respective period moved into the opposite, to lead to an overall decrease of 5%. Latvia and Lithuania accounted for the bulk of the decrease with a decrease of 3.5% each, the rest of this group changing rather little.

In 2005 the share of employees on fixed term contracts expanded to reach 14.5%, while there are great intra-EU differences (European Commission 2006a: 23). In Poland for example over a quarter of those in employment hold a fixed term contract, and in Spain it is one third of all employees (European Commission 2006a: 41). Fixed-term employment with its strong business cycle component has accounted for almost half of the employment creation among employees between 2000 and 2005 (ibid.). Both part-time and fixed-term contracts grant employers greater flexibility in adjusting their hiring practices to their immediate labour demand (Hazans 2005a: p. 12).

This indicator is of anecdotal interest to an inquiry into work-life balance, because it is working parents who are keen on finding an employment contract with continuity that denotes economic security. As mentioned earlier- mothers face discrimination on grounds of their reproductive capabilities. While a general increase of the female
employment rate may seen to be a success, atypical employment like part-time or fixed-term may be chosen as a second or third best option for young adults. As in particular fixed-term-contracts are a distinguishing mark of the so-called precarious working conditions, which spread a climate of insecurity. An alternative perception sees involuntary temporary work as form of latent unemployment (Hazans 2005a: 13), and unemployment breeds insecurity for the individual.

Working hours and atypical working time arrangements (European Commission 2006a: 42) offer leverage to strike the suitable work-life balance, potentially satisfying the demands of employers and employees. The average weekly working hours exhibit again large differences between the member states. Latvia has the highest score with 41.2 hours, while the average in the European Union lies at 36.6 hours. The high average in Latvia may be explained through the decreasing share of part-time employment in that member state. Since in calculations of the average working hours part- and full-time are included, the picture of Latvia is exaggerated towards long hours (see also Hazans 2005b). On average weekly working hours in the Central and Eastern European member states are higher than among the EU-15, due to women’s working hours, which are closer to those of males in these states (ibid.: 44).

4.1.2 Women in Transition Labour Markets
The formal indicators for gender equality of the European Union are met, if member states have transposed legal provisions on this issue into their national legislation. Laws and regulations may provide a legal framework for the realization of gender equality, but that does not mean equality really exists.

In order to broaden the portrayal of Central Eastern European labour markets, insight into the broader “demographic, economic and employment trends” (Pollert 2005) is taken. On the basis of the United Nations’ Gender Development index, Pollert (ibid.) depicts the countries of the region as heirs to the “communist gender legacy” that consists of women’s high educational attainment, government aid in support of dual earner families through child care and benefits and the resulting high female labour force participation rate (ibid.: 214). In the first issue of the Gender Development Index in 1991, the post-communist countries scored high in the cross-national comparison, but after 1995 they lost ground in the ranking. This change draws attention to a transformation of women’s work patterns after the independence of the eastern block. The so-called Human Development Index, which is also computed by
the United Nations, rated the same countries better in the same year (1995), as economic recovery and the orientation of Central and Eastern European states towards free-market capitalism brought more prosperity. In fact the rankings of the Human Development Index and the Gender Development Index converged, towards the scores of western political economies (Pollert 2005: 215).

A great deal of unemployment was hidden to labour force statistics. When the employment rate went down, this decline has to be accounted for. Due to this decline many countries presented a lower employment rate for 2001 than for 1995 (Eurostat 2002 quoted in Pollert 2005: 215). Returning to the integration of women into paid employment, it has to be pointed out that their employment rate was far higher in the communist block than in the member states of the Organization for Economic Cooperation and Development, already during the 1960s (Pollert 2005: 215). Today, the female activity rate (calculated as sum of the people employed, added to the sum of unemployed as a percentage of the population of working age) lies around 45 percentage points (Pollert 2005: 215). In 1989 this rate resembled that of Sweden, the leader in Western Europe in regard to female employment rates, with a span of 70 to 90 percent of working-age females (15-55 years). So far, the swift inspection of female employment rate before and after 1989, could lead one to dub the past as the ‘golden age’ of gender equality for Central and Eastern Europe. Working women have resorted into the informal economy or, and more interestingly for this inquiry, become full-time mothers (Rostgaard 2004: p. 9). The fall in women’s take-up of paid employment is the reason for the worse rating in the Gender Development Index (ibid.).

A comparison between the Central and Eastern European Union entrants regarding rates of activity shows that Latvia and Slovenia have similar scores (European Commission 2006a: 34). The unemployment rate in Latvia is double that of the Slovene counterpart (Hazans 2005a: 8). This gap will be examined in the cross case analysis. In an international perspective, the unemployment rate, rose steeply after 1989 and decreased in Latvia and Slovenia as well as in Romania and Hungary by 2001, the assumed reason for this is that these countries supposedly supply high demand of informal work in agriculture (Pollert 2005: 215). The unemployment statistic for women approaches that of the EU-15, where more women than men register as unemployed in many countries of the region (European Commission 2006a: 42). At the same time female activity rates in the age group 25-54 have risen
by 2.6% in the European Union as a whole (European Commission 2006a: 35). In Slovenia and Latvia female activity rates in the age groups 15-24 have declined between 1998 and 2005 considerably, i.e. between 7 and 8% (ibid.: 271; 280). The interpretation offered for this trend, holds that more people have resorted to higher education institutions (Sporer 2004: 50). This is supported by the instance of a rise in the employment rate in the two countries, despite a fall in the activity rates (European Commission 2006a: 271; 280).

After transition the share of working age females that are active in the labour market has declined substantially. Many women have withdrawn from the labour market and do not figure in the unemployment registers (Rostgaard 2004: 12). The end of the command economy has encouraged many women to become full-time mothers, perpetuated by a zeitgeist of forced inactivity, that discourages participation in the labour market, and that encourages child-rearing and early retirement (ibid: 13). Part-time work was uncommon during socialism (see Blosfeld/Hakim in Brunovskis 2002: 57). This has not changed significantly, as the part-time share of total employment is much lower for the Central and Eastern European countries than for the EU-15 countries (European Commission 2006a: 41).

Pollert (2005: 216) comes to the conclusion that the transition to market economies and the downsizing of government oversight and support for working women with children has negatively affected their integration in employment. It is possible to speak of a rupture in family biographies, since instances of market failures confront women to chose one thing over the other, employment or reproduction tasks, that shed an atmosphere of insecurity. The macro-economic sustainability is endangered, if this trend continues, this is of public concern and state policy could play a role to curb the market failures that lie at the base of this trend.

In the light of pan-European advances to foster work-life balance, the post-independence abandonment of those communist social policies that achieved high female employment in the Central and Eastern European states appears ironic (Pollert 2005: 226). Yet, not all countries fit into one model; there remain distinct national traditions and diverging trends, which will be taken care of in an individual case study section.

On the one hand, we find an erosion of the communist gender equality legacy through the adoption of liberal market democracy. Pollert (2005: 215) provided
evidence for the claim that there was a relationship between less advancement in capitalist development terms and a more intact communist gender equality legacy. On the other hand the same author (ibid.: p.227) welcomes European integration as a “progressive force” for gender-equality legislation. This dual role of the European Union, on the one hand pushing for economic development and on the other hand counteracting market failures that harm gender equality, is an issue that deserves further inquiry. The problem which inevitably stays with this endeavour is the difficulty to disentangle causality and the concrete effects of the work-family reconciliation regime transformation.

Pollert (2005: 228) noted that talk and text, or discourse, is properly in line with supranational appeals to equality, yet the implementation gap remains on the level of domestic society, several country reports found a “dichotomy between reality and rhetoric”.

By 2006, Slovenia, had already reached the 2010 target for the female employment of more than 60% and Latvia is less than a percentage point away with 0.7% (European Commission 2006a: 29; European Commission 2006a: 34). By standard of the 2010 targets of the female employment rate, half of the states are performing well, with Estonia as the leader with a female employment rate of 62.1%, Slovenia with 61.3% and Lithuania and Latvia just below the target margin with 59.4% and 59.3% (European Commission 2006a: 270 and 381). The taillight is made up of Poland with a gap of 13.2% for its 46.8% female employment rate, next are Slovakia with 50.9% and Hungary with 51%, all of which leave an enormous part of their labour force under-utilized. The Czech Republic with an employment rate of 56.3% and 3.7% remaining to reach the target poses as the half-way house between two groups. The average female employment rate for this group of countries is 55.9% (see, European Commission 2006a: 270 and 381). The sub-optimal employment rate performance of Poland resembles that of the Mediterranean states Greece, Italy and Malta, where almost half of the productive capacity remains un-exploited.

4.2 **Case Study Slovenia**

4.2.1 **Economic development and the labour market after independence**

Let us take an in-depth look at the labour market in Slovenia, in order to prepare the discussion. The labour market development of the 1990s began with declining
employment, like in many other transition economies (see, Rostgaard 2004: 8). Vodopivec (2005: 294) remarks that reforms on the labour market were taken rather cautiously. For example he provides the attainment of an unemployment benefit system, a heavy tax burden on labour and relatively high minimum wages, and active labour market policies rounded off the approach of the Slovene government (ibid: cf. p. 295).

When looking at the workforce, we find that it is composed of people between 15 and 64 years of age. Around 66% of the working age population was actually employed. A comparison with other states of the EU-27 (see, Rostgaard 2004: 7) shows, that this is already a relatively high employment-to-population ratio. Among fellow Central and Eastern European EU members Slovenia appears to lead in terms of employment rate. The overall EU average for 2005 lies at 63.8%, while the CEEC-8 have an employment rate of 68.6% on average (see, European Commission 2006a: 270 and 381). The share of the working-age population that was economically inactive is higher for women than for men, indicating a considerable degree of the available productive potential that could be applied on the market, namely that of females remains untapped. Whether the in-activity is deliberately chosen or involuntarily remains to be discussed further on in the text. Schooling and the increase in higher education students, as voluntary sources of inactivity, does its share to delay labour input towards the early twenties of adulthood. The labour force participation rate of youth, with 40.5% in 2005 was indeed less than half of that of the prime age population with 88.8%. The labour force participation of prime-age women is high at 86.4%, compared to 91.1% for men. There lie around 5% of difference between the two genders. Female inactivity appears to be a weak determinant of labour market underutilization in Slovenia (European Commission 2006a: 280).

4.2.2 Cash

The indicator ‘cash’ as part of the work-life balance strategy is used by governments as one incentive through which the opportunity set of parents is meant to be broadened.

In Slovenia a recent survey sponsored by the European Commission found no disincentives in the tax and benefit system to the employment of the ‘second’ earner (European Commission 2006b: 158). Unlike in some Continental welfare states, the tax/benefit system is not modelled on the single earner family, where one employee
receives a wage that serves to meet the needs of the whole family. As a result of this policy design females may become second earners only; the fringe benefits are low, so that the incentive to take up work is small. In the Slovene tax system the tax is calculated individually, this means that dual earner couples are supported because it makes no difference to the tax burden of the individual whether the partner also works for an equally high salary.

The impact of parenthood on employment of women in Slovenia moves against the stream of the European average, since more mothers than women without children are employed (ages 20 through 50). The narrow gender pay gap of 10% shows that the extent of a ‘gendered’ division of labour is weak (ibid.). Financial support for leave entitlements will be treated at the end of the next section since the emphasis is placed on ‘time’.

4.2.3 Time

Time policies for childcare support were already offered to facilitate a combination of work and family under the Socialist regime. While still part of the Yugoslav federation, Slovenia was subjected to the federal framework of labour legislation, the “Law on Basic Rights from the Labour Relationship” (European Industrial Relations Observatory 2003). This federal law laid down the general principles that were to be defined more clearly by collective agreements or company rules in the individual republics of the Yugoslav federation (ibid.). According to federal law parents were to be provided with a right to part-time work. While enjoying the same rights and obligations as a full-time worker, parents had the right to work half of full-time hours until the child’s first birth day. After the first year the mother had the right to continue with half of full working time until the child turned three years old, but only if the child needed intensive care due to health reasons (ibid.). Anyhow child care facilities accommodate one year olds, so that there was no gap between parental leave, i.e. part-time work and eligibility for public child care. In case a child was severely handicapped parents could half their working time for an un-limited period (ibid.).

With the dawning of Slovenia’s independence in 1991 a “Law on Labour Relationship” was passed, which contained provisions on part time work, which was valid along with the Yugoslav federal law. This legal novelty contained the right to work part time, in particular for parents, if it was for the benefit of a pre-school child.
(ibid.). Yet this latter phrasing of the Slovene law and the legal interpretation that referred to the law was more un-specific, than the Yugoslav law which was still in force. In 2003 there came a new law replacing the dual provisions.

Part time employment is uncommon on the Slovene labour market, which may have to do with the fact that the Communist tradition did not offer part time jobs during the time. The current legislation for part time work in Slovenia sees child care tasks as a force majeure, i.e. a necessary condition for eligibility of part time work, under a full time contract (European Industrial Relations Observatory 2003). In 1999 a survey conducted by the Statistical Office of the Republic of Slovenia discovered some limited potential for growth of this type of employment in Slovenia, yet the respondents consisted only of employed and unemployed people actively seeking work and therefore the group was particularly narrow, since it did not include inactive population, i.e. mothers at home with children (quoted in ibid.).

A persistent trait among post transitional labour markets in Central and Eastern Europe is that wage floors are lower than in the continental welfare states. Accordingly, in a country with a long tradition of female employment, two income earner couples manage to make ends meet in their household. In case of a leave from work for one parent, earnings replacements can help to fill up the household budget that is reduced by the missing income. This state benefit is only a transitory instrument to cushion the leap from paid to unpaid employment, but where wages are comparatively low part time employment may be disfavoured in the long term for the budget constrains it imbues. Further below the relation between the necessity for part time employment in the absence of child care services will be illuminated.

The concern of the European Union to allow for more part time employment may not be looked upon as favourably as one might expect in CEECs. The low level of earnings makes it un-attractive to engage in part-time work, and in some instances not as necessary as elsewhere since in Slovenia there are child care facilities for one year olds (see next section). The wide ranging provision of child care enables parents to pursue employment. A common European strategy meets a demand different from the Western European context.

Leave entitlements in Slovenia consist of Maternity, Paternity and Parental Leave. Maternity leave consists of overall 105 days, with 28 days to be taken before childbirth, it is paid at 100% of the average wage for the past 12 months and funded

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18 E.g. in Latvia many people accept part-time employment just because they did not find a full-time job (Hazans 2005a: p.11).
by the state (European Commission 2006b: ). It has to be noted, that eligibility for maternity leave is tied to an employment status. It is worth noting that the public benefits manual for the reconciliation of work and maternity prescribes the take up of employment prior to child bearing. Fathers in Slovenia have the right to a non-transferable 90 days of parental leave, of this time 15 days have to be taken during the maternity leave, while the remaining 75 days of leave may be used until the child is 8 years old. For the first share of paternity leave 100% income replacement is granted, and state funding for social security contributions are granted for the remaining 75 days (European Commission 2006b: 140). Following maternity leave, one parent may take leave of up to 260 days at 100% of income replacement (ibid.). This is a relatively short leave period that ends when the child turns one year. For example in Germany and Poland Parental Leave is granted for 36 months (ibid.), i.e. three times as long as in Slovenia. This contrast points out the binary policy paths to work-life balance. The latter two examples represent a family-centred reconciliation arrangement, in which priority is given to care exercised within the family. In Slovenia however we find a work-centred arrangement that prioritizes parents’ involvement in paid labour.

There are also provisions for parental leave from employment that is to be taken on a part-time basis for one of the parents until the child is three years old. The actual hours worked provide the basis for a calculation of the parent’s income, social security contributions being covered by the state to fill up the gap towards the equivalent of a full-time employment, based on a minimal wage (ibid.: 141).

Parental leave in Slovenia has a rather generous combination of good wage replacement, on average mid-length leave period and public child care (European Commission 2006b: 91). However, important parts of the population are excluded from the leave provisions, because the employment status of parents is privileged. The in-active part of the labour force receives only below poverty line compensation; this applies for example to unemployed mothers and student-mothers (Svab 2005: 52).

4.2.4 Services

As mentioned in the last section the child care services are fairly well developed and will be characterized underneath.

Both public and private institutions provide childcare in Slovenia which is widely available. More pre-school children are attending institutionalised child care and the
targeted group of children is gradually being extended. Since the year 2000, 9 years of compulsory schooling have been introduced, children of age six enter elementary school (European Commission 2006b: 113). Recently, kindergartens are accepting younger children between one and three years (ibid.). The charges for childcare are income-based, taking into account the number of children, family property and the cost of the programme, leaving parents with a contribution ranging between 10% and 80% of the child care cost. As noted in reference to other societies, also in Slovenia parents’ working hours and child care centres opening hours mismatch, yet, to a lesser degree than elsewhere (European Commission 2006b: 113). Besides the public day care services there are also private child minders, who evade state control and the quality standards set for day-care centres. This problem of the grey economy is more extensive, the more expensive childcare is in a given country. Family networks are another alternative source of child care, while they are also not subject to public scrutiny, at least it may be found more trustworthy by the parents. Certainly family care may be cheaper and more flexible the latter aspect always remains salient because of rigid opening hours of kindergartens (Svab 2005: 58).

The balance that governmental policy seeks to strike between family and work responsibilities can be evaluated in comparative perspective. These policies follow social, economic and political objectives of the ruling government (see Cerami 2005 in section 3.2). Based on Svab’s (2005: p. 48) discussion of key document in Slovene family policy, the “Resolution on the Principles of the Formation of Family Policy in Slovenia” of 1993, provides a normative framework. Declarations of Slovene family policy are useful for a portrayal of the role of the state in the provision of child care, which is among the determinants of work-life balance. This document which goes back to the early years of Slovenia’s independence (1993) first of all confirms the family to be the most important social space for child development (Svab 2005: 49). This emphasized the standpoint that care for children needs to be understood as a collective social and state responsibility (ibid.). Herewith a basis for the work-centred policy for reconciliation of parenting and employment is laid. The appraisal of a state obligation for the provision of child care is a pronounced statement, further in the next case study an alternative reasoning is presented. The drafting committee of the “Resolution on the Principles of the Formation of Family Policy in Slovenia” revealed that it held a binary construction of work and life priorities. The vocabulary of this resolution seems to reveal that the family policy agenda is set in favour of work, with family tasks representing a constraint of the job performance of parents.
Having said that in terms of child care provision, parental leave and female employment rate Slovenia can serve as a role model for the other Central and Eastern European States, there remains a decisive difference to ‘work-life-balance-wonderland’ (ibid.). In Sweden’s social-democratic welfare regime “work and family life are not understood as conflictual, but rather complementary spheres” (Hantrais and Letablier 1996 in Svab 2005: 54). In Slovenia, so far, work and family are not considered complementarily, if one pays attention to family policy paper referred to above.

A commentary on the impact of leave provisions on employment re-integration (see European Commission 2006b: p. 148) can draw a positive conclusion, since the provisions create incentives to resume employment. The relation of work and life priorities seems to be balanced, and leave legislation together with sound child care institutions has enabled many women to remain in employment. The familiar gender stereotyped discrimination against women puts them into the role of carrying the dual burden of household, care tasks and paid employment (European Commission 2006b: 149).

In Slovenia, the state has granted itself an active role in the pursuit of family welfare, since it supports a work-centred approach to work-life balance strategies (Svab 2005: 63).

4.3 **Case Study Latvia**

4.3.1 Economic development and the labour market after independence

Latvia gained its’ independence in 1991, with the Soviet economic system in place. This meant that in the Soviet regional division of labour Latvia was a specialist supplier for certain goods, and that the country depended on the supply of most other goods through the other states of the Soviet Union. The International Monetary Fund advised a so-called ‘shock therapy’ to post-communist Latvia, consisting of the ending of state subsidies to enterprises and the lifting of price controls (Brunovskis 2002: 41). The year following independence saw a drop in GDP output by 32.9%, and real wages had fallen by 60% since 1990, the inflation rate rose by 951% (ibid.). A large reallocation of resources began which also meant adverse shocks for the labour market like rising unemployment. Compared to other transition countries Latvia retained a high unemployment rate (Hazans 2005a: 3).
Since the beginning of transition the population of Latvia has declined considerably, between 1990 and 2002 a decrease of 12% was noted (Hazans 2005a: 6). Reasons behind this development are external migration, with 0.7% of the population annually leaving the country between 1990 and 2002 (ibid.). In addition to this decline a natural decrease of 0.5% per annum may be noted, caused by more deaths than births (ibid.). In order to address these issues, the OECD has emphasized the importance of constant investment into the available human capital to increase productivity, since even a sudden increase in immigration or a rise of the birth rate is unlikely to reverse the trend (OECD quoted in Hazans 2005a: 4).

Systemic shocks resulted in rising cost of living, with incomes and wages not rising accordingly (ibid: 3). This development also affected the resources of parents struggling for reconciliation between employment and family life. For example state benefits for child care were not instantly adjusted to the rising costs of living, or cost of child care facilities.

In Latvia’s labour market the workforce is composed of people between 15 and 64 years of age (cf. table; European Commission 2005a: 271). We can see that around 63% of the working age population were employed in the year 2005; since the amount has been continually rising since three years, when it stood at 60% in 2002. A comparison with other states of the EU-25 (Rostgaard 2004: 7) shows, that this employment-to-population ratio lies at the EU-average for 2005. Against other Central and Eastern European EU members Latvia’s employment rate is only surpassed by leader Slovenia, the Czech Republic and Estonia, neighbouring Lithuania scores equally high on employment-to-population ratio. Overall EU average for 2005 lies at 63.8%, while the eight Central and Eastern European Countries have an employment rate of 68.6% on average (see, European Commission 2006a: 29, 34). Like in all other reference countries of the European Union the share of the working-age population that was economically in-active is higher for women than for men, indicating a considerable degree of the available productive potential, namely that of females, remains untapped. Whether the in-activity is deliberately chosen or involuntarily remains to be discussed further on in the text. Schooling and the increase in higher education students, as voluntary sources of inactivity, does its share to delay economic activity towards the early twenties of adulthood. The labour force participation rate of youth, aged 15-24, with 37.7% in 2005 was indeed less than half of that of the prime age population with 85.6%. The labour force
participation of prime-age women is high at 75.3%, compared to 89.4% for men. The difference of 15% in the activity rates of the two genders is considerable. Female inactivity appears to be a decent determinant of labour market underutilization in Latvia.

Due to its incorporation into the Soviet Union, Latvia was subject to the same social security regulations as the other Soviet republics. While the female employment rate was considerably higher in the Soviet Union than on the Western European average, the provisions of the Soviet work-family regime will be mapped in the following paragraphs.

Family benefits were not very comprehensive, since it was targeted at particularly large families and single mothers (Aidukaite 2006: 266). Remarkable benefits-in-kind largely provided in the vicinity of industrial complexes offered health and child care and recreational facilities. Of these recreational facilities, the so-called ‘kurortie’, many became privatized and entrance became restricted (Brunovskis 2002: 44). A relatively generous birth grant, which increased with every additional child, exemplifies the encouragement to child bearing (ibid.). A child care time policy for mothers was introduced in 1982, allowing for a flat-rate paid leave up until the first birth day of the child (ibid.). This flat-rate allowance was extended to a period of 18 months in 1989 as a belated reaction to a fall in fertility rates that had occurred. As of then it was also possible to take a longer unpaid leave until the child reached three years of age, but this leave could only be taken by the mother, this regulation remained in place until 1996 (ibid.: 46).

After transition to market economy family policy only became a topic of political discourse in Latvia towards the end of the 1990s. As of 1998 the topic of family policy became more prominent through the linkage with the demographic situation, characterized through decreasing birth rates, emigration of work force heading for Western European labour markets and higher life expectancy for pensioners (Kaupuza 2005: 7). The overall economic conditions drove many people outside the country (see external migration above). Family policy became a highly debated topic for many Latvians and the political parties reacted through drafting ambitious programmes that sought to tackle the re-production of the Latvian polity (ibid.). For example pro-natalistic policies were sought to tackle the long-term effects of demographic change that has been increased through emigration of Latvians.
In 1998 the leader of the right-wing “People’s party” (Tautas partija) declared that within a period of eight years working parents should find it possible to raise three children, while maintaining employment, for this policy proposal the slogan “2+3” was created (ibid.).

In the year 2002 prime minister Einars Repse of the party “New Era” (Jaunais laiks) declared children and family to be one of the priorities the state should take into account (ibid.: 8); however this party was soon voted out of office. With the 2004 government of Indulis Emsis of “Latvia’s First Party” (Latvijas Pirma partija) a confessional turn was added to the policy proposal, which sought to strengthen Christian values – and even increase the role of the father, the development of a tax policy favourable for families with children and an overall increase in the child benefits (ibid.).

May 28th 2002 saw the acceptance of the “state Family Policy” programme that aimed primarily at an elevation of the staggering birth rate within a time span of 10 to 20 years, after two years of preparation (ibid.). The “Action Plan for the Implementation of ‘State Family Concept’ for 2004-2013” lacks proposals or concrete measures for work-family reconciliation (ibid.: 9). Work-life balance plainly put has no place on the government’s road map to family policy”. The promise that the drafting government links to the implementation of its “State Family Policy” is that as Kaupuza comments most families “will be able to take responsibility for the implementation of family functions by themselves, receiving optimal support from the state, local governments and society” if necessary (2005: 12). This line of thought, which stresses the responsibility of the individual, can clearly be associated with the residual welfare state of Western Europe. Since the government’s long term strategy has no standing on issues of work-life balance, policy is restricted to income re-allocation in favour of child-bearers, as shall be shown below.

### 4.3.2 Cash

The redistribution function of welfare states is a straight-forward tool to compensate the disadvantages citizens may encounter in the face of market failures (see section 2). The down-side of the re-distribution function is the fact that it spreads disincentives to labour supply (European Commission 2006b: 5). Families with children and single parent families are at greatest risk of poverty in Latvia, the risk increasing with every child in the household (Sedlenieks/Vasiļevska 2006: 6). The statistical risk of poverty that children present may at least be reduced through the re-
distribution function of the state, and this is the direction into which the Latvian
government is heading, as shall be shown below.

Post-independence Latvian policy-makers clearly intended to boost the birth rate
through a financial incentive for every child that is born. From October 1st 2004
onwards the amount of the childbirth allowance is around 420 Euro for every child
that is born after that date. Since 1997 the level of this allowance had remained at
140 Euro per child. As of 2006 the childbirth allowance was designed to be increased
further by 142 Euro for the first child, 421 Euro for the second child and 842 Euro for
the third and each child following thereafter (Kaupuza 2005: 15).

Critics remark that the “mechanical increase of the amount”, has several faults (ibid.: 15). It remains to be seen whether such an immense increase of the childbirth allowance, which makes up a double average income in Latvia for the child will produce a baby boom. The benefit is not tied to parents employment status. This kind of policy-making is only concerned with fertility, which it considers to be a counter move against demographic change (ibid.). The new regulations that are more generous from a benefits perspective, take a short-term view on resource allocation for children, since the regulation comes at the cost of the vast number of children already living in Latvia, for they are not eligible for it (ibid.: 16).

The family state benefit is a monthly allowance paid to parents until the 15th birth-day
of the child (and until the age of 20 while studying) (ibid: 18). An increase in the rate
of payment has been taken, that only counts for children born after October 1st of
2005, to reach 9 Euro for the first, 11 Euro for the second, 14 Euro for the third and
16 Euro for the fourth and every subsequent child (ibid). This increase is directed
towards an amelioration of the living conditions that families face, since Latvia has
high costs of living compared with e.g. neighbouring Estonia (Brunovskis 2002: 42).

Low wages continue to be a problem and the development of wages is capped (ibid.).
Paradoxically wages below the minimum wage level are legal, because budget
restrictions are allowed to ‘delay’ the realization of the minimum wage (ibid.). Social
partners in collective bargaining first have to focus on reaching the minimum wage,
and then bargain to have it increased, so that wage increases reflect the economic
development (European Industrial Relations Observatory 2004). This problem of
consstrained pay developments has been identified as a policy demand in the Joint
Assessment Paper (2003: p. 9). Since wages are relatively low, it becomes visible
that the Latvian system does not follow a ‘family wage’ policy with a single
breadwinner, but rather the two-earner system familiar from Soviet time (Brunovskis
2002: 42). The literature on wages in Latvia commonly remarks that the ‘grey economy’, un-declared work or envelope wages abound (Brunovskis 2002; Hazans 2005a, 2005b; Kaupuza 2005), which refer to wages for illicit work, which are considered to often stock up the legal wages.

In Latvia the child-care allowance reaches around 24.6% of the average national wage for a period of 18 months (Aidukaite 2006: 266). The child allowance, similar to that of Germany, only makes up 6 percentage points of the average wage in Latvia, yet this amount increases with every additional child. Judging on the family benefit system alone, Latvia like neighbouring Estonia approximates to the basic security model (Aidukaite 2006: 267).

The increase in child-related benefits transferred to the main carer has created disincentives to the resumption of full-time employment for the second earner, but of course improved the situation of women on parental leave (European Commission 2006b: 154).

### 4.3.3 Time

Time policies are important for work-life balance because the amount of hours remains fixed, and may not be expanded through governmental policy in contrast to cash benefits.

Having said that wages in Latvia are relatively low, one could assume that households perceive labour supply incentives for males and females to resume work after childbirth (see Saraceno 2006: 63, on the basis of Eurostat, Labour Force Survey 2003). The problem is that as in many countries across the European Union the below demand supply of child care facilities leads to an imbalance of the work-life nexus (European Commission 2006b: 91). The under-supply does not only hold for the children below three years of age, only at age 5 to 6 children are eligible for free of charge pre-school education, accordingly the child’s age corresponds to time that mothers are unable to take up full time employment (European Commission 2006b: 91, 148).

In Latvia time off work to care for young children is granted to parents under Maternity Leave, Paternity Leave and Parental Leave (see European Commission 2006b: 137). Maternity Leave grants 56 days before and 56 days after delivery at a replacement level of 100% of prior earnings. Paternity Leave may last between 10 days, during which 80% of the past salary on which social tax is paid is granted, 50 remaining days may be taken, yet without payment. Only one quarter of fathers take
up paternity leave, while almost all women take maternity leave (Sedlenieks/Vasiļevska 2006: 4). In Latvia Parental Leave comes about as a Family Entitlement of up to three years, with a flat-rate benefit of roughly 10 € (15 LVL) per month, or two times the payment if leave is taken only for 18 months. This benefit is not linked to an employment status or previous earnings (European Commission 2006b: 96). As of 2005 women have an additional incentive to take longer parental leave, since a ‘mother’s wage’ was introduced which guarantees 70% of the past average salary (Kaupuza 2005: 32). In case of lack of work experience a minimum of 35 € (50LVL) per month are granted, both benefits only apply if no employment is sought during parental leave (ibid.). Latvian Fathers don’t have a leave entitlement reserved especially for them, this means there is no policy incentive for fathers to share household and family responsibilities (European Commission 2006b: 96). The government’s decision to introduce the new ‘mother’s wage’ indirectly indicates that it is the mother, who is expected to take care of the kids, officially excluding fathers from parenting duties. Writing in 2002 Brunovskis (p. 48) remarks that since Latvia has a low level of family benefits, children are effectively a private responsibility, which accordingly create an enormous dependency on a breadwinner when a child is born and a constraint on the household budget in general. Since Brunovskis’ study was published family benefits have increased considerably, albeit only for new born babies.

Already during Soviet time there had been attempts to raise the fertility rates, when introducing the rule that employers had to reserve the work place of women on maternal leave for up to three years, a rule that is valid in Latvian law today (Brunovskis 2002: 46). The provision of time for parental leave is modelled on mothers who prefer long leave period for child-raising, in the next section the alternatives offered along the services dimension of work-life balance will be inspected.

### 4.3.4 Services

Childcare services may be regarded as a social infrastructure for supporting parents’ employment, the presence or absence of service provisions reveals the type of work-life reconciliation strategy that the state supports (European Commission 2006b: pp. 105).

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19 It is assumed that father’s take-up of leave would be higher if it was strictly reserved for them (European Commission 2006b: p. 9).
Of the Latvian pre-school children around 30% have no access to a kindergarten place (European Commission 2006b: 112). The pre-school education is compulsory and fully state funded. The year 2002 saw 15.8% of the children below the age of two and 77.7% of 3 to 6 year old children attending public or private kindergarten (ibid.). The issues of availability and costs are pertinent. Like in other European countries parents are queuing to register their children for a kindergarten place. The short school hours of 8.30 to 11 o’clock for 5 to 6-year old children are incompatible with parallel employment of both parents, just like those for 7 to 10 year old children which last only half an hour longer (European Commission 2006b: 110). Given the increasing costs of child care – from 4% of the average salary in 1991 to 10% in 2001 – most parents have no chance to afford after-school care due to high charges (ibid.). Also in Latvia there is no specific benefit to help lone parents, which means that for this group it is especially difficult to find employment (European Commission 2006b: 108). Although women may want to work part-time, as the Lisbon policy objectives of the European Union advocate (European Commission 2004) by 2006 it had not been mandatory for employers to offer part-time-schemes and therefore women have to “wait” until their children are as old as 5 to 6 years (European Commission 2006b: p. 148).

4.4 **Cross-case synthesis of indicators for Work-Life Balance**

The described policies display state intervention, as found in the residual welfare state tradition. There is also no resemblance to the Mediterranean model. The work-family regimes of Latvia and Slovenia are similar to those of the Nordic model, therewith challenging Bovenberg’s (2005: 413) proposition.

4.4.1 **Policy dimension to Work-Life Reconciliation**

The formal description of the three work-life balance indicators cash, time and services has yielded contrasting results. The two cases Slovenia and Latvia may be characterised briefly:

In both cases women’s integration into paid labour is advanced, confer to the high female employment rates, compared to other European states. In Slovenia family benefits are not a disincentive for women to resume employment after child bearing. In Latvia, recent policy moves have tried to strengthen the care exercised within the family. The so-called mother’s wage is another step into a single carer (and single
earner) model, it supports the aim of raising the birth rates through generous cash grants (see section 4.3.2). Combining work and family in Slovenia is officially advocated by the government and also comparatively easy given the broad provision of child care facilities, which begin to receive children from one year of age onwards. Combining work and family in Latvia is no facile task, as the overall policy has been inconsistent until recently. Given that child care facilities are scarce and expensive, and usually accommodate children from three years of age on, policy-makers have opted for an appreciation of professional mothers, i.e. women who opt for a career in the family. We will observe how females and mothers in particular have been responding to the policy incentives amidst social constraints and market failures so far in section 5.2.

Among the 2004-entrants to the European Union there is a bi-modal distribution of the duration and financial support for statutory parental leave entitlements (European Commission 2006b: 88). Given the relatively low wages of the Central and Eastern European Union member states the financial support in the form of wage compensation will enable an informed deduction to the implicitly postulated work-family regime. The group with a relatively high earnings-replacement rate is led by Slovenia (260 days at 100% of earnings and an extra 75 days of the paternity leave is reserved for the father until the child’s 8th birthday at a flat rate). More time, with a three year duration, is granted under the models of Estonia (only the first year is paid, but at 100%), Hungary (70% for two years, 3rd less) and Lithuania (only first year paid at 70%). The second option is a flat rate allowance that is taken by the Czech Republic (4 years at 1.5% of minimum wage) and Poland (2 years of flat rate allowance). Both Latvia and Slovakia have three years of flat-rate allowance, while in the latter case it is also income tested (European Commission 2006b: pp. 139).

In almost all of these provisions it has to be taken into account that the parental leave is not catered to allow the child’s entry from the parents upbringing into statutory educational facilities, but that there is a gap between end of parental leave and beginning of kindergarten or any kind of early learning facilities (ibid.: p. 148).

The main problem in the sphere of child care services is that there is no bridge between leave arrangements and the provision of child care services for under-three year olds. No variation is found in this pattern under alternative combinations of length of parental leave and availability of child care for this gap (European
Commission 2006b: 106). Since child care fees are high, from a policy perspective it is difficult to ‘make work pay’\textsuperscript{20}.

Borrowing the conceptualization of Warth (2004) of family-centred versus work-centred policies, it is discernible that the dichotomy is suitable for the selected cases. A family-centred policy restricts the role of the state to income redistribution; a work-centred policy acknowledges responsibility for family support which it conventionally transmits into the provision of child care facilities, while at the same time providing benefits of minimal duration that are tied to an employment record.

Slovenia allows parents to resume employment after a maximum parental leave of 12 months, at this point the state also grants parents the necessary time to re-integrate into employment through the broad provision of child care, and this is referred to as the work-centred policy (see section 4.2.3). Latvia follows a family-centred policy for reconciliation; this is observable through a universal flat-rate child care allowance during the up to 36 months long leave and recently a mother’s wage (see section 4.3.2). This is an instance in which the state grants time to invest in the upbringing of children at home, but this is a disincentive for female employment. Policy in Latvia is concerned with a rise in the birth rate. Apart from this there are also hardly any child-care facilities for children below the age of three. Since the increase in benefits to mothers on leave has been introduced recently, it remains to be seen whether there will be a considerable increase in the birth rate. An adverse side effect that the Latvian government seems to consider negligible is the probable decline of the female employment rate, if governmental incentives are taken up by mothers. The development of the employment rate in Latvia provides an interesting topic for future research.

Today we may refer to the 2003 data on the ‘gender-specific impact of parenthood on employment’ (see Saraceno 2006: 63; on the basis of Eurostat, Labour Force Survey 2003). The overall picture for the 25 member states of the European Union reveals that parenting impacts negatively on the employment of women and it impacts positively on the employment of men, i.e. more men and fewer women are employed when they are parents. This finding confirms that the gendered role perceptions or stereotypes that link men to wage work and women to caring appear quite valid today. There are but two exceptions to this observation: in Portugal and Slovenia both men and women are more likely to work after becoming parents. This study has

\textsuperscript{20} ‘Making work pay’ refers to the policy objective that tries to enhance the financial attractiveness of employment relative to benefit receipt (European Commission 2006b: 5).
not provided space to explore the attitudes of men and women as regards the sharing of work and family objectives; therefore we cannot tell whether in these two countries gender equality is really as advanced as the employment rate of parents suggests. At this point and from what has been shown in the case study on Slovenia (section 4.2) we may infer that in Slovenia policy for work-life balance has provided integration mechanisms that have achieved to make parents take up work and found a family.

The evidence of cash, time and services presented for Latvia indicates that the policymaker has in mind a society with families that consist of a single earner, and a single carer. In reality the conditions for this division of labour are not met, as wage floors are low, and just like in Soviet times, a dual income couple is the standard. Indeed the employment rate is just beneath the 2010 Lisbon target of 60% (Rostgaard 2004: 7; European Commission 2006a: 34). Should the blueprint of a male breadwinner model should become accepted and extended, this would run counter to the policy objectives of the European Commission in its Lisbon strategy (European Commission 2004). The labour shortage Latvia is likely to face in the future is likely to become even more pronounced assuming that the policy objectives of the Latvian government would become reality. This intended re-gentrification of a society which comes along with the under-investment in the human capital of women is not well advised because it does pay attention to objective of establishing a knowledge-based society (ibid.)

While in Latvia, the state lays emphasis on the inherent resources of families to provide care, in Slovenia the state is willing to share responsibility. The declarative principles of Slovene family policy acknowledge that the state subscribes the furthering the reconciliation between work and family. This task is seen as a part of social policy, which is albeit linked to the employment title of the recipient (Svab 2005: 49). The declaration even utters an egalitarian conception of family work, and advocates a more equal distribution of tasks between the sexes (Svab 2005: 50). The work-centred Slovene model of work-life balance is fully in line with the overall strategy of the European Union. The dichotomization of the variable fiscal constraints may be regarded as a good predictor of the existence or non-existence of work-family reconciliation programs that favour the work-centred approach.

21 Due to demographic change in the future all available human capital will be needed for labour supply.
4.4.2 Women’s work patterns/fertility and employment

So far in the analysis the concrete policy measures that are assumed to affect the female employment rate have been considered in detail in the case study section, also with a view towards the type of division of labour favoured by the European Union and that of the member states in question. In this section the impact these policies really do have on the labour market activity of parents.

Based on Labour Force Survey data form the year 2002 (European Commission 2006a: 42) presents the impact of parenthood on employment (Saraceno 2005: 60). The most pronounced impact may be observed in most of the 2004 entrants to the European Union and interestingly the United Kingdom. The figure for Germany shows impact of parenthood on the employment rate that is similar to the average for the 2004 members including Latvia. This is a quite remarkable indicator for the resemblance these two countries bear.

Over the 1990s Latvia has consequently moved away from the heritage of the Soviet work-family reconciliation system, to approach a single carer/single provider model. Germany is trying to step aside from this path of work-life reconciliation. The policy trajectories of these two countries appear to be converging; both are compromising their initial welfare set-up, Germany the family-centred and Latvia the work-centred. Present day policy has found its elective affinity in the other model. Germany and Latvia suffer from a considerable impact of motherhood on the employment rate. In both countries child care facilities are scarce, and where services are available they are costly. This is relatively more constraining in Latvia than in Germany due to the less favourable economic situation of families and low wage floors. Women with productive potential for the labour market have to wait until their children are old enough to enter kindergarten, as of age three. Opening hours are quite short and do not allow immediate full-time employment. The family network has to become involved to help fill this gap in child care services. This also applies to Latvia although here the mother has to wait even longer as free and compulsory pre-school education for children begins at age five (European Commission 2006b: 91). Accordingly women do not have much of a choice regarding take-up of employment. In Slovenia, the public benefits manual for a successful work-centred reconciliation strategy works fine, through a well-paid 12 month leave that is joined up by a subsequent provision of child care.

Having dwelled on the barriers to female employment, the more implicit barrier to the employment of mothers is the fact that a sharing of household chores and child
care seldom is practiced. The Latvian Ministry of Children and Family Affairs has published a report which shows that a high pressure rests on fathers to provide the single income for a family (Sedlenieks/Vasiļevska 2006: 9). Interviews with fathers have shown that indeed, gender stereotypes work as social constraints on fathers’ choices and labour market behaviour (ibid.: p. 10). This constraint on male choices is graver in the former transition countries where wage floors are low and actually still catered to a dual-income family. The aforementioned provider-roles that males fall into through fatherhood, lead them not to consider the take-up of leave to which they are eligible. The only way through which fathers could be encouraged to take-up leave would be that it is reserved strictly for them, and that it is paid (European Commission 2006b: 91). In Latvia there is no period of parental leave reserved for fathers, but paternity leave for 10 days after the child’s birth was introduced in 2004 and one fifth of those eligible have made use of it (Sedlenieks/Vasiļevska 2006: 4). Also in Slovenia no parental leave is reserved for fathers, but the paternity leave of on average 8 days was used by four fifth of fathers (European Commission 2006b: 97).

Having said that Germany was comparable to Latvia at least regarding the impact of parenthood, it is noteworthy that in 2006 a new concept of child care allowance during parental leave is targeted especially at fathers with a wage replacement of 67% of the last wage (Bundesministerium für Familie, Senioren, Frauen und Jugend 2006).

As has been outlined above policy in Slovenia helps women to remain in employment, yet there still remains an association of family responsibilities with women that may be cause of discrimination (European Commission 2006b: 149). This gender-based discrimination is prevalent throughout Europe and has to be assumed to be among the reasons that having children deprives women of access to the labour market (ibid.). In Latvia and Germany the long parental leave provisions even offer prospective employers a mandate to take a ‘hands off approach’ to the hiring of females. A sad point for the employment rate target of women is that through having generous parental leave provisions, it can be assumed that in these countries it is part of the dominant work-place attitude that women will prefer to be absent from paid labour for three years, which is the maximum leave period.

22 ‘Men in Latvian Public Environment’ is a report under a European Commission grant.
The situation in Sweden is more favourable, women are not discriminated against on the basis of potential motherhood, just because it is quite common to have both work and children (European Commission 2006: 147).

A European Employment Strategy that on general advertises the creation of more part time jobs to boost the female employment rate has to be evaluated with caution. After conducting case studies and having become acquainted with the structural traits of part-time work in Europe, it must be remarked that there is a mismatch between the pan-European strategy and the policy demands of the Central and Eastern European member states. In general the take-up of part-time work is lower in the Eastern member states (European Commission 2006a: 42). The lower wage floors make work for half of the wage of a full-time job less attractive, than in a high wage floor country like Germany (cf. Bovenberg 2005: 408). Accordingly the idea to boost the female employment rate as to the Lisbon target is more urgent in other parts of the European Union, for in the Eastern region these rates were already relatively high. When wage floors are high enough to let part-timers earn a living, this atypical employment will be taken, the exception being Slovenia.

Several factors impacting on part time employment have to be taken into account. Part time employment is heralded as an answer to demands of the employer for more flexibility. Policy considers this type of employment appealing for the space it leaves women to find their personal work-life balance, in other to carry out their domestic responsibilities besides employment (European Commission 2006b).

Although having a part-time job and children is presented to be a win-win situation by the policy-maker, it should be noted that women are targeted as the sole bearer’s of work-family life reconciliation task, referred to by feminists as the ‘dual burden’, time use surveys keep confirming this fact (Presser 1994).

5 Results and Policy Outlook - Work-Life Reconciliation, an issue for the new members?

The goal of Lisbon to turn the European Union into a more competitive economy by international standards was coordinated through the so-called open method, in the domain of employment policy and contained non-binding policy objectives. A turn away from the single-provider scheme prevalent in some European societies towards dual earner couples with children was seen as a key element in the pursuit of
competitiveness. Through uttering this objective the European Union stayed true to the work-centred policy it has been supporting since the early years of European integration. It is a social liberalist vision of the ‘good society’, in which all adults are income providers (Saraceno 2006: 57). Already since the Treaty of Amsterdam equal opportunities and a facilitation of work-life balance measures were advocated in the European Employment discourse.

Accession states by all means possible were integrated into this employment framework, nevertheless it turned out that indeed the new member states did not all implement the dominant work-centred approach to work-life balance. Slovenia may be considered the leader of the class of Central and Eastern European countries, which already had prescribed to the work-centred approach as early in the transition phase as 1993, on the level of governmental declarations. Long before accession the country had chosen the work-centred path (see section 4.2).

Latvia on the contrary, decided to have a family-centred path, even though this means swimming against the tide of the European employment discourse (see section 4.3). Slovenia achieved a great policy innovation, which outperforms many EU-15 member states. And although the policy objectives of Latvia to raise the fertility rates through generous birth grants and allowances may appreciated, it does not promise to bring about a ‘baby boom’ (Speder 2004: 25). Also the attempt to establish incentives for mothers to exercise child care at home through a ‘mother’s wage’ are innovative, but are only intended to support more child-births since only those babies born after 2005 are eligible. This incentive does not adress work-life-balance. A majority of parents and children in left a poor economic situation. To the contrary in Latvia the male provider model is re-affirmed, so that altogether the policies remain inconsistent with reality. The balance between work and family in Latvia has the character of a family-centred path, in which there is one provider and one carer. Should the public benefits for child-bearing be taken up by more mothers, it is unlikely that in the long term, the relatively high female employment rate may be maintained; rather it would be destined to decrease.

Coming back to the comparison between Central and Eastern European accession states to the European Union and the Mediterranean EU-15 (cf. Bovenberg 2005), which was announced in the introductory section, an interesting pattern has surfaced. Talking about geographical clusters of European countries, Slovenia is connected to the Mediterranean Sea, and Latvia’s shores lie at the Baltic Sea just like the Scandinavian countries. A dichotomy is suitable to summarize the contrast of the
examined cases ironically as regards work-family model Slovenia is close to the
Scandinavian exponent Sweden, and Latvia is more like corporatist Mediterranean
state only with a higher female employment rate until now.
The proposition that the Central and Eastern European countries are moving into the
direction of the Mediterranean countries which was theorized by Bovenberg (2005: 413) is not tenable. Sampling was carried out according to the trait fiscal constraints,
two samples with an extreme value of this trait were selected, which have led up to
contrasting results, but for predictable reasons.
The hypothesis at the basis of this paper has been that work-life balance strategies
among Central and Eastern European countries are diverging, i.e. national
governments maintain authority in this field, in spite of efforts by the European
Union to streamline this policy field. Our hypothesis has been proven; the two
sample countries successfully established that the divergence between work-life
balance strategies is great. Both extremes of fiscal performance were selected and the
results show a dichotomy. The fiscally well-off state Slovenia provides work-family
reconciliation programs that allow employees to choose a work-centred path. The
state with a problematic fiscal record, Latvia, has no work-family reconciliation
programs in score, but favours the family-centred path. This finding confirms to
Yin’s (2003: 47) postulate of retrieving “contrasting results, but for predictable
reasons”. It has been shown that an extremely negative value on the variable fiscal
constraints is a good predictor of work-centred work-life balance strategies.
Demands for work-life balance policies stem from social change. Declining
population sizes confront the policy-maker with an urge to become involved. Two
understandings are applied that are considered to be able to solve the matter, i.e. to
make people have (more) children. According to the first understanding, it is
acknowledged that the preferences of men and women are alike; especially it is
assumed that since both sexes enjoy comparable educational attainment both are
engaged in wage-earning. According to our interpretation the policy that follows
from such an understanding in application limits the period that parents spend outside
of the labour market. A second trait is that parental leave is bound to an employment
status, unemployed persons, or in-active groups such as students only qualify for
minimal compensation. Incentives are directing parents into employment so that they
may qualify for benefits. This is the work-centred approach; both parents are
considered to be capable of carrying out wage-earning and family-caring.
The second understanding provides the option to have a long parental leave, although the educational attainment of men and women may be similar, one parent’s commitment to wage-earning is considered to be adaptive to policy incentives. The assumption that preferences are adaptive is probably true for all European Union member states. What matters is where the policy maker positions the incentives. In the second understanding the incentives are placed outside of the labour market. This is the family-centred approach to work-life balance. Inherent is the understanding that father and mother are complementary units of wage-earning and family-caring.

Through the description of work-life balance strategies we have mapped the divergence that exists within the group of Central and Eastern European countries, while also –where suitable- referring to the practice in the EU-15 countries.

In the introductory section the question was posed, to what degree European integration has influenced the work-life balance strategies of the member states. The role of the European Union in driving macro-institutional change during the accession process has served to equip post-socialist societies with good legislation to shape work-life reconciliation strategies. Yet, the effective policy priorities are determined by the national governments, revealing rather contrasting objectives.

After having observed the state of work-life balance indicators in some of the Central and Eastern European Union member states it has to be noticed that the influence of European integration occurred according to two patterns. The hard law of the European directives which were implemented in all of the member states have the character of lowest common denominator standards. Just like rights for gender equality went from the supranational to the national level, a basic framework on which working parents can rely was brought about through European regulations.

The research design that has been adopted for this paper has conceived of the decision-making that occurred at the domestic level of the member states as a black box, which means in effect that is possible to find that the strategies of the member states are in line with the policy proposals of the European Commission or not.

The changes in the amount of part-time jobs - intended to be attractive for women with caring responsibilities – are negligible, as mentioned in section 4.1.2 when the European Union advocated the provision of more part-time jobs this was probably directed at the Western European countries, since wages are not as low as in the new member states.

The work-life balance strategies of the new member states share a common gender equality legacy, as Pollert (2005) has remarked, characterized through high female
employment rate and working times closer to that of males than in Western Europe. The provisions for the reconciliation of work and family life have been rolled back in most countries. The claim that due of fiscal constraints, the countries of Central and Eastern Europe have let go of the work-centred reconciliation strategy existent during Communist rule is not tenable. The assumption that fiscal constraints, may they originate in the global economy or in the rules of the European Monetary Union, cause a full roll-back of work-family reconciliation programs was ill founded. Spending on such policies that may be considered to make-up part of work-life reconciliation strategies in the broadest sense is taking place in all of the observed countries. As mentioned early in this section, the interesting aspect is, which strategy to reconcile work and family is favoured by the government.

At first glance the work-family reconciliation strategy that was abolished in the transition phase seems to be similar to the one propagated now by the European Commission’s Lisbon targets to increase the employment rate. In fact Slovenia is an example for a country that has retained an important part of the old work-life balance strategies, namely the broad provision of child care. With this institution in place, the newly introduced provisions for parental leave in Slovenia together provide a fairly well-balanced reconciliation strategy. The next question would be why some countries rolled back the former model and others retained. The claim that public child care provision was cut because of fiscal constraints, can be confirmed through the samples. After all Slovenia was the most well-to-do country of the group, as signaled by an early adoption of the Euro currency.

Which way to go for work-life balance strategies in an enlarged European Union? The dilemma of low birth rates remains pertinent across large parts of the European Union. Since all countries may be located somewhere on the continuum between work- and family-centred approaches to work-life balance, an approximation which offers a direction will be attempted.

Set into a normative framework, the European Union approach to work-life balance is part of the dominant liberalist discourse of the European Union with its emphasis on independence of the individual. The massive establishment of child care facilities will increase the dependence of parents on the state. A trend towards adoption of the work-life balance strategies that the communist gender equality provided seems unlikely. This would not resemble the social liberal rationale of increasing independence. Confer also that the role of the state under communism was overarching, and it is just now that the slogan of work-life balance passes credit to the
socialist regime for the advanced level of child care provision. The state is highly unlikely to return to a prominent role in the provision of child care services, confer also the project ‘transformations of the state’, with the hypothesis of more privatization. The future of work-life balance is more likely to put its emphasis on the time dimension of employees, and advocate flexibility in work-place practices. At the same time this leave will have to be financed ‘on own account’, as Bovenberg (2005: p. 415) has recommended. This latter proposal is not really an incentive to child-rearing, since it plainly states that child rearing is a matter of private interest. Throughout the paper an approach was taken which while considering child care to stand in the responsibility of the parents, the state may offer aid and help to foster reconciliation strategies.

A limitation is in place, in this paper only those aspects of concern to working parents have been treated that can easily be translated into policy measures (Svab 2005: 55). The policies discussed tackle the first three, sometimes only the first year of a child’s life, but the actual reconciliation task continues in the post-return period (ibid.). After all, these measures appear to have a short breath, in the end parents have to juggle with their life priorities. Maybe policy makers expect people to just consider the first couple of years of a child’s life as a period, which needs to be reconciled with work.

The scope of this paper has been clearly restricted to the family as the ‘life’ objectives that deserve attention. In going beyond the concern with reproduction, work-life balance should address the policy puzzle that is related to an aging society. As Europeans live longer, also the proportion of elderly people requiring care expands. The tasks of caring so far remain a private responsibility, which relies on a social network. The dimension of care for the elderly should move into the focus of European public policy.

Individuals in employment (the group targeted here) it appears are slave to modern culture’s “rational conduct on the basis of the idea of the calling” (Weber [1904] 2002: 204). Work-life objectives are the calling, in the individual’s pursuit of happiness. Rationality has become a well researched topic in political science and social theory, since it is possible to explain human actions. In this thesis it has been applied to the macro-social change transforming the relationship between work and family. Fertility decision makers are often trapped in Weber’s iron cage of rationality. Since market imperfections penalize parenting in most European political economies
(Majone 1996), it has to be assumed that to engage in family-formation is irrational by individuals with strong work objectives.

Since families with young children are economically vulnerable it is understandable that fathers are driven to spend more time at work and not with their children, despite the legal regulation that would allow them time off with their kids (Sedlenieks/Vasiļevska 2006: 4).

Yet, the average weekly working hours for fathers are also higher in the established welfare states, where job protection is higher, just like the level of family benefits. The reason for a comparatively low take up of paternity leave and a greater share of time spend on the job than home with the kids, appears to lie with the gendered image of men as breadwinners.
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