Welfare states and gender in Central and Eastern Europe
Welfare states and gender in Central and Eastern Europe
Continuity and post-socialist transformation in the EU Member States

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Preface

This book is the outcome of an international conference titled “Welfare States in Central and Eastern Europe: Social Policy and Gender in Transition”, which was conducted by the Institute for Economic and Social Research (WSI) of the Hans Böckler Foundation and the training institute of the German Trade Union Federation (DGB Bildungswerk) in Hattingen on 4-6 October 2006. The idea, derived from our two key research areas at WSI – Social Policy and Gender Research – was to focus on recent developments in the Central and East European EU Member States and at the same time to provide researchers from the East and West with the opportunity for direct personal exchange, to conduct a scientific dialogue that spans both East and West, and to contribute to networking.

WSI first appointed Dr. Diana Auth (University of Gießen) to carry out a literature study, on the basis of which 20 speakers – scientists and stakeholders from politics and the unions, including twelve speakers from Western Europe and eight from Central and Eastern Europe, the European Commission and the International Labour Organisation (ILO) – were invited to the conference.

This anthology contains several of the scientific contributions that were presented and discussed at the conference. It was also possible to attract additional authors on subjects whose significance first became apparent during the course of the conference or during the development of the concept for the collection.

The book was first published in German in the autumn of 2008 under the title “Wohlfahrtsstaaten und Geschlechterungleichheit in Mittel- und Osteuropa: Kontinuität und postsozialistische Transformation in den EU-Mitgliedstaaten” by the publisher “Verlag für Sozialwissenschaften” in Wiesbaden.
To make this international comparison accessible to a broader public, the European Trade Union Institute (ETUI) generously offered to publish it in its English series. The English version of the book is a translation of the German publication, which reflects the state of research until around spring 2008. Unfortunately, it was not possible to include later relevant research in this volume, though the data in several of the contributions was updated prior to publication of the English version.

At this point, we would like to thank all those who provided their active support and advice both for the preparation and realisation of conference and for the production of the German and English anthologies.

We would especially like to thank Manfred Kubik from the DGB Bildungswerk, who had the original idea for the conference in the context of his work on Central and Eastern Europe, for his ongoing conceptional and organisational support. We also extend our gratitude to the team at the DGB Training Centre in Hattingen, Claudia Müller and Ingrid Kaiser from WSI and Katharina Kruse from the Hans Böckler Foundation for their support in organising the conference.

We extend special thanks to Wally Hengsberger, Johannes Pennekamp and Katrin Menke from WSI and Birgit Buggel-Asmus from ETUI for their proofreading and work on the technical aspects of the English volume.

Special thanks also go to the two translators, Jessica Heilmann and Yvonne Silber, whose task it was to translate the German manuscripts and correct the English ones.

Thank you to the conference participants and speakers for their comments and suggestions regarding content, and to Manfred Kubik, Silke Bothfeld and Armin Schäfer for their helpful comments on individual contributions.

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Introduction
Welfare states and gender in transformation

Christina Klenner and Simone Leiber

New diversity, new inequality, old traditions?

When the European Union (EU) accepted twelve new members in 2004 and 2007, ten of those new member states were formerly Eastern Bloc countries. With the exception of Slovenia, these countries¹ were part of the Soviet sphere of influence before 1989 and, as state-socialist countries,² they share some similarities. First, the social differences within each country were diminished, among other things due to general participation in working life, relatively low wages with a narrow wage gap as well as redistributive social policies. For the majority of the population, social security provided a relatively low level of protection compared to Western countries, and many entitlements were linked to employment (some were also linked to family context). Social security systems were based on employment but also developed a strong universalist impact due to the high demand for workers and extent of centralized state regulation (Keune in this volume). Thus, for example, old-age insurance was generally based on the social security principle. The insurance was part of a single state insurance system under which all employees were insured (for details, cf. Müller in this volume). Unlike the typical case in the West, companies alone were responsible for contributing to the pay-as-you-go system. There was also a high level of interpersonal redistribution, for example through a minimum pension. In contrast, the health care system was organized solely by the state and financed by taxes. It guaranteed universal access to care, although the quality of that care was limited in some cases (Hacker in this volume).

¹ Or the countries they had been a part of: in the case of the Czech Republic and Slovakia, the ČSSR; Estonia, Lithuania and Latvia had been part of the Soviet Union (USSR).
² Like the research, terminology covering the phase of development of the CEE countries between 1945 and 1989 has not been finalized. Today this period is most often referred to as Communist, real socialist or state socialist.
Second, employment among women, including mothers, was very high according to international standards. This phenomenon was associated with clear progress towards greater equality between women and men in working life, which in turn was associated with traditional inequality structures in such spheres as the family. On one hand, women were highly qualified. Until the end of the state-socialist period, employment among women was accepted as a matter of course and economic necessity, which was supported through comprehensive public childcare. On the other hand, neither the gender-specific division of labour nor the traditional male role were questioned in public discourse, which placed an extreme burden on most women working full-time in these countries.

These Central and Eastern European (CEE) countries experienced a dramatic political and economic change during the transformation process through to EU accession. A comprehensive change of system from dictatorial state socialism to capitalist democracies took place. The impact of this change on the nature of the welfare states and gender regimes of these countries has thus far only been studied in extracts.

In terms of social security systems, we are left asking to what extent the transition from a socialist to capitalist economic system was accompanied by a radical break with the socialist welfare state model. Did the new system tie into existing structures under entirely new premises – including the phenomenon of mass unemployment, which was unknown in the socialist system? Did the new system tap into even older traditions from the pre-war and inter-war periods? Or did it orient itself toward new models from the West, and if so, which of the predominant Western welfare state models can be considered defining examples? At the same time, the social security systems in Western Europe likewise found themselves in a period of transition. The research largely agrees that this has thus far not resulted in a uniform system type: national differences and traditions have continued (e.g. Czada and Lütz 2004; Keune). Nevertheless, certain convergence processes – such as the triumph of the three-pillar paradigm in old-age insurance (e.g. Hinrichs 2008) or activating labor market policies 3 – can be detected. In what direction are Europe’s social systems headed, and what is the CEE countries’ position in this process? These questions are especially explosive in light of the

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3. Considerable national differences remain, however, for example the specifics of activation policies (e.g. Klammer and Leiber 2008).
EU’s current constitutional crisis given that the answers to them will have a considerable influence on shaping a social dimension of Europe (for detailed information, cf. Baum-Ceisig et al. 2008).

Although comparative welfare state research has focused increasingly on these questions, the findings have thus far been inconclusive, and the development of suitable analytical frameworks has not been completed. The only definitive conclusion is that no uniform Central and Eastern European welfare regime has developed. While some authors have focused more on the liberal or residual nature of the social states in CEE, others have diagnosed hybrid systems in which structural elements of the conservative-corporatist welfare state model according to Esping-Andersen’s (1990) typology dominate (in detail, cf. Auth).

In terms of gender equality, the effects the change of system had on women and men must be identified. Although gender equality was not achieved under state socialism, clear equality-policy gains were made, which now seem to be in jeopardy. It became apparent as early as the early 1990s that gender relations would shift. The political arena saw a drastic drop in the percentage of women in parliaments and governments (Klein), while a large number of women in the labour market lost their jobs. But how does the way women were affected by rapidly increasing unemployment and growing social inequality differ from the way men were affected? Could the degree of equality achieved be upheld, or would social inequality, including gender inequality, intensify?

A wide range of studies have since been conducted on the state and development of gender equality. The majority have addressed men’s and women’s participation in the labor market. Some do so for individual countries and some compare countries (cf. Auth and Klein). Women have been viewed as the “losers of the transformation process” since employment among women decreased markedly and women were particularly affected by growing social inequality and poverty. A few in-depth analyses have since been conducted, showing that the blanket image of women as losers does not actually apply across the board. Developments did not take the same course in all countries and all policy fields. Moreover, different groups of women were affected in different ways. When viewed as a whole, the state of research on the impact of the transformation process on gender inequality is still conflicting (cf. Auth) despite the certainty that women face numerous additional risks such as unemployment, difficulty in re-entering the job market following
childbirth, and deskilling. The overall degree of social equality achieved could not be maintained. The following questions have not yet been answered: How do the new economic and sociopolitical conditions each affect men’s and women’s social situation? How did the gender-specific segregation, the income situation and the representation of women in leading positions develop? Has the gender-specific domestic division of labor in families in Central and Eastern European countries weakened or become stronger since the transformation?

In addition, there is still need for analyses of the causes of gender inequality: What role have economic, political and cultural conditions played since the change of system, to what extent were certain developments determined by political decisions in the transformation process, and to what extent do inequalities and structures that existed before 1989 continue to have an impact? Comprehensive analyses of the predominant gender regimes in individual countries are also largely needed (cf. Auth; Betzelt 2007).

Further, there has been little systematic examination of the interrelation of welfare states and gender equality in Central and Eastern Europe. It has not yet been proven whether a particular type of welfare state predominates, nor has there been comprehensive study of the way in which welfare-state provisions have shaped and changed gender equality. The effects that changes in family policies and pension reforms over the past 20 years have had on women have been described to some extent, but for other fields – the health care sector, care policies and the fight against poverty – there has been essentially no systematic research (Auth).

**Central questions and organisation of this book**

This book therefore focuses on (1) changes in the welfare states of Central and Eastern European EU member states in the transformation process, (2) shifts in gender relationships and inequalities, and (3)
interdependencies between these two processes. This book has its roots in a conference held by the Institute of Social and Economic Research in the Hans Böckler Foundation (WSI) together with the DGB-Bildungswerk in October 2006. A problem-oriented approach was chosen for the conference and for this volume of collected works due to the patchy state of research. The initial aim was to find first answers to these three batteries of questions using a relatively wide empirical comparative basis, and to bring researchers from Eastern and Western Europe into the dialog. This collection can therefore be understood essentially as the impetus for additional future networking between the East and West, and even stronger theory-driven comparative research as a result of that networking.

The search for important similarities and differences between the old and new EU states has been condensed into the question of whether the welfare typology of the three “worlds of welfare capitalism” (Esping-Anderson 1990) – to which a Southern European variant has since been added (e.g. Leibfried 1992; Ferrera 1996) – applies to the CEE countries or whether a new or even multiple new types of welfare states have developed. We were also interested in determining whether concepts that were developed by Western feminist welfare state research can be used to analyse gender relations in the CEE countries and to classify gender models. Part I of this collection is dedicated to these theoretical-conceptual issues as well as an overview of English and German-language research conducted in this area thus far.

The authors in Part II of the book address the issue of changes in gender relations and possible influencing factors from different perspectives and with a focus on different countries. They emphasise changes in the participation of women and mothers in the labor market, and examine aspects of time, income and power distribution between men and women. Economic conditions, institutional traditions, changes in values and attitudes, European Union equality policies and changes in family and work-life balance policies in particular are pinpointed as factors explaining identified change or continuity.

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5. For the participants, see the Preface.
6. Cut-off date for the studies included is spring 2008. This is related to the publishing date of the German version of the book (see also preface).
Part III of the book analyses the interrelation of policies in additional social policy fields and social gender inequality. This part centers on the effects the organisation of welfare policy has had in the areas of old-age insurance, health care, labor market policy and the fight against poverty on solidifying or reducing gender inequalities. Never has there been such a broad synopsis of the gender-related effects of social policy reforms in Central and Eastern Europe. Inversely, articles in Parts II and III of the volume examine the effect that existing and historical divisions of labor between men and women and predominant gender models, which differ in the different countries, have had on welfare state systems. Social policy is oriented toward certain gender models in each case. Social policy measures are designed according to which assumptions of men’s and women’s “normal” and desirable behavior are taken as the basis for policies. In turn they provide the framework and in some instances motivation for people’s behavior. The articles show, however, that there is no clear clausal relation between welfare states and men’s and women’s behavior. Key intervening variables include not only cultural traditions, but also, and especially, economic factors (cf. Pascall and Kwak; Křížková et al.; Klenner and Hašková; Ratajczak-Tuchołka).

The individual articles emphasise different comparative aspects: historical comparison and comparison of Western (EU 15) and Eastern (EU 10) countries. Some authors studied and compared a few individual countries regarding specific topics to test the viability of theoretical concepts (cf. Szikra and Szelewa) or to go into more detail when shedding light on differentiated circumstances and different factors of influence in the countries (cf. Michań; Ratajczak-Tucholka and Klenner and Hašková). We have deviated from our comparative perspective in including an article on a previously little-researched area, which is nonetheless especially important for some of the CEE countries: the role of informal work. Luleva’s case study of Bulgaria could potentially serve as a starting point for further research on informal work in other CEE countries. The article demonstrates clearly that the growing importance of informal work affects the unequal position of women, especially given the continuing gender role stereotypes in Bulgaria.

In the historical perspective, we were interested primarily in the extent of change and continuity in the transition from state-socialist to capitalist countries in terms of social policies and gender relations. All articles examine more or less specifically and in more or less detail the issue of past legacies, which direction changes took, and how this legacy
influenced social practice and the policies of institutional change in the period after 1990.

**Common findings**

What direction have Central and Eastern Europe’s welfare states taken?

The articles in Part I of this volume concern the ability of previous typologies of comparative welfare state research to represent the changes in CEE countries. They suggest that it would be incorrect to assert outright that analysis tools from Western comparative research cannot apply to the transformation in the welfare states in CEE, though these tools must be honed and refined. Auth, for example, indicates the necessity of expanding tools used for analysis in Western welfare state regime research to better account for particular factors in development or the strong influence of the informal economy in many CEE countries for instance. Despite a range of difficulties inherent in fitting certain CEE countries into existing “Western” analysis categories, Szikra and Szelewa nevertheless advocate studying the development of Central and Eastern Europe according to these categories and making use of the tools instead of “forcing” the region into a separate and uniform category. According to the authors, the explanation of the formation of Esping-Andersen’s three “worlds of welfare capitalism” based on the analysis of power resources could be “reinterpreted” for the state-socialist welfare states. They do not view the power resource theory as an utterly unsuitable explanation tool for the CEE countries, however. Although they believe that party coalitions cannot be studied in the same way as in capitalist democracies, the focus could instead be directed toward illegal social movements such as Solidarity in Poland or the role of the Church. In terms of today’s welfare systems in CEE, Szikra and Szelewa believe that Esping-Andersen’s (1990) three central levels of analysis – the degree of decommodification and stratification and the interaction between the state, market and family in the welfare state – continue to be suitable for comprehending the nature of the systems and enabling comparison with Western Europe.

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7. As Szikra and Szelewa rightly note, several Western European countries also face these problems, which accounts for the especially lively debate surrounding the application of the Esping-Andersen typology (1990) to real-socialist states.
The article by Keune takes a similar approach. Keune uses the four welfare state regimes popular in comparative welfare state research – liberal, social-democratic, Bismarckian and Southern European – as the analytical framework for classifying the welfare states in CEE. He comes to the conclusion that the CEE welfare states should be characterized as hybrid types and are not a perfect fit for one of the four “Western” regimes. The welfare state institutions of each CEE country exhibit a specific mix of elements of the four traditional welfare state types, with the result that one cannot speak of a uniform fifth “CEE world.” Although Bismarckian structural elements such as the principle of insurance are widespread, universalist and market-like structures also play a role, with different focuses in each of the individual countries. In terms of the level of social spending, one could speak of minimalist welfare states, with the exception of Slovenia. Despite the rise in economic growth in recent years, social spending has not caught up, observes Keune, as was the case in the Southern European EU member states following EU enlargement to the South. The CEE countries fall roughly into two groups in terms of relative income poverty and unequal distribution: the Baltic states, Poland, Bulgaria and Romania on one less well-off side, and the Czech Republic, Slovenia, Hungary and Slovakia on the more well-off side (and in some cases much more so than some of the old EU member states) (cf. Keune and Steinhilber). Steinhilber points out the weaknesses of relative poverty measurement and the income-based poverty risk approach, however. While the situation in the CEE countries in general does not seem excessively dramatic according to these indicators, this finding is relativised when indicators measuring absolute poverty are taken into account.

Examining reforms in the individual policy fields of old-age insurance, health care, family and poverty policies also produces a differentiated picture. Although the picture cannot be described unilaterally using such catchphrases as benefit cuts, risk privatization and liberalization, such trends cannot be discounted, especially since the mid-1990s. All EU 10 countries had in common that immediately following the change of system social policy was initially used as a buffer for absorbing the social costs of the transition to a capitalist economic system. Only after this phase, in which the trend was to expand social benefits (especially in the areas of early retirement and disability in order to absorb unemployment), did a second phase with a greater focus on financial consolidation of welfare systems take place. This second phase ran into difficulties, primarily due to rapidly increasing numbers of recipients,
decreased tax and social insurance revenues, and demographic changes. The process, however, took very different courses in different countries since welfare state reforms were hotly debated in all parliaments and policies that cut social benefits could not be implemented offhand and everywhere (Keune). Consequently, not all countries followed the same trend (toward liberalisation) in all areas, although this trend was the subject of much propaganda on the part of international actors like the World Bank.

In the area of old-age insurance, eight of the ten countries (excluding the Czech Republic and Slovenia) have partially privatised their pension systems. After a first wave of reforms made changes that were primarily gradual and inherent to the system (e.g. raising the legal retirement age, dismantling redistribution elements, improving contribution-benefit equivalence), reforms since the 1990s have led to hybrid systems of pay-as-you-go and pre-funded financing. The level of the pay-as-you-go pillar was generally reduced and a second, often mandatory pension pillar (in the form of a private pension fund system) was introduced, fed almost exclusively by employee contributions (Müller and Ratajczak-Tucholka). All EU 10 countries except Latvia changed to a primarily contribution-financed health insurance model following the collapse of state socialism. Access to the health care system, however, remains universal in many countries. In other words, it follows the citizenship or residence principle, whereby the state generally makes contributions for the non-working such as the unemployed and women on maternity leave. In many countries, however, the ratio of those paying into the system to those whose contributions must be paid by the state dropped dramatically – also as a result of high unemployment and economic crises. Like many Western European countries, many CEE countries added reforms of the expenditure side – e.g. Diagnosis Related Groups, managed competition or outsourcing of services – to the agenda to overcome financing problems. In addition, not only are direct out-of-pocket-payments of patients higher than in the EU 15 average – except in Slovenia and the Czech Republic –, informal co-payments in the health care system are also common. Nevertheless, even in health care policy the specific form and effectiveness of individual systems vary greatly among the CEE countries (Hacker).
Can typologies developed for the West be used to describe the change in gender relations?

In addition to presenting findings on equality, this collection examines whether analysis tools developed for Western Europe can be applied to the CEE countries. Szikra and Szelewa show how the concept of familialism (Leitner 2003) can be used to analyse family policies in Hungary and Poland: “implicit familialism” in Poland and “optional familialism” in Hungary are studied in detail, and their origins are traced back to the time before World War II. Michoń also analyses familialism in Estonia, Latvia and Lithuania in a comparison with Poland.

Pascall and Kwak as well as Klenner and Hašková apply the analytical framework of the “male breadwinner model – dual earner model” spectrum (Lewis 1992, Crompton 1999, Pfau-Effinger 2000) and show that gender arrangements in all CEE countries had developed away from the male breadwinner model toward the dual earner model before 1989. Pascall and Kwak, modeled after Pascall and Lewis (2004), develop a five-dimensional analytical framework – based on employment, care, income, time and power - and demonstrate that a differentiated analysis is necessary and that one cannot merely speak of a movement along the traditionalisation – re-traditionalisation axis. They come to the conclusion that the regimes that emerged during the transformation process should be classified as systems with relatively strong collective support for employed women and with only a few features of the male breadwinner model.

Likewise, Szikra and Szelewa dispute the unilateral idea of re-traditionalisation. They believe it makes more sense to speak of a common re-familialisation trend and of different familialisation paths which they analyse in detail for Hungary and Poland. Klenner and Hašková diagnose gendered familialism for the Czech Republic, which took hold particularly after 1989, but began as early as the state-socialist period. In their Czech-German comparison, the authors also point to a necessary differentiation when applying the “male breadwinner – dual earner model” spectrum. Different varieties of the dual earner model developed in the GDR/Eastern Germany and the Czech Republic/ČSSR, which led to different effects on equality policies during the transformation process. The extensive dual earner model with public childcare was increasingly continuous in the GDR throughout one’s lifetime, while this dual earner model developed into an interrupted variation in the ČSSR; in other
words, mothers increasingly took several years of leave following childbirth. These differences in employment among mothers of small children began to take shape in the late 1960s and were greatly intensified by the changes during the transformation process. Consequently, Czech mothers of small children had far fewer employment opportunities than East German women.

Central findings on gender (in-)equality: employment and childcare

Several articles use different indicators to measure the inequality of men and women and the degree of gender equality achieved, and to examine the paths gender relations have taken in these countries. If we first look at labor market participation, the analysis shows that employment among women has dropped dramatically in all new CEE member states (cf. Pascall and Kwak and Křížková et al.). Yet, despite the massive drops, it is above the EU 15 average in some countries, such as Slovenia and the Baltic states. Gender-specific discrepancy in employment rates is lower in all CEE countries except the Czech Republic than in the Western EU countries (Pascall and Kwak). However, the unemployment data show that women face high workplace risk in the new member states. Unlike during state-socialist times, today childbirth in particular puts the mother’s professional (re-)integration at risk, and if women do re-enter the workforce, they face considerable work-life balance difficulties. Part-time work is only marginally available in almost all countries, and essentially no state policies or workplace approaches for improving the work-life balance have been developed thus far (cf. Pascall and Kwak, Křížková et al.). Consequently, employment among mothers is especially low in some countries, such as the Czech Republic (cf. Klenner and Hašková), Poland and Hungary (Michoń; Szikra and Szelewa). The effects of state cuts in spending on public childcare, the discontinuation company level support structures and the generally unstable labor market can be felt in these countries. The number of children in day care facilities has dropped considerably throughout the course of the transformation. In a few countries, only a limited number of childcare facilities for children under three are still available (e.g. the Czech Republic and Poland). Mothers therefore are more likely to care for children under three at home: parental leave thus plays a major role. Most countries grant three years of parental leave; only Slovenia offers shorter and flexible leave up to the child’s eighth year. The level of job security
guaranteed during parental leave varies greatly, however (Pascall and Kwak; Szikra and Szelewa). The Czech Republic grants the longest parental leave period (4 years) in Europe but without a job guarantee. Here, as in other countries, taking longer parental leave is associated with considerable job market risks, and as a result, some women choose not to take leave. Unlike nurseries, kindergartens for children between three and six years are widely available and accepted in the CEE countries. The percentage of children aged three to six in kindergartens ranges from 56 per cent in Poland to 87 per cent in Hungary.

Apart from the difficulties faced by mothers of small children, women nevertheless succeed in holding on to their status as a breadwinner in the dual earner household. The gender-specific discrepancies are not as great as in countries with a male breadwinner tradition dating far back in history, such as is typical of Ireland (Pascall and Kwak). The articles in this book demonstrate that no single gender regime predominated in the period of state-socialism in all countries in Central and Eastern Europe, despite outward appearances, and that different paths with different effects on the genders were taken during the transformation process (cf. in particular Szikra and Szelewa; Klenner and Hašková; Křížková et al.). Pascall and Kwak show that in some dimensions, such as the gender income gap, the differences between CEE countries are greater than the differences between the Eastern and Western EU countries.

Traditional gender-specific division of domestic labor and attitudes toward gender roles

The undisputable successes of greater equality in men’s and women’s social roles under state socialism – the opportunities for women in education and professional activities sufficient for earning a livelihood – were in stark contrast to the almost uninterrupted continuation of the traditional gender-specific division of family labor (cf. Luleva; Pascall and Kwak; Klenner and Hašková). Little changed during the transformation process, although the attitude has become more widespread among younger parents, that ideally both parents should participate actively in childcare duties (Pascall and Kwak). There is a large gap between attitudes and actions, as is the case in Western countries. Thus men in CEE in fact almost never take advantage of their entitlement to parental leave (cf. Michoń; Szikra and Szelewa).
This division of duties, which discriminates against women, has persisted in part because the male role was never questioned during socialism or during the transformation process. Women were expected and able to work, but the issue of who is responsible for caring for the family has never been debated publicly – either previously or in recent years. The realisation that a change in how work is shared can change something not only for one of the genders, but also that large-scale integration of women in the professional world must bring about a redistribution of unpaid work to men as well, and that this does not have to create serious conflicts or care deficits or overburden women has still not been made in many cases today. This fact is also common to CEE countries and Western Europe. Yet, while welfare state policies in a few Western countries are oriented at least rudimentarily toward men’s participation in childcare – such as income-based parental allowances, bonuses for shared responsibilities between mothers and fathers, or paternity leave in some countries, including the Scandinavian countries and Germany – many Eastern countries have not even begun to debate such policies. Barring Slovenia, none of the CEE countries as yet have implemented legal provisions for paternity leave (cf. Pascall and Kwak).

If the governments of the new EU states do not design active equality-oriented policies aimed at gradually overcoming traditional gender roles, this reticence appears to be legitimised by the attitudes of the population. Traditional values relating to gender remain deeply entrenched in sizeable portions of the population of the CEE countries (cf. Klein; Luleva; Křížková et al.). This traditional way of thinking can be explained on one hand by the manner in which the leaders of state-socialist countries pursued the policy aim of increasing employment among women “from above.” On the other hand, it reflects the many years of largely no democratic public and thus no widespread discourse of gender roles as well as the lack of basic civic liberties that would have allowed women to agree on gender inequality and organise. Women’s struggle for women’s rights took place behind closed doors in state-socialist times. Despite notable changes, the attitudes of the population were in reality much less modernised than in many Western countries. The traditional views of gender roles have only recently begun to become more modern (cf. Klenner and Hašková). In Poland for example, the view that men are more entitled to a job in times of job shortages than women became much less widespread between the end of the state-socialist period and the end of the twentieth century; this view also lost ground in all Baltic states (cf. Michoń).
One finding has emerged in several articles: Unilateral policy orientation toward integrating women into the labor market makes it easier in economic crises to retract progress toward equality that is generally made when employment among women is increased. More permanent effects on equality between men and women arise in places where these issues have long been rooted in civil society and the public consciousness – such as in Slovenia (cf. Křížková et al.). The opportunities for opposing a policy that would have traditionalised gender policies were greater in a country such as the GDR as well, where attitudes toward gender roles had long since been modernised and acceptance of the traditional gender-specific division of labor no longer existed in the early 1990s (Klein). Cuts in social policies, such as reductions in public childcare for small children, were avoided to some extent here since the population lobbied for retaining the public childcare system for small children. In other CEE countries, where the population’s attitudes were shaped by more traditional gender roles, there was little resistance against deteriorating conditions enabling women to secure their livelihood individually.

Change in this area has begun in recent years, in part under the EU’s influence: equality deficits are gradually being acknowledged among the population, and legislation has focused increasingly on equality between men and women (cf. Křížková et al. among others). Klein’s analysis, however, gives cause for hesitant optimism at best toward the EU’s conducive role (similar to Treib and Leiber 2006; Bönker 2006 for EU social policy in general). The author examines the impact accession has had on promoting equality policies in the CEE countries. Her findings are predominantly critical. Although the EU’s acquis communautaire, which the countries were required to implement in their national laws upon joining the EU and which has become quite sizeable in terms of equality policies, and although implementation of the legal foundations is largely complete, de jure equality cannot be equated with de facto equality. Implementation of legislation in practice continues to face considerable hurdles since there is a lack of mechanisms and tools for actually enforcing the law. The lack of support of equality policy in civil society also plays a role.

How do social policy reforms affect gender (in-)equality?

Although the conclusions of this collection of works do not suggest a determinist relationship between the embodiment of the welfare state
and gender equality, the picture that emerges, especially from the articles in Part III of the book, give little reason to be optimistic that women’s situation will improve. But for a few exceptions, scarcely any explicit approaches for gender-sensitive social policy design have been identified in the areas of old-age insurance, health care, labour market and poverty policies that we have examined in detail. Other problems are often considered more urgent in the policy debate. On the contrary, welfare state reforms, especially those carried out since the mid-1990s, have almost always increased risks to women. In the area of old-age insurance for example, the partial privatisation of old-age insurance without mandatory unisex scales has reinforced the principle of equivalence and employment focus. Combined with weakening compensation mechanisms for child rearing and elderly care and with minimum retirement ages that often remain low for women in systems with defined contributions, this has led to much lower expected retirement benefits for women than for men. The gender-specific pension gap is expected to grow considerably. Encouraged by policy recommendations from the World Bank to that effect, pension reform processes focused primarily on issues of financial consolidation of pension systems, and changes – in some instances fundamental ones – failed to take the gender perspective into account. Since women often interrupt their professional life, increasingly receive below-average wages and continue to assume the main child rearing and elderly care tasks, the new system logics discriminate against them, and feminisation of poverty among the elderly can be expected (Müller).

The Ratajczak-Tucholka case study of Poland highlights the inconsistencies in the normative ideas regarding women’s retirement provisions that can be contained in the transformed pensions systems – along with their negative consequences on the level of protection and opportunities for women to obtain old-age insurance independently of their partner. The author describes the Polish pension system before and after the “great” 1999 pension reform in its potential effects on gender arrangements and comes to the conclusion that the new system provides much stronger incentives to support the male breadwinner model, even though the male breadwinner model does not seem to have taken hold in the CEE countries as a whole – due to reasons not inherent in the social

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8. In systems with defined contributions, the amount of contributions is defined in advance, not the amount of benefits. Benefits depend on the contributions actually paid. In such systems, a low legal minimum retirement age for women reduces women’s pension level.
security system. Hacker’s findings on health care policies also show a mixed picture. While health indicators such as the life expectancy and mortality rates of mothers point to an improvement in women’s circumstances, women face particular pressure in this area because equal and universal access to health care is in fact undermined in many cases (e.g. through formal and informal co-pays or benefit cuts; Hacker).

Křížková, Nagy and Mrčela examine labor market participation, reforms in this policy field and the consequences on policies in their comparison of the Czech Republic, Hungary and Slovenia. The most recent legislative changes, some of which can be attributed to EU accession, have improved the legal framework for gender equality in all three countries, but there is still no comprehensive gender mainstreaming strategy in labor market policy in Hungary and the Czech Republic. In contrast, the political framework for action for gender equality in Slovenia has improved considerably in the last ten years through legal changes. Consequently, the findings on gender equality, for example the gender-specific wage gap, are also better in Slovenia than in the Czech Republic and Hungary.

Steinhilber highlights new risks of growing poverty among women, the considerable lack of research and data in this domain, insufficient policy answers to gender differences and the lack of mobilization opportunities regarding the topic of gender and poverty. She has also diagnosed a foreseeable trend toward greater gender-specific differentiation of imminent poverty risks, for which policy answers must urgently be found.

**Outlook and future research perspectives**

This book presents a range of comparative articles that cover the classification of and trends in the welfare states in Central and Eastern Europe. Nonetheless, it also reveals how much research is still needed to reach a level of welfare state and gender research similar to that of Western Europe. This book was not able to include detailed European comparisons in all problem areas covered. Nor were we able to include some areas, such as elderly care policies, despite their relevance, due to a lack of English or German-language research. Further, we were unable

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9. Despite its significance for gender questions, also comparative analyses on Western Europe have long neglected this topic and have focused primarily on childcare.
to include case studies of all countries; studies for Slovakia and Romania are missing. Some findings have been proven certain, while further empirical research is needed for others. In the following is a selection of certainties and open questions we consider important.

It is undeniable that the transformation process has led to some common results despite the different paths taken in the individual countries. Due to the unemployment that emerged during the transformation, women lost the security of job market integration, which had previously ensured them at least partial economic independence. The social security systems created in the transformation process generally do not offset the new risks women face. Instead they often increase inequality between men and women since job market risks are reflected in partially privatized social security systems with less distribution and a greater focus on employment. The new systems thus negatively affect the security level of women in particular.

Interruptions following childbirth worked against equality in women’s professional lives and beyond even before 1989, but they did not present a risk for employment in their lives post-childbirth. The dissolution of this implicit phenomenon presents an additional risk for many women and families, which along with the necessity to work, is expressed in a drop in the birth rate. By the same token, employment among mothers of very small children was not considered ideal under state socialism in most CEE countries. For many, it conflicted with their attitudes, with the result that the transformation process offered these women the opportunity to stay at home longer in line with their attitudes. Policies in most countries supported these positions in some form with increased familialism, though spending cuts (decreased spending for the childcare infrastructure) and cushioning the effects of the economic upheaval were the primary motives. Some articles have demonstrated the negative effects this has had on the equality of women. However, there has as yet been insufficient light shed on this subject. What are the medium and long-term consequences of familialisation for women (and men)? How have employment patterns developed; how have labor market segregation and income gaps changed? Which childcare cultures will become established in the long term, and which are merely due to the transition? How have gender arrangements changed? What trends in the domestic division of labor can be observed? Can countries be grouped into clusters based on these findings?
As mentioned in a few articles, future research must make a stronger distinction according to different groups of men and women: by age and education, professional position and social class, ethnic group (such as Roma, cf. Szikra and Szelewa). It has become apparent that not all women face the risks involved in the market economy and reformed social security systems in the same way. Instead, some, especially those who are highly qualified, achieve personal gains, while many less qualified women are permanently pushed out of the labor market as is evident in the drastic drop in employment rates in the individual countries. These interrelationships require more in-depth analysis. The European Union’s policy agenda also makes a case for more detailed analysis since some countries are far below the EU target rates for employment among women – despite their historical orientation toward employment among mothers. Reasons for more profound analysis will be the prerequisites for political reaction.

It would make sense to investigate further whether the (re-)familialisation trend presented in detail here for three countries (Poland, Hungary, Czech Republic) is common to all CEE countries – in this or another form – or if not, which countries deviate from this trend.

Further analysis is required on the possible effects of such a (re-)familialisation trend on demographic development as well as on social gender inequality and opportunities for women, as suggested by Szikra and Szelewa. The trend in birth rates shows that men and women are more likely to decide against a child than against employment under familialist conditions and current economic conditions. This fact may or may not hint at current risks alone. Instead it could be an expression that the majority of women – who do not have any children or any small children - can no longer avoid being employed. Thus, treating female employment as a matter of course under socialism – even if it was not always desired, such as following the birth of children – may persist, highlighting a difference especially from the conservative Western EU countries.

Analyses in Part III show that the social policy reforms studied in this book have largely had a negative impact on women. It would be interesting to classify and differentiate between country-specific differences and variations more exactly – as opposed to employing a general “loser thesis” – and systematically explain how they came to be. Not all countries – for example, the Czech Republic and Slovenia in the
area of old-age insurance – have followed current trends such as partially privatizing pension systems. Assessing the effects of social reforms on women’s circumstances overall remains difficult due to the lack of comparative analysis in many areas (such as the area of elderly care) and of suitable indicators (for example in gender-specific poverty measurement).

It is certain that the state-socialist legacy is an important factor in explaining the differences found today. There is still need for country-specific in-depth analysis of this historical era based on welfare state and gender model typologies. This book includes articles in this regard, but from different theoretical starting points and not for all countries. Terminology and analytical categories for characterizing the welfare states and gender arrangements in all former state-socialist countries still need to be definitively resolved. This collection has indicated that “Western” analytical tools could serve as possible starting points but that they must be expanded and differentiated. The research agenda should also include a systematic explanation of the effects of the different transformation paths on the shape of welfare states and gender inequality. Some articles in this volume have shown that political decisions on the manner in which the transition was carried out shaped the subsequent 20 years.

In general, the future of the agenda includes a greater focus on examining Western European and Central and Eastern European countries together and comparing them. In addition to theoretical analyses, research must include more exhaustive analyses of the starting points offered by policies and social practices in the different – Eastern and Western – EU countries for gender-sensitive social policy and for promoting equality between men and women.

Studying the effects of the general trends in European policy in this field that were not touched upon in greater detail in this book – improving competitiveness, labor market activation, (re-)commodification, increasing flexibility, as well as efforts to promote equality between women and men and the work-life balance - on the old and new member states and including the repercussions (which may already be taking place) of processes in the CEE countries on the old EU 15 countries will present a major challenge for future research on welfare states and gender equality in Europe.
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I Welfare states and gender inequality in Central and Eastern Europe: state of research and typologies
Welfare states and gender in Central and Eastern Europe: the current state of research and prospective research

Diana Auth

Introduction

The Central and Eastern European (CEE) countries of Poland, the Czech Republic, Slovakia, Slovenia and Hungary, and the three Baltic states of Estonia, Latvia and Lithuania have been members of the EU since 2004. Romania and Bulgaria joined the EU on January 1, 2007. Not only has EU membership affected all areas of society, including gender relations in the new member states, it has also intensified comparative welfare state research. This paper presents the state of research \(^{10}\) concerning the impact of social policy reforms on gender relations and equality in different CEE countries.

The findings of feminist welfare state research will be presented based on the position of the CEE states in comparative welfare state research. The article will also examine important individual welfare state policy fields: labour market policy, family policy and pension policy. It will take into account the extent to which equality-oriented prospects for social policy exist in the CEE research and the role that gender-related discourse plays. Central themes include the welfare state models that individual countries followed during the transformation process, whether a separate CEE welfare state type or welfare state hybrid developed, and the impact welfare state orientation had on gender relations and equality. The article then asks which path welfare state policy reforms took and what impacts the path had on equality policies for each individual field. How the European integration process has affected social policy and equality in the CEE countries cannot be answered at this point. Given the size of the geographic area under examination, variety of political systems,
differences in cultural traditions and so on, this article can only provide a generalised overview of and insight into the German and English language research on this subject: “For each country, of course, there is a specific story to tell” (Deacon 2000: 150).

Feminist welfare state research and the transformation process in Central and Eastern Europe

Recent comparative welfare state research has thus far been very cautious in assessing the Eastern European structural change. To date hardly any Western welfare state researchers have included CEE states in their comparative studies (cf. Götting 1998: 16 f.; Pascall and Kwak 2005: 31). Eastern welfare state research, which has explicitly examined the effects of the transformation process in the CEE countries, long existed alongside Western research relatively unrelated to it. Deacon et al. (1992) and Ferge and Kolberg (1992) published the first important collections on social policy in Central and Eastern Europe. The works are initial inventories of the sociopolitical transformation, primarily in the form of country studies and attempts at tying in to the welfare state regime typology developed by Esping-Andersen (1990). Research has highlighted similarities of the welfare state transformation since the mid-1990s, in which cost cutting and efficiency criteria dominate – criteria such as income-based social security that is financed to a greater extent by contributions, universalist approaches in health care and family policies, the introduction of privatised and partially privatised old age coverage, and means-tested protection against poverty. No uniform scientific position on welfare state development in the CEE countries has developed, however. Some researchers detect a transformation toward residual and liberal welfare states, while others detect mixed types including elements of European (primarily conservative and social democratic) welfare state models (cf. Keune in this volume), and others believe that in general it is still too soon to tell. It seems clear that no uniform Eastern European welfare state regime emerged even if the CEE states are often represented as a “welfare state family” (cf. Standing 1996, Götting 1998, Deacon 2000, Manning 2004, Hemerijck et al. 2006, among others).

Moreover, there is no suitable extended analytical framework for studying the development processes in the CEE countries. According to Götting and Lessenich, previous regime research cannot be used to measure the
initial conditions or transformation processes in the CEE countries appropriately (1998: 271; cf. also Luleva in this volume). The initial conditions include the “residual” (but nonetheless significant) spheres of welfare production, e.g. the underground economy. The results of the democratic-capitalist transformations cannot be treated like the welfare state regimes known from Western and Northern Europe (cf. Götting and Lessenich 1998: 311). Players in Central and Eastern European countries tie in to a mature institution system and restructure it based on the demands of a politico-economic change of system. The result is a hybrid of social democratic, conservative and liberal components, which are tied to the foundation of the socialist protection system, whereby the informal economy proves exceedingly stable. Götting and Lessenich come to the conclusion:

“On one hand – in the process dimension – a regime-oriented policy analysis of the developments that have led to the establishment of post-paternalist welfare-state structures and their particular dynamic seems particularly difficult [...]. On the other – in the structure dimension – it is necessary to expand the concept to include the spheres outside of the economy and state as well as the particular entanglements and interdependencies between the various spheres [...].” (Götting and Lessenich 1998: 313, emphasis in the original).

Gender-related aspects have almost always been included in the welfare state debate in Communist and post-Communist countries. Unlike feminist participation and women’s movement research on the CEE countries, which is very prevalent (cf. among others Rueschemeyer 1994; Lemke et al. 1996; Kreisky 1996; Jalušič 1998; Hoecker and Fuchs 2004), feminist welfare state research has taken many years to open up to the CEE countries. None of the feminist welfare state typologies mentioned the CEE countries until the start of the twenty-first century (cf. among others Lewis 1992; Sainsbury 1994; Pfau-Effinger 2000; Lewis 2001).

Toni Makkai (1994) made the first attempt to examine early sociopolitical developments in the CEE countries and their effects on job market participation and gender roles. She discusses the situation of women before 1989 and during the transformation process. According to Makkai, the CEE welfare states are developing into insurance-based systems, which are used to attempt to maintain status differences. At the same time, greater importance has been placed on the traditional family as an
institution and in terms of morals. The growing influence of Catholicism in some countries has played an important role in that development. The state is removing itself from welfare production, and subsidiary elements are increasing. According to Makkai, the CEE countries are moving towards continental European welfare states (cf. Makkai 1994: 199ff.). This undifferentiated assessment is surprising since she had previously dealt with Deacon’s much more differentiated typology.

Zsuzsa Ferge (1997) also attempts in her work on gender-specific effects of the social transformation process to classify the CEE states according to welfare state typologies, using Lewis’s breadwinner model typology (1992) as a starting point. If we examine the mode of social protection, amount of social services – particularly day care facilities – and women’s position on the job market, the real-socialist states resemble the weak male breadwinner models. Ferge argues, however, that equality aspects need not necessarily have been in the foreground as weak breadwinner models developed. Labour market requirements or pronatalist policies could have been the reason behind the development. Ferge highlights the anti-liberal and totalitarian characteristics of Communist family and social policies as well as the conservative model of women (cf. Ferge 1997: 162ff.). To date (1997) there has been no inherently consistent family and equality policy on the left, she writes. According to Ferge, the lack of such a socialist or social democratic family and equality policy affects the transformation process. The areas where neo-conservative and neo-liberal ideologies (which have a specific attractiveness in the CEE countries) meet are alarming for gender policy because the consequences of the Catholic subsidiary principle coincide with neo-liberal efforts to cut welfare state benefits. The family again becomes responsible for caring for children, and these tasks are assigned to women. In contrast, gainful employment among women is devalued from the ideological and political view. The withdrawal of the welfare state has had a hand in making women the losers in the economic transformation process (cf. Ferge 1997: 164ff.).

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11. The breadwinner model typology was developed by Lewis (1992), and Lewis and Ostner (1994). A distinction is made between weak, moderate and strong male breadwinner models based on the level of employment among women, derived or individual social protection of women, and level of public child or elderly care facilities. While countries such as Great Britain and Germany are strong breadwinner countries, Sweden is considered one of the rather weak breadwinner countries.
Susan Gal and Gail Kligman (2000) have also examined the impact of welfare state policies on gender relations in their essays on post-socialism gender policy. The two authors determine that the welfare state debate in Central and Eastern European countries after 1989 focused on the market versus the state. They do not take into account the effects of welfare state decisions on gender relations, however (cf. Gal and Kligman 2000: 67). Gal and Kligman compare five dimensions of the Communist and post-Communist welfare states with the Western welfare states. First, they determine that the male breadwinner ideology has made its way into the post-Communist CEE states. Second, in terms of women’s participation in the job market as an indicator of the level of emancipation, they stress that employment in Communist countries was a political duty that was superseded by an economic necessity to work after 1989. Third, the demands placed on welfare states as a result of the economic transformation process have been reconceptualised, both in terms of the definition of “worthy/unworthy” citizens and the needs to be protected. While all mothers in real-socialist countries were protected equally by family policies, social differentiations are now taking place. Private day care facilities have become more accepted and are used by more affluent mothers, while less well-to-do mothers (have to) place their children in poorly equipped public facilities and in some cases also must rely on stigmatizing, means-tested care benefits. Fourth, Gal and Kligman ascertain that in terms of income inequality, social inequality is conveyed in part by gender. For example, women increasingly had to take on multiple (regular, atypical and informal) employment after 1989. Last, under the fifth criterion, dependence on or autonomy from the state or market, the authors stress that alternatives for women did not increase after 1989. To strike a new balance, many women employed a strategy of distributing dependencies among the market, state and their husbands (cf. Gal and Kligman 2000: 71ff.).

Gillian Pascall and Nick Manning (2000) analyze the gender-specific effects of welfare states and compare welfare state gender regimes in Central and Eastern Europe and the Soviet Union. They use a five-dimensional model to analyze impacts of the welfare state on women in their roles as (1) employed persons, (2) partners/wives, (3) mothers, (4) caregivers/providers and (5) citizens. Employment among women has undergone a variety of changes since Communism: the activity rate among women has dropped, and unemployed women and women without steady employment depend more on family networks. The double burden and difficulties with the work-life balance have intensified. The
disadvantages on the job market and wage differences have remained, but the latter continue to be less significant than in the West. Men and women are equal in marriage and family law matters, but family gender relationships are marked by inequality. Domestic violence against women is on the rise. The revival of cultural and religious traditions has reinforced traditional gender relationships. At the same time, individual taxation and the individualised social benefits law have remained. Cutbacks in family benefits and facilities have made it more difficult for women to work outside the home, despite the economic necessity of doing so. As social services have been privatised, care, including child care, is again becoming a family duty. The greatest benefit to women as the result of the transformation is surely the opportunity to express themselves and become involved in civil society and politics. Yet women remain underrepresented in parliaments and governments. In addition, participation in civil society and the establishment of women’s groups have developed slowly, not least because many women face an economic struggle to survive (cf. Pascall and Manning 2004: 240ff.).

Gillian Pascall and Jane Lewis (2004) are the first Western feminist welfare state researchers to include the CEE countries systematically and equally in regime research. Their research is based on the premise that gender regimes have five components that are relevant to equality policies: gainful employment, care, income, time, and voice. While male breadwinner models predominated in most Western welfare states, the dual earner model predominated in the CEE countries. The 2005 study by Gillian Pascall and Anna Kwak describes the situation in the CEE countries in detail. The collapse of Communism has weakened the dual earner model. Economic insecurity and unemployment have increased, women are more dependent on their husbands’ income, the welfare state has lost legitimacy, and public spending has been cut. In some countries, such as Poland, a re-traditionalization of the gender relationship can be observed. Lewis, Pascall and Kwak think it is incorrect, however, to speak of a general re-traditionalization trend toward a male breadwinner model. Welfare state benefits make up a smaller percentage of the GDP; expenditures on child care, education, health care, pensions and family transfer payments have dropped; and welfare state instruments have been pluralised. Despite all the cuts, child care facilities for 3 to 6-year-olds have largely been retained. Moreover, the authors point out that almost one-third of men in the CEE countries participate in child care (even if only one percent of men take parental leave). Compared to other EU countries, the CEE countries have a relatively low degree of wage
discrimination and a high activity rate. It is more difficult to take parental leave because of the economic insecurity, however. The number of part-time jobs is limited, and workdays are long. Few “equality bodies” exist, and the number of women in parliaments has dropped since the transformation. Civil society is just beginning to develop, but due to the long workdays, there is little time for civic involvement (cf. Pascall and Lewis 2004: 373f.; Pascall and Kwak 2005: 31ff.; Pascall and Kwak in this volume).

Elaine Fultz and Silke Steinhilber (2004) are the first to examine social reforms from the gender policy perspective. They investigate the impact the reforms of the social security systems in the Czech Republic, Hungary and Poland have had on gender equality. In particular, they address family and pension policies between 1990 and 2002. The authors determine that gender equality is not and never has been an objective of welfare state reforms, due in part to the lack of a women’s lobby, labour market inequalities – which are considered more urgent – and conceptual disagreements (for the results of the analysis, cf. section 3).

Overall, comparative feminist welfare state research has thus far just begun to address how the welfare state transformation in the CEE countries has affected the gender relationship. Feminist regime research appears to be more advanced than general welfare state research. Feminist welfare state approaches, such as that of Lewis and Pascall (2004; cf. also Szikra and Szelewa in this volume), are more differentiated and go beyond defining mixed welfare state types or grouping all CEE countries under a fifth post-Communist “welfare state family.” It is undisputed in comparative feminist welfare state research that a weak breadwinner or a dual earner model existed in Communist times and that the model differed significantly from Scandinavian models because it was state-paternalistic in nature (anti-liberal and totalitarian characteristics, conservative model of women). It has thus far been difficult for authors to evaluate gender policy aspects of welfare state development since 1989. They do agree that there have been various profound welfare state and gender policy setbacks for women and that welfare states initially took a step toward refamilialization. 12 Different paths of development and thus new differentiated gender arrangements have since been observed but

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12. The degree of individual dependency on the family is determined using the concept of (de/re)familialization (cf. McLaughlin and Glendinning 1994; Esping-Andersen 1999; Leitner 2003).
thus far have only been described in detail for individual policy fields or country-specific developments (cf. e.g. Saxonberg and Szelewa 2007; Szelewa and Polakowski 2008). So far there have been only a few studies attempting to describe developments and gender arrangements that go beyond specific policy fields (cf. Pascall and Lewis 2004; Pascall and Kwak 2005).

There is still a lack of research providing explanations of country-specific paths of development and of general trends. The lack of research in these areas is due primarily to the difficulty in gauging and assessing trends in development that are to some extent at odds (for example, EU equality policy versus liberal influences such as those of the World Bank) and to different comparison criteria: Communist – post-Communist, CEE – EU 15, men – women, comparison of CEE countries.

Controversies exist in some policy areas. For example, the relationship between defamilialization and refamilialization is controversial. Before 1989 the CEE countries were characterised by a dual earner model with defamilialization elements (primarily a well-established network of child care facilities), which have been dismantled as a result of the transformation process. Whether one can speak of a general refamilialization trend – as do Saxonberg and Sirovátka (2006) for example – or whether the basic characteristics of the dual earner model have been retained (cf. e.g. Pascall and Kwak 2005) is hotly debated in the research. Even assessments of men’s participation in care are debated. Pascall and Lewis (2004: 376) detect evidence of a more egalitarian familial division of labour that differs considerably from the strict role stereotypes of the Communist era. Fultz and Steinhilber (2004: 257ff.) and Fodor (2005: 15ff.), however, continue to note low participation in care among men. The literature also debates women’s participation in the job market. The results differ depending on whether one considers employment among women in the CEE countries before and after the transformation, in relationship to the development among men in the CEE countries, or compared with the Western EU states. The massive decline in the activity rate among women is relativised if one considers the development of the activity rate among men in parallel, and assessments are considerably more positive if the Western EU states are included (cf. Fuchs 2004; Pascall and Kwak 2005; Fodor 2005).

While women were long considered “the losers” in the transformation process, more recent studies focus more on the different – refamilialist
and/or defamilialist – paths of development and diverging gender policy results and their roots (cf. e.g., Fodor 2005; Szelewa and Polakowski 2008; Szikra and Szelewa in this volume).

Welfare state policies and the effects on the gender relationship

This section presents the conclusions of research in labour market, family and pension policy research. On one hand, these policy fields are sociopolitical areas relevant to gender policy. On the other hand, the state of comparative research enables us to present incisive results, with analyses focusing only in part on gender relationships and equality in the CEE countries. In contrast, there is still considerable need for research on poverty and on health and long-term care policies from the gender perspective (cf. Pascall and Manning 2000: 242).

Labour market and labour market policy

Women in socialist countries were well educated and integrated into the labour market as full-time employees. In the late 1980s, 80 per cent to 90 per cent of women were employed. Many social services were linked to employment, with the result that most women had their own social benefits, making them largely independent. Employment among women was both an economic necessity and part of socialist emancipation ideology. Nevertheless, gender-specific inequalities did exist. The job market was segregated vertically and horizontally: women worked primarily in agriculture, light industry, the service sector and care-related jobs. Men generally held the top positions. Moreover, there was a gender pay gap (cf. Ferge 1997: 159ff.; Gal and Kligman 2000: 57; Brunnbauer 2000: 157ff.; Einhorn 1993: 116ff.; Pascall and Manning 2000: 249; Fodor 2005: 2ff.).

The transformation process changed the labour markets in the CEE countries dramatically. Initially it resulted in unemployment, inflation and falling wages. Silke Steinhilber (2001: 201ff.) studies the effects of the transformation process on the role of women in the job market. Overall, a sectoral change took place, and employment patterns changed. Agriculture has declined (except in Poland and Romania), and a massive de-industrialization has taken place, which has resulted in more women
than men losing jobs, especially in light industry, the clothing industry and company administration. The dismantling of social services provided by employers (e.g. care services) went along with layoffs of many women. Most people now work in the service sector. Jobs have been created primarily in public administration, banking and trade. Job cuts in the education sector and medical care were able to be prevented. Fewer employment opportunities for women were created than expected, and job market segregation has generally been preserved. Three-fourths of women work in the public sector (administration, social services, education); in other words, the public sector has been feminised. In contrast, more men work in newly created private companies. The number of women working in atypical and precarious jobs has increased, and only one-fourth of companies in 1997 were headed by women (cf. Steinhilber 2001: 207ff.). The informal economy continues to be dominant, but it has been the subject of little research (cf. Steinhilber 2001: 201ff.; Gal and Kligman 2000: 81). Subsistence farming has increased; many women operate small farms or work as unpaid family workers.

As a consequence of the economic transformation, activity rates among women dropped from 1990 to 1997, doing so at a more dramatic rate than among men. Ulf Brunnbauer (2000: 160ff.), who studied discrimination of women in policies and the job market in Southern and Eastern European countries, reports that employment among women has dropped (apart from the sectoral change) due in part to changes for the worse in the work-life balance. Fodor (2005: 6ff.), who addressed the position of women in the job market in the Czech Republic, Hungary and Poland, comes to slightly different conclusions. She also notes a radical drop in the overall activity rate among women, yet on closer examination, the activity rates in the three countries studied dropped at different rates. The difference between the rate among women and men – in terms of initial conditions, gender differences and development dynamics – varies markedly. For example, at just under 68 per cent, the activity rate among women in the Czech Republic in 2001 was well above the EU average (of around 60 per cent), while the activity rates in Poland (just under 50 per cent) and Hungary (a little over 52 per cent) were much lower. In contrast, the activity rate among women in Poland has dropped “only” 7.5 per cent since 1988, while the rate among men has dropped 10 per cent. However, the activity rate among men in Poland is over 64 per cent, in other words 14 percentage points higher than the rate among women. The difference between activity rates among women and men is similarly high in Hungary but is only four percentage points in the Czech Republic. Fodor names the
practice of early retirement as the primary cause of the low activity rates among women. If we take only women between 25 and 54, the activity rate is 70 per cent, which is the EU average (cf. Fodor 2005: 6).

The extent to which women were affected by unemployment varies from country to country and over time. While unemployment among women in some CEE countries in the late 1990s was higher than unemployment among men (for example, in Poland, the Czech Republic, Slovenia, Slovakia, Bulgaria and Latvia), in other CEE countries, the reverse was true (for example, in Estonia, Hungary, Lithuania and Romania). The unemployment rate and the trend (rising or falling) also varies – similarly to the activity rate – from country to country. Women, especially women with low qualifications, are generally affected by long-term unemployment and unemployment among young people to a greater extent than men. Unemployment among young women is problematic because it pushes women into traditional low-paid women’s jobs requiring few qualifications and/or because women are offered incentives to take on the traditional role of housewife and stay out of the job market completely (cf. Steinhilber 2001: 205ff.; cf. also Ferge 1997: 169f.; Fodor 2005: 7f.).

In many cases exploitative working conditions and discrimination against women are reported – in the hiring process, payment, other company benefits and layoffs. There is no institutional or legal framework for implementing fair and equal working conditions. The degree of union organization among women is low. Wage inequality in particular has risen. If one considers differences in qualifications and job market segregation, women earn 10 per cent to 30 per cent less than men (cf. Steinhilber 2001: 209f.; Ferge 1997: 169f.; Pascall and Manning 2000: 249; Fodor 2005: 9ff.). Full-time hours continue to be long, and little part-time work is offered.

The CEE countries have reacted to the rise in unemployment with measures related to job market policy. Labour administrations have been set up to register the unemployed and to pay new income-based unemployment assistance, which in the early stages was very generous in some cases (cf. Steinhilber 2001: 210f.; Makkai 1994: 195ff.). Countries have also used active labour market policy measures such as education and training measures and employment promotion programs. The measures have proven somewhat ineffective, especially for the target groups they were intended to help. Moreover, the measures are gender-
blind. The different effects on men and women play no role during planning or evaluating the measures. There are only a very few programs for women, such as assistance for women returning to work or for women who want to become self-employed (cf. Steinhilber 2001: 210f.).

In addition to describing the many negative changes in the job market situation of women in the CEE countries, comparing the Eastern and Western EU states is also informative. Gesine Fuchs (2004) addresses employment among women in the EU in general and the situation in the new member states in particular. She studies the period between 1997 and 2002. The activity rate in most Western EU countries rose in this period, while it fell in the new member states. Yet the differences between employment among women and among men are greater in the EU 15 countries. Fuchs (2004: 3) categorises the EU countries by patterns of employment among women. The new CEE countries form a group with rather low activity rates, low differences between the genders, relatively low part-time activity rates and an even unemployment rate, with inequalities increasing in a few countries.

More recent studies have focused increasingly on differences between employment rates in the CEE countries. Pascall and Kwak (2005: 40) note that employment rates in 2003 were below the EU 15 average of 56.1 per cent in three CEE countries (Hungary, Poland and Slovakia) and above the average in five CEE countries (Czech Republic, Estonia, Slovenia, Lithuania and Latvia). The differences between the employment rates among men and women also differ considerably. They vary by only 5.6 per cent in Lithuania but by 16.8 per cent in the Czech Republic. For comparison purposes, the difference is 2.7 per cent in Sweden and 19.2 per cent in Ireland. Variations in the unemployment rate are similar (cf. also Pascall and Kwak in this volume).

Family and family policies

Hana Havelkova explains in her 1996 study that what family gender relationships in the East and West have in common is gender-based division of labour. Pre-Communism family gender roles were never questioned – either during Communism or afterwards. During Communism women were to serve both as workers and mothers. Havelkova (1996: 77f.) describes the double burden faced by today’s women in the Czech Republic: they are called on to serve as the family’s
“caring centre” to manage the psychological stress placed on the family while still being expected to work to help overcome the family’s financial difficulties. Christiane Lemke (1996) explains in her study on political participation as it relates to the family that the family was a positive place of privateness and individuality during socialism, not a place of male dominance. Paternalism and patriarchalism were associated with the Communist Party and state apparatus, not the man in the family (cf. Lemke 1996: 25ff.). Further, the family was a place of resistance and opposition to the state. The family therefore continues to be viewed as a place of privateness, stability, autonomy and authenticity while being idealised and kept separate from the state and economic sphere (cf. also Gal and Kligman 2000: 68f.). Nanette Funk (1993: 323f.) comes to the conclusion that when women from the CEE countries want to turn to the private sphere, their interest differs from the family orientation of Western women. Funk studied feminism in the East and West and the different social and cultural background of Eastern and Western women in detail.

Family policy benefits were an integral part of Communist social policy. Benefits consisted primarily of financial benefits, leave arrangements for child care and child care facilities. They were of a high standard and benefited poorer families in particular. Since the division of labour in the family was not equal, the only option was to collectivise domestic activities and upbringing to ensure that mothers could work outside the home and to limit the burden on working mothers (cf. Einhorn 1993: 39ff.). The essence of family policy benefits was retained, at least initially, after 1989 because benefits were considered a “social achievement” and because they served to prevent poverty. Family policy was later reformed, and the level of benefits was reduced (cf. Götting 1998: 220ff.). The reform process was incremental: it was pushed through in steps continuously and carefully (cf. Fultz and Steinhilber 2004: 254).

According to Ulrike Götting (1998) and Elaine Fultz and Silke Steinhilber (2004), who studied family policies in Hungary, Poland and the Czech Republic as part of their welfare state analyses, the financial benefits to families were the primary benefits to be retained initially. In Communist times, child allowances were based on employment. In the early 1990s, a few countries made this form of social security independent of one’s employment status. At the same time, some state family benefits were made more universal, while others became means-tested and income-based benefits (targeting). The level of family policy measures dropped

Parental leave arrangements were largely retained at first and even expanded in the second half of the 1990s as Steven Saxonberg and Tomáš Sirovátka (2006: 186) point out in their comparative study of family policies in the Czech Republic, Poland, Slovakia and Hungary. Leave arrangements differed by country, in duration (two to four years), in type (wage replacement, general benefits, with or without income limits) and in the amount of parental allowance. The real value of benefits has dropped in most CEE countries due to the lack of dynamization. Leave arrangements were extended to men in the 1990s. Maternity leave remained a social security benefit in Hungary, Poland and the Czech Republic. It lasts 16 to 28 weeks, and wage-replacement benefits are paid during this time (cf. Fultz and Steinhilber 2004: 255f.; Saxonberg and Szelewa 2007: 360ff.; Saxonberg and Sirovátka 2006: 186ff.).

Child care offerings were oriented primarily to preschool children (three to six-year-old children) even before the change of system. In 1989-90 only 16 per cent of children under three were placed in day care in the Czech Republic, compared to just under nine percent in Hungary and five percent in Poland (cf. Szikowa and Szelewa, and Klenner and Hašková in this volume). Children under three were cared for predominantly at home due to the generous leave arrangements in the 1980s. The majority of children over three went to public child care facilities (cf. Makkai 1994: 193; Götting 1998: 228f.; Pascall and Manning 2004: 252f.; Saxonberg and Szelewa 2007: 357ff.). Although the percentage of children placed in care facilities declined in the 1990s, many CEE countries have been able to maintain the level of preschool spots (cf. Pascall and Manning 2004: 253). Child care was reprivatised due to the poor reputation and quality of public facilities, the reduction in state services and the increased child care costs. Only families that are well-off can afford spots in private or non-profit facilities, which have since been established in most countries (cf. Götting 1998: 228f.).

13. The GDR was an exception with 80 per cent of children being placed in day care (cf. Makkai 1994: 193).
Fultz and Steinhilber (2004: 257ff.) detect four effects. First, the percentage of the GNP accounted for by family policy expenditures declined in the 1990s. Second, family policy benefits are being concentrated on needy families with low incomes. These benefits protect families from poverty, which also affects many women. In contrast, entitlements to wage replacement benefits have now become need-based benefits (this affects many types of financial family assistance but not the maternity allowance). Moreover, income-based testing provides a disincentive for mothers caring for children to work. In many cases they are so dependent on welfare state benefits because any job would reduce their entitlement to family assistance. In Hungary and Poland, for example, there is little difference between family benefits and the minimum wage. Child care is so expensive that low-earning women can hardly afford to return to work. Third, fathers rarely take advantage of benefits despite being equally entitled to do so (less than one percent of fathers take parental leave). The authors attribute fathers’ low participation rate to job market inequalities and existing cultural models. Fourth, Fultz and Steinhilber report that employers discriminate against mothers by offering only fixed-term employment contracts. And many mothers do not take advantage of family leave options for fear of losing their job or other reprisals.

A more recent study by Dorota Szelewa and Michal P. Polakowski (2008) compares family policies in the new EU member states, especially the availability of child care facilities for three to six-year-old children and regulations on parental leave and allowances. They note considerable variation among the CEE countries. The familialism typology developed by Esping-Andersen (1999) and developed further by Leitner (2003) serves as the theoretical framework for their study. According to familialism ideal types, the Czech Republic, Slovakia and Slovenia are explicitly familialist, with responsibility for child care resting with the family. These countries are characterised by a relatively low degree of child care facilities of poor quality and long paid parental leave. In contrast, Poland is implicitly familialist. Here too, child care is a family matter, but unlike in explicitly familialist countries, parents are not entitled to generous leave and allowances. Estonia and Latvia fit the female mobilizing type, which is characterised by a high degree of high-quality child care facilities but less generous parental leave and allowance arrangements. In these countries, there are very few incentives for women to take leave to raise children. Lithuania and Hungary fit the comprehensive support model, which provides a well-established and
high-quality child care sector and allows women to take long leave with sufficient financial support. This model supports dual earner families in particular.

Pension policy

Pension systems in the CEE countries were organised similarly before 1989. Pension insurance was part of the state single insurance system, which insured all employees. In this pay-as-you-go system companies paid contributions. The amount of the pension was based on the duration of employment and last income. Benefits were greatly redistributed, and there was a minimum pension as well as supplementary benefits and privileges for certain professional groups and the political elite. Adjustments to the relatively low pensions were not enough to fully replace wages. Minimum retirement ages were lower than in Western European countries, usually 60 for men and 55 for women. The retirement age for women in Czechoslovakia was 53 to 57 and was staggered based on the number of children. The years when mothers were not employed because they were raising children were counted towards retirement. There were essentially no supplemental, company or private old-age insurance systems (cf. Götting 1998: 151ff.; Fultz and Steinhilber 2004: 260f.; Müller 2002a: 57).

In the early 1990s, contributions to the old-age insurance systems dropped due to high unemployment and the decreasing number of those jobs required to contribute to social security. At the same time, access to early retirement was eased in some countries to keep unemployment at socially acceptable levels and to relieve some of the burden on the job market. Furthermore, retirement benefits were initially improved and indexed, and voluntary supplemental retirement systems were beginning to establish and encourage (cf. Fultz and Steinhilber 2004: 261; Fultz 2004: 18ff.). In addition, self-administration bodies and privileges were established in most countries (cf. Fultz 2004: 11).

Ulrike Götting (1998), whose research has included an analysis of pension reforms up to 1996, comes to the conclusion that hardly any major reforms or structural changes in the area of old-age insurance took place in this period. Rather, the old-age insurance systems were reformed and consolidated in places. More recent studies on pension policies by Elaine Fultz (2004), Elaine Fultz and Silke Steinhilber (2004), and Katharina
Müller (2002a, 2002b and in this volume) show that the larger reforms were not carried out until the second half of the 1990s.

In the second half of the 1990s, pension formulas were designed with a greater focus on the principle of equivalence for consolidation purposes. Pensions were calculated based on contribution payments and changes in life expectancy (Poland and Latvia), rates of pension increases were cut (Slovenia), or redistribution to low earners was restricted (Hungary). In contrast, a two-pillar model, which continues to contain redistribution elements, was introduced in the Czech Republic, and the difference between high and low pensions was reduced in Slovenia. In most countries, the last years of employment are no longer used to calculate pensions; instead larger parts of the employment history are used (cf. Fultz and Steinhilber 2004: 260ff.; Fultz 2004: 10f.; Götting 1998: 168ff.). Retirement contributions are relatively high and fall between 22 per cent in Estonia and 33 per cent in Poland. Companies cover the majority share of contributions in most CEE countries. Only in Poland do employees and employers each pay half (cf. Fultz 2004: 14).

The low minimum retirement age was raised in general, but only very slowly and gradually. The even lower age limits for women were also raised gradually; however, the gender-specific minimum retirement age was retained in some cases and adjusted in others (cf. Fultz and Steinhilber 2004: 265f.; Fultz 2004: 7ff.).

In Hungary and Poland, the value of expected pension payments earned from years raising children was reduced. In Hungary, although time spent raising children was equivalent to years previously employed in the state pension system, changes were made as part of the private pension component. Eight percent of the parental allowance must be put toward private retirement insurance, which is used to calculate expected pension payments according to the principle of equivalence. In Poland, the theoretical expected pension is based on the lower parental allowance instead of the previous income from employment (cf. Fultz and Steinhilber 2004: 265f.).

None of the CEE countries have implemented the World Bank’s recommendation of fully privatizing their pension systems according to the Chilean model. Instead, the countries have implemented mixed-form pension systems, consisting of pay-as-you-go, state minimum insurance, and benefits-based elements, as well as (voluntary or mandatory) funded
private supplemental insurance, whereby the ratio varies (cf. Fultz 2004: 12; Müller 2002a: 60). Fultz (2004: 20f.) differentiates between two paths of reform. While one group of countries (Hungary, Poland, Bulgaria, Latvia and Estonia) reduced state pay-as-you-go pension systems and implemented private funded pension insurance in their place, the other group of countries (Czech Republic, Slovenia and Romania) made moderate adjustments to the state pension systems and combined the reformed systems with voluntary supplemental retirement systems. According to Müller (2002b: 299), the reforms in the second group have moved in the direction of the retirement insurance systems of continental Europe.

Fultz and Steinhilber (2004: 262ff.; cf. also Fultz 2004: 25f.) come to the conclusion in their gender-specific analysis of Polish, Hungarian and Czech pension policies that greater reliance on equivalence and eliminating redistribution elements has led to greater disadvantages for women due to their lower incomes and number of years employed. The lower value of years spent raising children in the new pension policies also has a negative impact on women’s pensions. There are pros and cons to raising the minimum retirement age for women. Adjusting the minimum age has worsened circumstances for women, and lower minimum retirement ages in fact lead to lower pensions for women. In private retirement insurance, in which no redistribution takes place, the amount of the monthly pension depends not only on the contributions paid but also on the average life expectancy of the age group. Equality policy must include gender-neutral tables, such as those used in Hungary, so that women’s average longer life expectancy does not lead to lower monthly pensions.

**Conclusion**

This presentation of the state of research on welfare states and gender in Central and Eastern Europe has shown that comparative welfare state studies have included the CEE countries on equal footing with Western countries only since EU enlargement to the East. Eastern welfare state research that focuses on the impact of the transformation process in the CEE countries is essentially isolated: it is relatively unconnected to welfare state research that focuses on the developed capitalist democracies.
Moreover, no uniform position on the development of the CEE countries has emerged in comparative welfare state research. Some researchers detect residual and liberal welfare states, others find a blend of elements of European, primarily conservative and social-democratic welfare state models, while others maintain it is generally still too early to evaluate. In any case no uniform Eastern European welfare state regime has prevailed. Instead, different welfare state hybrids have developed. Furthermore, the analytical framework for welfare state comparisons has yet to be designed such that the specific starting conditions and sociopolitical transformation processes in the CEE countries, for example the importance of the informal economy, can be recorded.

When research concerns the Eastern welfare states, it also touches on the gender arrangements and equality. This likely relates to the equality ideology in real socialism and the deep cuts in equality-oriented social policy in the transformation process. Women were long considered the losers in the transformation process, with the result that they could not be left out of general welfare state analyses.

Feminist welfare state research was long just as cautious as mainstream welfare state research when it came to the integration of the CEE countries into gender-sensitised welfare state typologies and comparative analyses. The direction the dual earner model in real-socialist countries has taken since 1989 remains to be determined. Most authors examined here stress welfare state cuts and equality policy setbacks, yet are reluctant to state that a general trend toward re-traditionalization exists. The transformation process has led to more poverty and greater social inequality, which affects many women. Activity rates among women have dropped dramatically, and job market segregation and wage inequality continue to exist, albeit in a modified form. Although some women benefit from the new market freedoms, many suffer from unemployment, precarious employment, discrimination and difficulties maintaining the work-family balance. The latter have been exacerbated by cuts in welfare-state benefits, especially in the area of family policy, and as a result of the revival of traditional ideas of gender roles in social policies. All analyses show that the sociopolitical reforms examined largely work to the disadvantage of women. The realization that country-specific differences and variations exist has since replaced the “loser” thesis. Comparable cutbacks and setbacks have not been detected in every CEE country or every equality-related policy field. Women’s circumstances have even improved in some areas. It is difficult to make a general assessment of
the equality-policy situation because of this lack of a net gain and also because various analyses are still lacking: country studies, comparisons of CEE countries, historical comparisons and comparative studies that take equal account of Western and Eastern European countries. This holds true for almost all welfare-state policy fields. Analyses of individual policy fields have also made clear that different paths to reform have been taken. Research is still needed on the concurrence of economic factors, cultural models and welfare-state policies to explain country-specific developments and policy field-related differences. Traditions that reach back farther into history – before the shared phase of state socialism – must also be included. Finally, studies that record the desires and equality policy demands of seemingly hushed and lobbyless women in the CEE countries are needed. Research is also needed to determine which political players could articulate these wishes and demands publicly and to whom – national policy-makers, the public, the EU, etc. – they should turn.

References


Welfare states in Central and Eastern Europe in comparative perspective: types and performance

Maarten Keune

1. Introduction

In the wake of successive enlargement of the European Union in recent years, renewed debate has begun on the European Social Model, the future of various national welfare state models, and the interaction between these national models (e.g. Hemerijck, Keune and Rhodes 2006; Jepsen and Serrano Pascual 2006; Keune 2006a). However, there have been few comparative analyses of the characteristics and types of welfare states that prevail in the new EU member states and few attempts have been made to incorporate the new member states into the broader analysis and typologies of welfare states. This article aims to contribute to the further incorporation of the new member states into the welfare state debate. The central question addressed in this chapter is how the welfare states of the eight New Member States (NMS) of Central and Eastern Europe (CEE), which entered the European Union in May 2004, compare to those of the 15 longer-standing EU members of Western Europe (EU15). Do the eight fit one of the welfare state regimes found among the EU15 or do they constitute a regime of their own? Do they represent a homogenous group or is significant diversity also to be found among the eight?

To answer these questions, this paper will discuss the main institutional characteristics and the performance of the post-socialist welfare states and compare them to the welfare states of the EU15. With due reference to historical context, the nature of the reform of welfare state institutions after 1989 will be discussed, focusing on the principles on which welfare state entitlements are awarded, the type of rights and benefits provided, and the sources and levels of welfare state financing. The criteria

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14. I would like to thank Janine Leschke for useful comments on a draft version of this paper.
15. Important exceptions include Manning 2004; Cerami 2005; Deacon 2000; Aidukaite 2006.
16. This means that some other important dimensions of the welfare state, such as industrial relations systems or active labour market policies, are not dealt with in this paper.
discussed in relation to performance will be levels of income, equality, poverty and employment. The paper is organised as follows. Section 2 briefly reviews the main features of the major welfare state typology. Section 3 offers a concise historical account of welfare state development in the NMS. Section 4 presents an analysis of post-1989 reform of welfare state institutions, focussing on the elements of the ‘traditional’ welfare state regimes that can be found within the new EU members. Section 5 considers welfare state performance in the new member states in terms of income, poverty, equality and employment, and compares this performance with the rest of the EU. Section 6 presents the conclusions.

2. Welfare state regimes: a brief summary

Ever since Esping-Andersen published his work on the different types of welfare state in Western Europe (Esping-Andersen 1990, 1999), it has become common practice to cluster European countries in welfare state regimes on the basis of their underlying principles, institutional configuration and performance. Esping-Andersen himself proposed three such regimes: The conservative or Bismarckian regime of Continental Europe, the liberal (or market-oriented) welfare state of the UK and Ireland, and the social democratic welfare state of the Nordic countries. Ferrera (1996) later added a fourth regime, the Southern European or Mediterranean model. These four regimes each represent a group of countries which historically have had broadly similar (though certainly not identical) welfare states. Indeed, the idea of different regimes points towards institutional continuity, continued diversity between groups of countries and strong elements of path-dependency in the development of welfare states. In spite of certain common reform traits among the EU15 in recent decades, this has not led to convergence since, insofar as reforms build upon firmly established national policy legacies and political institutions, the national systems and their future trajectories remain distinct (Hemerijck 2002; Hemerijck, Keune and Rhodes 2006).

Drawing on the work of Esping-Andersen and Ferrera, as well as that of Hemerijck, Keune and Rhodes (2006), the core characteristics of the four welfare regimes are as follows:

- The liberal regime is based on utilitarian market principles and is characterised by targeted, needs-based, means-tested entitlements,
low replacement rates, general revenue financing, underdeveloped public social services with the exception of Beveridgean health and education systems, and poor family services which are often market-based and hence not accessible to all.

– The social democratic or Nordic regime is characterised by citizenship-based universal entitlements, generous replacement rates, general revenue financing, a broad supply of social services beyond health and education, and active family policies that encourage gender egalitarianism and women’s integration in the labour market (albeit with a notable degree of gender segregation).

– The Bismarckian regime is characterised by employment-related social insurance and a contribution-biased revenue dependency, the important role held by social partners in managing the welfare state, very unequal levels of generosity in transfer programmes, very modest levels of public social services beyond health and education, and passive family policies premised on the conventional male-breadwinner family.

– The Southern European or Mediterranean regime has a mixed orientation: It is clearly Bismarckian in the area of income transfers but universal in the area of health care. The safety net underneath social insurance is not very developed and occupational funds and the social partners play a prominent role in income maintenance policy, but less so in health care, which is largely decentralised. The family is extremely important and largely acts as a welfare “broker” for its members. This has particularly adverse implications for women’s position in the labour market and the male-breadwinner model is even stronger here than in the Bismarckian regime.

These welfare regimes should be treated as Weberian ideal types rather than as fully representing empirical cases. Indeed, empirical country cases will always include elements of more than one of these regimes and are attributed to one or another of them on the basis of their dominant characteristics rather than because they perfectly fit the type. In addition, the typology has been criticised for representing some dimensions of real-life welfare states better than others. Important for the present volume is feminist critique, which argues that Esping-Andersen’s work does not take account of unpaid work done primarily by women and which plays an important role in providing welfare, mainly within the family (e.g.
Lewis 1992; Sainsbury 1994; Crompton 2006). Szirka (this volume) has further developed this critique specifically for CEE welfare states.

3. Welfare state development in historical perspective

This section presents a brief overview of welfare state development during the pre-war and state-socialist eras as background for the post-1989 analysis in section 4. The historical development of the welfare state in the CEE countries is of course different from that in Western Europe. Possibly the main difference between the two groups of countries is that, whereas in Western Europe welfare state development has been a fairly gradual process characterised by strong elements of continuity and path-dependence, this has been much less the case in CEE. The CEE countries have undergone two fundamental systemic changes, from capitalism to state-socialism in the 1940s and back to capitalism after 1989, and on both occasions the complete array of social and economic institutions were called into question, resulting in radical institutional change (Keune 2006a). This does not mean, however, as will be discussed below, that there is no continuity between these different historical periods.

The welfare state initially emerged in CEE countries during the late 19th and early 20th century, – as in the German context – as a response to the ‘social question’: With advancing industrialisation, the urban working class grew rapidly and the ruling elites started to increase social rights to improve the situation of industrial workers and discourage them from engaging in political protest (Keune 2006b). For example, in the 1880s the Czech lands, which were the frontrunner where industrialisation was concerned, introduced new labour and social legislation reducing the role of the market. The roots of the welfare state emerged with laws to restrict child labour, limits set on working time and the introduction of a system of labour inspection, accident insurance and health insurance (ibid.). Welfare state development was further accelerated following pressure from the growing labour movement and, in certain countries (notably Czechoslovakia in the inter-war era), the strengthened position of social democratic parties (ibid.).

17. Because of space limitations, this section suffers from some degree of over-generalisation of the historical trajectories of welfare state reform in the eight countries and cannot pay due attention to all inter-country differences.
The emerging welfare states in the CEE countries largely followed the employment-related, insurance-based Bismarckian welfare state model (Keune 2006a; Potůček 2004; Cerami 2005). They established firm distinctions between occupational groups and generally favoured urban industrial workers over agricultural workers. Large disparities could be observed in welfare across inter-war CEE, with highly industrialised Czechoslovakia belonging to the more affluent European countries while Poland and Hungary were far more agricultural and more deeply affected by poverty.

The emergence of state socialism in the CEE countries following World War II placed dramatic institutional change, affecting all areas of society, on the agenda. The welfare state became centrally regulated by the one-party state in a nationalised economy and it also acquired an increasingly universal character. However, this was not so much because welfare entitlements became based on citizenship as in the Nordic welfare model, but rather because the emergence of full employment, a by-product of rapid industrial growth and a continuous shortage of labour, led to the universal coverage of welfare arrangements (Baxandall, 2003; Róna-Tas, 1997). Indeed, the core of the welfare system remained firmly employment-based. This employment-based character was further strengthened by the fact that welfare entitlements were often provided through the state enterprise (Kornai, 1992) and that trade unions were involved in the management and provision of welfare.

Welfare arrangements in state-socialist CEE had an equalising effect in terms of income and social rights. Even so, important differences prevailed between the elites and non-elites, between priority sectors and non-priority sectors, and between groups with more and those with less bargaining power within the enterprise. The state-socialist system, characterised by continuous labour shortages, also required women as waged labour (Fodor 2005). Female labour market participation was further spurred on by the fact that wages were too low to function as a “male breadwinner wage”; this required women to contribute to the family income. In addition, from a more ideological perspective, gainful work was considered a necessary condition for female liberation and emancipation. The state socialist countries facilitated female employment

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18. Full employment was initially not part of the state socialist discourse. It was only after full employment was achieved as a result of labour shortage that it became part and parcel of the state socialist discourse (Baxandall, 2003).
by providing extended maternity leave (up to three years) and child-
raising benefits as well as ample, free childcare facilities (largely for
children aged three to six, before they entered primary school). However,
little changed in terms of the household responsibilities of women who
bore a double burden, while the division of labour also remained sexist
(Deacon, 2000; Fodor 2005). Further, the shortage of labour, combined
with a low retirement age and low pensions led to the widespread practice
of the working pensioner.

However, as is true of any empirical case, the state-socialist welfare state
was to some extent a mixed system. For example, the state subsidised
food, housing, and transport, and maintained formally free health and
education systems, although some formally free services were not in fact
entirely free (tipping of doctors, for example, was standard practice).

There were also differences in the actual shape this system took in the
various countries and over time, for example in respect to the standard
of living, the moment that full employment was achieved, coverage of
different occupational groups, the importance of non-employment-
related provisions, or the possibility of own-home construction, plots to
grow one’s own fruits and vegetables, etc.

The state-socialist welfare states have been evaluated in a variety of ways,
combining normative and efficiency arguments. One of the main ways to
characterise the pre-1989 CEE welfare states has been Kornai’s
“premature welfare state”, a welfare state that exceeded the means of the
economy and was, moreover, wasteful (Kornai 1992). Indeed, the
inefficient character of CEE welfare states, shown by the low quality of
many universal and free services, queues, underemployment, limited
choices in consumption, and a generally low standard of living, has often
been highlighted. The pre-1989 CEE welfare states have also been
accused of being paternalist and overly interventionist (‘from the cradle
to the grave’), of excluding choice, and of favouring the elites. At the same
time, pre-1989 welfare states have been credited with reducing poverty,
increasing equality, universal and free health and education services, and
high employment levels.

The next section will focus on the post-1989 reform and the main
characteristics of welfare state institutions in the eight NMS, with
consideration of the extent to which they conform to the various welfare
state regime types.
4. Post-1989 welfare state developments

In the years 1989-1991, the state-socialist system was abandoned in favour of democratic capitalism. The first half of the 1990s was characterised by a deep economic crisis across the entire CEE region, the intensity of which nonetheless varied substantially. By 1994, all NMS had seen their Gross Domestic Product (GDP) drop, with GDP losses – compared to the 1989 level – ranging from 8 per cent in Poland to almost 50 per cent in Latvia. Inflation had also exploded (reaching up to 1000 per cent in the Baltic countries in 1992) and full employment had come to an end, with employment losses ranging from around 10 per cent in the Czech Republic to as much as 30 cent in Hungary (Keune 2003).

The depth of the crisis of the early 1990s dampened the initial optimistic expectations of a speedy and unproblematic ‘transition’ to capitalism which would rapidly replace and outperform the obsolete state-socialist economy. As the new political elites feared that the high social costs of the initial crisis would undermine the support of the population for economic and political reform, radical economic reforms were accompanied by more cautious welfare state reforms. Indeed, in these initial years the welfare state was, to an important extent, used as a buffer with the aim of absorbing the most dramatic social effects of the economic crisis, in particular loss of income through the loss of employment.

One important way of absorbing part of the employment and income losses was the widespread use of early retirement provisions and disability pensions for redundant workers (Fultz and Ruck, 2001; Müller, 2002). As a further means of reducing the impact of employment losses, formerly almost non-existent unemployment benefit schemes were set up throughout the region (Nesporova, 1999). In addition, all NMS introduced a minimum wage to place a wage floor in the labour market. Finally, social assistance schemes were introduced to prevent those without other means of existence from falling into poverty.

This endeavour only partially succeeded. By the mid-1990s, the NMS had returned to economic growth and brought inflation under control but, in spite of the welfare state, inflation had often already depleted the real value of wages and benefits, leading to increasing poverty, not only among the old, where it was traditionally concentrated, but also among the young and among low-wage earners and their families (Nesporova 1999). In addition, welfare schemes had come under severe financial...
strain because of the dramatic increase in the number of benefit recipients, unfavourable demographic developments and falling tax and social contributions (Rhodes and Keune 2006).

As a result, from the mid-1990s onwards, welfare state reform moved to the top of the political agenda, but this time with the aim of reducing costs and increasing efficiency, reducing welfare dependency and changing incentive structures and governance systems. Yet reform has proved difficult for two reasons. First, economic crisis and growing poverty led to increasing social needs and demands for welfare. Second, democratisation created institutional opportunities for political parties and unions to block extensive retrenchment, preventing government elites from cutting taxes and spending at will (Campbell 1996). Indeed, welfare state reform has been a hot political issue and has been heavily contested. Even so, profound institutional change has taken place in a number of dimensions of the welfare state.

In the remainder of this section, some of the main components of the welfare state in CEE will be discussed to illustrate the character of the post-socialist welfare states. First of all, their institutional characteristics will be discussed with particular consideration of the development of pension systems, health care and unemployment benefits. This will be followed by a discussion of the financing of the welfare state will be discussed. The discussion will necessarily be brief and is meant to give a general rather than a detailed picture.

4.1 Institutional developments

Where pensions are concerned, state-socialist pension systems were largely financed on a pay-as-you-go (PAYG) basis through transfers from state firms to the state budget, direct contributions by workers being rare and retirement ages low (Fultz and Ruck, 2001; Guardiancich, 2004; Müller in this volume). As of 1994, far-reaching reform of pension systems – which account for the largest share of social expenditure – was on the agenda. This was a result of budgetary and demographic pressures, but also due to strong advocacy for reform by the World Bank, which was pushing for the privatisation and individualisation of savings (World Bank, 1994).
Firstly, all NMS introduced adaptations to the traditional pension scheme, maintaining or even strengthening the link to employment. The adaptations included, for example, a rise in the retirement age, a change in benefit formulas, and the improved collection of contributions. However, not all countries did this in the same way: Poland and Latvia made pensions more individualised, more dependent on lifetime contributions and life expectancy, more earnings-related and less redistributive (Fultz, 2003); Hungary retained the traditional system but reduced redistribution to low-income workers; the Czech Republic and Slovenia, on the contrary, increased redistribution to the benefit of low-wage workers (Stanovik, 2002; Mácha, 2002).

Hungary, Poland, Latvia, Estonia and Slovakia went a step further and introduced, mandatory, commercially managed individual savings accounts alongside the public pillar, thus partially shifting pension risks from society to the individual, strengthening the link to employment and reducing risk pooling and redistribution (Müller, 2002; Fultz, 2003). Finally, all NMS introduced voluntary supplementary pensions. Hence, pension reform in the NMS has combined elements of convergence – a stronger relation of pensions to employment histories, an increasing pension age and the introduction of voluntary schemes – with elements of divergence in the form of mandatory (or optional) private savings accounts, the importance of the market in pension provision and a greater or lesser degree of redistribution. Hence, a general Bismarckian trend is mixed with some egalitarian and market elements.

Something similar can be observed in health care. Whereas, before World War II, most CEE countries had a Bismarckian system of health insurance, under the state-socialist system free universal health care was provided by the state. Following the demise of state socialism, all NMS opted for a Bismarckian-type health insurance system under which the insured, receive health care services in return for the payment of health insurance contributions (Cerami, 2005; Hacker in this volume). However, this Bismarckian orientation is combined with the strong universal and egalitarian aspirations that were prevalent during the state-socialist period. Today, the state largely continues to guarantee the provision of health services to the non-insured, while it also covers the deficits of the newly established health insurance funds (Cerami, 2005). Most systems also operate on the principle of solidarity whereby the premiums paid by the insured are not risk- but income-proportionate (see, for example, Hungarian Ministry of Health, Social and Family
These Bismarckian and universalist dimensions were subsequently further combined with market influence, including market-based services (Cerami, 2005).

Where unemployment benefits are concerned, all NMS set up unemployment benefit systems after 1989 (see also Krizkova et al. in this volume). Following Bismarckian logic, benefits are financed by contributions (although in some countries complemented by taxes), and eligibility as well as the level and duration of benefits are closely linked to the individual employment and wage history. The link with previous employment is however weakened by the fact that minima and maxima apply to the duration and level of benefits. Initially, these systems were often relatively generous. For example, the proportion of the unemployed receiving benefits in 1991 was 79 per cent in Poland, 77.1 per cent in Hungary and 65 per cent in Czechoslovakia. Over time, however, eligibility criteria have been tightened, and the level and duration of benefits reduced. The proportion of the unemployed in receipt of benefit declined dramatically as a result and in 2001 amounted to 20 per cent in Poland, 49.7 per cent in Hungary and 34.9 per cent in the Czech Republic. This rapidly declining coverage combined with falling levels and duration means that, whereas at the beginning of post-socialist transformation relatively generous and almost universalistic unemployment benefit systems prevailed, within the course of some ten years they were transformed into low-coverage and low-benefit systems (Keune 2006b; Spieser 2006). A possible exception here is Slovenia where, as will be discussed below, social expenditure is substantially above that in the other NMS.

Health care, pensions and unemployment benefits indicate the more general trend of welfare reform in the NMS. To a large extent, their institutional characteristics are Bismarckian, with largely insurance-based benefits as well as fairly strongly employment-related factors defining benefits. This is also true of, for instance, invalidity pensions (Fultz, 2002). However, this does not mean that NMS welfare states are simply on a Bismarckian track, since universalist aspirations from the state-socialist era also play a significant role and the market is increasingly important as a governance mechanism. Moreover, targeted social benefits aimed at poverty relief have been introduced in some areas, while the provision of unemployment benefits, in spite of the contributory basis and the link to employment histories, has become minimal in most countries. Hence, reforms have not been conceived with
reference to a single institutional logic or model, but include elements from various models.

This complexity is possibly best observed in the area of family policy and maternity benefits. An ILO comparative study concludes that, since 1989, the reform of family benefits has been incremental and continuous and has included a tendency towards the de-coupling of family benefits from employment status, the introduction of universal benefits as well as means-tested benefits, and the equalisation of benefits for men and women providing childcare (Fultz and Steinhilber 2003). At the same time, only limited changes were introduced in relation to maternity benefits, which have been retained as a form of employment-related social insurance (ibid.).

In a comparative study of childcare in the Czech Republic, Hungary and Poland, Fodor (2005) shows that the proportion of children in kindergartens (and thus the availability of childcare slots) varies widely in the three countries but does not appear to have decreased during the post-1989 period. “Most children between the ages of three and six in Hungary and the Czech Republic, and at least a third of all children in the same age group in Poland spend their days in institutional daycare. Its costs, however, may have become prohibitive for some families, especially in Poland, where women’s labour-market participation may be hindered by the lack of affordable childcare for children aged between three and six years. In all three countries, we should note the lack of high-quality care for children under three years of age (Fodor 2005: 16).” One of the effects of this may of course be a (re-)strengthening of a traditional Bismarckian family model.

Given such institutional terms, welfare states in the NMS do not simply fit one of the traditional welfare state typologies developed for the EU15. Rather, each NMS welfare state presents its own mix of elements from the four welfare regimes. Institutionally, the inclination towards the Bismarckian system is clearly strongest, but with a significant role also played by market-orientation, targeting and universality. In other words, these countries have combined their Bismarckian and state-socialist heritages with the market ideology projected onto the region over the past 15 years (see also Cerami 2005: 143-144).
4.2 Welfare state financing

Two issues are of importance in relation to welfare financing, one being the financing principles that govern the different components of the welfare state and the other, the level of welfare state expenditure, i.e. the percentage of GDP allocated to financing the welfare state. Some information on welfare state financing has already been supplied on previous pages but Table 1 provides a comprehensive overview of the financing principles for the main welfare state components in the eight countries. The conclusion to be drawn from the table is unequivocal: Contributions from workers and employers are the main source of welfare state financing in CEE. This is not the only source since taxes and the state budget also play a role, but these are clearly secondary sources and only family allowances are predominantly tax financed.

Table 1 Financing principles of major welfare state expenditure categories (2004)

<table>
<thead>
<tr>
<th>Category</th>
<th>CZ</th>
<th>EE</th>
<th>HU</th>
<th>LT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old age</td>
<td>Contributions</td>
<td>Main: Contributions and the state, Supplements: Taxes</td>
<td>First pillar: Contributions and taxes, Second pillar: Contributions</td>
<td>Contributions</td>
</tr>
<tr>
<td>Survivors</td>
<td>Contributions</td>
<td>Contributions, the state and taxes</td>
<td>First pillar: Contributions and taxes, Second pillar: Contributions</td>
<td>Contributions</td>
</tr>
<tr>
<td>Sickness and maternity: Benefits in kind</td>
<td>Contributions and state budget</td>
<td>Contributions and the state</td>
<td>Contributions and taxes</td>
<td>Contributions and taxes</td>
</tr>
<tr>
<td>Sickness and maternity: Cash benefits</td>
<td>Contributions</td>
<td>Contributions the state</td>
<td>Contributions and taxes</td>
<td>Contributions. Death grant: Taxes</td>
</tr>
<tr>
<td>Family allowances</td>
<td>Taxes</td>
<td>Taxes</td>
<td>Taxes</td>
<td>Taxes</td>
</tr>
<tr>
<td>Invalid</td>
<td>Contributions</td>
<td>Main: Contributions and the state, Supplements: Taxes</td>
<td>Contributions and taxes</td>
<td>Disability pension: Contributions, Others: Taxes</td>
</tr>
<tr>
<td>Unemployment</td>
<td>Contributions</td>
<td>Benefits: Contributions and the state, Allowance: Tax</td>
<td>Contributions</td>
<td>Contributions</td>
</tr>
</tbody>
</table>
In spite of some degree of cross-country variation, contributions are the predominant source of welfare state financing in all eight countries and this strengthens the conclusion reached earlier that welfare state institutions in CEE conform, first and foremost, to Bismarckian logic, further confirmation of this being that social partners are involved in managing social security funds in most CEE countries (ILO 2005).

However, neither the institutional logic of a welfare system nor the details of its financing principles tell us much about the level of welfare expenditure and thus about the level of welfare provided. To provide insight into this aspect, Figure 1 presents an overview of the percentage of GDP allocated to social expenditure. Two main observations can be made upon the basis of this table. First of all, among the NMS, there is

<table>
<thead>
<tr>
<th></th>
<th>LV</th>
<th>PL</th>
<th>SI</th>
<th>SK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old age</td>
<td>Contributions plus state budget for certain categories</td>
<td>Contributions and taxes</td>
<td>Contributions and state guarantee</td>
<td>Contributions and state subsidy</td>
</tr>
<tr>
<td>Survivors</td>
<td>Contributions plus state budget guarantee</td>
<td>Contributions and taxes</td>
<td>Contributions and state guarantee</td>
<td>Contributions and state subsidy</td>
</tr>
<tr>
<td>Sickness and maternity: Benefits in kind</td>
<td>Personal income tax and subsidy state budget</td>
<td>Contributions and taxes</td>
<td>Contributions</td>
<td>Contributions and state subsidy</td>
</tr>
<tr>
<td>Sickness and maternity: Cash benefits</td>
<td>Contributions</td>
<td>Contributions and taxes</td>
<td>Sickness Benefit: Contributions, Maternity cash benefits: Contributions and taxes</td>
<td>Contributions and state subsidy</td>
</tr>
<tr>
<td>Family allowances</td>
<td>Taxes</td>
<td>Taxes</td>
<td>Taxes</td>
<td>State budget</td>
</tr>
<tr>
<td>Invalid</td>
<td>Contributions</td>
<td>Contributions and taxes</td>
<td>Contributions and state guarantee</td>
<td>Contributions and state subsidy</td>
</tr>
<tr>
<td>Unemployment</td>
<td>Contributions plus state budget for certain categories</td>
<td>Contributions and taxes</td>
<td>Taxes and contributions</td>
<td>Contributions and state subsidy</td>
</tr>
</tbody>
</table>

Note: Contributions refer to both employers’ and insured persons’ contributions, or one of these. Source: Based on MISSOC 2004
strong divergence between low spenders (the Baltic countries and Slovakia), medium spenders (the Czech Republic, Hungary and Poland) and the one relatively high spender, namely, Slovenia.

Secondly, welfare expenditure in CEE is low compared with that of the EU15. The Baltic States are the lowest spenders in Europe but Slovakia, Hungary, the Czech Republic and Poland are also among the low spenders. Slovenia is an exception, with a level of expenditure that outperforms three EU15 countries.\(^{19}\) Hence, in terms of social expenditure, the CEE countries belong to the minimal welfare states of the EU, where social transfers are lowest. Their expenditure also remains below that of the ‘traditional’ Bismarckian countries of the EU15. Hence, although their institutional logic may be predominantly Bismarckian, in terms of expenditure, they are at or below the level of the worst performers among the liberal and the Southern European countries so that their welfare states might best be described as minimal. This is especially the case in the Baltic States, with the only apparent exception being Slovenia. Further, there are no signs of ‘catching up’ in this respect. In the longer term, there is no clear pattern in the development of social expenditure in the NMS. In most of them it has remained quite stable.

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\(^{19}\) The structure of social expenditure in the eight is however very similar to the EU15 average, with the greatest share of expenditure directed towards pensions and health (Keune 2006a).
over time. This also means that the economic growth of recent years has not necessarily lead to spending a higher share of GDP on social protection. What is more, between 2003 and 2004 social expenditure declined in all NMS except Estonia.

5. Welfare state performance

The analysis of institutions and expenditure does not reveal a great deal about the performance of the welfare state in the new member states in terms of income, poverty, equality and employment. This section considers the performance of the welfare state in the NMS countries relative to each another and to the EU15. The first key indicator is the average income, expressed as GDP per capita and corrected for purchasing power (Table 2). Differences among the NMS are large: In 2006, the GDP per capita in the poorest of the eight, Poland, was only 61.2 per cent of that of the richest, Slovenia. Poland, Latvia and Lithuania make up the poorer group of the NMS, a middle group consists of Slovakia, Hungary and Estonia, and a richer group is constituted by the Czech Republic and Slovenia. However, differences between NMS have diminished since 2001 as especially the Baltic countries, then the poorest NMS, have been growing faster than the richer NMS. The exception to this trend is Poland, which has seen its relative position worsen recently.

The GDP per capita in all NMS is far below the average of the EU15. Only Slovenia and the Czech Republic have a per capita GDP above that of the poorest old member state (Portugal). Clearly, as a group the NMS make up the poorer part of the enlarged EU. Hence, there is much less social cohesion in the enlarged EU than was the case before May 2004. Nonetheless, the differences are getting smaller for, whereas five of the eight NMS had a GDP per capita below 50 per cent of the EU25 average in 2001, they all exceeded this threshold in 2006. Indeed, in the period 2001-2006, the average annual GDP growth in the NMS was much higher than in the EU15 and all NMS have improved relative to the EU25 average. In other words, there has been some convergence in terms of income across the EU25, although the process is slow and differences are still large.
After the level of average income, the role of the welfare state is of utmost importance in ameliorating poverty and reducing income disparities. Table 3 provides an overview of the levels of relative poverty in the EU before and after social transfers. An interesting observation in relation to poverty after transfers is that in spite of low social expenditure, four of the eight NMS perform better than the EU25 average of 16 per cent and the Czech Republic and Slovenia, i.e. the richest two NMS, are among the countries with the lowest levels of poverty in the EU. These four NMS have relative poverty levels comparable to the Nordic and Bismarckian countries (for further details, see e.g. Steinhilber in this volume).

On the other hand, the poorest NMS (Poland) and those with the lowest social expenditure (the Baltic States) perform worse than the EU25 average, while Poland and Lithuania have the highest poverty level of all. These four have poverty levels characteristic of the liberal and the Southern European countries.

As shown by Table 3, although the level of poverty before social transfers (C) is of importance for the level of poverty after social transfer (A), these transfers themselves seem to have a decisive impact. On average, social transfers (including pensions) reduce poverty levels from 43 per cent to 16

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20. The poverty indicator refers to the share of persons with an equivalised disposable income below 60 percent of the national median. Hence, it is an indicator of income distribution rather than absolute poverty.
per cent in the EU, a reduction of 27 percentage points. Pensions are responsible for an average of 17 percentage points of this reduction and other social transfers for 10 percentage points. In the countries with poverty levels lower than the EU25 average, i.e. the Nordic and the Bismarckian countries as well as four of the NMS, the impact of the welfare state is stronger: Social transfers reduce poverty by 26-37 percentage points. In the countries with poverty levels above the average, i.e. the liberal and Southern European countries and the Baltic States with their low levels

Table 3  At-risk-of-poverty rates after and before social transfers, 2005

<table>
<thead>
<tr>
<th></th>
<th>A: After social transfers*</th>
<th>B: Before social transfers (old age and survivor pensions counted as income before social transfers and not as social transfers)*</th>
<th>C: Before social transfers (pensions included in social transfers)**</th>
<th>C-A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweden</td>
<td>9</td>
<td>29</td>
<td>42</td>
<td>33</td>
</tr>
<tr>
<td>Slovenia</td>
<td>10</td>
<td>16</td>
<td>37</td>
<td>27</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>10</td>
<td>21</td>
<td>39</td>
<td>29</td>
</tr>
<tr>
<td>Netherlands</td>
<td>11</td>
<td>22</td>
<td>37</td>
<td>26</td>
</tr>
<tr>
<td>Austria</td>
<td>12</td>
<td>24</td>
<td>43</td>
<td>31</td>
</tr>
<tr>
<td>Finland</td>
<td>12</td>
<td>28</td>
<td>40</td>
<td>28</td>
</tr>
<tr>
<td>Denmark</td>
<td>12</td>
<td>31</td>
<td>39</td>
<td>27</td>
</tr>
<tr>
<td>Slovakia</td>
<td>13</td>
<td>22</td>
<td>40</td>
<td>27</td>
</tr>
<tr>
<td>Germany</td>
<td>13</td>
<td>24</td>
<td>44</td>
<td>31</td>
</tr>
<tr>
<td>France</td>
<td>13</td>
<td>26</td>
<td>45</td>
<td>32</td>
</tr>
<tr>
<td>Hungary</td>
<td>13</td>
<td>29</td>
<td>50</td>
<td>37</td>
</tr>
<tr>
<td>Belgium</td>
<td>15</td>
<td>28</td>
<td>42</td>
<td>27</td>
</tr>
<tr>
<td>EU25</td>
<td>16</td>
<td>26</td>
<td>43</td>
<td>27</td>
</tr>
<tr>
<td>Estonia</td>
<td>18</td>
<td>24</td>
<td>39</td>
<td>21</td>
</tr>
<tr>
<td>Italy</td>
<td>19</td>
<td>24</td>
<td>43</td>
<td>24</td>
</tr>
<tr>
<td>Latvia</td>
<td>19</td>
<td>26</td>
<td>40</td>
<td>21</td>
</tr>
<tr>
<td>UK</td>
<td>19</td>
<td>29</td>
<td>43</td>
<td>24</td>
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<tr>
<td>Greece</td>
<td>20</td>
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<td>39</td>
<td>19</td>
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<tr>
<td>Spain</td>
<td>20</td>
<td>24</td>
<td>39</td>
<td>19</td>
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<tr>
<td>Portugal</td>
<td>20</td>
<td>26</td>
<td>42</td>
<td>22</td>
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<tr>
<td>Ireland</td>
<td>20</td>
<td>32</td>
<td>40</td>
<td>20</td>
</tr>
<tr>
<td>Lithuania</td>
<td>21</td>
<td>26</td>
<td>42</td>
<td>21</td>
</tr>
<tr>
<td>Poland</td>
<td>21</td>
<td>30</td>
<td>51</td>
<td>30</td>
</tr>
</tbody>
</table>

Note: Data refers to the share of persons with an equivalised disposable income below the risk-of-poverty threshold, which is set at 60 % of the national median. * Slovenia is 2003 ** Slovenia and UK are 2003 Source: Own elaboration based on Eurostat
of expenditure, the impact of social transfers is much more limited and hovers between 19-24 percentage points. The only exception here is Poland where, with 30 percentage points, the impact of transfers is clearly above average, but where poverty before transfers is also the highest in the EU25. Hence, the impact of the welfare state in Poland is comparable to that in the Bismarckian and Nordic countries, whereas the outcome in terms of poverty, because of the high pre-transfer level, rather resembles the liberal and Southern European countries.

The differences between male and female poverty are fairly small in the NMS, as in the EU 25 in general (Steinhilber in this volume). More important are the levels of child poverty. With the sole exception of Slovenia, child poverty is higher than average poverty, the difference reaching up to eight percentage points in the Czech Republic and Poland. Hence, families with children are particularly affected by low income, and family benefits do not sufficiently compensate for this. In the EU15, child poverty is also higher than average, with the exception of the social democratic countries where it is slightly below average. Indeed, Slovenia resembles the Nordic countries on this indicator.

The picture that emerges from the poverty data is confirmed by data on the inequality of income distribution comparing the top and bottom quintile (Table 4). Slovenia and the Czech Republic are among the countries with the most equal income distribution in Europe, the former demonstrating even greater equality than the Nordic countries – although at a much lower absolute income level. Income distribution in Slovakia and Hungary is also clearly more equal than in the EU25 average and these are placed among the Bismarckian countries. The Baltic States, with their low social expenditure, and Poland belong to the countries with higher levels of inequality, together with the liberal and the Southern European countries.

Finally, the employment rate is an important indicator for the performance of the welfare state. In 2006, the employment rate in the NMS varied substantially, from 53.9 per cent in Poland to 68.8 per cent in Estonia (Table 5). What is more, all NMS improved their employment rate compared to 2001, but to very different extents. It was close to stagnant in Poland, Hungary and the Czech Republic, but increased rapidly in the Baltic States. On the one hand, this is a reflection of differences in economic growth. However, outward migration also plays a significant role, especially in the Baltic States. In Poland, which also has substantial outward migration, this only seems to affect the unemployment rate.
In all NMS, the male employment rate is higher than the female rate. However, this difference is much smaller in the Baltic States and in Slovenia – which are in line with the Nordic countries on this indicator – than in Poland, Hungary Slovakia and the Czech Republic, where it resembles the Bismarckian countries of the EU15 (but remains below the very high level of gender difference observed in the Southern European countries).

Where the wider European context is concerned, in 2006 Slovenia and Estonia had employment rates just above the EU15 average but still substantially below the best performers; in Latvia, the Czech Republic

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**Table 4  Inequality of income distribution top/bottom income quintile share ratio 2005**

<table>
<thead>
<tr>
<th></th>
<th>Slovenia</th>
<th>Hungary</th>
<th>Denmark</th>
<th>Finland</th>
<th>Czech Republic</th>
<th>Austria</th>
<th>Slovakia</th>
<th>France</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005 top/bottom income quintile share ratio</td>
<td>3.1</td>
<td>4.0</td>
<td>3.5</td>
<td>3.6</td>
<td>3.7</td>
<td>3.8</td>
<td>3.9</td>
<td>4.0</td>
</tr>
<tr>
<td>Source: Eurostat</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

In all NMS, the male employment rate is higher than the female rate. However, this difference is much smaller in the Baltic States and in Slovenia – which are in line with the Nordic countries on this indicator – than in Poland, Hungary Slovakia and the Czech Republic, where it resembles the Bismarckian countries of the EU15 (but remains below the very high level of gender difference observed in the Southern European countries).

Where the wider European context is concerned, in 2006 Slovenia and Estonia had employment rates just above the EU15 average but still substantially below the best performers; in Latvia, the Czech Republic

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**Table 5  Employment rate (15-64 years) 2001-2006, second quarter (%)**

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Males</th>
<th>Females</th>
<th>M-F difference</th>
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<td>2001</td>
<td>2006</td>
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<td>Poland</td>
<td>53.7</td>
<td>53.9</td>
<td>59.2</td>
<td>60.2</td>
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<tr>
<td>Hungary</td>
<td>56.1</td>
<td>57.3</td>
<td>62.9</td>
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<tr>
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<td>73.1</td>
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<td>EU 15</td>
<td>63.9</td>
<td>65.9</td>
<td>73.0</td>
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<td>EU15 min-max</td>
<td>54.5-75.9</td>
<td>58.9-76.9</td>
<td>68.1-82.7</td>
<td>67.0-80.8</td>
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Source: Eurostat
and Lithuania they were just below the EU15 average; and in Slovakia, and especially Hungary and Poland, they were well below the EU15 average (Poland and Hungary being the worst performers of the entire EU25). Between 2001 and 2006, the employment rate in five NMS increased more rapidly than the 2 percentage point increase of the EU15: Estonia (8.0 percentage points), Latvia (6.6), Lithuania (5.6), Slovenia (3.5) and Slovakia (2.6). However, in Poland (0.2), the Czech Republic (0.3) and Hungary (1.2), the employment rate is falling further behind the EU15 average. Indeed, the latter three seem to be suffering from a well-known Continental disease: Jobless growth.

6. Conclusions

The welfare states in the NMS have a turbulent history. Whereas welfare state development in the EU15 has historically been a more gradual process characterised by strong elements of continuity, the NMS have undergone two radical changes, one from capitalism to state socialism in the 1940s and the other back to capitalism after 1989. In the post-1989 era, two periods of welfare state development can be distinguished. Initially, the welfare state was largely used as a buffer to soften the social impact of radical economic change and the accompanying economic crisis and to address public discontent. From the second half of the 1990s onwards, welfare state reform focused more on cost containment, the reduction of welfare dependency and improved governance.

In terms of welfare state institutions, each NMS presents its own mix of elements from the four traditional welfare regimes. Bismarckian elements clearly dominate but universality, targeting and markets also play significant roles. While institutional change has been profound, there are also elements of historical continuity linking today’s NMS welfare states to the state-socialist and pre-war eras.

In terms of social expenditure, with the exception of Slovenia, this remains substantially below that of the ‘traditional’ Bismarckian and Nordic countries. In the Baltic States it is lower than anywhere else in Europe, while in Slovakia, the Czech Republic, Poland and Hungary it is at the level of the worst performers of the liberal and the Southern European countries.
Hence, with their own peculiar combination of institutional design and expenditure, the NMS welfare states might well be classified as ‘minimal Bismarckian’ welfare states. Slovenia would fall somewhere between such a ‘minimal Bismarckian’ and a ‘traditional’ Bismarckian regime. ‘Minimal Bismarckian’ welfare states combine strongly employment-related welfare entitlements and contributory financing with low levels of expenditure as well as certain universalistic and means-tested elements and an increasingly important role for the market in the provision of certain areas of welfare. This could be considered a hybrid of two ‘traditional’ types, although, as argued earlier, really-existing welfare states are always hybrids to some extent. It further underlines the difficulty of simply assigning empirical cases to pre-established typologies and argues for using such typologies as ideal types rather than as representing empirical cases.

This is supported by the fact that the performance of these ‘minimal Bismarckian’ regimes is quite divergent. They are all low-income countries compared to the EU15 average, even though they have been catching up with this average in recent years. Nonetheless, income levels differ greatly among the NMS. Where poverty and inequality are concerned, two very divergent groups emerge. The countries where inequality is high are those where welfare expenditure is lowest (the Baltic States) or where welfare problems are greatest (Poland). In these countries, welfare expenditure is much less successful in reducing pre-transfer inequality than is the case in the other four, much more equal cases.

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Do Central and Eastern European countries fit the “Western” picture? The example of family policies in Hungary and Poland

Dorottya Szikra and Dorota Szelew a

1. Introduction

Central and Eastern European countries and post-Soviet states share a common state-socialist legacy due to which they are considered to have markedly different political and welfare cultures to those of “Western” capitalist democracies. This different historical legacy has led most authors to group these countries into the single category of “post-Soviet states”. At the same time, their differences have rarely been analysed systematically. In this paper, we present three arguments derived from the historical development of Polish and Hungarian welfare arrangements. First, we assert that differences in political and welfare development began, not with state socialism but much earlier, at least around the First World War when these countries began to develop as independent nation-states. Second, partly because of the differences in pre-war development, welfare states in the countries analysed also developed different trajectories under state-socialism. Thus, in addition to important similarities in state-socialist welfare policies, they also display important differences. Third, differences in pre- and post-war development and different political and economic arrangements during the transition led to markedly different welfare outcomes in these two new capitalist democracies.

The three points made above will be illustrated through the analysis of Polish and Hungarian family policies, which we find especially important for understanding the social division of welfare not only across classes (Titmuss, 1958) but also across gender. Under family policies we understand cash-transfers that help families with the task of child-rearing and the provision of childcare services. This latter area is especially under-researched in the Central-Eastern European countries. Under childcare services, we include crèches, kindergartens and childcare provided in primary education. The latter, the so-called “afternoon services” only recently became part of the discourse on the provision of
family welfare and we find that they are very important in measuring welfare outcomes, the well-being of families and women’s access to gainful employment (Hagemann, Jarausch et al. 2008). In this paper, cash transfers to families are divided into family allowances, tax-credits and paid parental leave. Family allowances are not dependent on previous employment and are paid to families till the children reach adulthood. Paid parental leave, on the other hand, is dependent on the parent’s previous employment. Tax credits can be utilized by those families with taxable income above a certain level.

The first part of this paper deals with the question of whether “Western” welfare theories can be applied to state-socialist and post-state-socialist development. We find that some of the questions that mainstream and gendered welfare analysts asked about “Western” welfare regimes in the 1980s and 1990s may also be meaningful for the analysis of state-socialist and post-state-socialist countries. With certain modifications, these can serve as starting points for deconstruction of the welfare histories of Central-Eastern European countries. With the help of existing analytical tools, we provide an analysis of the historical development of childcare in Poland and Hungary until the end of state socialism. This is followed by a description of the changes made since then under the new capitalist democracies. Comparing the rates of female employment and fertility with the level of childcare services and payments, we reach conclusions about different welfare outcomes fostered by different family policies. We find that although both countries show tendencies of falling birth rates and low economic activity among women, this development is more marked in Poland than in Hungary. This might be partly due to the “implicitly familialistic” policies in Poland, which leave the responsibility for childcare mainly with the family. In Hungary, families have more flexibility to choose between different kinds of childcare arrangements, but this “optional familialism” is only available to middle class and better-off families. Poor families are generally excluded from crèches in both countries and they are extensively segregated into low quality kindergarten and primary schools in Hungary. This intersects with ethnic discrimination of the Roma in this country.
2. **Theoretical considerations: do CEE countries fit the “Western” welfare picture?**

Since the collapse of state socialism and the introduction of market economies in all of the Central and Eastern European and post-Soviet states, the former sharp East-West division of countries can no longer be upheld when analysing public policies (Wahl 2008). This constructed division, which crystallized during the Cold War, was to come to an end with the accession of former state-socialist countries to the European Union. “Western” European and North-American scholars, and especially feminists, have done intensive research into welfare and gender in the former state socialist countries (Funk and Mueller 1993; Pailhe 2000; Saxonberg 2000; Fodor, Glass et al. 2002; Haney 2002; Heinen 2002; Haney and Pollard 2003; Pascall and Lewis 2004; Schilde and Schulte 2005; Bicskei 2006; Fodor 2006). At the same time, both “Eastern” and “Western” scholars of welfare history have struggled with the question of whether and to what extent former state-socialist countries can be analysed using existing frameworks (See for example: Saxonberg 2000; Haney 2002; Pascall and Lewis 2004). Sonya Michel argued recently that the greatest challenges to the existing conceptual frameworks “come from the former Eastern bloc cases” (Michel 2006: 146).

“For one, Marxism’s commitment to absolute gender equality and (in its extreme form) the ‘withering-away of the family’ places it beyond the ideological pale of even social democracy, and thus outside the scope of Esping-Andersen’s typology as well as its feminist variants.” (Michel, 2006: 146)

At the same time, it is true that “communist regimes themselves found it difficult to realise their ideals” (Michel 2006: 146); thus, it is of central importance to distinguish between theory and practice. Although, in theory, existing conceptual frameworks may not be suited to the analysis of state-socialist welfare, this has been sporadically tested in practice. For this reason, we will provide a brief overview of possibilities for applying “Western” welfare theories to “Eastern”, including Hungarian and Polish, welfare development. We find that it is worth testing mainstream and gendered theories against state-socialist and post-state-socialist child welfare practices and use them as analytical tools for comparing Polish and Hungarian childcare arrangements.
2.1. The Marshall citizenship theory upside down

T. H. Marshall’s fundamental work on the historical development of the rights and obligations of citizenship in England claims that there are three major forms of citizenship rights: civil and economic rights, political rights, and social rights (Marshall 1950). These are developed over time and build “upon” each other. Feminist critique of Marshall’s concept is based on the fact that “for much of history, ancient and modern, women were denied the formal status and rights of citizens” (Hobson and Lister 2002: 25). Women were sometimes accorded social rights earlier and in different forms to men. Civil, social and political rights, including the possibility of gainful employment, were often based on women’s abilities and obligations as mothers, and thus “keeping up” the nation (Skocpol 1992).

In countries that became part of the Soviet block later, economic and political rights were generally provided on a much more limited scale, and usually later than in Britain and the “Western” European countries. For example, the level of suffrage in Hungary at the end of the 1920s was 26 per cent of the population whereas in England, Austria and Germany it was above 60 per cent (Romsics 2004). In the “Eastern” part of Europe, large parts of the population (overwhelmingly agricultural workers) were left without any citizenship rights until the end of World War II. After a very short period of democracy, the Communist Party won the pseudo-elections with the help of the Soviet Union, and thus a new totalitarian dictatorship began. In Marshallian terms, this meant that civil and political rights that had not become widespread throughout history were completely banned after the Communist takeover. What must be stressed here is that the long history of banned civil and political rights did not start with state socialism, but much earlier.

The first period of state socialism was very controversial in terms of welfare rights. Although the long-awaited land reform was an important and very popular measure in Hungary, other welfare arrangements can hardly be found in the early 1950s. Bicskei, for instance, shows how the responsibility for building kindergartens was left to municipalities and families. The return from economic development was overwhelmingly invested in heavy industry and only a very small, privileged part of the society benefited from its merits. In Hungary, the lack of welfare development and the unequal and unjust distribution of wealth was an important reason for the 1956 Revolution. Poland, on the other hand, was
the only country in the soviet block where private property was still permitted for farmers. This social group was not covered by social insurance until the mid-1970s.

The 1960s were marked by a new, forced “compromise” between the state and the citizens, in which the citizens had to give up all “revolutionary” political activity and, “received” welfare under state socialism in return. This can be interpreted as a trade-off between social and political rights: Social rights were provided “in return for” political rights and were introduced as a means of pacifying the population.

In Poland in 1956, some serious acts of social protest were followed by the period referred to as “our small stabilisation”, where political and civil repression was relaxed and new welfare policies were introduced. However, just as the wave of social protest had nothing like the massive impact of the Hungarian revolution, the new welfare policies in Poland never developed to the scale achieved in Hungary.

Marshall’s theory of citizenship is thus turned upside-down when talking about state socialism: These systems, especially those of the 1960s, provided extensive social rights partly in return for excluding citizens from the practice of civil and political rights.21

After the fall of state socialism, the citizens were provided with political and civil rights and an extensive growth of non-governmental organizations was also experienced in all countries. Nevertheless, the there are still shortcomings in the Central-Eastern European democratic systems. Corruption is a very important factor, undermining not only the rule of law but also economic development and thus the financing of the welfare systems (Kósa and Alexa 2007). The exclusion of the poor and the masses of Roma citizens in Hungary from the possibility of taking part in activities that are commonly accepted in the society means that social rights are not uniformly distributed. This, in turn, contributes to the indirect deprivation of the poor and prevents the majority of the Roma from exercising civil and political rights, leading to a vicious circle where they are too weak to push politicians towards providing more social rights. Although economic rights are provided for everyone, in an

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21. It is important to note that social rights here were not real “rights” in the sense that there was no civil control over welfare arrangements. Also, the state perceived welfare provisions as “gifts” to the population and not as “rights” of citizens.
increasingly unequal society not everyone can exercise them. Social rights are mainly based on employment, and those who are not gainfully employed are left with local social assistance. The exception, as we will show, is provided by some of the child-related welfare arrangements where social rights are linked to citizenship and thus are *de jure* available to all the citizens.

2.2. Mainstream welfare typologies: Esping-Andersen and state-socialist development

Post-state-socialist countries were built on different pre- and post-World War II experiences that persisted through their systemic changes and became mixed with different state-socialist experiences. This sometimes makes these welfare systems more diverse and mixed than their “Western” counterparts, making it difficult to categorise them as “conservative-corporatist”, “liberal” or “social democratic”. Deacon included state-socialist regimes in the existing power-resources framework, describing them as “bureaucratic state collectivist systems of welfare” where the heritage of Bismarckian social insurance prevailed throughout state socialism (Deacon 1992b). Because of the constantly changing features of the welfare regime, historian Bela Tomka talks about “institutionalized volatility” and Szikra describes the current system of Hungarian family policies as fitting into a “mixed welfare regime” (Szikra 2005; Tomka 2005). In her recent work, Julia Szalai describes Hungary as a “corporatist-liberal” welfare regime that contributes to the dual structure of the society (Szalai, 2006). The problem of placing certain countries into the categories of Esping-Andersen is, of course, not new: This classification system was widely criticized for not being able to grasp the real differences in welfare states right after its birth (Leibfried 1991). Because of all these difficulties, we think that instead of “forcing” Central and Eastern European countries into one or another category, the best way to utilize mainstream theories is to take their analytical dimensions and start to “re-construct” welfare histories alongside them.

The central dimension of the analysis of power resources, that of “class” and especially “working-class”, has to be re-interpreted for the analysis of state-socialist welfare. Although state-socialist propaganda claimed the end of class-conflict and class-division, this certainly was not achieved in reality. Most importantly, there remained large differences between the industrial and the non-industrial and especially the rural agricultural
workers’ chances to politically mobilise for more welfare. Agricultural workers and their families were negatively discriminated in such “universal” payments and services as (in Hungary) family allowance and free access to health care. Moreover, an often hidden discrimination of the Roma in Hungary persisted throughout state socialism, not least through measures of social policy and employment (Kemeny 1976; Varsa 2005).

Parties and party-coalitions obviously cannot be analysed for state socialism the way they are for capitalist democracies. Instead, the political analysis might include the ever-changing roles of semi-independent trade unions, political sub-groups within the ruling party, illegal civil movements, such as the Solidarnosc in Poland and the SZETA social movement in Hungary, and the churches, especially the Catholic Church in Poland. An analysis of the realities of class-conflicts (contrary to propaganda), power-struggles between trade-unions and the Party, and also the role of alternative and illegal movements could lead us to understand the political forces that lead to different decisions about welfare policies in these countries.

Coming back to Esping-Andersen’s analytical framework, we find that re-interpretation of his three main explanatory variables would also lead to further valuable analyses of welfare under and after state-socialism. It would be important to conduct further research to answer the question of whether and to what extent women and men were commodified under and after state socialism and to what extent welfare payments and services could serve as de-commodificating tools. Careful research should also show whether social policy “enhances or diminishes existing status or class differences” (Esping-Andersen 1990: 4) under different periods of socialist rule. The relationship between the state, the market and the family, as the third dimension of Esping-Andersen’s famous theory, is no doubt a central one for both state-socialist and post-state-socialist welfare analysis and already includes gendered elements.

3. Gendered typologies

The outcome of feminist research on welfare points toward the role of social policy in shaping the public and private life of women and men, the division of paid and unpaid labour within and outside of the family and its consequences for well-being, employment, fertility etc.
Consequently, the narrow view that focused solely on social insurance has had to shift and family policies, including family services have become central to welfare analysis.

One strong group of works distinguished between different breadwinner models, the most important of which are the weak/moderate/strong breadwinner models of Jane Lewis (1992) and Diane Sainsbury’s (1994) male-breadwinner (alternatively accompanied by its ‘separate gender roles’ version) vs. individual (or ‘dual earner-carer’) model. Recent feminist debates contest the typology for being too simplistic and one-dimensional. They also present alternatives, such as the ‘one-and-a-half-earner’ (Mahon 2002; Morgan and Zippel 2003), or ‘two-x-three-quarter’ model (Pascall and Lewis 2004). The latter analysis proposes a very complex model for gender equality policy, which includes the criteria of voice, paid work, income, care work, and time. These variables are analysed at the following levels of policy intervention: individual, household, civil society, and social/collective (cf. Pascall and Kwak in this volume).

In the context of Central and Eastern Europe, the male-breadwinner model also appears too simplistic. During the first period of state-socialism, family policies were aimed at encouraging women to work in order to mobilise the labour force for industrial development. Although masses of women entered full-time employment, the division of labour at home remained more or less unchanged and thus led to a double burden on women. Finally, even the most recent developments (such as the work of Pascall and Lewis 2004) do not encompass the variety of outcomes: the breadth of childcare policies in this region of Europe.

A specific response to these works was Birgit Pfau-Effinger’s concept of gender culture, gender order and gender arrangement (Pfau-Effinger 2000). The idea of gender cultures touches on what is commonly perceived as natural in relation to the division of labour between men and women. In other words, the author rejects the automatism of the relationship between policy and individual choices and puts the emphasis on differences in (national) cultures as the impulse for different care regimes. This concept also seems problematic when applied to the cases of Eastern Europe, where different outcomes in policies, trends in female employment and demographic development can only be partly explained by differences in culture or attitudes. For example, when compared to most of the Western countries, the countries of the Visegrad Group (the
Czech Republic, Slovakia, Hungary and Poland), share very similar attitudes towards gender and family roles (ISSP 1994; 2002), which does not allow for the explanation of differences in national policies on the basis of different national gender cultures. As table 1 shows, Hungarians and Poles tend to have similar views on gender roles within the family and towards paid employment, though Hungarians seem to be more ‘conservative’ than Poles. At the same time, according to the ISSP survey, Hungarian and Polish familialistic social policy measures seem to be in line with the public perception of male and female roles.

Table 1  **Attitudes towards the family and the professional roles of women in Hungary and Poland**

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<tr>
<td>A pre-school child is likely to suffer if his or her mother works</td>
<td></td>
<td>69.7</td>
<td>56.8</td>
<td>73.7</td>
<td>66.1</td>
</tr>
<tr>
<td>All in all, family life suffers when the woman has a full-time job</td>
<td></td>
<td>54.8</td>
<td>42.2</td>
<td>63.7</td>
<td>53.9</td>
</tr>
<tr>
<td>A job is all right, but what most women really want is a home and children</td>
<td></td>
<td>65.2</td>
<td>51</td>
<td>70.5</td>
<td>61.7</td>
</tr>
<tr>
<td>Most women have to work to support their families*</td>
<td></td>
<td>92.3</td>
<td>74.1</td>
<td>92.1</td>
<td>80.4</td>
</tr>
<tr>
<td>A man’s job is to earn money; a woman’s job is to look after the home and family</td>
<td></td>
<td>67</td>
<td>45.7</td>
<td>56.3</td>
<td>39.2</td>
</tr>
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* in 2002 this question was reformulated as: ‘Both the man and woman should contribute to the household income’

Source: D. Szelewa’s own calculations based on ISSP 1994 and 2002

**Familialism and the analysis framework**

Leitner di Familialistic policies locate the responsibility for care overwhelmingly within the family. In contrast, de-familialisation means the socialisation of care, the involvement of public institutions and/or public financing of care work. (Lewis 1992; Esping-Andersen 1999; Leitner 2003; Hantrais 2004). However, as demonstrated by Lynne Haney (2003) and Sigrid Leitner (2003), this is not a bipolar dimension. Rather, different faces or types of familialism display different degrees and kinds of state activity. In other words, different kinds of familialistic (or de-familialising) policies can be distinguished on the basis of the
questions: How much family support is provided by the state and what kind of support is provided? Therefore, de-familisation and familialism are not just two sides of the same coin.

Familialism, thus, takes different forms and can drive different sets of policies depending primarily on the historical institutional context. In this paper, we have used the framework of familialism developed by Leitner (2003), and further applied by Szelewa and Polakowski (Szelewa and Polakowski 2008) for Central and Eastern European countries. There were several reasons for this choice. Firstly, concept of familialism is not only about policies but also about shaping public discourse about the “ideal family”. It builds on evidence that throughout history “states have attempted to mobilize families and deploy familial images for a variety of political ends” (Haney and Pollard 2003: 1-14). This may be through the use of propaganda or other means of shaping public and private discourse. Secondly, in contrast to the breadwinner models, the concept of familialism and its variations are more open to modification, allowing it to be applied to the case of Central and Eastern Europe, where neither the male-breadwinner nor the individual or dual earner/carer models existed in a clear form during the last half century. Finally, as familialism can have different faces or forms (Szelewa and Polakowski 2008)), it best captures the most important common – familialistic – policy trends in the countries of the region, as well as the differences between them.

Leitner differentiates between four types of policy mix based on the combination of familialistic and de-familialising elements in the policy mix. The first one is ‘implicit familialism’, where the state does not provide any significant support for families in their task of providing care. Entitlements are usually based on the principle of means-testing, the level of allowances (if any) is very low, and the state does not provide readily available and accessible childcare or elderly care services. Here, the family remains responsible for care and can turn to the market. However, the de-familialisation of care is strongly related to the availability of care services on the market as well as the financial capacity of the family. As women are still perceived as the primary carers, implicit familialism firmly places the burden of care on women. The second, ‘explicit’ type of familialism is a ‘richer’ version of the previous one, as here the state pays for care. In this combination of policies, the state provides payments for longer periods of parental leave but refrains from supporting families through the provision of care services. Consequently, the caring function of the family is explicitly supported. Women are also perceived through
their role as carers – there are incentives for exercising the task of care at home and families are supported for a long time even when maternity leave has ended. Though fathers might be formally entitled to parental leave, there are no special incentives for sharing the leave with the mother so that the take-up level for paternity leave is close to zero.

The choice of using public care services and/or generous payments for home-based care is found in the third type of familialism – ‘optional’ familialism. The periods of leave are longer and there are more ways in which leave can be used, e.g. it can be shared and divided into smaller parts. There is the alternative option of using day-care services, which are more affordable due to state support. Entitlements are universal and income-related, with flat-rate benefits that are also provided to the uninsured. Such family support arrangements give the family the ‘choice’ of using different kinds of schemes or services. This model ‘the right to care’ is somehow respected, but the option of longer leave can also be regarded as an incentive for (mostly) women to take a break from employment. Moreover, childcare services are often considered a ‘lesser evil’ here, since the quality is sometimes poor, encouraging parents (mainly women) to stay at home with younger children.

The other pole is “de-familialisation”, where the element of payments for family-delivered care is weaker and families are encouraged to use public care services rather than staying at home with the family member requiring care. In this last regime, the responsibility for care is thus shifted away from the family. The periods of the leave are shorter, with lots of part-time options. Most importantly, extensive childcare services are provided and are of good quality (e.g. fewer children per group). An important element of the system is also individual taxation: for example, families are not shown preferential treatment over single households. There are also special incentives for fathers to share the leave (withdrawal of the benefit if part of the leave not used by the second parent).

Table 2 presents the four types of familialism proposed by Leitner.
To summarise, familialism takes different forms and can drive different sets of policies depending on the historical, institutional context. We argue that Hungary and Poland represent two different types of familialism as a result of the historical development of their family policies, more generally, the different relationship between the state, the market and the family. We would classify the Polish version of familialism as ‘implicit’ due to its general low support for the family on all fronts. This contrasts with the Hungarian version of familialism, where different elements of family support allow us to call this policy mix ‘optional familialism’. In the following sections, we will first analyse the historical evolution of family policies in Poland and Hungary, and how the two types of familialism developed gradually though different policy mixes. This will be followed by a more detailed analysis of the transition period, which leads us to the present situation. Here, we apply the framework of familialism to the description of current family policies and draw some conclusions about policy outcomes. We show how familialistic policies are shaped around different lines of exclusion: class, gender and ethnicity. This leads us to the question of (social) citizenship and stratification in present-day Poland and Hungary.

4. Hungary and Poland: legacies of the past

The historical origins of family policies in Hungary and Poland are both examples of familialist policies driven by the project of nation-state building, although in different forms in the two countries. Compared to Poland, services for families with children were introduced rather early in Hungary. State-run public kindergartens for needy children whose mothers worked were set up under legislation as early as 1891 and urban areas with large industrial populations soon provided such services either through factories or through the local or central government. Paid maternity leave (later called TGYÁS) for a few weeks before and after the
birth of a child was introduced in industry as early as 1884. After-school services were also set up around the turn of the century and serviced 30 per cent of children by the mid 1930s (Szikra 2006). In contrast, Poland was split between three countries prior to 1918 (Austrian-Hungarian Empire, Germany and Russia), treated as these countries’ peripheries and suffered from continuous under-investment. Childcare was organised from below, by the churches and within the rural communities (Langier 1903).

The trauma of the First World War and the loss of territories, together with the fear of the “disappearance of the nation” led to a new approach to social policy that concentrated on the family in Hungary in the 1930s and 1940s. Family allowance was introduced for factory workers in 1938, and an extensive means and behaviour-tested loan was provided for poor agricultural families with many children (Szikra 2008). In Poland, with its traditional commitment to Catholicism, family life was treated as ‘sacred’ and therefore as a private matter. Family policies were not developed, mostly due to the weakness of the state: The new state had to organise its basic functions from scratch and deal with the devastating legacies of the partition.

The new state-socialist regime was driven by the project of building a new kind of society with the formal goal of achieving not only class but also gender equality and diminishing the negative discrimination of ethnic minorities. Socialist leaders soon had to face the fact that pushing more women into the labour market might come at the cost of slowing down population growth. Measures introduced in most of the state-socialist countries in the late 1960s were a sign of great concern for demographic development. The most important goal of these “maternalist” measures was to increase the birth-rate. In Hungary, the introduction of long paid maternity leave (GYES) in 1967 and another income-related form (GYED) in 1985 meant that the state withdrew from the aim of the forced commodification of all women, and thus left room for women with children between the ages of 0-3 to choose whether to stay at home or to work.22 (Szikra 2005) Prior to this, there was only the 24-week paid maternity leave (TGYÁS). The new extended forms of paid maternity leave were introduced “on top of” the existing maternity leave. Choice was provided through the growing number of crèches and kindergartens

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22. Importantly, there was also a desire to “hide” any labour surplus and GYES was an ideal means of doing this.
and the widely-used option of afternoon care at schools (Szikra 2009). From the mid-1970s, family allowance was provided for all parents in full-time employment as a means of income compensation for families with children and also as a reward for having more children.

It is evident that these two tendencies were somehow contradictory. While the provision of childcare services was aimed at increasing the scope of the labour force, establishing long periods of paid maternity leave was to restrict women’s participation in paid employment. These conflicting policies: de-familialising (childcare services) and familialistic (longer paid leave) created an ‘optional’ familialism in Hungary. Though the socialist governments did not have the vision or intention of introducing such a policy model, it came about as the by-product of their strategy and as the product of gradual institutional development. In terms of institutional development, there were different policy layers that came from two different tendencies and ultimately produced this policy mix as an unintended consequence.

In Poland, where the enrolment rates for children in kindergarten have never exceeded 50 per cent, the situation of families (and therefore of women) has always been harder. In contrast to Hungary, the system of family allowances was not introduced in Poland before WWII but following the establishment of the communist regime – in 1948. Extended parental leave was introduced in 1968, just one year later than in Hungary. There was no financial compensation for the interruption to employment until 1981, when the extended leave allowance was introduced. It was means tested from the beginning, while in Hungary the extended leave introduced during this period was not means-tested.

The emancipation of women occurred only in the field of paid employment, where they could gain higher positions than in some of the capitalist democracies (Fodor 2003). At the same time, traditional gender-roles and patriarchy within the family prevailed so that it was overwhelmingly women who cared for family members. Apart from some propaganda in the Soviet Union, the communist regimes did not encourage men to share the burden of domestic work. As we have shown

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\[23\]. In Western Europe, this division is not viable: However, in all the post-communist countries even the legislation still describes 'maternity leave' as different from 'parental leave'. The latter is an additional form of leave that was introduced to most of these countries in late 1960s.
above, the most important difference between Poland and Hungary before and under state socialism was the degree of state support for care work. This was much greater in Hungary.

In the following sections, we illustrate how past legacies interact with the new conditions of the market economy and political pluralism to produce two different versions of familialism: The optional and more complex form found in Hungary, and the rudimentary or implicit familialism found in Poland.

5. The transition period

After the fall of communism, these countries gained full independence and entered the global economy. The need to reform the welfare systems emerged with the introduction of market economies. Although both countries were highly indebted, experienced a sharp fall of their GDP and had to contend with new social problems such as mass-unemployment, they faced these challenges in different ways: the so-called ‘shock therapy’ of Leszek Balcerowicz in Poland contrasts strongly with the gradualist approach followed in Hungary. One of the consequences for economic reform was that Hungary postponed privatisation and/or restructuring processes in Hungary that were implemented more radically in Poland and thus increased the social costs of the overall reform. Far-reaching cuts in social spending were introduced in Poland, and access to benefits was restricted to the very poorest. Childcare services also deteriorated (Ksiezopolski 1999).

Hungary, on the other hand, introduced a generous unemployment scheme in 1991 (the duration and level of payment were later cut) and made family allowance universally accessible. Withdrawal from the labour market through easy access to disability pensions cushioned the hardships of economic transformation. Importantly, universally available GYES and the employment-based GYED were kept in place by the first conservative government. Mothers who were employed prior to giving birth remained eligible for TGYÁS, which has been paid at the level of 70 per cent of the mother’s previous income for the first 24 weeks after childbirth with no ceiling of the payment. They could opt for GYED for the following two years as “extended” maternity leave, also at the level of 70 per cent of their previous income, although with a limit at the gross minimum income. Moreover, a new type of maternity leave called GYET
was also established. This was made available to parents with at least three children, who could stay at home with their children until the youngest reached the age of 8. This scheme was established in 1993 and the level of allowance was equal to the minimum old-age pension, the same amount as GYES.

At the same time, social assistance was introduced for the poorest and income-tests and home visits were used increasingly when making discretionary decisions. The first democratic government put many responsibilities in the hands of local authorities, leading to great regional differences in welfare outcomes in Hungary (Ferge and Tausz 2002). The decentralization of the responsibility of providing welfare has also been an important feature of the Polish welfare state. Means-testing became more widespread and as the number of those entitled to social assistance grew due to increasing poverty, the income threshold had to become even more stringent (Ksiezopolski 1999).

Both countries experienced a general drop in living standards, growing unemployment and poverty. At the same time, important differences could be observed. In the early 1990s, the unemployment rate was around 10 per cent (9.8 per cent in 1992, 10.2 per cent in 1995) in Hungary, but rose to 13 per cent in Poland (Nemzetközi Statisztikai Évkönyv. 2001). This rate represents the peak in Hungary as unemployment then gradually decreased, whereas in Poland it continued to increase till the late 1990s. A marked difference was also observed between male and female unemployment rates in these countries. In Hungary, the unemployment rate for women (8.7 per cent) was lower than that of men. In Poland, the female unemployment rate (14.7 per cent both for 1992 and 1995) was higher than that of men. This fact contributed to female poverty in Poland, whereas such gender differences did not occur in Hungary (Fodor 2006). The fact that family policies were kept in place or were even extended offered a “lifeline” for women of lower social status with little chance of entering the labour market.

The population, which had already borne the social costs incurred under Hungarian gradualism, strongly opposed when the second social-democratic and liberal government began to introduce the austerity measures of the Lajos Bokros reform package. Family allowance and GYES (the universal entitlement) were subjected to means-tests, and GYED (employment based) was abolished altogether. Several authors describe social mobilisation aimed at reversing these changes as one of
the very few successful grass-roots initiatives to be supported by the media (Toth 1993; Goven 2000; Szalai 2000; Haney and Pollard 2003; Petho 2003; Szikra 2005). The usual rhetoric centred around the welfare of mother and child, and the child’s need of a mother’s care (Goven 2000). Thus, Hungarian women organised under the slogans of maternalism and were able to achieve the retention of a universally available family allowance system that remained in place in 1998 under the new, conservative government. This government introduced family tax allowances and re-introduced the higher paid, employment-related maternity leave, GYED. Through the establishment of income-tested social assistance for poor families and the deterioration of the real value of universally available GYES and family allowance, the conservative government explicitly created a “two-track” family policy which favoured the better-off between 1998 and 2002. The rhetoric of this government was to “help those who have children and work”, thus blaming the unemployed for their “laziness”. The next two elections (2002 and 2006) were won by the Socialist Party, which again formed a coalition with the liberals. The new system they established – which is the current family policy system in Hungary – will be described in the next section.

The new democratic governments in Poland were not very concerned with the issues of family policy, regardless of their ideological affiliation. Until the late 1990s, family policy did not seem to be an important issue to them and no serious transformation occurred. The reason for this was the prevailing liberal profile of the first governments after 1989. Although the traditional vision of women’s role within the family and society was very popular among the new political elite, the policies did not correspond with the politician’s declarations. The situation changed only slightly in 1993, when the left wing Social-Democratic Alliance (SLD) came to power. They declared that one of their goals was the achievement of more gender equality and social cohesion. However, their actual policy remained liberal. The legislation regulating the extended version of parental leave was amended to make it equally accessible to men and women, but its significance was rather small since even women were deciding to take the leave less and less often (Nowakowska 2000; Balcerzak-Paradowska 2004).

The biggest change in the area of to cash benefits concerned the system of family allowances. In 1989, their level was set at a flat-rate. In 1995, under the social-democratic coalition, access to family allowance was limited through income-testing (Klos and Szymanczak 1997). At the same
time, the right to paid extended leave (at the end of the period of
maternity leave) remained restricted to the poorest, though the
entitlement threshold was changed several times.

The post-Solidarity coalition (AWS), which came to power in 1997, was
formed by the very divided right-wing political parties. Here, declarations
promoting a traditional vision of the family were summarised in the
‘State’s Pro-family Policy’ program, accepted in 1999. This frequently
stressed traditional values and a positive attitude towards the Catholic
Church. The document actually utilised the most important points of
Catholic social thought, such as the principle of subsidiarity. This
government extended the duration of maternity leave in 2000.

The new social-democratic coalition of 2001 brought back the previous,
shorter periods of maternity leave. It reduced the real value of family
benefits and abrogated the birth grant. Interestingly, after the right-wing,
conservative coalition took power in 2005, it was again the extension of
maternity leaves that became their priority.

6. Family policies today

When comparing their long-term tendencies, we find that family policies
in the two countries can be classified into two different forms of
“familialism” on the basis of their historical legacies and present
situation. We will first describe child support payments and then
childcare institutions. We will briefly compare the level of female
employment, birth rates and social inclusion/exclusion under the two
forms of familialism to evaluate the possible impact of these policies.

Family support payments

In Hungary, the socialist-liberal coalition that was re-elected in 2006
soon began to reform the family support system. It followed the social-
democratic vision of extended universalism and thus abolished the
means-tested childcare assistance and also severely curtailed the family

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24. Raport o sytuacji polskich rodzin, Kancelaria Prezesa Rady Ministrów, Biuro Pełnomocnika
tax allowance. In fact, both were “included” in the former system of universal family allowance. This was an important step in the direction of abolishing the “two-track” system of family support. Poor families did not have to apply for this assistance, but received it automatically as a family allowance. Better-off families only received a tax allowance in addition to the family allowance if they had 3 or more children. Further, the highest tax-allowance was significantly reduced (4000 HUF/child/month, approx. 16 Euros).

At the same time, the rather complex system of TGYÁS, GYED for employed parents, and GYES and GYET for those without employment remained in place. The former system clearly privileged better-off families. However, the universally available GYES and GYET were both set at the level of the minimum pension (27,130 HUF, approx. 108 Euros in 2008) so that even with the help of family allowance (11,700 HUF, 46 Euros for the first child and increasing with the number of children), it was more on par with social assistance than an income sufficient to maintain a family. In the following table, we summarize the system of family support in Hungary. In order to “activate” women with children, this government also made it possible to work full-time when receiving GYES, and part-time under GYET.

In Poland, the most recent reform (2006) prolonged the basic duration of maternity leave to 18 months. However, the two weeks added maternity leave do not change the situation much. The extended part of the leave would have to be universally available or at least available on the basis of insurance if it is not to remain far less generous than the same systems in Hungary, especially since most families are no longer entitled to family allowances. However, compared to the previous governments, the one formed by PiS (Law and Justice) in 2005 was the most dynamic in reforming family policy. In addition to extending the maternity allowance, a new birth grant (so-called ‘becikowe’) was introduced. 25 Finally, it also introduced tax deductions for families with children just at the end of its term in office. The biggest increase in overall family support since the beginning of transformation took place with the rhetoric of pro-natalism under the Kaczinsky brothers.

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25. Ustawa z dnia 29 grudnia 2005 r. o zmianie ustawy o świadczeniach rodzinnych [Act of 29 December 2005 amending the Act on Family Allowances].
6.2. Child support services

As mentioned above, the beginning of the 1990s saw the decentralisation of responsibility for social services in both countries. However, while in Poland local authorities became responsible for financing kindergartens and crèches, in Hungary local governments have to bear the cost of maintaining and repairing the buildings but care work is financed from the central budget. In Poland, municipalities facing financial difficulties

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Table 3  *Maternity and parental leave systems in Hungary and Poland in 2007*  

<table>
<thead>
<tr>
<th>Name of payment,</th>
<th>Eligible person</th>
<th>Length of payment</th>
<th>Amount as % of gross average income **</th>
<th>Eligibility criteria</th>
<th>Possibility of employment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HUNGARY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maternity leave</td>
<td>Mother</td>
<td>24 weeks</td>
<td>70% of previous income</td>
<td>180 days of employment</td>
<td>No</td>
</tr>
<tr>
<td>(TGYÁS)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extended</td>
<td>Mother or father</td>
<td>2 years (after</td>
<td>70% of previous income with ceiling of</td>
<td>180 days of</td>
<td>No</td>
</tr>
<tr>
<td>employment</td>
<td></td>
<td>TGYÁS)</td>
<td>50.85%</td>
<td>employment</td>
<td></td>
</tr>
<tr>
<td>based parental</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>leave (GYED)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extended</td>
<td>Mother or father</td>
<td>3 years</td>
<td>Minimum pension = 15.04%</td>
<td>None</td>
<td>Yes, when the child</td>
</tr>
<tr>
<td>universal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>reaches one year of age,</td>
</tr>
<tr>
<td>parental leave</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>up to 8 hours/day.</td>
</tr>
<tr>
<td>(GYES)</td>
<td>father or</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>grandparent</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parental leave</td>
<td>Mother or</td>
<td>From the 3rd</td>
<td>Minimum pension = 15.04%</td>
<td>At least three</td>
<td></td>
</tr>
<tr>
<td>for large</td>
<td>father</td>
<td>until the 8th</td>
<td></td>
<td>children,</td>
<td></td>
</tr>
<tr>
<td>families (GYET)</td>
<td></td>
<td>birthday of the</td>
<td></td>
<td>youngest under 8.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>youngest child</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>POLAND</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maternity leave</td>
<td>Mother and father. 14 weeks are compulsory for mother, father can take the rest</td>
<td>18 – 28 weeks depending on number of children</td>
<td>100% of previous salary</td>
<td>180 days of previous employment</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extended</td>
<td>Mother or father</td>
<td>2 years</td>
<td>16.15%</td>
<td>180 days of</td>
<td>No</td>
</tr>
<tr>
<td>parental leave</td>
<td></td>
<td></td>
<td></td>
<td>previous employment</td>
<td></td>
</tr>
</tbody>
</table>

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* Welfare transfer payments are usually calculated as a per cent of the minimum pension in Hungary. This amounted to HUF 27130, which is equivalent to EUR 108.52 at an exchange rate of 250 Hungarian Forints (HUF) to 1 Euro.

** Gross average income in Hungary in 2007 was HUF 180300, which is equivalent to EUR 721.20 calculated at an exchange rate of 1 Euro to 250 HUF.
either introduced high fees or restricted, or liquidated their crèches. In Hungary there is a discrepancy between the capacity of rich and poor municipalities to maintain crèches and kindergartens.

In both countries, these reforms resulted in a decrease in the percentage of children attending crèches. In Poland the percentage dropped from about 5 per cent in 1985 to just below 2 per cent in 2001 (GUS 1986; GUS

<table>
<thead>
<tr>
<th>Name of payment, Eligible person</th>
<th>Duration of payment</th>
<th>Amount as % of average gross income</th>
<th>Eligibility criteria</th>
<th>Possibility of employment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HUNGARY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Maternity grant</strong></td>
<td>Mother</td>
<td>One-off payment after birth</td>
<td>33.85% (= 225% of minimum pension)</td>
<td>Mother has to see district nurse 4 times during pregnancy</td>
</tr>
<tr>
<td><strong>Family allowance</strong></td>
<td>Mother or father</td>
<td>From birth to the age of 18 (if studying until the 25th birthday)</td>
<td>6% / child increases progressively with the number of children</td>
<td>For handicapped children and slightly higher for sole parents</td>
</tr>
<tr>
<td><strong>Tax allowance</strong></td>
<td>Mother or father</td>
<td>Same as family allowance</td>
<td>2.21% /child</td>
<td>Income from employment</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of payment, Eligible person</th>
<th>Duration of payment</th>
<th>Amount as % of average gross income</th>
<th>Eligibility criteria</th>
<th>Possibility of employment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>POLAND</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Birth allowance ('becikowe')</strong></td>
<td>Mother or father</td>
<td>One-off payment after birth</td>
<td>40.37% per child</td>
<td>No</td>
</tr>
<tr>
<td><strong>Birth allowance (additional)</strong></td>
<td>Mother, or father under certain circumstances</td>
<td>One-off payment after birth</td>
<td>40.37% per child</td>
<td>Income under 20.2% of average gross wage</td>
</tr>
<tr>
<td><strong>Family allowance</strong></td>
<td>Mother or father</td>
<td>From birth to the age of 18, if studying until the 24th birthday</td>
<td>1.9% per child, increases with the age and number of children</td>
<td>Income under 20.2% of average gross wage</td>
</tr>
<tr>
<td><strong>Tax deductions</strong></td>
<td>Paid per child: for mother or father</td>
<td>Per child from birth up to 18 years (up to 25 if the child studies)</td>
<td>46.2% per child per year</td>
<td>Paying taxes</td>
</tr>
</tbody>
</table>

Table 4 Family allowances and additional parental payments in Poland and Hungary in 2007 (with income percentages)
2002). In Hungary, the percentage decreased to around 9 per cent, compared to 13.7 per cent at the beginning of the 1990s (Fodor 2004; OECD 2004). Thus, while in Hungary the ratio shows little change, in Poland this service can be described as almost non-existent.

A similar difference, albeit with higher enrolment rates, can be observed in the case of kindergartens. Figure 1 shows the long-term trend in Hungary with more than 80 per cent of children between the ages of 3 and 6 years enrolled in kindergarten, while in Poland enrolments have never exceeded 60 per cent.

Figure 1  **Net enrolment rates for children 3-6, 1989-2005**

Together with the development of crèches and kindergartens, the childcare services provided in primary schools became an important means of helping mothers to work full time under state-socialism. In Hungary, 30 per cent of children were using the afternoon services provided by schools by the 1980s (Szikra 2008). After the transition period, this number increased to 35 per cent and is now stable at 40 per cent. Schools compete with each other in the provision of various afternoon activities. These are only partly financed by the central state. Most resources are provided by the municipalities and the parents. This creates big differences in the quality of afternoon services offered by schools, often even within one town or area (Szikra 2008).
In Poland, afternoon childcare services became very rare following the collapse of communism. Although there is no reliable data on the dynamics of change that occurred here, it is common knowledge that municipalities relieved their financial problems by liquidating the afternoon care services for school children. Although no statistics exist on the afternoon services, it is quite usual that children would be cared for by their grandparents or other family members. Private nannies are still only available to those with high incomes.

The most important reason for the significant difference in childcare is that in Poland municipalities are not obliged to provide such services for children under 3 years of age. In Hungary, it is obligatory for cities to set up crèches and for all local governments to provide kindergartens and schools with afternoon care. Thus, although there are major regional differences, Hungarian municipalities fulfil this task. Because the central state completely cut their funding, municipalities in Poland rarely run crèches and afternoon services. This became more prominent in the public debate on family issues during the last right-wing coalition’s term in office. However, the debate was more concerned with extending the availability of care centres for children of 3-6 years of age as there is still much to be done in this area. Finally, as extending the availability of publicly provided childcare has always been postulated by feminist NGOs, this was overshadowed by the heated debate over reproduction laws in Poland and therefore seldom prioritised.

Given the fact that less than 40 percent of the families in Poland receive financial support following the expiry of maternity leave\(^{26}\), we can conclude that the state implicitly locates not only the responsibility but also the financing of childcare within the family. We can thus label Polish family policies as representing the ideal-type of “implicit familialism”, that ‘neither offers de-familialisation nor actively supports the caring function of the family through any kind of familialistic policy [and where] (...) the family will be the primary caretaker since there are no alternatives at hand’ (Leitner 2003: 359).

Hungary, in contrast, offers multi-layered support for families with children. Access to kindergarten and afternoon-care at schools is essentially available to all children, and crèches are also more available

\(^{26}\). Our calculations are based on the statistics of Balcerzak-Paradowska 2004.
than in Poland. The different forms of extended maternity leave make it possible to stay at home with children for a longer period. Because of this choice between paid maternity leave and/or services, we can call the Hungarian system “optional familialism”. However, as we will show in the next section, the possibility of choice is not equally accessible to all strata of society.

Hungary and Poland both pursue familialistic policies. In both these countries, the state sees families as the primary carers of children, the disabled and the elderly. This care is overwhelmingly provided by women and there is no policy to encourage men to share such responsibilities. The major difference is that in Hungary the state provides financial support for parents who stay at home with small children, whereas in Poland such support only exists for families with infants. As demonstrated above, both types of familialism already existed under state-socialism. In Poland, the rapid economic transition and general withdrawal of the state strengthened this situation, whereas in Hungary family policies remained more or less in place. Although the level of universal payments deteriorated after 1990, no sharp fall was experienced in the access to services. While in Hungary society mobilised for the restoration of more generous family policies, in Poland nobody protested, at least not as massively and effectively as in Hungary, when the short-lived improvements were discontinued.

7. Possible policy consequences and the role of the EU

Familialistic policies are often said to contribute to the low female labour market participation rates and to a drop in fertility rates in the Western part of Europe, where the countries that already had a well developed system of care support did better in this new situation (Lewis 1992; 1993; Folbre 1996; Leira 2002; Hantrais 2004). In Hungary, long maternity leave is clearly an “escape” from unemployment for less educated women. This is partly why we find a low economic activity rate for women (53.8 per cent) in Hungary coupled with a relatively low female unemployment rate (5.4 per cent in 2004).\footnote{Economic activity is calculated as the number of employed and unemployed. Source: Hungarian Statistical Office, Employment Survey, 2004 and Polish Statistical Office, Employment Survey 2004, LABOURSTA.} Here, it is true that different types of provisions help to create different ‘maternity tracks’ (Fodor 2005). In
Poland women were more affected by persistent high unemployment rates (about 20 per cent) than men (a difference of about 2 percentage points for 2003). The weakness of family services and low family allowances contributed to the development of female poverty. In other words, faced by the lack of support on all fronts, women in Poland seemed to be more heavily burdened with the provision of care. It must be stressed that these countries had no systematic policies aimed at increasing female participation in paid labour and family policies were far from consistent in this respect.

A dramatic drop in fertility rates has been observed in the region during the last decade, and Poland and Hungary are no exceptions. While Poland had one of the highest birth rates in the region at the beginning of the 1990s, it had the lowest rate in 2005. In other words, the implicitly familialistic policy, coupled with the dramatic economic and political changes that occurred, contributed to a serious fall in demographic growth. In contrast, Hungary experienced less dramatic changes, but this country had lower fertility rates at the beginning of the period. The decline here was not as steep as in Poland.

Figure 2  Birth rates in Poland and Hungary, 1989 - 2005

To sum up, while the fertility rates and economic activity rates of women seemed to be negatively affected in both familialistic policy types, the process that took place in the case of Hungary is more ambiguous. While
in Poland women generally responded by postponing having children or decided to have fewer or no children, in Hungary this decision is highly dependent on social class and labour market prospects. In both countries, the situation of poor families is hindered by limited access to childcare services, especially crèches, and in Hungary this is coupled with the segregation of the poor and the Roma in childcare services and primary education.

The European Union has become a new ‘actor’ in domestic politics in the post-state-socialist countries. Disparities can be observed in respect to the issue of gender mainstreaming, which is often perceived as one of the few successful areas of pan-European cooperation in the area of social policy. A common conviction seems to underline the benefits of adopting the existing legal framework for gender equality (including important family laws, e.g. parental leave for both parents). However, many studies raise the problem of the relatively little attention paid to these issues in the accession process (Bretherton 2001; Petho 2003), which partially results from the general EU trend of treating gender equality issues as ‘low politics’ (Bretherton 2001). In other words, while the legal systems of the new EU members have been amended in line with the EU gender equality legislation, the practical consequences of such a step are hardly observable and the everyday practice of gender inequality has not diminished significantly (Nowakowska 2000).

In the future, the EU can assert its influence through structural funds, which often provide active support for various forms of equal treatment, including equal treatment in the workplace. Finally, the Lisbon Strategy and its childcare services targets are more and more frequently used as an argument for increasing the availability and affordability of childcare services in these two countries. As this is often related to the objective of increasing the general economic activity of these populations, it may eventually improve the position of women in terms of equality in the labour market, even if this was not the policy-makers explicit objective.

8. Conclusions

Following the collapse of state socialism, the new wave of research on social and economic development in these countries tended to underline how they differ from the long-established capitalist democracies. As the dissemination of knowledge progresses, the formerly sharp East-West
divide is clearly weakening. This allows us to consider how former state-socialist countries could be included in comparative research that has been conducted in capitalist societies since the 1970s. After reviewing the most important concepts of this work, the most significant elements were selected to further analyse the development of family policies in two post-state socialist countries: Hungary and Poland. We found that both the concept of citizenship and the analysis of power-resources are essential tools for comparing welfare arrangements under state socialism. These assumptions are based on considerations of social and class stratification. We believe that these should be extended to include the analysis of gender-relations and the important issue of ethnic minorities, especially the situation of the Roma in Hungary. We found familialism the most comprehensive tool for grasping the state-family relationship in a gender-sensitive analysis. We demonstrated how different familialistic regimes developed in Hungary and Poland during the 20th century and how they crystallised during the period of transformation and in the recent past. The notion of familialism was found to be successful at identifying a variety of family policy mixes and the common familialising trend in the region of Central and Eastern Europe. In other words, it makes more sense to talk about different paths of the familialisation of policy in the CEEC. These paths are more the product of the historical development of family policy in these countries than of a one-sided process of ‘re-traditionalisation’. We focussed on parental leave schemes, different kinds of family benefits and childcare services. Our most significant conclusions can be summarised in three basic points.

First, we observed that the two countries, though coming from the same state-socialist path, have very different family policies. In Hungary, families are supported not only by the multi-tiered system of cash benefits, but are also offered relatively readily available and affordable, public childcare services. In Poland, in contrast, the system of financial support is aimed only at the poorest part of society, and the provision of care services is meagre. In the interests of systematic analysis and following theoretical considerations, we labelled these two versions of familialism: ‘optional familialism’ referring to the ‘richer’ Hungarian family policies and ‘implicit familialism’ to characterise the implicit nexus of responsibility for care within the family in Poland. This is not without important limitations, especially for the analysis of the stratification dimension. In Hungary, for example, the everyday practice of using childcare centres and the bifurcated system of parental leave payments favour the wealthier part of society and exclude the poor, including the
Roma population. In Poland, in contrast, only the lower-income groups have received (marginal) support, however, the recent introduction of tax deductions might lead to further divisions within society.

Second, we argue that the roots of these differences can be traced in the history of welfare policies of the two countries. The sources of ‘implicit familialism’ in Poland and ‘optional familialism’ in Hungary can be observed in the history of welfare institutions in these countries prior to World War II. These characteristics did not disappear with state socialism. Indeed, some features crystallised during this period. Moreover, just as the pre-war welfare institutions that communist regimes had to deal with after World War II were at different stages of development, the new neo-liberal elites had to acknowledge the state of development of post-state-socialist family policies (Szikra 2006). Thus, even when the reformers tried to introduce more serious changes, they were often unsuccessful. One example of this was the attempt to restrict access to parental leave allowances in Hungary in the 1990s. The mobilisation of society, especially of those who lost access to the benefits (middle class women), was successful enough to contribute to the abrogation of the principle of means-testing in the late 1990s (Goven 2000).

Third, this study touches on the possible effects of particular types of policies. The most general conclusion was that most families in these countries cannot afford to have only one breadwinner, so the decision to forego having a child would prevail over giving up employment. In other words, faced with the choice, whether to have a child or resign from professional carrier, women tend to delay having a child. Consequently, when we compared the dynamics of changes in demographic trends and employment, the decrease in fertility rates appeared more dynamic than negative changes in labour market. The main difference between the two countries was that Poland experienced a more dynamic decrease in its fertility rate than Hungary during the 1990s. Changes in the labour market were also less disruptive for Hungary than for Poland, mainly due to the widespread unemployment in the latter country. Finally, in contrast to the Hungarian case, Poland demonstrated higher unemployment among women than among men. This could be related to the marginal state support for the family caring function in Poland, though such a conclusion requires further research. All in all, the economic activity rates are very low in these two countries partly as a consequence of them displaying the features of familialism. As has often been stated in “Western” countries, familialistic policies do not mobilise
or support entry, re-entry, or the retention of persons in the labour market.

Conclusions of this nature require the substantiation of further research, which could also lead to formulating a thesis on the possible impact of particular types of policies in the future. This kind of research necessitates a multidimensional, and therefore demanding analysis in which the family and welfare policy of new EU members with a communist past requires more attention. Importantly, following theoretical consideration of the main approaches to the analysis of welfare institutions, we argue that the former state-socialist countries and the “Western” countries should be studied together. Overcoming the East-West division should be the next step in the development of comparative social policy.

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Gender equality in Central and Eastern Europe in comparative perspective
Gender regimes in transition: gender equality in CEE countries?

Gillian Pascall and Anna Kwak

Introduction

We ask about the experience of gender quality and inequality in CEE countries in the context of transformation to market economies. In Western Europe the trend is from regimes based on gender inequality through the male breadwinner system towards more equal dual earner systems. In CEE countries the end of state socialism has brought diminishing support for women’s labour market participation. Does this mean that there is a contradictory trajectory in CEE countries, towards gender inequality in a male breadwinner model? Questions raised in the comparative literature about gender in welfare states have been very little debated in relation to CEE. Here we examine gender equality in employment, care, time, income and power in the context of gender models based on the male breadwinner model in contrast to the dual earner system. What light do statistical data about social change in new CEE member states of the EU cast on these changing gender regimes: data on public expenditure and welfare spending, employment, especially women’s employment, working conditions and preferences, and working time, kindergartens and care?

Gender in comparative frameworks

Welfare typologies have been many and varied in academic debates (Abrahamson 1999), but few have centred on former state socialist countries, and there has been little discussion of the ways that gender shapes their social policies. With the wider EU at the time of writing numbering ten former state socialist countries among its members, this seems a major gap. Can the tools developed to compare western welfare states be used to understand the gender character of former state socialist countries? Does their distinctive history in the latter part of the 20th century bring distinctive characteristics in the 21st?
Comparative debate has developed around Esping-Andersen’s argument in *The Three Worlds of Welfare Capitalism* (1990) that welfare states’ development diverges in three basic political economies: the social democracies of Scandinavia, the corporatist model of Germany and others, and the liberal residualist welfare state characteristic of the USA and Canada. Esping-Andersen developed the concept of welfare regimes to mean ‘the institutional arrangements, rules and understandings that guide and shape concurrent policy decisions, expenditure developments, problem definitions, and even the respond-and-demand structure of citizens and welfare consumers’ (Esping-Andersen 1990: 80). The *Three Worlds* did not carry through its project, ‘to take into account how state activities are interlocked with the market’s and the family’s role in social provision’ (Esping-Andersen 1990: 21). Since 1990, Esping-Andersen has taken his regime analysis into CEE countries (Esping-Andersen and Micklewright 1991) and compensated in later publications – to some extent - for the neglect of gender in the *Three Worlds*. But nowhere in his ‘new architecture’ for Europe is there room for the new CEE member states (Esping-Andersen et al 2001, 2002).

The role, valuation and division of unpaid work are in the foreground of most feminist critiques of Esping-Andersen and similar typologies. Jane Lewis offers the best-known alternative strategy, identifying a continuum based on how welfare states relate to paid and unpaid work: at one end are male breadwinner regimes, such as the UK and Ireland, with underpinning assumptions of women as dependent housewives, supported by male breadwinners. In the UK, the National Insurance system and low levels of state childcare supported this model of the family from the post-war period, to nearly the end of the twentieth century. By contrast, Sweden’s dual earner regime developed in the late 1960s and early 1970s, encouraging rapidly increasing women’s labour market participation through changes in taxation, childcare provision and support for parental leave. These are ideal types, with no male breadwinner or dual earner system existing in pure form, but rather in different degrees underpinning the gender workings of welfare states (Lewis 1992, 2002).

The characterisation of gender regimes based on the male breadwinner/dual earner spectrum puts gender at the centre of comparative analysis and we make it our starting point. We see gender regimes as systems of gender equality or inequality through which paid work is connected to unpaid, state services and benefits are delivered to
individuals or households, costs are allocated, and time is shared between men and women in households as well as between households and employment: the decline of the male breadwinner model has widespread implications (Creighton 1999, Crompton 1999, Lewis 2001a, 2001b). So does the decline of state support for dual earner arrangements in the new CEE member states. Too little attention has been paid to this, though Barbara Einhorn in Citizenship in an Enlarging Europe (2006) has offered a valuable gendered analysis of political change and citizenship in CEE countries (see also Hantrais 2002a, Pascall and Lewis 2004, Pascall and Kwak 2005). We analyse gender models on the male breadwinner/dual earner spectrum into component parts, of paid work, care work, income, time and power, asking to what extent they can be seen as systems of gender equality or as systems of traditional gender roles in each of these parts. We ask whether social policies of the new CEE member states are moving away from the dual earner assumptions of the state socialist era, ‘re-traditionalizing’ towards more divided gender roles and resources in work, care, time, income and power, rejecting the state socialist past and its gender model, at economic, political and social levels. Alternatively we may see the gender equality models in CEE countries as deeply rooted, with high expectations of women’s labour market position, a revolution and transition away from the male breadwinner model.

Levels of policy intervention form our second mode of analysis. As Gornick and Meyers (2003) argue, the regimes of the Esping-Andersen categories are closely associated with gender models in practice, with high social spending in the social democratic model underpinning measures supporting care and gender equality (Gornick & Meyers 2003, Bambra 2004). How strong has been the transition in CEE from collectivist states? How strong is civil society in developing gender ideals? Are there changes in gender relations at the household level, as encouraged in the Netherlands’ ‘Combination Scenario’ (Knijn 2001, Knijn and Selten 2002, Plantenga et al 1999, Plantenga 2002). And how much have collectivist ideals and practices been transformed into individualist ones, bringing more market choice, but undermining CEE countries’ dual earner systems? While high social spending may be a condition for achieving gender equality (Pascall and Lewis 2004) the nature and quality of provisions are at the centre of gender differences: so we start from gender, but also examine the consequences for gender equality of changes from collective provisions.
Are gender assumptions now diverging so that we should see CEE countries as distinctive regime types, with Hungary and Poland representing contrasting trajectories? One interpretation is that welfare provisions support women’s labour market position more strongly and universally in Hungary than in Poland (Fodor et al 2002). Another draws on Esping-Andersen to suggest that Hungary is liberal, concentrating on free markets, Poland corporatist because of reliance on church and family, and Czech Republic social democratic, with citizenship-based rights and low unemployment (Haney 2002: 174). But from the point of view of gender, there are also many factors in common: the common history of soviet domination, and soviet law, and the development of a dual earner model from the 1950s. If, as Korpi (2000) argues, differences between gender regimes can be partly understood in terms of differences in the dominance of political landscape over time, then the four decades of communist party government might be expected to produce some similarities in the gender assumptions of CEE countries, even after state socialist domination. The economic situation of transition countries, the socio-economic situation of women, its degradation in transformation, and declining fertility are common features (European Commission 2004: 108) as is the freedom to develop civil society. Transition may bring both continuity and change in gender relations (Einhorn 2006: 95). Do we have emerging gender regimes so different as to identify them as different from each other? Or does the common heritage bring a distinctive cluster of gender regimes?

These questions will be addressed through statistical indicators developed in the literature around gender and western welfare states, especially focussing on gender gaps. With EU structural indicators designed to enable member states to reach the same goals by means of their own choice, we now have comparative outcome data by gender on key dimensions. The distribution of resources within households remains problematic, but EU data on employment, household income, time and political participation can be added to Unicef data on kindergartens and care. We use these to compare new CEE member states with each other, with the EU 15 and with particular welfare states, representing particular models: Sweden to represent the dual earner in Western Europe, France its modified breadwinner counterpart, Ireland and Malta, a new member which also has a strong male breadwinner tradition (Camilleri-Cassar 2005). (Some comparative data are given for Germany and the UK, which have been seen as traditional male breadwinner states: the data here show both with higher women’s labour market participation than Ireland.
or Malta. Both Germany and UK could be described as having mixed expectations of women as mothers and workers: women have joined the labour market, but without enough support to become equal earners in dual earner households).

**Gender in paid work**

Gender equality under state socialism – even more than in other regimes – was about women’s place in the labour market, with social investment in childcare and other services, in contrast, for example, to the individual rights approach in the UK from the 1960s. Has economic restructuring dominated, with markets putting politics in a back seat (Einhorn 2006: 145)? Do policies for women’s place in the labour market survive the transition from state socialism, and – in so far as they survive - how well do state socialist practices work in a capitalist market place?

Women’s labour market participation was high by international standards, supported by occupational welfare: at the point of transition from state socialism in 1989, it was over 80 per cent in the Baltic States, and Czechoslovakia and around 70 per cent in Hungary and Poland, well above women in France or the UK. The gender gap in employment was 11 per cent in Hungary and 13 per cent in Poland, low by Western European standards, when only Swedish women’s labour market participation nearly matched men’s (UNICEF 1999: 24). State policies were not the only factor: the importance of cultural aspects is suggested by the lower participation of women in Poland even under state socialism. But at transition dual earner households were well established: women were in full time employment, with earnings not far below men’s. To what extent now can women in CEE countries participate in employment and earn enough to bring independence in access to income? To what extent have different states brought differences in the regulation of work, welfare and patterns of paid employment? And how do these societies compare on key dimensions with the countries of Western Europe?

The literature suggests several ways to make cross-national comparisons in gender differences in employment to illuminate differences in welfare regimes (especially Korpi 2000, Daly and Rake 2003). We draw mainly on Eurostat structural indicators. Participation is a key measure of access to independent resources. But we also look at measures of job security – unemployment – and of job quality – the gender pay gap and part-time
work (see below under *Time*) as well as policies supporting work, such as parental leave (see below under *Care*). We ask about the gaps between men and women, whether in employment, unemployment, pay or part-time work, to help unravel the extent to which changes represent generally increasing insecurity, or a re-traditionalization, with women’s employment marginalized in favour of men’s.

Table 1  **Female and male employment rates, as percentage of women and men aged 15 to 64, and difference between male and female, 2007 (or most recent available figures)**\(^1\)

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<tr>
<td>Bulgaria</td>
<td>57.6</td>
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<td>8.4</td>
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<tr>
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<td>5.7</td>
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<td>64.0</td>
<td>13.1</td>
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<td>63.6</td>
<td>13.0</td>
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<td>64.8</td>
<td>12.0</td>
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<td>68.4</td>
<td>15.4</td>
</tr>
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<td>71.8</td>
<td>76.5</td>
<td>4.7</td>
</tr>
<tr>
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<td>69.3</td>
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<td>EU 15</td>
<td>59.7</td>
<td>74.2</td>
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<tr>
<td>EU 27</td>
<td>58.3</td>
<td>72.5</td>
<td>14.2</td>
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</table>

1 The employment rates are calculated by dividing the number of persons aged 15 to 64 in employment by the total population of the same age group. The indicator is based on the EU Labour Force Survey. The survey covers the entire population living in private households and excludes those in collective households such as boarding houses, halls of residence and hospitals. Employed population consists of those persons who during the reference week did any work for pay or profit for at least one hour, or were not working but had jobs from which they were temporarily absent.

Source: Eurostat structural indicators Europa website 2009 and authors’ calculations.

Women’s employment has certainly reduced across the new CEE member states. But the evidence, before EU accession, was that the proportion of women in work across accession countries remained just higher than in
the EU 15, despite major job losses, with 46 per cent employment rate, compared with 42 per cent in the EU 15 (Paoli and Parent-Thirion 2003: 15-17).

Table 1 shows women’s employment as particularly low in Poland (Pascall and Kwak 2005). It declined to a low of 46 per cent in 2003, picking up to 50.6 per cent in 2007, while Estonia (65.9 per cent) has the highest participation figure. But only the Czech Republic and Slovakia have gender employment gaps above the average for the EU 15. Most CEE countries have much lower gender employment gaps: even Poland, where women’s employment is at its lowest, has a gap between women and men of 13.0 per cent. This is well above Sweden’s (4.7 per cent), but below the gender employment gap in Ireland (16.8 per cent) or Malta (37.2 per cent). In this respect the dual earner model appears alive and well in CEE countries, with more equal participation in employment between men and women than in the EU 15, and a much lower gap than in countries such as Ireland and Malta, shown as male breadwinner examples.

Data on unemployment are for 2008 (see Table 2) before the main impact of the economic crisis. They suggest that the changing economic landscape makes both men and women vulnerable to losing jobs. Slovakian women suffer particularly high unemployment at 11.0 per cent, but Slovakian men’s rate of unemployment is also high, at 8.5 per cent. Across the EU 27, unemployment rates for women are 7.5 per cent, which is 0.9 per cent higher than for men, suggesting more insecurity of paid work for women. But while unemployment itself varies greatly between CEE countries, the gender gap in unemployment does not: Table 2 shows that women in Slovakia and the Czech Republic and Poland were experiencing 3.5 per cent and 2.2 per cent worse unemployment than men’s, Estonian, Latvian, Lithuania and Romanian women were experiencing higher unemployment than men. But these differences are less than the variations between women’s unemployment in Slovakia (11.0 per cent) and Slovenia (4.9 per cent).

The quality of jobs matters as well as their quantity and security. Table 3 compares gender pay gaps in 2007. The gap in hourly earnings between men and women across the EU15 was 18.0 per cent, with 17.4 per cent in the EU27. CEE countries range from 30.3 per cent to 8.3 per cent in Slovenia and 7.5 per cent in Poland. By this measure east and west are similar and there is more variation between nation states. This is unusual for Western countries as well as for CEE new member states: Sweden’s
pay gap is close to the EU 15 average, and Malta’s the lowest among selected countries. Unusually for the measures discussed here, the gender pay gaps do not reflect countries’ male breadwinner/dual earner histories in any systematic way. Again, the share of European women in low paying occupations is nearly twice that of men, but Western women in the EU15 fared slightly worse on average than women across the whole EU25 (Weiler 2005).

Table 2  Female and male unemployment rates, as percentage of the labour force, and difference between male and female, 2008 (or most recent available figures)\\(^1\\)

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<td>EU 27</td>
<td>7.5</td>
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\(^1\) Unemployment rates represent unemployed persons as a percentage of the labour force = active population. The labour force is the total number of people employed and unemployed. Unemployed persons comprise persons aged 15 to 74 who were: a without work during the reference week, b. currently available for work, i.e. were available for paid employment or self-employment before the end of the two weeks following the reference week, c. actively seeing work, i.e. had taken specific steps in the four weeks period ending with the reference week to seek paid employment or self-employment or who found a job to start later, i.e. within a period of, at most, three months.

Source: Eurostat structural indicators Europa website 2009, and authors’ calculations.
Gender regimes in transition: gender equality in CEE countries?

Occupational segregation did not disappear under state socialism, but the labour market is less segregated than in EU 15 countries, with more women in higher-level categories, as managers, and in technical occupations and skilled workers, and fewer in service and sales. Overall, there is ‘a more balanced distribution between men and women within each sector in the acceding and candidate countries than in the EU’ (Paoli and Parent-Thirion 2003: 15-17). There is also a higher proportion of women in higher paid jobs: 41 per cent of women full time workers in the (then) acceding and candidate countries, compared with 20 per cent of full timers in the EU 15 (Paoli and Parent-Thirion 2003: 73-74).

Comparative data on women’s position at work suggest that women in the new CEE member states are holding on – just – to their position as earners

Table 3  Gender pay gap in unadjusted form, 2007 (or most recent available figures)¹

<table>
<thead>
<tr>
<th>Country</th>
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<td>Hungary</td>
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<td>Poland</td>
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<tr>
<td>Malta</td>
<td>5.2</td>
</tr>
<tr>
<td>EU 15</td>
<td>18.0</td>
</tr>
<tr>
<td>EU 27</td>
<td>17.4</td>
</tr>
</tbody>
</table>

¹ Gender pay gap is the difference between men’s and women’s average gross hourly earnings as a percentage of men’s average gross hourly earnings. Structure of Earnings Survey Source 2002 onwards).
Source: Eurostat structural indicators Europa website 2009.
in dual earner households. Restructuring has brought widespread loss of employment: in each country, women’s employment levels are lower than men’s, but the gap is far from the gender difference in countries with a long male breadwinner tradition such as Ireland and Malta. Labour markets are rather less segregated than in EU 15 countries. Women’s level of education compares favourably with men’s (European Commission 2004) and gender pay gaps are similar overall. The need for women’s employment is strong, with low incomes compared with the west, widespread insecurity of work, and increasing insecurity of marriage. There are differences in the experience of work in different countries: women’s employment, unemployment and the gender pay gap show important variations. But the gender gap in employment and unemployment is consistent, suggesting that the main differences are in the wider economy, rather than contrasting experiences of gender at work. In each dimension there are outliers – Czech Republic and Slovakia have gender ratios in part-time work more similar to Western Europe (See Table 6 below), the Czech Republic’s employment gap resembles the west, Estonia has a high gender pay gap, Polish women have an exceptionally high risk of long-term unemployment (Weiler 2005) – but there is no country where all these employment experiences conspire together to disadvantage women. Markets have brought insecurity across CEE countries, and women have become more vulnerable. But women’s need for employment is strong too and they have held on to their position as full time workers more tenaciously than had once been feared (Fodor 2005).

Care

While social policies in the male breadwinner countries of Western Europe have helped to keep mothers at home, those in transition countries have helped sustain mothers as workers. Under state socialism, generous family allowances, childcare leave and nursery and kindergarten provision were used to compensate parents for the costs of child rearing, reconcile paid employment with unpaid care work and enhance children’s social and educational development. Some former state socialist countries offered workplace nurseries for 0-3 year olds, while Central Europe developed childcare leave schemes, and kindergartens, with high enrolment rates for 3-6 year-olds (Fajth 1996, UNICEF, 1998, 1999). While gender equality in employment was greater than in most western countries, parental care in CEE regimes under state socialism meant mothering rather than fathering. Mothers’ labour market
participation was enabled, but they bore significant costs in lower pay and higher workloads (UNICEF 1999, Gershuny 2000).

We ask about the extent of changes from social towards individual and household responsibility for children, and more conditional and stringent support, examining in particular: nurseries, kindergartens, maternity and childcare leave. How healthy now are the family support programmes, which at the turn of the 1990s ‘were delivered through multiple agents, were widely available and tended to be generous and comprehensive... and represented a heritage that in many was seen as an achievement in both East and West’ (Fajth 1996: 1)? To what extent do the collective social policies of the communist era survive and support gender equality in the regimes of the twenty-first century? What are the similarities and differences between governments? And what is happening in households?

Childcare/parental leave for parents of nursery-age children has been a strong feature of the systems in CEE countries, with childcare leave – for either parent - following maternity leave, for mothers in childbirth, and entitlements together making around three years (Paci 2002: 34, Wolchik 2003: 591). For example, Poland currently has 18 weeks maternity leave plus 2 years means-tested childcare leave. Comparing ‘effective parental leave’ across the EU 25 (meaning the length of leave weighted by the level of payment), the strongest country, Sweden’s 119 weeks was nearly matched by Hungary, while the Czech Republic, Slovakia and Poland show relatively strongly supported parental leave between 50 and 70 weeks; these contrast with Ireland which has fewer than 10 weeks’ effective leave (Plantenga and Siegel 2005: 10). The gap between the end of effective leave and the beginning of pre-school is another measure of how well mothers’ continuous employment is supported: Latvia has the lowest gap, and again Hungary is close to Sweden, while the Czech Republic, Slovakia and Poland show better in this respect than the traditionally male breadwinner countries of Ireland and the UK (Plantenga and Siegel 2005).

In 2002, the Czech Republic had the longest parental leave in Europe, until the child reached four years (Kocourkova 2002). Parents in the Czech Republic may have rights to four years’ leave, but they suffer ‘a gradual erosion in the value of their qualifications and previous work experience, and find it more difficult to return to their jobs after such a long break’, while childcare benefit is set at one fifth of average incomes and brings the risk of poverty (Kocourkova 2002). Market pressures on
firms, job insecurity and fear of losing position at work: longer leaves - if taken by mothers - may make women more vulnerable and threaten gender equality at work. Mothers take shorter periods of leave than their entitlements (Erler and Sass 1997, Firlit-Fesnak 1997, UNICEF 1999). Towards the end of the 1990s, countries converged towards a pro-natalist approach, though ‘the extent of these measures does not compare with the comprehensiveness of state support prior to the transition’ (Kocourkova 2002). Comparative data on maternity, paternity and childcare leaves are shown in Table 4.

Table 4  Maternity leave, benefits, paternity and childcare entitlements, 2002, 2007/8

<table>
<thead>
<tr>
<th>Country</th>
<th>Maternity leave – days and payments 2002</th>
<th>Paternity leave – days and payments 2002</th>
<th>Childcare leave benefits 2002</th>
<th>Pre-primary enrolment, 3-6 2007/8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Czech Republic</td>
<td>196 days with maternity benefit</td>
<td></td>
<td>Parental allowance: when caring for child up to age of 4</td>
<td>79.1</td>
</tr>
<tr>
<td>Estonia</td>
<td>126 days with maternity benefit</td>
<td></td>
<td>Child Care Allowance for parent of child under 3</td>
<td>89.0</td>
</tr>
<tr>
<td>Latvia</td>
<td>112 days with maternity benefit</td>
<td>Benefit for 10 days at childbirth</td>
<td>Persons caring for a child under 3</td>
<td>83.0</td>
</tr>
<tr>
<td>Lithuania</td>
<td>126 days with maternity benefit</td>
<td></td>
<td>Benefit paid at lower rate until child is 3</td>
<td>71.7</td>
</tr>
<tr>
<td>Hungary</td>
<td>168 days with maternity allowance</td>
<td></td>
<td>Childcare benefit until child is 2 Child Home Care Allowance for parents looking after child under 3</td>
<td>88.6</td>
</tr>
<tr>
<td>Poland</td>
<td>112 days with allowance (100% earnings) for first child and 126 for subsequent ones</td>
<td></td>
<td>Childcare benefit for 24 months (36 if more than one child) Lower income families</td>
<td>59.6</td>
</tr>
<tr>
<td>Slovenia</td>
<td>365 days leave with maternity benefit for 105 days</td>
<td>Paternity leave for 90 days, 15 days during maternity leave and 75 before the child’s 8th year</td>
<td>Childcare benefit 260 days, up to child’s 8th year</td>
<td>82.1</td>
</tr>
<tr>
<td>Slovakia</td>
<td>Leave until child is 3, of which benefit for 196 days</td>
<td></td>
<td>Parent caring for at least one child up to 3, lower income families</td>
<td>73.5</td>
</tr>
</tbody>
</table>

Sources: European Institute of Social Security (EISS Belgium 2002) MISSCEEC II, Unicef TransMONEE 2009 Database (IRC Florence).
Nursery provision for 0-3 year-olds has not provided a strong alternative to parental care in CEE countries and has declined with declining workplace provision. New ideals of motherhood may play a role in this, but so do high costs for parents with minimal state support or regulation. In the late 1990s, 11 per cent of the age group were enrolled in Hungary, and 5 per cent in Poland and nurseries had nearly disappeared in the Czech Republic and Slovakia (UNICEF 1999: 55).

Kindergarten enrolments have been high in Central Europe: at transition they were around 80 percent in Slovakia, Czech Republic and Hungary in 1989, though always lower, at 49 per cent, in Poland. They dropped, most severely in the Baltic States, in the economic turmoil of the early 1990s: there is now evidence of recovery and growth to levels above those before 1989. Hungary has sustained high levels throughout and in 2007/8 had 88.6 per cent enrolment for pre-school children, full-day kindergarten places, with modest charges for meals, but no charges for pre-school: close to the Nordic model, with extensive public responsibility for childcare (Szikra 2005, 2006, UNICEF TransMONEE database). In 2007/8 levels of enrolment across CEE countries ranged from 59.6 per cent in Poland to 89.0 per cent in Estonia (UNICEF TransMONEE database, see Table 4).

Figure 1 Pre-primary education enrolment

Changing patterns of demand contribute to this, with decreasing paid employment for mothers and other potential carers, a declining population of young children, and significant charges in Poland (Balcerzak-Paradowska 2004: 261).

How do these measures of care compare with Western Europe now? In Sweden 77 per cent of 3-5 year-olds are enrolled in public care, somewhat below Hungary and the Czech Republic (Plantenga and Siegel 2005). In the UK coverage is increasing, but hours are very short part-time, which contributes little to parents’ ability to carry out full-time jobs (Lewis 2003, Land 2004). Neither part-time work nor part-time kindergarten are common in CEE countries. Recent research for Unicef (Bennett 2008, Unicef 2008) shows Hungary and Slovenia well placed in a league table of Early Childhood Services, just below the Scandinavian social democratic countries and well above much richer Western countries, including the UK, Germany, the USA and Ireland.

There is a little evidence of policies to encourage a redistribution of care within households, for example encouraging men to take parental leave (Choluj and Neusues 2004). In Hungary either parent may receive parental leave benefits, but ‘they are seen as maternal subsidies... according to the latest data, 296,000 women but only 1,000 men were absent from the labour market due to their parental obligations’ (Nagy 2003: 286). Slovenia and Latvia have introduced paternity benefit, with Slovenia’s 90 days paternity leave, phased in from 2002, allowing fathers to be involved in care around childbirth and until the child’s eighth birthday. But the gender assumptions of communist and most post-communist governments appear similar: policies should support women’s place in the labour market as highly educated and full-time workers, but not influence men’s participation at home.

Developing civil society may have made more difference among households than among policy-makers. There is little evidence of innovative services for children developed through local civil action. But the freedom to develop public political organisations, the escape from constraints in academic and policy worlds: these have made room for new ideas about gender in households. If tradition underpinned the domestic division of labour under state socialism, the evidence now begins to show a population with more egalitarian parenting ideals. Quality of Life surveys now cover east and west and ask about who should undertake childcare: playing, taking children to activities, nappies, dressing, taking
to the doctor, helping with schoolwork, reading, buying toys, punishing, putting to bed, answering important questions. The resulting index runs from zero (unshared) to 100 (fully shared), and suggests that beliefs in gender equality in childcare are widespread, in Eastern and Western Europe, with an overall index of 81.8 in the EU15, and 76.6 in the (then) acceding and candidate countries. Attitudes appear a little more traditional in the (then) accession countries than in the EU15 (Fahey and Spéder 2004: 60-62). Political constraints in the state socialist era - major restrictions on people’s access to ideas, ability to join groups, and develop a public realm of discussion – may have a continuing impact on ideas, particularly among older people. But the dominant evidence of these data is of gender equality ideals in childcare now widespread west and east, among women and among men.

There is a serious difference between what people say about their ideals, and what they do in practice. The evidence of time diaries, work hours, careers, work flexibility, tendency to take parental leave is that mothers’ responsibility for care – East or West - remains imprinted rather than fathers’. Working Conditions in the Accessing and Candidate Countries asked about unpaid work as well as paid, and showed women more involved than men in raising and caring for children, with 41 per cent spending an hour or more every day in raising and caring for children, compared with 31 per cent of men. But they also suggest that the then accession countries had more egalitarian practices than the EU15, where comparable figures were 41 per cent for women compared with 24 per cent for men (Paoli and Parent-Thirion 2003: 78, Pascall and Kwak 2005).

How can we understand these patterns in households? The constraints upon households in post-state socialist countries have been extreme. Declining state support for childcare and developing markets have put pressure on mothers’ older strategies of balancing work and family: taking leave, exiting and entering jobs have become seriously difficult. CEE countries have a legacy of women’s full-time employment, but not of part-time. May we be seeing more radical change in the households of CEE countries from the traditional parenting stereotypes, with younger men more involved in caring for children as alternative strategies have become problematic under market conditions? The evidence of changing ideals is clearer than the evidence of changing practices, and some scholars take a more pessimistic view of fathers’ engagement in care. But we argue that reducing social support has left households to make their
own solutions, bringing steeply declining fertility (total fertility is now 1.3 in the new EU member countries, compared with 1.47 in the EU 15 (Fahey and Spéder 2004: 9)), but also new expectations and - to some extent – practices of fathers’ childcare responsibility among younger households, if not among policy makers (Pascall and Kwak 2005).

Collective solutions have not died with state socialism, but they have weakened: in particular family allowances, nursery provision and parental benefits are lower. CEE countries have kept public spending on health and education, systems of childcare leave, and kindergartens for high proportions of 3-6 year-olds: all give some social support to parents. There has been a shift from governments to households, and parents face pressures under the competitive conditions and experience gaps in services. But while evidence emerges of more radical attitudes to mothering and fathering among the wider population in the new CEE member states, most government policies appear to keep traditional ideas about gender in households.

**Time**

Time is integral to gender systems: traditional male breadwinner regimes depended on men’s full-time and lifetime paid employment. Britain’s post-war pension system was built on this model of a male working life, while allowing for married women to be full-time carers, dependent on their husbands for income and pension contributions. The working time models that have emerged from the ashes of the male breadwinner model – most often one and a half earner, with mothers in part-time work – have rarely brought gender equality in time (Fagan & Warren 2001, Lewis 2001a). Even in the weakest male breadwinner states, women do shorter hours of paid work than men, and longer hours of unpaid. In contrast, working time regimes under state socialism meant full-time work for men and women, albeit with parental leaves allowing mothers to exit and re-enter work. Increasingly, policy strategies include time regulation: parental leave systems make time to accommodate care work with paid; shorter working weeks make room to redistribute time between men and women; regulating part-time work to equalise conditions with full-time may make it more attractive to men and less disadvantageous to women. These may be strategies against unemployment, and for gender equality (Fagnani and Letablier 2004, 2006).
Just before joining the EU, working time arrangements in CEE countries were distinctive. First, working hours are longer than in the EU15, averaging 44 hours rather than 38. Second, very long working weeks were commoner, 38 per cent working more than 45 hours a week, against 21 per cent in the EU15. Thirdly, fewer people worked short hours, fewer worked part-time, and part-time hours were long, at 32 hours on average (Paoli and Parent-Thirion 2003: 45). To what extent do these working time regimes survive and compare with EU 15 countries?

Table 5  **Number of working hours per week, Women, Men and the difference between men and women**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulgaria</td>
<td>41.0</td>
<td>42.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>39.5</td>
<td>44.1</td>
<td>4.6</td>
</tr>
<tr>
<td>Estonia</td>
<td>38.4</td>
<td>41.4</td>
<td>3.0</td>
</tr>
<tr>
<td>Latvia</td>
<td>39.3</td>
<td>42.0</td>
<td>2.7</td>
</tr>
<tr>
<td>Lithuania</td>
<td>38.4</td>
<td>40.6</td>
<td>2.2</td>
</tr>
<tr>
<td>Hungary</td>
<td>38.9</td>
<td>41.1</td>
<td>2.2</td>
</tr>
<tr>
<td>Poland</td>
<td>38.6</td>
<td>43.4</td>
<td>4.8</td>
</tr>
<tr>
<td>Romania</td>
<td>38.7</td>
<td>41.3</td>
<td>2.6</td>
</tr>
<tr>
<td>Slovenia</td>
<td>38.5</td>
<td>41.6</td>
<td>3.1</td>
</tr>
<tr>
<td>Slovakia</td>
<td>38.0</td>
<td>40.7</td>
<td>2.7</td>
</tr>
<tr>
<td>Malta</td>
<td>35.1</td>
<td>41.2</td>
<td>6.1</td>
</tr>
<tr>
<td>Sweden</td>
<td>33.5</td>
<td>39.1</td>
<td>5.6</td>
</tr>
<tr>
<td>UK</td>
<td>30.8</td>
<td>40.3</td>
<td>9.5</td>
</tr>
</tbody>
</table>


Distinctive working time regimes persist, with longer working hours, and narrow gender gap for full time workers (see Table 5). The average working week for women in CEE countries ranges from 41.0 in Bulgaria to 38.0 in Slovakia, compared with 35.1 in Malta, 33.5 in Sweden and 30.8 in the UK. Among CEE countries, Poland has the highest gender gap in working hours, with men working on average 4.8 hours longer than women. But all CEE countries have gender gaps lower than the Western countries represented, including Sweden (5.6 hours) and the UK (9.5 hours).

Distinctive differences between East and West also persist in part-time work. Women’s part-time work is one way in which women may be marginalized and disadvantaged by caring responsibilities (Rubery 1998,
1999). Very high levels of insecure, low paid work, with short hours and limited rights: these were one of Jane Lewis’ key reasons for describing the UK as a strong male breadwinner model, while Swedish women were likely to do part-time work, but with longer hours and conditions equivalent to full-time work (Lewis 1992). The EU Part-Time Work Directive has improved rights, but part-time work remains one way UK women bend their employment to their family, and suffer the consequences in terms of life-time earnings half men’s (Rake 2000). In the Euro area 34.8.5 per cent of women’s employment is part-time, five times men’s. Table 6 shows that 42 per cent of women in the UK and 45 per cent in Germany work part-time. Even in Sweden nearly four times as many women do part-time work as men.

Table 6 Number of working hours per week, Women, Men and the difference between men and women

<table>
<thead>
<tr>
<th>Country</th>
<th>Part-time rate: female</th>
<th>Part-time rate: male</th>
<th>Part-time rate female: male</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulgaria</td>
<td>1.9</td>
<td>1.1</td>
<td>1.7:1</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>7.9</td>
<td>1.7</td>
<td>4.6:1</td>
</tr>
<tr>
<td>Estonia</td>
<td>10.6</td>
<td>3.8</td>
<td>2.8:1</td>
</tr>
<tr>
<td>Latvia</td>
<td>6.9</td>
<td>4.4</td>
<td>1.6:1</td>
</tr>
<tr>
<td>Lithuania</td>
<td>9.7</td>
<td>6.5</td>
<td>1.5:1</td>
</tr>
<tr>
<td>Hungary</td>
<td>5.5</td>
<td>2.5</td>
<td>2.2:1</td>
</tr>
<tr>
<td>Poland</td>
<td>11.7</td>
<td>5.8</td>
<td>2.0:1</td>
</tr>
<tr>
<td>Romania</td>
<td>8.9</td>
<td>8.3</td>
<td>1.1:1</td>
</tr>
<tr>
<td>Slovenia</td>
<td>10.0</td>
<td>6.5</td>
<td>1.5:1</td>
</tr>
<tr>
<td>Slovak</td>
<td>4.3</td>
<td>1.0</td>
<td>4.3:1</td>
</tr>
<tr>
<td>Sweden</td>
<td>39.5</td>
<td>10.5</td>
<td>3.7:1</td>
</tr>
<tr>
<td>France</td>
<td>30.2</td>
<td>5.5</td>
<td>5.5:1</td>
</tr>
<tr>
<td>Germany</td>
<td>45.3</td>
<td>8.5</td>
<td>5.3:1</td>
</tr>
<tr>
<td>Ireland</td>
<td>31.9</td>
<td>6.5</td>
<td>4.9:1</td>
</tr>
<tr>
<td>UK</td>
<td>41.6</td>
<td>9.4</td>
<td>4.4:1</td>
</tr>
<tr>
<td>Malta</td>
<td>24.9</td>
<td>4.0</td>
<td>6.2:1</td>
</tr>
<tr>
<td>Euro area</td>
<td>34.8</td>
<td>6.9</td>
<td>5.0:1</td>
</tr>
<tr>
<td>EU 27</td>
<td>30.7</td>
<td>6.9</td>
<td>4.4:1</td>
</tr>
</tbody>
</table>

Source: Eurostat 2009 Statistics in Focus Employment gender gap in the EU is narrowing (Table 4) and authors’ calculations.
Poland’s women part-timers contribute the highest rate to total employment among CEE countries at 11.7 per cent, but this is much below western countries, and further below traditionally male breadwinner countries, the UK, Germany and Ireland.

Where people in new CEE member states are described as working part-time, they may be working long hours. Among men 42 per cent of part-time workers are doing more than 40 hours per week, while the figure for women is 29 per cent. Part-time work in the new member states is a very different phenomenon from the old ones, where part-time hours are usually under 30 (Paoli and Parent-Thirion 2003: 50).

Working time practices in CEE countries have brought women into the labour market on very similar conditions to men. But they have done little to reduce the hours women spend on household work or care. The notion under state socialism, that everyone should have time for work and time for leisure was never fulfilled for women, whose double burden under state socialism was notorious. Writing of Hungary in this period, Haney argues: ‘while it is questionable whether men enjoyed the regime’s gift of “eight hours of work, eight hours of rest and eight hours of entertainment”’, it is unimaginable that working women divided up their days in such a humane way’ (2002: 66). The patchy evidence is of women in CEE countries under state socialism working long hours paid and unpaid (UNICEF 1999, Gershuny 2000). The labour of housework was especially intensive, lack of domestic equipment and queuing offsetting any socialized domestic services (Molyneux 1990: 30). But under state socialism, these burdens were eased somewhat by less competitive working conditions, being able to exit and re-enter the labour market. Now women experience a competitive market, with working conditions which are inflexible in a negative way, giving them little choice about hours, or about taking leave, leaving jobs and re-entering employment and long hours. Changing Times (Gershuny 2000) draws on time diaries – including some evidence from Central Europe - to argue for convergence in time use, between genders, between classes and between countries. But the inheritance of state socialism in this respect may be a harsh climate in which to parent, particularly in which to mother.

Have post-state socialist governments regulated working time? The EU Working Time Directive brings a 48-hour limit, but will bring little benefit to parents reconciling work and care, or negotiating with partners/husbands. There is little debate about working time, or making
space for women or men to engage in care: employees need full-time incomes for living standards and future pensions. Working time is also less flexible in CEE countries than the EU15 (Weiler 2005). Post-communist CEE countries appear to follow their communist predecessors: men and women are expected to be in the labour market, equally in full time jobs with long full time hours. But the conditions under which they do this have become more challenging, as they work long inflexible hours, compete for jobs, find difficulty using parental leaves, or re-entering after childbirth. While men appear to be playing a more serious role in these obligations, they are still primarily mothers’ obligations, bringing serious difficulties in keeping jobs and caring for children.

There is more gender equality in working time in the new CEE member states than in Malta, the UK or even Sweden. This kind of gender equality makes reconciling work and family a challenge, especially for mothers. But more equal working time sustains CEE women’s position in dual earner households, and their security.

**Income redistribution**

Income redistribution is a key welfare state role: exploring how regimes deal with poverty among men and women enables understanding of differences between them. Structural indicators allow us – in Table 7 - to compare poverty, before and after transfers, for new CEE member states, for the EU together, and for representative regimes. These set the threshold at 60 per cent of national equivalised median disposable income showing relative poverty: standards of living in the new member states are well below the EU average.

A high risk of poverty among women and men was as common in countries as different as Sweden, Ireland, Latvia and Hungary all with 29 per cent or more of women at risk of poverty. The risk of poverty before transfers was just greater for women than for men. Overall, the impact of social transfers was to reduce poverty from 26 per cent of women to 17 per cent and from 24 per cent of men to 15 per cent. While welfare states reduced the risk of poverty, they did not – overall - reduce the gender gap. The main differences in welfare states are the extent to which they reduce the risks of poverty rather than the extent to which they reduce the gender gap in poverty risk. Sweden’s very active welfare state reduced
poverty among women and men to 11 per cent eliminating the gender gap in poverty as well as reducing poverty itself. Hungary’s record is comparable, cutting the risk of poverty for women and men to 12 per cent, while the Czech Republic reduced women’s risk of poverty to 10 per cent and men’s to 9 per cent. Some welfare states – Bulgaria, Estonia, Latvia, Lithuania - failed to reduce women’s poverty to anything like this extent, but they failed to reduce men’s poverty too. Poland exposed women to a high risk of poverty before transfers, but transfers reduced this more than in male breadwinner countries such as Ireland.

State support for families has been important for women, reducing the risks of motherhood, particularly where there is universal coverage. Family allowances in Central Europe have a tradition of universal coverage, forming a high proportion of family incomes, with spending forming a high percentage of GDP. Pressures on government spending,
from international agencies and inflation, brought lower values and more targeting. By the end of the 1990s, the typical pattern in Central Europe was for high coverage, but much lower value in relation to household income and GDP than had been usual under state socialism. In Hungary, family allowances were 8.1 per cent of household income in 1991 and 3.8 per cent in 1999, while in Poland they fell from 4.2 per cent to 1.2 per cent (UNICEF 2001: 42-4). Means-testing of family allowances in the Czech Republic, Poland and Slovenia, brings a more stringent and contingent system of support, with means-testing of childcare benefits also in Poland (Förster and Tóth 2001, MISSOC 2004). But protection for children and their parents remains strong by western standards, with Poland and Hungary more successful than the UK and USA in using taxes and transfers to keep children out of poverty. In the UK, 36 per cent would have been in poverty without transfers, a figure reduced to 20 per cent by transfers. In Poland 44 per cent would have been in poverty in the mid-1990s, and in Hungary 38 per cent, whereas in 15 per cent and 10 per cent respectively were in poverty in practice (UNICEF 2001: 41). The new CEE member states have pared systems that supported children and enabled mothers to keep themselves out of poverty through employment. But – despite much lower GDPs than Western Europe - they have contained the risk of poverty for women and children more effectively than many countries with more resources. Means-testing brings a more contingent system of support for women and children in Poland than other CEE countries, but not one that treats women less well than it treats men, or leaves them worse off – relative to men in their own countries - than their EU15 counterparts.

Gender and power

Gender systems are also systems of power: welfare states affect gender relations, women’s autonomy as individuals, their ability to support themselves and their place in public politics. Restriction of social, civil and political action under state socialism limited women’s politics, and challenges to patriarchal families from within (Molyneux 1990: 44-8, Ferge 1997). We ask about developing social, civil and political action and its impact on gender relations in households and public politics. To what extent are women sharing in new political freedoms? Can a developing women’s movement challenge the division of unpaid work? Are differences developing in political participation and civil society between the new CEE member states?
Quota systems under state socialism ensured women’s position in parliamentary bodies, with around 30 per cent representation in parliaments in the 1980s. Women’s committees in the Communist Party monitored women’s issues, while women’s real position in decision-making was less than appeared. First, parliaments themselves were weak, with decision-making dominated by the male-dominated Communist Party. Second, official promotion of gender equality tended to pre-empt grass roots action. Third, political action was suppressed, so women’s participation in grass-roots politics was limited. The end of soviet authority opened space for social, civil and political action. But resources of skill and political experience are under-developed. Time is limited. The idea of gender equality itself has been contaminated by its adoption within soviet states and Communist Party women’s committees. What is women’s reaction to the end of authoritarian regimes, which appeared to promote their interests and participation in decision-making? How much do new regimes support women’s involvement, consulting groups in civil society, or participation in formal politics? One account is that there is a ‘patriarchal renaissance’. Women’s political participation has been seen as an optional extra in the transition economies. Democratisation - one of the chief gains of the transition - has not been shared by women (Funk and Mueller 1993, Ferge 1998: 231, Choluj and Neusuess 2004).

Comparative data in Table 8 show CEE women’s representation in formal politics to be rather weak. The EU average for women’s representation in parliaments is 26 per cent and as senior ministers 23 per cent; no CEE countries exceed these averages. But most CEE countries cluster near the EU average in terms of parliamentary representation and only Hungary has a figure below Ireland and Malta. While no CEE country exceeds Sweden’s representation of women in Parliament or as senior ministers, CEE women tend to be doing better in civil service positions, perhaps because of the legacy of state socialism, with several countries above the EU average, and Hungary and Slovenia exceeding Sweden’s representation. Women’s position in employment appears to give them better access to decision-making within government departments than in many western countries, while access to formal political positions is more restricted.

Amid all the priorities of economic upheavals and the development of class differences, gender and women’s political action may take a back seat (Ferge 1998, Watson 1997, 2000). A review of accession countries’ progress on the EU equality acquis concludes that: “The culture of CEE
countries has not yet institutionalised gender equality as a political norm’ (Sloat 2004: 78). But women’s action is developing slowly, and may be challenging some patriarchal features of families and households (Pascall and Kwak 2005).

Negotiations over EU membership have brought gender equality and the development of civil society into the foreground, if very late in the process. These have encouraged the development of civic participation. Eurobarometer data show the CEE countries holding a middle ground in membership of organised activities such as voluntary organisations and trade unions: in 2002 more respondents in Slovenia, the Czech Republic and Slovakia were involved in at least one such than the EU 25 average of 51 per cent, while the Polish figure was just below at 47 per cent. Sweden shows the highest level of activity in the EU at 85 per cent (European Commission 2004). These figures show general development in civil society, but may also indicate developing gender politics. The appearance

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<th>Table 8  Women in decision-making</th>
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of Slovenia among countries with higher participation may suggest a stronger women’s movement here and be related to its stronger position for women in other respects, described above. But everywhere there is some civic participation, with national figures overlapping EU 15 countries.

**Conclusion**

By the end of the state socialist era the dominant model in Central and Eastern Europe was similar to the dual earner model of Sweden in some key respects. Both supported women in the labour market, as full-time workers. Both provided high levels of support for childcare, family benefits and parental leave, and had high public expenditure on health and education services. But there were crucial differences. First, the prevalence of work as a source of welfare entitlement made labour market participation more compulsory for women under state socialism than in Sweden, where entitlements through citizenship are the norm (Lewis 1992). Second, while the domestic division of labour everywhere was unequal, the position of women under state socialism was especially constrained. Unable to organise in civil society, without access to ideas from the women’s movement, and with a sense that gender issues were state-imposed, the main sources of challenge to men’s power were cut away. Under state socialism, then, women’s labour market position was comparable to that of Swedish women, but their position at home was much weaker.

What is the impact of the transition from state socialism on regimes’ assumptions about gender? Is there ‘re-traditionalisation’, with attempts to re-establish men as breadwinners and traditional gender roles at home? Or have the regimes retained support for gender equality at work, while the new freedoms bring more support for gender equality at home? The answers to these questions are complicated, and there are contradictions.

There has been a politics of tradition, most evidently in Polish abortion politics, reasserting Catholic notions of motherhood. But we have found few examples to match this return to traditional gender divisions. We would also argue that traditional politics at the official level, as described by Heinen and Wator (2006) are not necessarily in accordance with beliefs and practices at the household level; and that outcomes in practice
do not support the proposition that CEE countries have ‘re-
traditionalised’, going back to a male breadwinner model (Kwak and
Pascall 2005). The evidence of outcome measures for CEE countries
allows comparison on key dimensions with countries representing more
traditional male breadwinner models, such as Ireland and Malta, and
with the EU average. Women’s participation in paid employment has
reduced. But in every country except the Czech Republic and Slovakia the
gaps between women’s and men’s employment are below the EU average,
and well below representative male breadwinner countries. Women’s
unemployment is high, especially in Slovakia, but only slightly higher
than men’s, suggesting that economic problems predominate over gender
problems here. Women’s working hours match men’s more nearly in CEE
new member states than in the new male breadwinner member state of
Malta, or the EU in general. The relative lack of part-time employment
in CEE countries also distances them from the EU 15, especially from the
male breadwinner countries in the EU 15, where women’s part-time work
is five times men’s on average. Political change has exposed the weakness
of women’s position in formal politics, but has allowed the development
of civil society. In turn, this brings a new possibility of gender politics in
households, where women’s economic position, in terms of their
contribution to household incomes, is already above that in EU 15
countries, especially those male breadwinner societies where women’s
part-time work is the key to care. The evidence suggests that developing
civil society is bringing changes in households, as both men and women
now widely believe that men’s role in practical childcare matters, as well
as their role as breadwinners. Men’s contribution to care within
households is increasing, bringing not gender equality, but less gender
difference than in the past and in EU 15 countries now. For most CEE
countries on most measures, these add up to greater gender equality than
the EU 15 average in employment, unemployment, working time,
vulnerability to poverty after welfare state transfers, and care in
households, and probably – though somewhat less well documented –
power in households, and much greater gender equality than in male
breadwinner countries such as Ireland and Malta.

Costs have shifted to individuals and households, privatisation has
brought diversity, and the comprehensive network of social supports to
motherhood has grown thinner. Markets have weakened women’s
position at work, bringing unemployment and particular risks to young
women, seen as potential mothers. Mothers have difficulties using their
rights to maternity and childcare leave, working time practices and

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policies – with long hours of paid full-time work - put great pressure on parents, and low incomes make these resistant to change. At work, women’s position has been weakened, but more through the new competitive context than through changes in social policy affecting them as women. Most measures show similar patterns for men and women in CEE countries: women’s position in the labour market and ability to earn are still strong compared with Western Europe. With recovery in GDPs, spending on public services has supported women’s work in families, and sustained kindergartens for 3-6 year-olds. Collective level provision for very young children has declined, but childcare leaves offer entitlements to care and to benefits, and the states’ role in supporting children and childcare is still ahead of Western Europe in some respects. If CEE countries are above the EU 15 average on most of these measures of gender equality, they are well above the record of male breadwinner societies such as Malta and Ireland: the politics of tradition have not been the dominant direction.

Should we emphasise the similarity or the diversity in these regimes? There are important differences. Slovenia emerges on several measures as more gender equal than other CEE countries, in its gender pay gap, women in civil service positions, paternity leave and benefits. Poland – in some respects – represents the strongest case for a return to the male breadwinner model, with its Catholicism, legislation restricting abortion, high unemployment for women, and more contingent benefits supporting parents. But whatever its abortion legislation, Poland has sharply reducing fertility, along with other CEE countries which retain liberal abortion policies (Pető et al 2004: 23). Polish men share high unemployment with women. Poland is more equal than the EU 15 average in employment and pay. Women in Poland contribute more part-time employment than in other CEE countries, but the proportion of women part-timers in the workforce is around a third of the EU 15 average. In gender terms these regimes share a significant forty-year history of dual earner households, dating from state socialist domination. They share a period of economic turmoil, which gives living standards much below the EU 15. They also share a history of collective provision for services of childcare, health and education, which have supported women’s labour market position, and produced a measure of gender equality more deeply rooted than in most of Western Europe. On few of the gender equality measures that we have looked at do any of the countries match Sweden, but neither do they match the male breadwinner countries of Malta and Ireland. There is some evidence of developing civil society and of changes
in households towards ideals of dual earner/dual carer parents, as parents have found ways in households to compensate for reducing state support for motherhood: both of these bring more prospect of gender equality than under state socialism. We argue that the emerging regimes in CEE countries should be seen as dual earner regimes, with comparatively strong collective support for women’s employment and for parents and few characteristics of male breadwinner regimes. But these dual earner regimes have suffered economic blows, leading to losses of state support for gender equality, low living standards and unemployment as a new risk. Their dual earner status is thus more challenged than in Scandinavian countries, and their support for gender equality more fragile.

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“Stay at home, dear” – mothers, labour markets and state Policy in Poland and the Baltic States

Piotr Michoń

1. Introduction

Along with the aging of society and changes in family forms, we have also observed an increase in female labour market participation in the European Union in recent decades. Due to these changes, policy aimed at reconciling work and family life, at transforming the “ugly duckling” into a “swan”, has moved from insignificance to a position of considerable importance. Yet countries differ substantially in their aims, regulations and circumstances. In the attempt to limit the negative consequences of aging societies, high employment and activation rates have become the hallmark of the European Union strategy, and breaking down the barriers to labour market entry and re-entry has become a kind of signum temporis. Public action tends to be concerned with the individual’s opportunities and potential in the labour market. Mothers, more generally women, represent a prime example of those targeted by activation strategies.

The debate over welfare state typology led to the introduction of a theoretical concept of care (de)familisation (e.g. Michoń 2008) which concentrates on the extent to which public policy supports the family in its caring function. This paper compares state policy towards working families in four post-socialist countries – Poland, Latvia, Lithuania and Estonia – in respect to their potential consequences for women’s and mothers’ labour market participation.

The cases of Poland and the three Baltic States, Latvia, Estonia and Lithuania are interesting for several reasons. Firstly, due to the demographic changes, i.e. the “second demographic transition” (see: van de Kaa 2002), that most Western countries experienced in the past. However what is significant in these four countries is the high pace of change. Secondly, due to the commodification of work and increasing labour market participation, mostly involving young females. The
dramatic increase in the unemployment rate, the substantial drop in the state’s welfare provision and the deteriorating material situation of many women and their families made women’s employment and education a necessity. Although employment is important for a fulfilling life for many women, it plays a more decisive role than in Western countries in ensuring decent living conditions. Women’s income is not perceived as supplementary to male earnings; it is equally necessary for the family income. Thirdly, the societies in the four countries “discovered” democracy, and market; values and norms that have their roots in democratic countries have become widespread. What makes the cases significant is the fight for dominance of two conflicting set of rules and values, one of which is characteristic of centrally planned economies and the other of capitalism.

After the fall of communism, the four societies found themselves in a quite unique situation that combined capitalism with the state-socialist legacy. Taking this into consideration, it is interesting to analyse whether, and if so, how the states’ policies affected mothers’ labour force participation. Also of interest is whether the instruments of work-life balance policies had the same effect and the expected effect on mothers’ employment in the countries studied? To answer these questions, it is important to view the policy within the context of the countries’ specific circumstances. These goals and questions determine the structure of this paper, which is divided into four parts. The first section concentrates on women, particularly mothers, and the labour market situation in the countries studied. The second aims at revealing the scale and direction of the attitudinal changes in respect to women’s employment, gender equality and working mothers’ relationships with their children. The third section provides a comparative analysis of work-life balance policy, and the fourth provides an evaluation of the policy in respect to its effect on employment patterns in families.

2. Women, motherhood and labour markets in historical perspective

The fall of the Berlin Wall started a process of deep transformation for most Central and Eastern European countries. In general terms the transition towards a market economy in Poland and the Baltic States was accompanied by an enormous drop in the GDP (Gross Domestic Product), a significant decline in the level of employment and economic
activity, a shift in the sectoral composition of employment and the emergence of unemployment – a phenomena previously unknown to state-socialist societies.

2.1 Before 1990

Most of the wages in CEE were set by bureaucrats at the national level. The rule of guaranteed employment, as Mishra describes “indeed obligatory” employment (p. 79) led to an extreme imbalance between labour supply and demand; the vacancies outnumbered the jobseekers. Thus employment was more a “social” than an “economic” concept (Mishra 2004, p. 79).

Compared to Western countries in the 1970s and 1980s, Poland and the Baltic States had relatively high fertility rates, women had their first child at an earlier age and most children were born to married women. This can be partly explained by limited access to modern contraceptives, lack of general sex education and regulations that made lion’s share of social benefits available only to married couples.

Prior to 1990, women of working age participated in the labour market almost to the same extent as men and the participation rates in all four countries were even higher than those of the widely recognized as “women employment friendly” Scandinavian countries. Taking this as proof of gender equality in the labour market is in line with the rhetoric of political propaganda of that time. State-socialist countries officially guaranteed gender equality, and women’s participation in the labour market was equated with emancipation.

Despite the importance that was attributed to female employment for national economies during the socialist period, it was the male who was traditionally expected to be the major breadwinner. Women bore the lion’s share of responsibility for childcare and household duties. Policies aimed at increasing female participation in the labour force had very limited consequences for the division of unpaid labour and care responsibilities in the home (Dijkstra 2003).

28. Although unemployment was not officially defined or measured, the labour agencies collected data on jobseekers and vacancies. In 1989 the number of registered jobseekers in Poland was 9,600, while the number of vacancies was 254,400. (Socha and Weisberg 1999, p. 10).
Considerable segregation in employment contributed to the relatively weaker position of women in the labour market. While women were concentrated in light industry, health services, education and retailing, men dominated heavy industry, which was a “blue eyed boy” of communist rulers. In addition to horizontal segregation in employment, there was also vertical segregation. Female employees were underrepresented in high ranking and high-skilled jobs. As a consequence, there was enormous inequality between the earnings of men and women. The wage gaps were larger in the years immediately prior to the end of Soviet Union than in the late 90’s (Rõõm and Kallaste 2004).

In comparison to Western countries, in Poland and the Baltic States the labour market participation rates of women of child-bearing age were relatively high. There are four explanations of this phenomenon in the literature: The availability of very generous maternity leave, during which women were officially still part of the labour force, the availability of inexpensive child-care facilities (except Poland), support provided by extended family and also the concentration of women in professions that provided them with convenient working hours (Gregory at al. 1998).

Under communist rule, families in Poland and in the three Baltic States could not count on substantial (financial) support from the state that would be sufficient to provide choices in the means of reconciling work and family life. Females were expected to return to employment and males were treated, a priori, as “non-carers”. The policy towards working families can be summarised under the following five points: (1) Paid maternity leave for mothers, (2) Fathers were not entitled to child-care leave, (3) Relatively well developed network of state-owned childcare facilities, (4) Full-time employment policy, and (5) Limited choice in the way families could care for their children.

2.2 After 1990: a storm of change

To describe the changes in the economies of Poland and the Baltic States in the 90’s, I have adopted the title of the rock group Scorpions’ famous song “Wind of Change” and amended it to “Storm of Change”. In the first years of transformation, Poland and the Baltic States experienced a fall in GDP of 20 per cent and 30 per cent respectively. Some authors (see: Heinen and Portet 2002) indicate that women appeared more often to
be the victims of this economic downturn in all aspects of the social field. “Marginalized in the labour market and widely affected by the pauperization of part of the population, they have paid the highest price in the transition” (p. 142). However, the largest growth in employment took place in traditionally female-dominated occupations 29 (To some extent males have taken advantage of this increase by drifting into “female” occupations.), and as it is the case of Poland, the changes in female labour force participation were partly caused by the demographic situation (see below).

The process of restructuring the economy had significant consequences for the female labour force. On one hand, there was a drop in the number of persons employed in agriculture and manufacturing (light industry), and on the other, a rise in public administration, retail and education (with the exception of Latvia where female employment in education fell in absolute terms). These two adverse processes, in terms of female employment, resulted in a drop in the number of workplaces occupied by women (with the exception of Latvia, where a rise in number of employed women compensated the decrease, so that the number of employed women in the country increased by 10 per cent between 1996 and 2005). The opposite was true for the other three countries. In Lithuania and Estonia the number of employed women decreased by 22 per cent 30, and in Poland by 5 per cent (own calculations based on LABORSTA). Of the countries studied, Poland represents a special case. While the drop of 5 per cent (approx. 347,000) in the absolute number of employed women is not significant, especially in comparison with Lithuania and Estonia, the activity rates and employment rates of women in Poland are lower relative to the other two countries. This can be partly explained by demographic trends – the number of Polish women over 15 years of age increased by 1.5 million between 1992 and 2005. In the Baltic States, the numbers remained almost unchanged (Lithuania) or have fallen (Estonia and Latvia).

29. In Poland the largest drops in employment between 1992 and 2005 were observed in agriculture and heavy industry. At the other end of the scale were wholesale, the retail trade, restaurants and hotels (an increase of more than 1 million workplaces); financing, insurance, real estate and business services (more than 1 million); There was also an increase of workplaces in education.

The developments were accompanied by: (1) An increase in tertiary education enrolment, (2) Relatively low exit age from the labour market; (3) Large scale “shadow economy”, (4) Long term unemployment.

To present the full picture of the female labour market situation in the four countries, it must be noted that in the four countries women are less likely to be economically active and much more likely to be unemployed than males. The enormous drop in GDP during the first years of transition led to an increase in the unemployment rates. When the GDP recovered, this recovery was not reflected in an increase in employment rates. To make things worse for workers and their families, wages were often not paid at all or only after long delays (Kotowska et al. 2005).

Table 1  Female and male activity rate (%)  
(Age 15-64)

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<td>Females</td>
<td>Males</td>
<td>Females</td>
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<td>Estonia</td>
<td>76 66 65 67</td>
<td>83 79 77 73</td>
<td>n/a 60.3 56.9 62.1</td>
<td>n/a 69.6 64.3 67</td>
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<tr>
<td>Latvia</td>
<td>76 64 63 65</td>
<td>84 78 72 74</td>
<td>n/a 55.1 53.8 59.3</td>
<td>n/a 65.1 61.5 67.6</td>
</tr>
<tr>
<td>Lithuania</td>
<td>71 75 67 65</td>
<td>82 81 75 72</td>
<td>n/a 58.6 57.7 59.4</td>
<td>n/a 66.2 60.5 66.1</td>
</tr>
<tr>
<td>Poland</td>
<td>64 60 60 58</td>
<td>79 74 72 71</td>
<td>n/a 51.7 48.9 46.8</td>
<td>n/a 66.5 61.2 58.9</td>
</tr>
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<td>EU 25</td>
<td>58 60 63</td>
<td>77 77 78</td>
<td>n/a 51.8 53.6 56.5</td>
<td>n/a 70.6 71.2 71.3</td>
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‘1988, ”1” 1996, “” 1997
Source: EUROSTAT, own calculation based on LABORSTA

31. Between 1998 and 2005, the number of female students aged 20-24 increased by 87 per cent in Lithuania, 86 per cent in Poland, 63 per cent in Latvia and 50 percent in Estonia (in EU25 – 24 per cent); source: Eurostat.
32. Due to high non-wage labour costs, many individuals were unable to find employment in the official labour market, see also, e.g. Luleva in this volume.
Obviously, the changes had significant influence on the participation of mothers’ in the labour force. The communist policy of full employment became a thing of the past and at the beginning of 1990s, these countries dramatically restricted the social benefits in an attempt to raise female labour force participation. Low wages, which made women’s employment necessary for family well-being, and the closure of hundreds of kindergartens and crèches made the reconciliation of work and family life even harder in the early 90s.

Some authors consider demographic changes a key incentive for the redesign of family policies (Gauthier 1996). At the beginning of the last decade of the 20th century, all four countries reported relatively high fertility rates. The economic and social changes in the four countries increased the importance of education and professional experience, and as a consequence women now have children later (although still earlier than in most EU countries) and give birth to fewer children (e.g. the fertility rate in Poland fell from 2.04 in 1990 to 1.24 in 2005).

3. **Attitude changes**

It is reasonable to expect that tools designed to support mothers’ employment have relatively less effect in societies where women are perceived mainly as housewives, and more effect in societies that accept their role as working mothers. Recent studies of preferred family models (Kotowska at al. 2005) conducted in Poland, Lithuania and Estonia revealed that the majority of Lithuanians have traditional attitudes toward the division of tasks between partners in a household. In contrast, more than half of the Polish and Estonians are in favour of the dual-earner family model today.

It is justified to expect that the economic, social and demographic “earthquake” that took place in the post-communist countries has had a strong influence on people’s perceptions, expectations and values. To assess this impact, I will analyse changes in attitudes on the basis of the second and fourth wave of the World Value Survey (WVS). I will concentrate on three attitudes that appear crucial in the context of the impact of employment policy on mothers:

(1) *Labour market equality* – the analysis aims to reveal the attitude towards the equality of men and women on the labour market,
(2) *The role of employment and family in a woman’s life* – the study is expected to reveal the perception of working women and the perceived importance of employment in women’s lives,

(3) *Working mothers* – although employment may be commonly accepted for women generally, the reported attitude towards working mothers, especially the mothers of small children, may be very different.

### 3.1 Attitude towards gender equality in the labour market

The World Value Survey respondents were asked to express their attitude towards two statements: Firstly, *when jobs are scarce, men should have more right to a job than women*; secondly, *both the husband and wife should contribute to household income*. The possible answers were: Agree, disagree or neither. In order to address the expected differences in reported attitude I divide the results between sexes.

<table>
<thead>
<tr>
<th>Wave 2 1989-1993</th>
<th>When jobs are scarce, men should have more right to a job than women (% agree)</th>
<th>Both the husband and wife should contribute to household income (% agree)</th>
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<td>46</td>
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<tr>
<td>Female</td>
<td>51</td>
<td>43</td>
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<tr>
<td>Wave 4 1999-2004</td>
<td>Male</td>
<td>39</td>
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<td>Female</td>
<td>37</td>
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Source: Own calculation based on World Value Survey dataset.

The results (Table 2) show that belief in the male’s right to a job at the cost of females has fallen dramatically, especially in Poland. It is worth pointing out that in spite of the fact that males are slightly less likely to support egalitarianism on the labour market, a change of attitude was observed among both sexes.

In 1989, the approval of the dual breadwinner model was quite high in the four societies and has strengthened during the last decade of the 20th century. Generally speaking, nine out of ten male and female respondents agreed that both spouses should contribute to household income. The
impact of past experience and today’s conditions can be observed here. The full employment policy of state socialism meant that women were just as active in the labour market as men. A single income is not enough to ensure decent living conditions for the majority of households today. In addition, most of those who were employed in industry, mostly males, had relatively high incomes in the past but have now lost their privileged position. For the first time individuals in the countries of study faced the threat of unemployment. Under the new circumstances, the families’ “male income strategy” bears the risk of providing inadequate income. For this reason, employment is a necessity for many women.

3.2 The meaning of home and job in women’s biography.

Independence and household work are widely discussed in the literature in the context of women’s employment. This led me to concentrate on these aspects when assessing the role prescribed to women by society. In the WVS, respondents were asked to express their attitude to three statements: “Being a housewife is just as fulfilling as working for pay”, “A job is the best way for women to be independent”, and “Women want a home and children”. The possible answers were: agree strongly, agree, disagree, disagree strongly.

Table 3 Role of job and home in women’s lives

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<td>job is the best way for women to be independent (% agree or strongly agree)</td>
<td>being a housewife is just as fulfilling as working for pay (% agree or strongly agree)</td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
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<tr>
<td>E</td>
<td>LV</td>
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<tr>
<td>Male</td>
<td>51</td>
<td>60</td>
</tr>
<tr>
<td>Female</td>
<td>60</td>
<td>45</td>
</tr>
</tbody>
</table>

Source: Own calculation based on World Value Survey dataset.

When asking questions about independence, we have to be aware that the meaning prescribed to that term is rather blurred. Bearing in mind that different people perceive independence in different ways, between the second and fourth wave of WVS we observe an enormous increase in the proportion of individuals who believe in jobs as a source of independence. This increase was observed in both men and women and
in all age groups, but it was particularly marked among young people. In Lithuania, the proportion of persons aged 15-24 who perceive a job as the best means of independence for women almost tripled in ten years.

The results indicate a change in the role ascribed to jobs. What was the reason? In both the post-communist and communist periods, women were relatively well-educated but while education and experience played a marginal role on the labour market in communist countries, they substantially gained importance in the “new era”. Under the new circumstances, especially the youngest and best educated women believed in their chances and ascribed new meaning to salaried work in their lives. It is worth adding that the attitude changes were paradoxically accompanied by women’s rather poor situation on the labour market. Alongside the decisive role of education, changing attitudes towards work can be ascribed to the change in families’ economic situation. After 1990, we observe a substantial reduction in relative and absolute social provisions (both benefits and services – mainly childcare) and the entitlement to benefits became linked to employment (so becoming unemployed led to the loss of social rights) (Kotowska and Sztanderska 2007, p.25-26). On one hand, new conditions made people more responsible for their own and their families’ welfare, while on the other, fulfilling this task became more difficult.

Although being a housewife became less frequently perceived as equally satisfying as employment (with Latvia the most prominent example), a large proportion of men and women still consider the two activities to be equally rewarding (Table 3). There is no way to test it, but I assume that for respondents in the countries studied “being a housewife” is, at least partly, synonymous with being a mother. In all four societies, childless women are usually expected to work and the experience of the housewife as a “woman of leisure” is relatively unknown. Housewives are those who do household duties, the most prominent of which is caring for children. To some extent, it explains the relatively positive attitude towards the role of housewife, even among young women.

The end of state socialism in the four countries provided individuals with new opportunities. Having a home and children appeared to be one of few options and for many, not the most popular one. In all of the countries studied with the exception of Lithuania, the proportion of individuals who believe that women aspire to a home and children has decreased (Table 4). It was mostly observed in the younger age groups.
However despite the observed decrease, the majority of society in these countries still believes that establishing a family plays a meaningful role in women’s lives.

Table 4  **Recorded females’ preferences**

<table>
<thead>
<tr>
<th>Gender</th>
<th>E</th>
<th>LV</th>
<th>LT</th>
<th>PL</th>
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<tbody>
<tr>
<td>Male</td>
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<tr>
<td>Female</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender</th>
<th>E</th>
<th>LV</th>
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<th>PL</th>
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</thead>
<tbody>
<tr>
<td>Male</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Own calculation based on World Value Survey dataset.

3.3 The attitude towards working mothers

In the context of work-life balance policy, it is also important to recognize social attitudes to mothers’ participation in the labour force. The results presented below (Table 5) indicate, on the one hand, that it is commonly believed that it is harmful for the youngest, pre-school children to have working mothers. On the other, a large majority of females does not perceive the mothers’ employment as harmful for the mother-child relationship. It is justified to interpret the results as proof that the employment of women with children is commonly accepted but that there is also strong pressure to reduce or give up employment when the children are very young. If we assume that under more advantageous
conditions for the reconciliation of work and family life, the concern about the mother-child relationship would be less likely to be expressed, it is acceptable to interpret the results as evidence for difficulties women face in reconciling work and bringing up children. It also means that working in the competitive labour market has become more attractive but at the same time also more demanding.

When comparing the attitudes expressed immediately after the fall of communism with the ones reported about ten years later, we put people who did not know anything other than state socialism side by side with those with ten years experience of capitalism and the market economy. In 1990, they were still learning the meaning of terms like market and democracy. In the context of the subject of the paper, the key changes took place in relation to “employment” and “expected state welfare provision”. People in the countries studied experienced the consequences of “not guaranteed employment”. As a consequence, more time and effort was needed not only for work, but also for getting a job and keeping it (Kotowska, Sztanderska 2007).

The analysis of attitude changes in Poland and the Baltic States exposes the same trends that have been observed in the Western countries during recent decades. On one hand, the perceived attractiveness of paid work for women has increased; on the other, both women and men of all age groups, although less than in the past, link women’s satisfaction in life with having children. They are also much more conscious (afraid) that the mother’s employment may have negative consequences for small children, which can be interpreted as an indication of the difficulties that families with young children experience in Poland and the three Baltic States.

4. Policy and the reconciliation of work and family life in the post-socialist period

4.1 No direction, no priorities; policy in the 1990s

In the 1990’s, family support in Poland was limited to social assistance. The help was addressed to poor families. Most benefits were means-tested and the support was not generous. There were no universal benefits after 1995 when means testing was introduced for family benefits (Golinowska 2000). The period was characterised by a lack of consensus
on the priorities of family policy in Poland. Four policy aims were considered: (1) Support for family values – which led to a conservative view of females’ role in the family, (2) Alleviating and preventing poverty, (3) Increasing educational opportunities for children from poor families, (4) Gender equality in respect to employment and family responsibilities. All of the aims listed require different policy tools, and sometimes they are incompatible. In addition, the options of policymakers were restricted by a growing budget deficit. The situation was made worse by the large discrepancy in the view of family among most the important political powers in Poland. As a consequence, the policy did not have specific aims (Golinowska 2000).

When writing on family policy development in Lithuania, Stankuniene (2001) stresses some negative features: The absence of strategy, limited compatibility between policy and the economic, social and demographic situation; sporadic cooperation between the policy makers and scientific community. In contrast to most Western countries, family policy in Lithuania aimed at decreasing poverty and improving the family’s material situation, which can be perceived as a response to radical changes in the economic and social order. The policy, based mainly on family benefits, stimulated an attitude of dependency on the state. In the 1990s, family support in Lithuania was understood as financial help for families raising children, and unofficially backed up a male-breadwinner family model (Stankuniene 2001). Consequently, policy supporting the reconciliation of work and family life was neglected during the 1990s.

Until the end of 1990s, Latvian family policy was limited to supporting families in need. In 1998, state-family relations were regulated by the Latvian constitution, which stated that the state shall provide special support to vulnerable children, protect and support marriage and parents and children’s rights. In the second half of 1990’s, social policy in Latvia concentrated on providing social benefits to families with children.

Demographic change and Estonian public opinion created a supportive environment for the development of family policy; however, it remained almost unchanged, or even deteriorated in the 90s. To illustrate: the principles of paying family benefits remained almost unchanged. However, transformation made them relatively lower. Between 1992 and 1997 alone, the family allowance benefit paid per child, with two children, dropped from 10 per cent to 4 per cent of the average wage.

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33 To illustrate: the principles of paying family benefits remained almost unchanged. However, transformation made them relatively lower. Between 1992 and 1997 alone, the family allowance benefit paid per child, with two children, dropped from 10 per cent to 4 per cent of the average wage.
family policy could be described as a public conflict between expectations and actual policy (UNDP 2002, p. 114). At the end of the decade, the need to devote more attention to the issue of reconciling work and family life was widely recognized in Estonia. Characteristic for the transformation period here (and probably also in other countries) was a strong imbalance of power between employers and employees, which had strong impact on working parents. Despite legislation that protected parents with young children, there were no tools to guarantee the retention of their jobs if an employer considered it against company interests (Kask 2003). Policy development in Estonia was marked mainly by small adaptations to changing circumstances. To illustrate: Till 1995, unemployed women were not entitled to unemployment benefits during the period corresponding to pregnancy and maternity leave. This changed with the introduction of the Social Protection Act in 1995, which gave pregnant women and “new” mothers the right to the benefit.

The last decade of 20th century was characterised by the re-structuring of care policies in the four countries. In the first years after the fall of communism, the offer of childcare was drastically reduced, particularly for children under three years old. The will to maintain the public provision of childcare facilities, especially for the youngest children, was weaker than in the conservative countries of Western Europe (Neyer 2006).

When we take into account problems such as the destabilisation of the economy, high unemployment and the high risk of poverty, it is not surprising that the process of raising family policy to the political agenda was very slow in the four countries. Family policy, work-life balance and gender equality were considered relatively unimportant. They were absent from the list of policy priorities. The political debates of the 1990s were dominated by economic issues, unemployment, poverty and EU membership. The above mentioned problems, combined with difficulties in balancing the budget placed the focus of social protection on “helping only those who are in need”. However, economic stabilisation together with negative demographic changes at the beginning of the 21st century provoked discussion on the reasons for decreasing fertility rates and this led the debate directly to the issues of family policy and work-life balance.
4.2 A new millennium

**Childcare facilities**

At the Barcelona summit, the European Council agreed on targets for childcare arrangements in an attempt to remove disincentives to female labour force participation; by 2010, EU member states should provide childcare to at least 90 per cent of children between 3 years and the mandatory school age, and to at least 33 percent of children under 3 years of age. The experience of three former Soviet republics and Poland show rather the opposite trend, at least in respect to the public provision of care for the youngest children. Paradoxically, Latvia and Lithuania (no data is available for Estonia in 1989) were closer to the Barcelona targets in 1989 than in 2003. In Estonia, the system of crèches virtually disappeared in the early 1990s. In Poland, the number of places in crèches dropped by two thirds between 1990 and 2000. At the beginning of 1990s, Lithuanian mothers were burdened with the responsibility for basic care.

After the substantial drop in the proportion of children covered by crèches and kindergartens in the countries studied, some improvement was observed in late 1990s. For example, the percentage of children aged 0-5 attending kindergartens in Latvia rose from 23 per cent in 1994 to almost 40 per cent in 1999 (Brunovskis 2001). In Poland, the percentage of children covered by crèches and kindergartens rose – from 32.8 per cent in 1990 to 38.9 per cent in 2001 (European Communities 2005a). However the observed improvements cannot be explained as a result of government policies but rather as an effect of the substantial decline in the number of births. Over the last ten years, the number of places in kindergartens has remained relatively stable but the number of new born children has been decreasing. Consequently, the coverage rates have increased. Further, public expenditure on nurseries and kindergartens, expressed as a percentage of GDP, fell. For instance, in Poland public spending on crèches decreased from 0.4 to 0.04 per cent of the GDP and on kindergartens from 0.46 to 0.4 per cent of the GDP between 1990 and 2001. However, one has to be careful when interpreting the data. We must bear in mind that in 1990 the Gross Domestic Product was very low in all post-communist countries. In the years that followed, it increased by 7 per cent a year in Poland, slightly more than 8 per cent in Latvia and Lithuania, and even 11.1 percent in Estonia (data for 1997, Eurostat).

The phenomenon described above indicates a limitation in the use of coverage rates as a measure of the defamilisation of care, which has been
overlooked by other authors (see: Esping-Andersen 1999, Leitner 2003, Michoń 2008). Firstly, an increase in the defamilisation of care is possible even if a country limits its involvement in providing public childcare. This occurs when following a decrease in the number of births, the number of public childcare places remains unchanged or decreases, but to a smaller extent. Secondly, the virtual increase in the strength of defamilialising policy can result from the fact that some women decide not to have children because they face problems with the reconciliation of employment and childcare due to the limited availability of childcare facilities. In this context we experience a real vicious circle; defamilisation measures seem to grow as a consequence of a smaller number of births, and the number of births falls because there is not enough defamilisation.

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Estonia</td>
<td>n/a</td>
<td>22%</td>
<td>79%</td>
</tr>
<tr>
<td>Latvia</td>
<td>42%</td>
<td>16%</td>
<td>75%</td>
</tr>
<tr>
<td>Lithuania*</td>
<td>34%</td>
<td>18%</td>
<td>60%</td>
</tr>
<tr>
<td>Poland</td>
<td>9%</td>
<td>2%</td>
<td>60%</td>
</tr>
</tbody>
</table>

*based on national reports.

Obviously the price parents have to pay for care also affects their willingness to use crèches and kindergartens. In the four countries, parents share the cost of operating the predominantly state-owned facilities. The prices range from approximately 20 to 25 per cent of the minimum wage. These costs can be prohibitive for low-income families, single parents and families with more than one child.

When interpreting the data for childcare coverage, we need to consider various aspects, rather than simply the supply of childcare facilities. A relatively low coverage rate may, at least partly, indicate not only the shortage of childcare facilities but also the availability of possible alternatives. Further, it is also possible that despite available places in the crèches and kindergartens, especially families with very young children choose not to send their offspring to the childcare facilities. However, the waiting lists found in most big cities suggest that despite the alternative forms of childcare and the presumed unwillingness to send
children to a crèche, a large number of parents in the four countries seek childcare in vain.

The main characteristics of childcare facilities in Poland and the Baltic States are:

- The system is designed mainly for children older than three years (e.g. in Poland, the kindergartens are obliged to accept all 6-year-old children. As a consequence, younger children are often refused a place);

- The variety of institutional forms of childcare is very limited;

- The availability of good quality, inexpensive childcare places, especially for small children, in small cities and rural areas is low. If we add the fact that a large proportion of females earn low wages, we can conclude that in many cases there is no financial incentive for mothers to seek employment (UNDP 2000).

When evaluating the provision of childcare, objective, “hard” data, i.e. the coverage rate is usually used. However, to present the full picture, it may be useful to also consider subjective indicators, which aim to show the satisfaction experienced. It appears that slightly more than half of Polish (57 per cent) and Estonian (58 per cent) parents are satisfied with childcare facilities in their local area. The proportion of satisfied respondents in Lithuania and Latvia is lower: 46 per cent and 47 per cent respectively (the average for the EU 25 is 55 per cent, European Commission 2007).³⁴

**Parental leave**

In order to promote equal opportunity and the equal treatment of men and women, the EU Parental Leave Directive (Directive 1996/34/EC) determined that every parent has an individual right to unpaid leave of up to three months to look after a child under the age of 8 years. The EU

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³⁴ However one has to be careful when interpreting the data. The research question was asked of all citizens regardless of whether they had small children, or had any experience with the facilities in the period around the time of study. Additionally, when evaluating the facilities, respondents in different countries have different views on what is (un) satisfactory. consequently those most satisfied with childcare facilities were the citizens of Cyprus and Slovenia, and one of the least satisfied were the Swedish.
also encourages its Member States to consider granting working men an individual and non-transferable right to paternity leave (Resolution 2000/C 218/02).

Low paid benefits discourage both parents from taking advantage of the leave, and in a majority of cases the person who stays at home to care for children is the person with lower earning power, usually the mother. Aside from the influence of hard, economic facts, there are also views that are deeply rooted in the societies: Mothers take the leave because it is seen as their “natural right”; parental leave for fathers is perceived rather as a luxury than a priority. In some cases, the fact that undeclared income, which is very widespread in New Member States, is not compensated during the leave, may also play role.

With regard to parental leave policies, the largest differences between countries were observed in respect to the extent of compensation. This was relatively generous in Estonia and Lithuania and poor in Latvia and Poland. In Poland, it is available only to low-income families.

In the four countries, parental leave is a family right with no special period reserved for fathers. Theoretically, the policy supports choice within the family. Both mothers and fathers are entitled to the leave and benefit, but in reality the lack of measures that encourage fathers to care for their children makes mothers take the leave. Despite substantial differences in the rates of compensation, which, when high, are expected to provide fewer barriers to the men’s take up, fathers in the four countries are not likely to take childcare-related leave. Fathers in Estonia have the right to parental leave only once a child is 6 months old. As a result, they constitute less than 1 per cent of those who take parental leave. Similarly, approximately one in one hundred Estonian fathers receive child care benefits (Sarv 2005). Fathers in Poland became entitled to the parental leave and allowance in 1996 (Kotowska & Michon 2007). However, as a consequence of the child-care leave policy in Poland, (means-tested benefit, inflexible in use) the beneficiaries of the system were predominantly women although the male attitudes to parental leave were changing slightly (Balcerzak-Paradowska 2003). Research carried out in Latvia shows that in 2002 fathers constituted only 1.5 per cent of parental leave recipients (Council of Europe 2005, p. 35).

Despite some changes in recent years, the parental leave regulations in Poland are still subject to criticism due to their rigidness. For instance,
parents who are employed during the leave automatically lose their right to parental benefits (Kotowska and Michon 2007). The government’s statistics on use of parental leave (benefits) show that the number of parents returning to work after parental leave declined steadily from 49,000 in 2000 to 35,000 in 2005 (Kotowska and Michon 2007). Although this is partly explained by the lower number of persons who benefit from parental leave, it also shows negative tendencies in parents’ (read: mothers’) employment, and inadequate work-life balance policy.

In Estonia, there is discussion on whether the generous parental leave benefit discourages mothers from working. A study by Võrk and Paulus (2006) indicates that only 4 per cent to 6 per cent of the people work while on parental leave. What is the reason? Receiving money from employment reduces the amount of parental leave allowance. Individuals who earn above a certain income threshold lose a substantial part of the benefit. The effect: For low-wage earners, there is no incentive to undertake employment because it may not improve their material situation (at least in the short term).

Table 7  Maternity and parental leave in 2005

<table>
<thead>
<tr>
<th>Country</th>
<th>Maternity leave</th>
<th>Maternity benefit</th>
<th>Parental leave</th>
<th>Parental benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estonia*</td>
<td>140 days</td>
<td>100%</td>
<td>until the child is 3 years old</td>
<td>100% - paid for 315 days, After the end of parental benefit child care benefit – flat rate of 600 Estonian Kroon (approx. 38.5 Euro) per month</td>
</tr>
<tr>
<td>Latvia</td>
<td>112 days</td>
<td>100%</td>
<td>until the child is 3 years old</td>
<td>Flat-rate benefit; 15 LVL/ a month (approx. 21.5 Euro)</td>
</tr>
<tr>
<td>Lithuania</td>
<td>126 days</td>
<td>100%</td>
<td>until the child is 3 years old</td>
<td>70% of former earnings until child is 1 year old, unpaid after that</td>
</tr>
<tr>
<td>Poland**</td>
<td>126 days</td>
<td>100%</td>
<td>36 months (to be used until the child is 4 years old)</td>
<td>Flat-rate 400 PLN (approx. 104 Euro per month) means-tested, basically paid for 24 months (if there is more than one child 36 months)</td>
</tr>
</tbody>
</table>

*2006, **2007

An overview of parental leave indicates similarities and differences in the provision across the countries. In Poland and the Baltic States, the approaches to maternity leave and the length of parental leave are much
the same. The leave policies vary mostly in respect to compensation rates during the parental leave. As a consequence, the familisation of care in Lithuania and Estonia is much more extensive than in Poland and Latvia. A comparison of parental leave entitlements shows that fathers are not actively encouraged to remain at home to care for their children; the overwhelming majority of leave (benefit) recipients are women, and often mothers with low earning power are discouraged from seeking employment (especially in Poland and Estonia; see also Section 5 below).

5. The impact of policy

Comparing the employment rates for women in the four countries with those of the EU25 (Figure 1) reveals that in Poland and Estonia the labour market behaviour of women with children remains very close to that of the “average European mother”. In the two countries, around three out of five women with one or two children aged 0-12 years are employed. However we find ourselves in difficulties when trying to ascribe the results to policy design. The policy in the two countries is very different; while in Poland the childcare is neither strongly familised nor defamilised, in Estonia the familisation of care is relatively extensive and childcare coverage is moderate (but substantially higher than in Poland). In other words: Polish mothers receive relatively less support either to participate in employment or to care for their children at home. This raises the question of how to explain the similar behaviour patterns in the two countries. The policy in Poland, especially when accompanied by high unemployment rates, divides mothers into two groups. One is the group of women who face severe difficulty in finding decent employment. From their perspective, even a very low parental leave benefit (plus family benefits and social security provisions) can be an attractive alternative to a salary. Unavailable and unaffordable childcare facilities further discourage them from getting a job. On the other hand, we have mothers in Poland, mostly well-educated, for whom low, means-tested benefits are unattractive. They are likely to pay for childcare and are afraid of losing their jobs and qualifications if they remain outside the labour market for a long period of time. It seems that the Estonian policy does not distinguish between the two groups. It is reasonable to say that it

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35. However the rules of use are different: in Poland the parental leave can be used till the child is 4 years old.
allows mothers (families) relatively much more freedom to follow their preferences. The state provision makes the conditions for caring for a child at home or for being employed relatively better for both groups of women. Bearing in mind that the unemployment rate for women in Estonia is much lower than in Poland and presuming that this is also true for mothers, leads to the conclusion that generous familisation policies may be responsible for the lower activity rate of mothers in Estonia. Furthermore, the effective and not statistical employment rate of mothers in Estonia, which can be defined as the proportion of mothers who work as distinct from mothers who are officially classified as “employed” but on maternity/parental leave, is likely to be lower than in Poland.

Figure 1  **Employment rates of women aged 20-49**  
**by number of children 12 years old or younger in 2003**

The difference between the “effective” and the “statistical” employment rate may also partly explain the results obtained for Lithuania (Figure 1). The familisation of care in this country is strongest, which on one hand is likely to increase the number of statistically employed relative to effectively employed mothers, and on the other, to encourage women to work prior to having a child (the leave and benefit entitlements are employment-related). In addition, the unemployment rate for women in Lithuania is moderate. All these facts translate the well above average employment rate for women with children in Lithuania.
The data on *parenthood employment impact (PEI)* is presented to show the impact that having a small child has on the labour market participation of mothers and fathers. PEI is defined as the absolute difference between in the employment rates for men and women aged 20-49 years without children and the rates for those with a child in the age category of 0-6 years (Commission 2005).

Of the EU-25 countries, Estonian men are most likely to experience the effect of parenthood on employment and in only three countries does parenthood have a greater impact on women’s employment than in Estonia: The Czech Republic with a rate of 38.9, Hungary with 37.1 and Slovakia with 30.2 (see also Pascal and Kwak as well as Haskova and Klenner in this volume). The impact of fatherhood is very similar in all countries, while the impact of motherhood is significantly diversified. In all of the countries studied, men with children are more likely to be employed than their childless counterparts. The opposite is true for women, with Estonia representing the most dramatic example of that.

The results for Estonia and Lithuania presented in Table 8 are surprising. The countries are very similar in terms of policy (strong familisation of care and, at the same time, a moderate level of care defamilisation) and labour market conditions (similar unemployment rates, female activity rates, etc.). However, they vary significantly when it comes to the effect parenthood has on mothers’ employment. Estonia demonstrates a strong negative effect, while in Lithuania the effect is relatively weak (Table 8). To make things even more astonishing, Lithuanians are more likely than Estonians to express the views that women need a home and children to be happy and that being a housewife can be as fulfilling as working for pay. One could therefore expect Lithuanian mothers to be more likely to stay at home and care for their children. Part of the explanation seems to lie in male behaviour in the labour market; the impact of parenthood experienced by Estonian males is stronger than that experienced by their Lithuanian counterparts. In addition, Estonia is the country with the highest (in EU25) wage inequality, and one of the largest gender pay gaps...
(Plantenga and Remery 2006). In other words: There are very high and very low paid jobs in Estonia, and women are much likely to be employed in the latter. Consequently, women who become mothers are likely to give up employment and fathers take more responsibility for the material well-being of the family. Wage differences were also observed in Lithuania, but the gender pay gap is much lower. This suggests that the proportion of families where fathers have high and mothers low earning power is much smaller than in Estonia. The differences in women’s full-time and part-time employment rates may also contribute to the explanation. The parenthood effect is represents the difference between the employment rates of childless individuals and parents so the employment rate of both groups plays a role. Lithuanian mothers are almost three times more likely to work part-time than their Estonian counterparts (European Communities 2005a). In 2003, the employment rate for childless females aged 20-49 in Estonia was second highest in Europe (84 per cent) and higher than in Lithuania (79 per cent). This means that if the mothers’ employment rates in both countries were equal, the parenthood effect would be 5.0 percentage points higher in Estonia than in Lithuania.

Although the explanation of differences in the parenthood effect in Estonia and Lithuania presented above seem quite plausible, it is also possible that they do not fully explain the phenomenon. The issue requires further study.

When considering the data presented in Table 8 from an employer perspective, we can draw another conclusion. While women are much more likely than men to give up employment following the birth of a child, it is beneficial to reward the latter at the cost of the former.

Table 9  **Organisation of work of couples aged 20-49 where at least one partner has a job**

(% of all couples – with and without children)

<table>
<thead>
<tr>
<th></th>
<th>Poland</th>
<th>Latvia</th>
<th>Lithuania</th>
<th>Estonia</th>
<th>EU 25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Man and woman both full-time</td>
<td>49</td>
<td>58</td>
<td>60</td>
<td>62</td>
<td>45</td>
</tr>
<tr>
<td>Only man working</td>
<td>29</td>
<td>25</td>
<td>16</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Man full time/woman part-time</td>
<td>8</td>
<td>5</td>
<td>10</td>
<td>4</td>
<td>19</td>
</tr>
<tr>
<td>Only woman working</td>
<td>12</td>
<td>9</td>
<td>10</td>
<td>7</td>
<td>5</td>
</tr>
</tbody>
</table>

When looking at the organisation of work within couples (Table 9), the two dominant models in the countries of study are: Two breadwinners working full-time and a single male breadwinner with a housewife. However, what is worth underlining is that in Poland and Lithuania the organisation of work by childless couples and parents is pretty much the same (see: European Communities, 2005a). In Latvia and particularly in Estonia, the proportion of couples with children where there are two full-time breadwinners is much lower than among their childless counterparts. The opposite is true for the proportion of couples where the male is the sole breadwinner.

The results presented in Table 2 and Table 9 indicate that although the citizens of the four countries find that both the male and female should contribute to household income, in reality many couples (three of ten in Poland) decide for the sole male-breadwinner model.

6. Conclusion

The transformation process that started in 1990-1991 in the countries of study had extensive consequences for working women, mothers and more generally working families. Although the pro-family attitudes of the last two decades have barely changed, Poland and the Baltic States have experienced a dramatic fall in fertility rates. At the same time, dramatic change was observed in the approach to employment. Paid work has become perceived as a need, an important factor for a fulfilling life and simultaneously a ‘must’ condition for the individual’s material independence. In addition, the intensification of work made individuals more anxious about the consequences that mothers’ employment may have for their children’s well-being. All these changes are expected to make policies related to work-life balance a central issue of social policy change.

There are some similarities in the states’ policies, e.g. the absence and/or low effectiveness of instruments aimed at encouraging fathers to become more involved in childcare, the limited availability of childcare services, and the domination of means-tested benefits. The last two factors discourage mothers with low earning capacity from employment. There are also differences. While the familisation of care is relatively strong in Lithuania and Estonia, it remains limited in Poland and Latvia. As a result, caring for children at home is the first “natural” option for most
families, but the two breadwinner couple is a necessity in many cases, which drives women to the labour market. On the other hand, employment conditions, such as the high unemployment rate (particularly in Poland), a large unofficial labour market, low earnings and limited opportunity to work part-time, together with unsatisfied demand for public childcare and social norms that support mothers as carers constitute enormous pressure on women with small children to be housewives.

Although labour market activity and employment rates for all women and mothers have dropped in the Baltic States, they were higher than the EU 25 average during the entire transformation period and have begun to rise in recent years. In Poland, the situation looks quite different. The proportion of working females has decreased over the last 17 years mostly due to demographic trends. However, it is worth stressing that the labour force participation of women with children in Poland is as high as that of all women. Although the proportion of working women who are mothers is an important indicator of the efficiency of state policy, it was stressed in the article that in the countries examined in the study there are other indicators that place the policy in a negative light: People are less likely to have children (falling fertility rates), women are overburdened with employment and household duties; limited choice of childcare forms; gender-biased distribution of children-related direct and indirect costs. In addition, the current inequality between men and women in the countries studied has negative consequences on their future prospects: Reduced economic security of women, increasing wage inequality and a reduction of women’s ability to compete on the labour market.

In coming years policy should not be limited to supporting the labour market activity of women with children. Firstly, there is a need for instruments that encourage fathers to participate in looking after children. Secondly, the options available to families need to be increased through support for the development of various forms of childcare facilities and workplaces for “secondary” earners. As the experience of many Western countries shows, improving the opportunities for achieving a satisfying work-life balance may prove an efficient tool for increasing fertility rates. Thirdly, it seems that the overall situation on the labour market has considerable impact on families’ decisions in relation to employment and procreation. What appears to be necessary is the reduction of unemployment rates, gender pay gaps and wage differences.
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Variations of the dual earner model employment among mothers: a comparison of the Czech Republic and Germany

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1. Introduction

For most European countries the aim of the European employment strategy (2000) — boosting employment among women — has meant promoting employment among mothers. Although economic and demographic reasons play the most important role, the strategy is also derived from the EU’s equality objectives (Lewis 2002, European Commission 2006). Under today’s conditions, including a greater number of women in the labour market is closely related to gender equality. This is evident in countries such as those in Scandinavia, where a high level of employment among women and mothers is associated with gains in gender equality (EU Commission 2008). These countries promote women’s employment by offering a wide range of childcare options, providing for short interruptions in employment for family reasons, and offering family-friendly working conditions. As long as women have fewer employment options than men due to their family-related duties, and as long as men play only a subordinate role in caring for the family, policies that enable mothers to participate in the labour market and encourage fathers to take on a greater role in childcare will promote gender equality in the labour market and in the family (cf. Saxonberg 2003). What picture do the countries in the European Union offer in this regard? Various models and trends in gender and care arrangements can be observed in Europe (Pfau-Effinger and Geissler 2005). While mothers in Scandinavian countries, France, and Belgium return to the labour market shortly following the birth of a child since

36. Data on Czech Republic and Czechoslovakia were collected under two research projects: „Gendered Citizenship in Multicultural Europe: The Impact of Contemporary Women’s Movement“ project, funded by the EU’s Sixth Framework Program, no. 028746-2 and „Podpora společenské akceptace a efektivního prosazování genderové rovnosti ve veřejné sféře“ project [Support for the Social Acceptance and Effective Enforcement of Gender Equality in Public Sphere], funded by the Grant Agency of the Academy of Sciences of the Czech Republic, no. 1QS700280503.

37. We use the term “care” in the following to refer to childcare and caring for family members.
parents use childcare facilities for pre-school children of all ages (EU Commission 2008), many conservative welfare states,\(^\text{38}\) including Germany, support the male breadwinner model (Lewis 1992). Through their “explicitly familialistic” policies (Leitner 2003), they long encouraged women to take a long leave of absence from gainful employment following the birth of a child to focus exclusively on family duties. In the Netherlands, where families rely less on childcare facilities, part-time work helps reconcile family and career since parental care is given priority (Visser 2002).

Yet despite all the differences among Western European countries, the trend in these countries is the same, even if the extent and forms taken may differ: countries are abandoning the breadwinner model (Leitner, Ostner and Schratzenstaller 2004), the model of the male as the sole breadwinner who provides for himself and his non-working partner and children and who is largely relieved of care duties. This model has given way to a dual earner model in one form or another, where women generally make a living, at least in part and temporarily, by working, and where childcare can be organized according to a variety of different options (Lewis 2001).

The new EU member states in Central and Eastern Europe (CEE) further contribute to the differentiated picture in Europe. The male breadwinner model as the predominant model was abandoned in favour of a dual earner model decades earlier than in many Western European countries. A high level of employment among mothers was able to develop based on a widespread public childcare system. At first glance, gender arrangements in these countries, which developed during the state-socialist period, seem to resemble those in Scandinavia (Pascal and Lewis 2004). However, instead of the progress achieved in gender equality in the working world in state-socialist countries, a marked traditional allocation of roles was in place, especially within the family (cf. Ferge 1998 in Pascal and Lewis 2004, Klenner 1990, Nickel 1993).

The former Eastern European Bloc countries were often viewed as representatives of one single model. According to the typology developed by Pfau-Effinger (1998), this model can be referred to as the “dual earner model with state childcare.”\(^\text{39}\) What happened to this model in the


\(^{39}\) R. Crompton refers to the “state-socialist dual earner/state carer model” (1999).
political, economic and social transformation processes in CEE countries? The following comparison of the Czech Republic and Germany will address a few aspects of this question. Two notable trends have become evident in the new EU member states. First, employment among mothers in some of the former state-socialist countries has developed in the opposite direction of employment in Western Europe. While employment among mothers has increased in the old EU countries, it has declined in the CEE countries. Today employment among mothers is far below the EU average in Bulgaria, Poland, Slovakia, the Czech Republic, and Hungary (EU Commission 2008). If, as we indicated at the outset, there is a close relationship between employment among women and equality, one can fear that this trend may also lead to throwbacks in gender equality. Second, the once similar countries have developed in different directions since 1990 and now differ from each other quite considerably (ebd. and the articles by Pascal and Kwak, Szikra and Szelewka, Křížková et al. in this volume).

These differences are particularly striking if we compare the Czechoslovak Socialist Republic (CSSR) and German Democratic Republic (GDR), two neighbouring former state-socialist countries, which had similar political and economic structures, ideological conceptions, and a comparable economic level before 1989. Today employment among mothers differs greatly in the two countries. It is particularly low in the Czech Republic. In no other country in the EU does the presence of children have such a great influence on employment among women. The Czech Republic has the largest gap between employment among women with children and women without children in the entire European Union (European Commission 2006). Employment among mothers in the former East Germany is comparatively high. Here there is much less of a difference in employment among women with and without children.\(^\text{40}\)

\(^{40}\) It is beneficial to compare the situations in the Czech Republic and former East Germany since gender relations and family and employment policies in the CSSR and GDR developed in similar ways for a time but then began to diverge, with employment among mothers in stark contrast today. The question is which factors caused this split. Although eastern Germany is now just a region of a unified Germany, considerable differences between East and West in Germany still exist (cf. Bothfeld et al. 2005 among others). Despite the Soviet-dominated real socialist past of the CEE countries, the GDR seems to have been the most modern Eastern Bloc country in terms of gender policy (cf. Rosenfeld, Trappe and Gornick 2004). Even today, eastern Germany is more similar to most modern Scandinavian countries than other CEE countries today despite the transfer of West German institutions beginning in 1990. In this respect it serves as a suitable contrast for the Czech Republic.
The objectives of this paper are two-fold. First, we will examine how employment among mothers of young children could have developed so differently in the Czech Republic and in East Germany even though the CSSR and GDR had many characteristics in common before 1989. We will attempt to trace the causes behind the diverging development. We make the assumption that women’s participation in the workforce is influenced by a complex interplay of culture and institutions, with cultural models of motherhood and childhood, and the division of labour between the genders interacting with the development of welfare state policies, the labour market, and the family (Pfau-Effinger 2000: 18). Against this backdrop, we will examine how the economic, political, and cultural factors that affect employment among mothers have changed as these countries have undergone transformation to capitalist market economies. General causes for the decline in employment among mothers in CEE are the rise in unemployment, dismantling of the childcare infrastructure, changes in regulations on leave from work, and in part the resurgence in religious values following the socio-economic transformation (Fodor 2005, Rudolph and Klement 2006, Saxonberg and Sirovátká; cf. also Pascal and Kwak, and Křížková et al. in this volume). We will analyze the developments in these areas in detail specifically for the two countries mentioned. Moreover, we will focus on another group of factors that has thus far received little attention: conditions relating to the work-life balance within companies in the two countries in our focus. Do they promote or hinder opportunities for flexible working and for appropriate leave and re-entry associated with the birth of children?

Our second objective is to develop a more exact characterization of the gender model in the two countries. Based on examination of the historical legacy that the two countries inherited in 1990, we will offer evidence that a typology of gender models must include different versions of the dual earner model dating back to the state-socialist period. The versions in the dual earner model in the CSSR and GDR, which under closer examination already existed before 1989, have diverged further in the course of the transformation after 1990.

The paper begins with a short analysis of the development in the state-socialist period (section 2). Then, in section 3 we examine how the economic transformation process and family policies in both countries since 1990 have affected employment among mothers. Section 4 covers the conditions relating to the work-life balance faced by mothers in companies in the Czech Republic and Germany, while section 5 shows
the role cultural values and attitudes in both societies have played in the diverging development. We then conclude by stressing the interplay among the factors.

2. The state-socialist legacy: two countries — one gender model?

We will first examine the extent to which today’s major differences in employment among mothers in the former East Germany and the Czech Republic are linked to differences in family policies and the culture of employment among mothers during the state-socialist period. Several recent studies indicate that there are important links in the CEE countries between previous and current policies and between previous and current practices (Heinen and Wator 2006, Saxonberg and Sirovátka 2006, Saxonberg and Szelewa 2007, Szikra and Szelewa in this volume).

Let us first consider what the CSSR and GDR had in common. Basic commonalities in the gender issue are also due to the countries’ location in the Soviet sphere of influence after 1945, where the aim was to implement similar societal models. The establishment of socialism was intended to bring about a solution to the question of women’s rights. That women had to work during the post-war period and in the 1950s through the first half of the 1960s out of economic necessity in both countries is undeniable. The necessity in Germany was due to the shortage of male workers and to the destruction during the war. In Czechoslovakia, the course toward extensive growth, especially the expansion of industry, played a role in the demand for workers. Another strong driving force behind the growing rate of employment among mothers was without a doubt the economic pressures at the individual level since many windows and single mothers depended on employment.

At this time, policies in both countries were aimed at enabling mothers to work by expanding childcare facilities. Officially this was an important aspect of family policies, but initially it was far from a priority. In many cases, mothers first had to struggle with the conditions relating to the work-family balance (von Oertzen and Rietzschel 1997, Clemens 1987, 1990 and Uhrová 2005). This period was marked by two contradictory models. On one hand, employing women corresponded with the ideal of socialist emancipation. This was primarily understood as integrating women into the working world, freeing them from the constraints of the
home. Women also welcomed the opportunity to work; many had already worked during the war economy and had become economically independent. On the other hand, traditional family and gender models initially remained intact. The model of the male breadwinner was not abandoned at once, and employment among mothers and married women was still subject to reservations (von Oertzen and Rietzschel 1997). The centralist power apparatus facilitated replacing official models to fit socialist ideas and economic requirements (Trappe 2007).

The debate on the declining birth rate intensified in the second half of the 1960s in Czechoslovakia and somewhat later in the GDR. Beginning in the mid-1970s this concern led to a political transformation in both countries. Greater emphasis was placed on women’s roles as potential mothers. Their careers were not to prevent them from being mothers. A wave of family policy measures went into effect in the mid-1970s. “Socialist pronatalism” affected most state-socialist countries in this period (Ferge 1997). Measures granted additional rights for mothers with the intent of defusing the conflict between working full-time and motherhood. These family policy measures focused on the combination model. The ideal was the working mother who unites two life concepts: working outside the home and responsibility for family and the home. The model of the working mother was already deeply rooted at this time. It fell in line with an emancipation concept, which Nickel named “patriarchal equality” (1993), in which only the behavior of women, not men, changed. The state was considered responsible for helping working mothers with “their family duties”. For this reason, measures were generally addressed exclusively to mothers, not fathers. At the same time, equality policies contributed to preserving traditional attitudes. Not only was the traditional gender-based division of labour not questioned, it became firmly established (Trappe 1995).

41 This is documented in a 1956 survey of Czechoslovakian pregnant women and mothers, only 12 per cent of whom wished they did not have to work outside the home. Two-fifths wanted shorter working hours, however (Srb/Kučera 1959).

42 Various measures were introduced, while existing measures were expanded in part. Measures in Czechoslovakia concerned reduced rents and commuting expenses, for example. Newly married couples in both countries received loans, which were paid back based on the number of children. Leaves of absence following the birth of a child were extended. The state, companies, and cooperatives built additional subsidized day care centers and kindergartens, and after-school care and holiday options were expanded (cf. Klammer et al. 2000, Hildebrandt 1994). Measures to protect single parents were introduced in both countries. Measures to solve the housing problem, which had kept the number of children in check, were also implemented in both countries.
Political attitudes, measures, and laws were similar in both countries up to this point. While the state shied away from the opportunity to promote greater involvement of fathers in childcare, it concentrated on expanding the childcare infrastructure. The majority of pre-school children aged 3 and older were in kindergarten by the late 1960s (Fig. 1). Most facilities were all-day facilities. The expansion of day care facilities and kindergartens also applied to after-school care, where the work-life balance was also helped along by hot lunches in canteens. Helpful measures, such as cafeterias, summer camps for children, and even shopping services, were available primarily in large companies.

More women, including mothers, began to work outside the home in both countries, as evidenced by the economy, intended by ideology, and increasingly aided by the day care and kindergarten infrastructure. In Czechoslovakia the employment rate among women grew from 39 per cent in 1950 to 75 per cent in 1980. It increased even more in the GDR from 52 per cent in 1950 to 86 per cent in 1980 and to 89 per cent in 1980.

Family policies in both countries were initially intended to mediate between the objectives of maximum utilization of the female workforce pool and stabilizing or increasing the birth rate, not only to help families. After traditional cultural reservations about employment among women and mothers had been overcome in principle over the first two decades, family policy was used to encourage families with two working parents. The normative orientation toward the male breadwinner model in the form of a single-earner marriage was gradually abandoned in both countries. It increasingly became a matter of course for women, including mothers, to work (Čermáková 1997, Dölling 2005).

These processes did not lead to social equality between the genders (Nickel 1993, Saxonberg and Sirovátka 2006, Havelková 1996 and Fodor 2005), which was reflected in the difference in women’s and men’s incomes, low numbers of women in management positions, and the lack of leisure time enjoyed by women. Although practically all women worked outside the home, only men had careers (Čermáková 1997: 391). Women

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43. The term “kindergarten” refers to facilities for children aged 3 until school age.
44. It was already 55 per cent in 1950 if figures include family members who took care of children.
accepted lower positions to reconcile family and work. Gender-specific division of labour changed hardly at all. Working women in the GDR, most of whom worked full-time, were responsible for housework and caring for the family. They did around two third of the unpaid housework (Klenner 1990). In Czechoslovakia, women carried even more of the burden of housework (Háková 1966); men did not make any significant contribution to relieving the burden (Heinen 1997).\footnote{The ratio shifted somewhat in later years. Women took care of two-thirds of household chores, spending 25.5 hours a week, while men spent 14.5 hours (Czechoslovak sample, Kreipl 1978).}

Figure 1 \textbf{Children in day care centers and kindergartens in the Czech Republik* and the GDR/East Germany 1950 - 2004}

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\textsuperscript{*}Czech part of the CSSR until 1989. \textsuperscript{**}Some of the under-3-year olds could be cared for in kindergartens.


In both countries, a high overall burden was placed on women who worked both in and outside of the home. Women worked long hours. In the 1960s, Czech women worked an average of 46 hours a week (which was the legal work week), while men worked 53 hours a week due to overtime work (Bezouška and Vytlačil 1963). In the GDR, the legal work week was 48 hours until 1966, then 45 hours, and 43.75 hours from 1967.
on (Klammer et al. 2000: 161). The regular full-time work week for mothers was shortened to 40 hours for mothers of three children or more in 1972. This regulation was then extended to mothers of two or more children under the age of 16 in 1977. There was no comparable measure in the CSSR, though one was discussed and would have been preferred by the Czech population. Part-time work was uncommon, particularly in the CSSR, even though the labour code authorized part-time work for health and family reasons\textsuperscript{48} as early as 1965. Part-time work was frowned upon in the GDR, yet 27 per cent of women worked part-time in 1989 (Klammer et al. 2000). Due to the high burden placed on Czech women, women early on advocated measures that would relieve that burden, such as expanding family services and shortening working hours (Beránková 1980 and Clemens 1987). In the GDR, over half of women in 1970 viewed working part-time as the preferred model for married women (von Oertzen and Rietzschel 1997).

Do the similarities described imply a single family and gender model that predominated in the GDR and CSSR? Both countries pursued the same objective—encouraging women to work—with similar measures in the first two decades after 1945. This development can be referred to as defamiliarisation (Leitner 2003\textsuperscript{49}). Public funding for childcare outside of the home was made available, gradually transferring care duties from the sole responsibility of the family, which, for all intents and purposes, meant the sole responsibility of women. Women’s reliance on their male partner was lessened considerably. The gender model in both countries developed into a dual earner model with state childcare (Pfau-Effinger 1998: 185), or in Crompton’s typology (1999), the dual earner/state carer. The model differed from both versions of the male breadwinner model (both the traditional and the modernized) since the majority of women, including mothers, were neither housewives nor worked part-time. Both partners were generally expected to contribute to the couple’s livelihood. The model in the CSSR and the GDR also differed from the dual earner model with partner-shared childcare (Pfau-Effinger 1998) since men did not take on any sort of caring father role. The dual earner model was gendered in both countries. Women were largely responsible for care duties not covered by public institutions, while gender-specific housework changed hardly at all. The gender-based hierarchical division

\textsuperscript{48}. Raising a child under 15 was considered a family reason.
\textsuperscript{49}. For information on the term, cf. also Szikra and Szelewa in this volume, which goes into Leitner’s concept in detail.
of labour in society likewise remained essentially unchanged. Lack of equality for women persisted in both countries until the end of the state-socialist period, yet progress in equality was made primarily in the occupational sphere, resulting in a “levelling of gender as a social factor of differentiation” (Dölling 2005: 27).

The model can also be referred to as extensive since it was based on as comprehensive a utilization of female working capacity as possible, especially in full-time jobs and jobs with long hours. Both countries thus shared a *gendered extensive dual earner model with state childcare*, which became dominant around 1970.

It was not until the second half of the 1960s that the CSSR and GDR made *different* political decisions in light of the declining birth rate. How this happened and why it was accepted by the populations of both countries is a question for historical research. We can merely ascertain that significant differences between the GDR and CSSR began to develop during this time.

Childcare and maternity leave periods in the two countries had been similar up to the 1960s. In the late 1960s, Czechoslovakia set the political objective to extend leave for childcare gradually until the age of 3 (Klíma 1969). 50 Czechoslovakian family policy thus took a different direction than policy in the GDR, where families were encouraged to put children in day care as early as possible and a “baby year,” only one year of maternity leave, was later introduced. Different practices in childcare and employment among mothers have developed since. The percentage of children under three in day care facilities grew at a much slower pace in the CSSR than in the GDR. While over 80 per cent of children under three in the GDR were in childcare facilities in the late 1980s, the rate in the CSSR never reached more than 22 per cent. The percentage of children in kindergarten before the transformation in 1989 was around 80 per cent in Czechoslovakia and 91 per cent in the GDR (Fig. 1).

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50. Unpaid “extended maternity leave” until the child turned one had been introduced in the CSSR in 1964 (law 58/1964). Five years later, women taking a year of maternity leave for the second child and beyond received social benefits (law 154/1969). Extended maternity leave was extended by an additional year in 1970 (law 107/1971). In the 1980s, payment for the first year was extended to all mothers, and maternity leave was extended to three years (law 110/1984 and law 50/1987). A high income replacement rate of 90 per cent was paid during the 28-week maternity leave. The lump sum payment that replaces this benefit was not (and continues not to be) based on income and was (and continues to be) much lower.
It is important to note, however, that extending the leave period following the birth of a child was not designed in the CSSR as a polar opposite to working mothers. Mothers continued to be expected to participate full-time in the working world, but with several years of leave for family reasons. Under state-socialist conditions, mothers who took advantage of leave were legally considered employed and were entitled to and had the real option of returning to their jobs. Longer leave was introduced to encourage families to care for young children at home and to reduce the demand for costly day care centres. Moreover, day care centres were thought to increase illness rates among children and cause socialization problems since children would be kept in facilities too long due to long work hours (Srb and Kučera 1959, Klíma 1969, Dunovský 1971 and Jančíková 1979). It was not long before this policy was reflected in growing consent among Czechoslovaksians that children should be raised at home until the age of three and not in collective facilities (cf. Čákiová 1977). Women were ideally supposed to return to work when their children turned three (Háková 1966; Čákiová 1973; Kreipl 1978).

The trend in the GDR was reversed. Career breaks taken on by mothers became increasingly shorter over time. In the first cohort (born in 1929 to 1931), just under half of women stayed at home for three years or more.

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51. Concerns about public childcare of children under three had been raised as early as the 1960s. Empirical studies by Czech doctors and child psychologists on the psychological deprivation and socialization deficits of children in children’s homes contributed to the skepticism of day care centers. These debates may have been influenced by the debates being conducted in western countries at this time (Wagnerová 2007).
Among those born around 1940, 34 per cent did so, while only 3 per cent of women born in 1959 to 1961 took leave for 3 years (Trappe 1995: 135f).  

The higher percentage of children in day care centres in the GDR encouraged a different perception of what constituted “proper” childcare. Sending small children to day care was more readily accepted as normal earlier on. An attempt was made to combat scepticism toward sending young children to day care, which was also encountered in the GDR in the 1960s, with unconditional approval of putting young children under institutional care (Trappe 1995: 123). Steps were taken to improve the quality of day care, such as keeping children in smaller groups. But above all, it was the interest of qualified young women around 1970 in being able to actually use their acquired skills in conjunction with the increasing availability of day care spots that likely contributed greatly to reducing reservations in the GDR about having children cared for outside of the home. The “baby year” introduced in 1976, during which women received 70 per cent of their salary, to some extent reflected reservations of sending infants to day care institutions too early and meant only one year of leave in the GDR, unlike in Czechoslovakia.  

Policies in both countries were defamilialist at first. Since policies in the CSSR in the late 1960s shifted toward a focus on family parenting, particularly for mothers of children under three, policies in the period that followed can be said to have had a defamilialist focus with refamilialistic elements, whereas in the GDR, policies continued a consistently defamilialist orientation up to 1989. Legal and cultural norms in the two countries have differed ever since.  

Two versions of the dual earner model developed in the two countries from the late 1960s on. While the gendered and extensive dual earner model in the GDR was increasingly continuous over one’s lifetime, the dual earner model in the CSSR became an interrupted model. Consequently, employment among women in the CSSR grew more slowly. The gender-specific difference in career paths was greater than in the GDR due to longer leaves of absence, while the majority of mothers

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52. The analyses by Trappe (1995: 134f) also indicate that women in the GDR in the youngest cohort took shorter leaves of absence more frequently than women in the older cohorts.  
53. This applied up to a compulsory insurance limit, at least 300 marks.  
54. 18 months for the third child and beyond beginning in 1986.
in the GDR returned to their job after a maximum of one year of maternity leave. The extensive nature of the model in the GDR was mitigated somewhat by the paid reduction in working hours for mothers of multiple children. The gendered extensive dual earner model remained intact for mothers of older children in both countries.

3. Labour market development and family policy in the transformation process as factors that contribute to diverging development

3.1 Diverging development of employment among mothers after 1990

Important differences between the two countries had already been evident in the past. These differences, together with the different transformation paths after 1990, led to diverging development in employment among mothers. In the Czech Republic in particular, whether a woman is raising a child under 6 has become a key criterion for determining whether she works. In no other EU country is the difference in the employment rates of mothers of young children and women without children in this age group greater than in the Czech Republic. The difference is 39 percentage points, while it is much lower, 27 points, in Germany (EU Labour Force Survey 2005). While only 18 per cent of mothers with a child aged 0 to 2 work in the Czech Republic, 25 per cent do so in the former East Germany. The difference is even greater when children are slightly older. The employment rate of Czech mothers with one child aged 0 to 4 was only 25 per cent (Czech Statistical Office 2005), while the rate for mothers in East Germany with a child aged 0 to 3 was 32 per cent. Once children are in their third year (between 2 and 3), every second mother in the former East Germany is already employed (48 per cent, cf. Bothfeld, Tobsch and Schmidt 2005: 12).

Employment among mothers of young children has declined in both countries since 1991 however. In 1993, 54 per cent of mothers with a child aged 0 to 4 was only 25 per cent (Czech Statistical Office 2005), while the rate for mothers in East Germany with a child aged 0 to 3 was 32 per cent. Once children are in their third year (between 2 and 3), every second mother in the former East Germany is already employed (48 per cent, cf. Bothfeld, Tobsch and Schmidt 2005: 12).

55. The difference is even lower in eastern Germany, which can be concluded from the data listed in the following. The Labour Force Survey data are not broken down for eastern and western Germany.
56. Many thanks to Tanja Schmidt for the statistical support.
57. We were unable to find directly comparable data.
58. This applies for mothers aged 20 to 44.
child aged 0 to 4 in the Czech Republic were employed. By 2004 the rate had dropped to 25 per cent (Czech Statistical Office 2005). The decline has been less dramatic in the former East Germany. Although the rate fell markedly as unemployment overall increased, especially until 1995, employment among mothers of young children (aged 0 to 3) has increased since 1997. The increase, at 7 per cent, is disproportionately high during the child’s third year (Bothfeld, Tobsch and Schmidt 2005).

What explains this diverging development? The interplay between labour market development and family policies has kept employment among mothers in check in both countries, but to a far greater extent in the Czech Republic. We will analyze this in the following section.

3.2 Labour market development and family policies in the 1990s as they influenced employment among mothers

In 1989 and 1990 the two countries underwent a political about-face, followed by an economic transformation from state socialism to capitalism. Both countries, the CSSR and the GDR, were reorganized as states but in opposite directions. The GDR ceased to exist as an independent state following unification with the Federal Republic of Germany in 1990, while the Czech Republic was created (along with Slovakia) as the CSSR split.

Both countries were far from achieving gender equality when the political upheavals began in 1989/90. But participation in the working world was not at risk when women became mothers in the centrally planned economies before 1989, with zero unemployment, no fixed-term employment contracts, and no fear of losing one’s job after taking childcare leave. The situation changed drastically with the transformation to capitalism.

Following restructuring, women became unemployed more quickly, whereby unemployment (among women) in the former East Germany increased in the first half of the 1990s and in the Czech Republic in the second half of the 1990s due to slower privatization. As a result, whether

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59. Between 32 and 43 per cent of mothers with a child under 3 were employed in East Germany (2003); the figures differ due to statistical problems (whether mothers on parental leave are included) (cf. Bothfeld, Tobsch and Schmidt 2005: 33).
women worked was more a question of deciding whether to work and of basic conditions than a matter of course. This was the case in both countries before 1989, although in the continuous version in the GDR and the interrupted version in Czechoslovakia.

Family policies in the 1990s in the Czech Republic contributed to a drastic drop in employment among women, primarily due to two factors. First, policies were not able to maintain the childcare infrastructure for children under three, and second, they further extended the length of childcare leave following the birth of a child entitled by law.

Most facilities run by cooperatives and companies disappeared entirely, and the number run by communities was drastically reduced. Fees for day care facilities continued to be very low and were regulated by the state (as is still the case today), which was good for parents, but communities often had to close facilities for financial reasons. The day care infrastructure collapsed, with the percentage of children aged 0 to 3 in day care dropping from 18 per cent to less than 1 per cent. Some day care centres are now privately run and thus too expensive for many families. The drop in the number of kindergarten spots for children over three was roughly in line with the much lower birth rate. Today, despite the reduction in the number of spots, over three-fourths of three-year olds and over 90 per cent of four and five-year olds go to kindergarten (Kuchařová and Svobodová 2006).

Though it became increasingly difficult to secure institutional childcare for very young children, the childcare allowance was extended to four years, giving parents the option of caring for their children themselves during the day (Sirovátka, Mareš 2002). This applied only for two-parent families, however, since the childcare allowance was not enough to secure a livelihood. In 1990, it amounted to only 27 per cent of the average gross earned income. Owing to increases in wages, it dropped in relative terms to 13 per cent (2003). The conservative rhetoric of the 1990s—many politicians stressed the freedom to choose not to work and “voluntarily”

60. Some of the two-year olds were eligible for kindergarten, as was previously the case, with the result that around 9 per cent of children under three went to childcare facilities.
61. We have translated the Czech terms “mateřský příspěvek” (maternity allowance) and “rodičovský příspěvek” (parental allowance), which are sometimes translated as “Elternbeihilfe” in Germany, as “Betreuungsgeld” in the German, borrowing from the current debate in Germany on a lump sum when parents/mothers raise their children at home.
returning to family duties (Wolchik 1995)\textsuperscript{62} since the “pressure” for women to work had been eliminated—contributed to forcing mothers of young children out of companies following company reorganisation. The already sceptical attitude toward day care among the population (Heitlinger 1996) also played a role, as did the poor representation of women’s interests in civil society groups, which was a holdover from the state-socialist period (Sloat 2005, True 2003 and Hašková 2005).

These family policies tied into the long-standing policy pattern in the Czech Republic, in which long periods of leave following the birth of a child were enabled (cf. Table 1). Before 1989, mothers did not worry about integrating into the working world after having taken relatively long leave. Once unemployment began to rise after 1989, mothers had more difficulty returning to their previous workplace following childcare leave. It was at precisely this time that the Czech government introduced the fourth year of childcare leave, providing mothers with an incentive to stay home longer than three years. The key difference was that the childcare allowance was extended without a guarantee that women could return to their jobs. Jobs continued to be held for only three years. This is a further characteristic of the gender model. During state-socialist times the model guaranteed security—jobs were guaranteed even in the interrupted dual earner model in Czechoslovakia—while the model now does not guarantee security.\textsuperscript{63}

That mothers (99 per cent of all recipients of a childcare allowance in the Czech Republic were and continue to be women) stayed home longer upon earning a modest childcare allowance cannot be explained without considering the deteriorating conditions for reconciling family with work, both in terms of infrastructure and in companies (cf. section 4).

\textit{East Germany} did not have any policies that directly squeezed mothers of young children out of the job market. The rate of unemployed women did increase, and policy-makers discussed the problem of East German women’s “high inclination to seek employment,” which according to them resulted in “unnaturally” high unemployment. Yet policies at the federal level had little to do with the specifically East German situation in the

\textsuperscript{62}. Wolchik (1995) even shows that some women’s organisations in the early 1990s adopted the right of women to stay home as housewives one of their main demands.

\textsuperscript{63}. This becomes clear in that mothers are often unsuccessful in their attempts to return to their jobs, which we discuss in section 5.
1990s; they were neither derived from it nor particularly aimed at it. Moreover, Germany’s family policies—continuing on the West German path—were explicitly “familialistic” (Leitner 2003) and supported the male breadwinner family model. 64 Although strong German state incentives for the traditional model (splitting of the husband’s income for tax purposes, free health co-insurance for non-working wives and the like) inherent in the legal system applied to East Germany in 1990 were effective, East Germans continued to prefer mothers to work. On one hand, the “familialistic” focus of policies contrasted with the values of the large majority of East Germans (cf. section 5) and was unable to influence the behavior of East Germans to a large extent. 65 On the other hand, economic factors also played a role in East Germans hanging on to the tradition: job market insecurity for women and men and the gap between the standard of living in the East and in the West. Yet the behaviour of mothers of young children in East Germany did change slightly. The leave, an entitlement with the right to return to one’s previous workplace that was introduced in the FRG in 1986, was extended to three years in 1992. In conjunction with the up to two years of means-tested childcare allowance, the law geared East German mothers toward somewhat longer leave than had been common in the GDR. At the same time, the number of day care spots dropped in the former East Germany. The percentage of children under three in day care decreased considerably from 81 per cent in 1986 (the year with the highest rate) to 57 per cent in 1991, and further to around 40 per cent in 2004, but by no means as dramatically as in the Czech Republic (1 per cent).

Unlike policies at the federal level, state and community level policies in East Germany in the 1990s were better at taking specifically East German attitudes into account. The East German culture of childcare for young children was defended, and attacks on that culture—for example following debates on the transfer of funding from the western to eastern federal states—were vehemently dismissed. The continued importance of childcare for young children for employment among mothers is evident in some of the federal state constitutions (for example, in Brandenburg), which codified the right to childcare. The high ratio of all-day kindergarten spots essentially remained stable from the late 1980s on (Fig. 1).

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64. For a detailed analysis of German family policies in the 1990s, cf. Bothfeld 2005.
65. Dölling (2005) refers to the “obstinacy” of East German women.
In both countries, policies during the transformation process tied into existing childcare practices and practices relating to employment among mothers. While policy-makers in the Czech Republic were operating in an environment where it was considered a fact that it was best to care for children under three at home, day care facilities were considered appropriate childcare options in East Germany. In the Czech Republic, the development that had begun during the state-socialist period—creating incentives for mothers to take extended leave for family reasons—was continued. Extending the number of years parents were entitled to a childcare allowance was consistent with other social political changes in the 1990s, which used different transfer payments to ensure social peace and the ability to carry out economic reforms. Some groups were forced out of the job market, including mothers of young children as well as older workers who were given early retirement (Sirovátka 2004; Saxonberg and Sirovátka 2007). In other words, childcare allowances were provided not only for family policy reasons. Cutbacks in day care centres can be attributed to the financial pressure from the economic crisis (Potůček 1999).

In Germany, policies in the 1990s retained their familialist focus at the federal level, while the defamilialist focus from the GDR era essentially remained in place at the state and community level in the former East Germany. Nevertheless, employment among mothers, especially for less well qualified mothers, declined in both countries due to general unemployment (Czech Statistical Office 2005, Matysiak and Steinmetz 2006). Social class increasingly began to determine employment among women (Parents 2005). This applies to a much greater extent in the Czech Republic, where there are hardly any day care facilities left.

3.3 Evolution of family policies in line with EU guidelines

Unlike in the 1990s, employment among mothers and the issue of equality, primarily under the influence of the EU and demographic development in both countries, sparked greater public interest at the turn of the century. Momentum picked up in the Czech Republic in conjunction with the EU accession negotiations in the second half of the 1990s. Czech law had to be harmonized with the EU acquis communitaire. At the same time, the fact that the long-term unemployment rate among women continued to increase could no longer be overlooked (especially in age groups where mothers generally care for young children (cf. Czech
Statistical Office 2005). The Czech Republic was criticized during the EU accession process for neglecting an active employment policy. “National action plans for employment” needed to be developed, and modifications to legislation regarding the work-life balance and gender equality were also added to the agenda. Changes to laws on the childcare allowance weakened the connection to mothers opting out of the workforce. Parents now had an additional option of using the childcare allowance, which was increased in 2007, to finance day care. Parents no longer lose their entitlement to their childcare allowance if they are employed. The new regulation continues to be oriented only toward family-supported childcare; the child cannot (with some exceptions) attend public or private collective facilities. Childcare leave was further reformed in 2008 to create incentives for mothers with a high income to stay at home for a maximum of two years. However, day care remained non-existent and the Czech labour market has remained inflexible (cf. section 4).

A change in the model was initiated at the turn of the century in Germany, in part under the influence of the EU employment strategy. At least a few elements of defamilialistic policy have since been introduced to increase the employment rate among mothers of young children. First, the right to a part-time job was set out by law in 2001. Although part-time work existed before, this has improved the chance of working part-time at jobs employers previously thought unsuited to part-time work.66 Second, childcare leave was reformed. Referred to now as “parental leave” (instead of the earlier term “Erziehungsurlaub”, which would be translated as a form of “holiday”), leave is shorter and can be split between parents. The latest childcare allowance reform (2007), which entailed a shift to a wage-replacement allowance, should result in shorter leaves of absence since parents are entitled to the new childcare allowance for only up to 14 months. With this latest measure, German policy is moving away from familialism even at the federal level. Reforms in Germany included expanding the childcare infrastructure for children under three to guarantee the legal right to childcare beginning in 2013. Moreover, the “Alliance for the Family,” an alliance of federal government representatives and representatives from unions and business,67 is intended to improve equality conditions in businesses in Germany.

66. It can be difficult to assert this right against the established “full-time and overtime culture” where skilled jobs are concerned; cf. Koch (2007).
For the first time in Germany, incentives for fathers to participate in raising children were established. This focus is also new to the East, where fathers’ commitment to the family was not generally a topic of normative debates.68 There have thus far been no incentives in Czech legislation for involving fathers in childcare—no “father days” for assisting the family during the birth of a child have been introduced, and none of the leave has been reserved exclusively for fathers.

If we look at developments since 1990, family policies led to a reduction in childcare facilities in both countries and encouraged mothers in both countries to take more time off after childbirth as a consequence of regulations on childcare leave and the payment of a childcare allowance in conjunction with a rise in unemployment overall. Yet on closer examination, the developments in the two countries differed considerably, which can be explained by the diverging employment rate of mothers of young children. Whereas day care centres in the Czech Republic disappeared almost entirely, the supply was kept at 40 per cent in East Germany. A means-tested childcare allowance was paid for two years in Germany, and universal flat-rate childcare allowance was paid for four years in the Czech Republic. In both countries, legislation on childcare leave along with high unemployment contributed to depressing employment among mothers of very young children. The slump is much greater in the Czech Republic than in the former East Germany, however, where employment rates of mothers of young children again began to climb since 1997. Rates in the Czech Republic continued to drop to a very low level (Czech Statistical Office 2005). Compounding the situation in the former East Germany, conflicting policies that were consistent with East German traditions were introduced at the state and community level, and family policy was modernized at the turn of the century, reinforcing the model of the working mother and creating incentives for shorter leaves of absence shared by both parents. Family policy reforms in recent years in the Czech Republic have hardly addressed the encouragement of employment among mothers of young children, and the childcare allowance model in place (low lump sum) in the Czech Republic does not provide an incentive for fathers to share childcare leave. The post-transformation governments did not expect fathers to actually take advantage of this entitlement (Castle-Kanerova 1992). Policies since 1990 have thus contributed to reinforcing the existing differences in social practice in the two countries.

68. In the former East Germany, as in the Czech Republic, the rate of men working part-time and the rate of men taking parental leave is lower than in western Germany.
4. Company conditions relating to the work-life balance as they affect employment among mothers

Differences in employment among mothers are due not only to family policies and economic factors in the labour market. Companies, with more or less family-friendly working conditions, have also played a key role in determining whether mothers can return to their jobs following the birth of a child and whether conflicting job-related and family demands can be reconciled (Anxo, Boulin et al. 2006, Dilger et al. 2007, and Klenner and Schmidt 2007).

Comparison of the situations in the Czech Republic and Germany shows that different conditions within companies also explain the differences in employment among mothers in the Czech Republic and the former East Germany. Conditions for flexible working, returning from childcare leave and family-friendly services in companies differ in the two countries. We will examine these aspects in the following section.

4.1 Flexible working

In the Czech Republic there are three main factors that hamper flexible working and the work-life balance: the pronounced full-time culture, which scarcely permits part-time work and results in Czech mothers having to choose between working full-time and being a full-time housewife, the limited prevalence of flexitime, and the long average working hours.

4.2 Part-time work

*Part-time work*, which is the most widespread reconciliation strategy for mothers in Germany that facilitate their work-life balance, plays a marginal role in the Czech Republic. The percentage of women working part-time in the Czech Republic fluctuated between 9 and 11 per cent (1993 to 2006), while the percentage of men working part-time fluctuated between 2 and 4 per cent (Czech Statistical Office 2006). In western Germany, 49 per cent of women worked part-time in 2006, while in the former East Germany, 34 per cent did so (Federal Statistical Office 2007). According to the 2006 Czech labour code, pregnant women, employees with a child under 15, and employees responsible for childcare can request a part-time job or another
working arrangement. The employer must agree if there are no important company arguments against it. Employers are not especially willing to offer family-friendly working conditions and part-time positions, however. Two-fifths of parents⁶⁹ indicate that part-time work is not permitted at their place of work, over half cannot work flexible hours, and 86 per cent do not have the option of working from home (Parents 2005). The majority of women and men continue to work full-time, as was the case before 1989. Consequently, many Czech mothers remain outside of the job market.

Although part-time work in Germany is more regulated and the law on part-time and fixed-term work (2001) guarantees a legal entitlement to flexible working, not all employee desires have been met. Part-time work in the former East Germany has continued to become more prevalent, but unwillingness to provide part-time work does exist, as in the Czech Republic, and affects women much more than men.

The desire to work part-time is lower in the former East Germany and the Czech Republic than in western Germany. Since wages are low, many families need two full-time incomes to maintain a satisfactory standard of living. The tradition of both parents working full-time continues to have an effect. The percentage of mothers working part-time for family reasons has become substantial in the former East Germany, with 43 per cent of all mothers of a child aged 14 or younger working part-time (Federal Statistical Office 2006). This is the most visible expression of a change in employment among mothers in the former East Germany. The extensive nature of the dual earner model has diminished, while it persists in the Czech Republic. However, some East German mothers work part-time involuntarily too.

In addition to part-time work, other flexible work schedule arrangements can facilitate the work-life balance. Employees are less autonomous in the Czech Republic than in Western Europe (Wallace 2003). Most employees have almost no influence on the length or location of their workday. Seventy percent of women work inflexible work schedules with fixed start and end times (Changes 2005). In contrast, 37 per cent of employed mothers and fathers in eastern and 44 per cent in western Germany benefit from flexitime, which is well suited to reducing stress.⁷⁰

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⁶⁹. The data refer to parents with a child under 19.
⁷⁰. The data set of the WSI employee survey was analyzed specifically for this purpose. Cf. the data set in BMFSFJ 2004.
The Czech Republic is ultimately a country with a distinct culture of long hours. Around a third of men and almost one in ten women work 48 hours a week or more (Burchell et al. 2007: 35). In Germany, the percentage of mothers and fathers who actually work over 40 hours a week is lower. Most work between 40 and 44, and very few surpass 48 hours (cf. Klenner and Pfahl 2008).

4.3 Childcare leave

The way in which the Czech Republic handles childcare leave also discourages employment among mothers. The Czech Republic is one of the countries in a European comparison in which a very high percentage of women (around half) do not return to the company where they were previously employed after taking childcare leave (Riedman 2006). Employers end working relationships with returning mothers in the course of staff cutbacks, pay severance packages, or offer mothers an unacceptable position, leading mothers to quit. One reason could be that the women who return after taking leave (must) work full-time (Kuchařová et al. 2006). Although Czech mothers would welcome flexible arrangements, 77 per cent of those who return work full-time. Czech mothers who lose their job have a difficult time returning to the job market since work offices normally do not begin to help mothers find a job until mothers are no longer eligible to receive a childcare allowance, in other words, after four years.

In the former East Germany 70 per cent of mothers returned to employment after taking leave in the 1990s, while 16 per cent were unsuccessful due to unemployment. Two percent of East German mothers became housewives. Among those who returned to employment, over two-thirds did not take the third (unpaid) year of leave; 28 per cent returned after one year or earlier, and a further 41 per cent returned after two years at the latest (Beckmann and Kurtz 2001).

Employers in the Czech Republic do not normally stay in contact with mothers on leave, even though it is known that the return rate improves when contact is maintained, as has been shown at the Staropramen

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71. The data refer to mothers whose children were born between 1992 and 1997; no new data have been collected since 2000.
Companies do not offer training to employees on childcare leave there. Staying in contact with employees on leave is by far the norm in Germany, but the employers’ offer to combine childcare leave and part-time work or training in Germany. However, the offer does not meet the expectations of mothers (BMFSFJ 2004).

4.4 Family-friendly company measures

*Family-friendly company benefits* are uncommon in Czech companies. Companies’ social policies in the Czech Republic are not generally aimed at work-life balance. Additional allowances for childcare costs and company childcare facilities are highly unusual, even though they were often available before 1989. One-fourth of all day care centers and kindergartens before 1990 were run by companies (Bulíř 1990).

Family-friendly measures are more common in Germany but are still not especially widespread (BMFSFJ 2004). For example, 5 per cent of parents in the former East Germany have access to a company day care spot, slightly higher than the 1 per cent of Czech parents who do so. Almost nothing has remained in the former East Germany of company social policies for employees with children from the state-socialist era. Today almost none of the offerings are more common than in western Germany, and some are even less common.

Overall, conditions appear more favourable for German mothers than for Czech mothers. Work-life balance policies differ in the two countries. Studying the policies of international companies with jobs in both the Czech Republic and Germany allows us to make a direct comparison. German human resources managers tended to deal with family friendliness and gender equality issues, while their Czech counterparts did not. The German branch of the company studied had flexible arrangements and family-friendly measures, while the Czech branch provided nothing of the sort (Sloboda 2007). One reason may be the

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72. As part of an EU project, a Czech women’s organisation implemented a strategy at Staropramen that improved the social and work-related contact with women on parental leave. The percentage of mothers returning to work increased from 40 to 67 per cent (http://www.muziazeny.cz/page.php?a=41&b=6&x=14).

73. One-fourth of all day care centers and kindergartens before 1990 were run by companies (Bulíř 1990).

74. Own unpublished analyses of the WSI employee survey 2003; cf. footnote 35.
pervasiveness of employee participation structures, which is greater in Germany than in the Czech Republic.

In short, German companies proved slightly more open than Czech companies to the desires of mothers for flexible working arrangements. Inflexibility in the Czech Republic contributes to half of mothers not returning to the company after taking leave. The combination of longer leave and inflexible working conditions leads to childcare leave being a way out of the labour market rather than a strategy for maintaining the work-life balance. Conditions in companies prove a significant factor in employment among mothers. Despite many deficits in company conditions regarding work-life balance even in Germany, the conditions in Germany promote the employment of mothers of young children more than in the Czech Republic.

5. Cultural traditions and models

In addition to the factors covered previously, cultural traditions and corresponding models, particularly of motherhood and childhood, affect the extent to which mothers work (Pfau-Effinger 2000 and Zeiher 2001). The differences in attitudes among the populations of the two neighbouring countries on gender roles were evident in comparable surveys after 1990 (Gerhards and Hölscher 2003, and Scheuer and Dittmann 2007). In the Czech Republic over half of those surveyed in 1994 favoured the traditional gender-specific division of labour. That figure was only around 10 per cent in the former East Germany (Fig. 2). The differences can be traced far back to the state-socialist period (section 1). In particular, the idea that young children belong to their mothers and that employment among mothers harms children had been the predominant and long-standing view among Czechs. The extreme burden placed on mothers in the extensive dual earner model was reflected primarily in Czechoslovakia in only reluctant support of employment among mothers of young children. 75 In the GDR, however, 80 per cent of those surveyed in 1970 supported women’s employment, though predominantly not in the form of a full-time job (von Oertzen and Rietzschel 1997: 240).

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75. Only 8 per cent were in favour of employment in all cases, while 18 per cent supported the housewife model (Kreipl 1978).
Czechoslovakian family policies were closely associated with these attitudes in recent decades, and the view that young children belong at home was reinforced by the practice of longer leave and the lack of day care facilities. We agree with Lewis, Campbell and Huerta (2008) and stress the reciprocal relationship between parental childcare preferences and institutional decisions. Decisions about childcare arrangements in Czechoslovakia and in the GDR were influenced by attitudes in the two countries. Conversely, the general institutional framework affected attitudes, personal childcare preferences, and behavior.

Perceptions in the Czech Republic became somewhat more modern until 2002; they became slightly more egalitarian. If you were to ask Czech mothers about leave, the overwhelming majority of them would prefer more than a year but a maximum of three years (Parents 2005; ISSP 2002 - Czech). Longer periods out of the working world are often more the result of the job market.

Figure 2 Agreement with the traditionell gender-specific division of labour*
- percentage of all answers in 1994 and 2002 -

![Graph showing agreement with traditional gender division of labor](image)

*Hein "It is the man's duty to earn money. The woman's duty is to take care of the household and family."
Source: ISSP 1994; ISSP 2002. Only countries for which data are available for both years.

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76. Mothers with at least one child under 19 were surveyed.
Overall, views in the Czech Republic seem to be contradictory. While it is considered best for women with young children not to work, it is acceptable for women to work if they have young children. Family duties remain women’s responsibility, as demonstrated by the support of the division of labour (Fig. 2). This also has its roots in tradition since measures to relieve the double burden in Czechoslovakia never aimed for an egalitarian division of labour between the two genders.

The Czech population gradually began to recognize gender equality during the 1990s. EU accession, the increasing visibility of women’s organisations, academic institutions, and increasing experience with gender discrimination on the job market contributed to this recognition.

In contrast to Czech citizens, the overwhelming majority of the population of East Germany reject the traditional division of labour. This attests to East Germans holding on to attitudes that were normal before 1989 (Dölling 2005). Moreover, as a “long-term effect” of the new women’s movement, the idea that gender-based division of labour should be abandoned seems to be deeply rooted in the consciousness of at least some players in Germany.

East Germans’ insistence on the model of two working parents could also be associated with the particular form the transformation took. The greater implicitness of employment among mothers in eastern Germany was viewed by many East Germans—in the context of a swift unification process in which much from GDR times was discarded—as an aspect of life in the GDR worth maintaining and was defended as part of East German identity. Perhaps the motherhood model in the former East Germany can be said to be in opposition to the West German model. It remains to be seen whether it will take a new generation in the former East Germany to spark a delayed conversion. While still low, acceptance of the traditional division of labour has grown marginally. Surveys by the Federal Institute for Vocational Education and Training have indicated that young women’s ideas about life are not becoming traditionalized. Other findings show certain tendencies toward traditionalisation, particularly among mothers of young children, however (Thelen and Baerwolf 2007). This could be an effect of the convergence of different East and West German cultures and a result of the institutional changes

since 1990. These traditional tendencies are weak overall, however, which leads us to expect more or less stabilizing effects from the attitudes of East Germans on employment among mothers.

6. Conclusion

Employment among mothers, particularly mothers of kindergarten children, differs considerably in the Czech Republic and in the former East Germany. We have identified three key factors that explain this difference. **First**, it can be attributed to differences in policies and practices in Czechoslovakia and in the GDR beginning in the late 1960s during the state-socialist period. The differences in Central and Eastern Europe that can be observed today thus reflect differences that were already in place under state-socialist regimes (Heinen and Wator 2006, Saxonberg and Sirovátka 2006, and Saxonberg and Szelewa 2007). We have identified defining moment that has had an impact to this day. Both countries pursued a similar route of promoting subsidized childcare facilities until the late 1960s. In the late 1960s, the decision was made in Czechoslovakia gradually to extend leave following the birth of a child to three years. This decision put Czechoslovakia on a different development path than the GDR, which focused on short leaves of absence until the end of its existence. Very “different cultures of work and care” (cf. Lewis, Campbell and Huerta 2008) have since developed in both societies, which are reflected in markedly different attitudes among the populations of the two countries. Czech women and men have a much more traditional attitude toward gender-based division of labour than East Germans, who are among Europe’s greatest advocates of modern egalitarian gender roles.

**Second**, we have shown that policies in the transformation process contributed to reinforcing differences in employment among mothers in the Czech Republic and in the former East Germany. While family policies in the transformation process in the Czech Republic tied into reservations of employment among mothers and a fourth year of leave following the birth of a child with a modest childcare allowance without a guarantee that mothers could return to their previous job was introduced, a contradictory mélange existed in the former East Germany. Policies at the federal level were explicitly familialistic (Leitner 2003) and supported mothers giving up employment during family phases for several years, while policies at the state and community level continued
the East German tradition of short periods of leave. The childcare infrastructure in the former East Germany also remained largely able to cover demand. In addition, perceptions of working mothers have changed in Germany since the beginning of the twenty-first century, and working mothers are now increasingly accepted by policy-makers. This has resulted in further changes, which have promoted employment among women. Mothers in the Czech Republic, however, were forced out of companies in the 1990s. The Czech Republic took a complete turn from a defamilialistic policy introduced in the 1950s to a gendered familialism, which took effect in particular after 1989 but which had already begun during the state-socialist period. There is currently no indication of an evolution to a modern defamilialistic policy in the Czech Republic.

Czech family policies during the transformation period were able to tie into more traditional gender policy attitudes than policies in the former East Germany, where more strongly egalitarian attitudes remain the norm. While there has been hardly any resistance at all in the Czech Republic to familialistic policy or to the lack of equality in companies, a policy of explicit familialism has been unable to take hold in the former East Germany due to the population’s attitudes. There has always been resistance to restrictions to childcare options.

Third, we have demonstrated that, in addition to family policy, the conditions for reconciling family and career differ markedly in (eastern) German and Czech companies. Women in the Czech Republic have fewer opportunities for flexible working and for returning to work after taking childcare leave. This is one reason why it is more difficult for Czech mothers of young children than East German mothers to work outside the home.

These factors are based on two versions of the dual earner model that began to form in Czechoslovakia and in the GDR from around 1970. In the GDR, the male breadwinner model that had dominated was replaced by an extensive dual earner model, which was increasingly continuous throughout one’s lifetime, with only short periods of leave taken following the birth of a child. In the CSSR, the male provider model gave way to another version of the dual earner model: the interrupted extensive dual earner model. The models in both countries were gendered models, in which gender-specific division of labour was only slightly diminished and in which gender inequality in the working world persisted despite equality gains made. Except for the period of leave the dual earner models in both
countries were designed as comprehensive, continuous models for mothers, even for mothers with multiple children.

Yet as a consequence of the interrupted version in the CSSR, employment among women increased less dramatically, and there was a greater gender-specific difference in career paths than in the GDR due to the longer periods of leave. The majority of women in the GDR returned to their jobs after a maximum of one year of childcare leave. Despite the sweeping transformation processes since 1990, neither country has returned to the male breadwinner model as the predominant model (Pascall and Kwak 2005). The basic characteristics of the two versions of the dual earner model that developed in the CSSR and in the GDR have remained stable, but the versions have nevertheless undergone changes. The following holds true for East Germany: the characteristic of the gendered extensive continuous dual earner model has diminished. The model is less continuous due to longer periods of leave and unemployment-related discontinuity. The extensive nature has also diminished there due to shorter work weeks and an increase in part-time work. It remains to be seen whether the gendered nature will diminish due to greater equality of women in the working world and greater involvement of fathers in the family.

In contrast, the characteristics of the Czech version of the dual earner model have been strengthened. The interrupted nature of the dual earner model has been reinforced there. Leave is no longer associated with job security. The model must be referred to as unsecured. The Czech model continues to be extensive, even more so than the East German model, since part-time work has not become more common, and full-time hours have not been reduced to a notable extent.

The consequences of the decline in employment among mothers for gender equality must be analyzed further. The fact that mothers return to work quickly must not be equated with women’s equality. Nevertheless, under present conditions, opportunities to secure one’s

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78. Rosenfeld et al. even estimate that the dual earner/state carer scenario was partially replaced by the dual earner/female part-time carer model (2004: 110) since the percentage of women working part-time has increased. Part-time work is considerably longer than in western countries, however (Klenner and Pfahl 2008) and sometimes involuntary, and as the age of the children increases, mothers working full-time predominate. Consequently, we believe that it remains to be seen whether a dual earner model where the woman typically works part-time develops.
own existence, develop skills, and integrate into society are distributed primarily through participation in the job market, with the result that a higher employment rate among mothers affords women better opportunities for inclusion, a better standard of living, and social security. Even if caring for children within the family does not necessarily have to contradict gender equality (cf. Pfau-Effinger 2005), the fact remains that childcare leave and part-time work are strongly gendered. This currently results in gender inequality being reproduced both on the job market and in the family. In this respect, the catalogue of tasks to improve women’s equality must include enabling women to return to the workplace early and without discrimination following childbirth and allowing men to take over childcare actively and early on. It will also be up to research institutions and policy-makers to discuss models less focused on gainful employment, in which mothers’ livelihoods are protected by social measures without the need for mothers to be economically dependent on a partner.

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The informal economy’s contribution to gender inequality in Bulgaria

Ana Luleva

Introduction

Following the collapse of planned economies and the resulting vacuum of institutionalized order, informal economic activities found a niche that opened up in all former socialist countries. This feature, which post-socialist countries had in common, has taken on differentiated characteristics over the years. The importance and significance of informal economies in Central and Eastern Europe differ depending on the pace and depth of the economic and social reforms carried out. According to a European Commission report, countries in Central and Eastern Europe fall into one of three categories defined by the level and dynamics of undeclared work (Renoy et al. 2004: 11):

1. Countries with a low level of undeclared work – approximately 8 per cent to 13 per cent of GNP, with the percentage falling (Czech Republic, Estonia, Slovakia).

2. Countries with a medium level of undeclared work – approximately 14 per cent to 23 per cent of GNP, with the percentage falling (Poland, Slovenia, Hungary, Lithuania and Latvia).

3. Countries with a high level of undeclared work, with the percentage rising (Romania and Bulgaria).

The last group also includes Russia and Ukraine, where a high level of informal economy (approximately 40 per cent to 50 per cent of GNP) is registered (Hotkina 2002: 107).

The development and extent of the informal economy depend directly on the state and development of the official economy. The percentage of the informal economy has increased in all former state-socialist countries after 1989. Following an initial period in which all countries followed a
similar trend, the specific mix of economic and political factors in each individual country has led to the development of significant differences in the share and in the functioning of the informal economy. The high percentage accounted for by the informal economy is typical for societies where institutions do not provide a clear formal framework for economic activities. The standard of living is not high, and social systems do not ensure prospects for social protection. Among the post-socialist societies undergoing transformation, these features are characteristic primarily of Bulgaria, Romania and Russia. Systems in these countries were designated as “neopatriarchal” systems in a study of poverty in six post-Communist countries. In contrast to those countries, poverty did not reach the same extent in the countries designated as “neoliberal regimes” (Hungary, Poland and Slovakia) (Szelenyi 2002). In these countries, the informal economy accounts for a lower share and is on the decline, unlike in the neopatriarchal countries (Renoy et al. 2004). Some forms of informal work (employment without an employment contract or without social security) were unknown during state-socialism times. As part of the post-socialist market economy, these forms have a strong impact on the new gender order.

In this paper I will analyze the context between informal sectors and the gender order and consider the (re)production of gender differences and inequality in the transforming post-socialist society, using Bulgaria as an example. For this purpose, I will first define the terms “informal economy” and “informal work.” Second, with the close relationship between work in the informal and official economy in mind, I will present the fundamental indicators characteristic of gender differences in the formal economy. Third, I will address work among women in the informal economy and examine it in the context of gender ideology and the post-socialist gender order. Based on my own empirical ethnological research, I will ask how the informal economies affect the everyday lives of women and men and the relationships between them.

79. According to Bulgarian experts, the informal economy accounts for around 30 to 40 per cent of GNP (IME 2001). These figures are approximate. The lack of exact data in this subject area is due to the nature of this economy as an underground and unregistered domain.
Definitions

The scientific literature contains different definitions of the “informal economy” as well as countless terms – including undeclared, hidden, gray, shadow, black and irregular economy. The terms allude to different aspects of the phenomena studied, different criteria for systemizing them and different scientific approaches. If we assume that the informal economy occupies the space between the official and criminal economies, the scope of the informal economy depends on the boundaries of the other two economies. The Bulgarian sociologist Tanja Čavdarova defines the informal economy as an alternative to the official economy (Čavdarova 2001: 305). The informal economy comprises all activities that are not legally and administratively regulated and that are not used to calculate the national product. But the informal economy includes more than just activities not recorded in the statistics. Although it is not registered or included in the national product, according to Čavdarova, “this is a secondary moment, which does not reflect its true character for various reasons. Foremost, the informal economy is heterogeneous. It comprises activities that differ in terms of quality, not just the same type, what would permit to use a generalizing definition” (2001: 22). It is therefore more correct to speak of “informal economies,” in the plural. The aim of this article is not to contribute to the theoretical discussion of defining and typologizing informal economies. For analysis purposes, I will only note the fundamental characteristics of informal economies. When we refer to them all using the collective term “informal economy,” this includes legal and illegal activities. Legal activities include work performed in the context of official economic institutions that is performed in a non-official manner but is closely associated with official activities and carries them forward. Examples include voluntary work performed by unpaid family workers. This work – which includes work in private family companies and in family-run agriculture – is the most common form of legal informal work in Bulgaria. According to some typologies, work on the family’s own farm, also known as subsistence farming, is part of the social economy (Čavdarova 2001: 24-25). Its most important characteristic is domestic production to meet the family’s own needs and/or for exchange among the extended family or circle of friends.

In contrast, a wide range of informal activities are illegal, generally referred to as the underground economy or black market. Although the production process is illegal – it circumvents institutionalized regulations – the final product and services are not against the law. This is what
distinguishes this economy from the criminal economy, whose final product is against the law. The gray (black) economy in the form of undeclared and independent work is the primary form practiced in Bulgaria; income from this economy is not declared or declared only in part to avoid taxes, social contributions and the like. The European Commission report cited at the beginning of this article designates these activities as the undeclared economy (“productive activities that are lawful in nature, but not declared to the public authorities,” Renoy et al. 2004: 7).

The term теневая, “shadow (economy)” (“functioning outside of legal norms”) is common in the Russian literature; it stresses the illegal nature. It also includes the criminal economy with which it is often equated. The researchers who study Russia’s informal economy find this definition too narrow because they believe it restricts the content of socioeconomic relationships (Šanin 1999; Hotkina 2002: 108). According to Barbara Harriss-White, the difference between the shadow economy and the informal economy is that the shadow economy is the sphere of those with political power (large-scale shadow economy and corruption) while the informal economy is the sphere of those who are weak politically (small-scale shadow economy and as a means to survive) (Harriss-White 1999: 109).

The ILO’s definition of informal economy comprises all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements (ILO 2002). According to ILO experts, the informal economy includes the informal sector and informal employment. Informal employment covers a wide range of activities performed in companies in the formal sector, companies in the informal sector and households (ILO 2005). This broad understanding of informal work allows it to be considered in the official and in the informal economy – an important fact for the post-socialist countries in transformation where combining official and informal activities has become the norm in a range of sectors. The informal economy duplicates many of the activities of the official economy, and social players cut across the borders between informal and registered activity depending on the given situation.

The informal economy is important for the social dynamic of the transforming Bulgarian society. Given the high unemployment and limited opportunities for a large part of the population to secure a...
satisfying standard of living by working in the official economy, the informal sector is the only opportunity for obtaining access to work and income of a certain scale. Informal work can be the only job or a second job that supplements the first job in the formal sector or a pension. Earned income barely accounts for 50 per cent of income in Bulgaria according to 2005 income structure data. Pensions account for only 27.8 per cent of the income of the respective group. In 2005, average wages were 340 leva (approximately 170 Euro) a month, while the average pension was 133 leva (approximately 70 Euro). Working informally is a survival strategy, not a means to become wealthy, for the overwhelming majority of those employed informally (as unregistered wage workers or self-employed).

Before I examine the effects of informal work on gender equality or inequality, the following section will provide a short overview of the fundamental characteristics of the distribution of labour among the genders in Bulgaria’s official economy.

**Gender differences in the official economy**

Since the transition to a market economy began, the labour market in Bulgaria has seen a constant drop in the level of employment and high unemployment, both among men and women. Although positive changes have been made since the beginning of the century, the situation is unfavorable, particularly when compared to countries in Central Europe.

The gender-specific difference in registered employment among men and women is the greatest in the 25 to 34 and 55 to 64 age groups (data from the National Statistical Institute of Bulgaria (NSI)). This phenomenon is due to the exclusion of women in these age groups from the job market due to child rearing or early retirement. Employment among women correlates closely to level of education.

Gender differences are clearly reflected in the employment data. The employment rate among women has dropped compared to the rate among men in recent years. Both the labour force participation rate and employment rate among women were consistently lower than rates among men (see Table 1). Moreover, employment among men grew at faster rates: the employment rate among men grew six percentage points from 2000 to 2005, while the rate among women grew only four
percentage points. This difference in growth rates increased the
difference between the employment rates among men and women: while
the difference was 7.7 percentage points in 2000, it grew to 9.7 percentage
points in 2005.

Table 1 Activity rates, employment rates and unemployment rates among
women and men in Bulgaria, 2000-2005 (in per cent)

<table>
<thead>
<tr>
<th>Year</th>
<th>Activity rate</th>
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<tr>
<td></td>
<td>Men</td>
<td>Women</td>
<td>Men</td>
</tr>
<tr>
<td>2000</td>
<td>52.4</td>
<td>42.9</td>
<td>43.7</td>
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<tr>
<td>2003</td>
<td>54.5</td>
<td>44.2</td>
<td>46.8</td>
</tr>
<tr>
<td>2004</td>
<td>55.3</td>
<td>44.6</td>
<td>48.4</td>
</tr>
<tr>
<td>2005</td>
<td>55.4</td>
<td>44.4</td>
<td>49.7</td>
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Source: Zaetost i bezrabotiza, NSI 2006.

Men are better represented in the private economic sector than women.
This is true for the entire period from 1989 to 2005. In contrast, women
are more likely to work in the public sector. Gender-specific differences
are pronounced among employers, the self-employed and unpaid family
workers (National Statistical Institute of Bulgaria). In 2005, the
percentage of male employers was more than twice as high as the
percentage of female employers (5.2 per cent versus 2.3 per cent). The
percentage of self-employed men was 10.5 per cent, while 6.5 per cent of
women were self-employed. The ratio is reversed for unpaid family
workers: 0.9 per cent of men versus 2.2 per cent of women (see Table 2).

Overall, women’s participation in the Bulgarian labour market is
characterized by:

- A relatively high level of employment among women compared to
  the other post-socialist countries and the EU average
- A higher percentage of women than men in the public sector
- A growing percentage of women employed in the private sector
- A gradual increase in self-employment and entrepreneurship
  among women
- A higher percentage of female unpaid workers within the home than
  male (performing household work and working in the family
The last group of unpaid family workers includes university-educated women. This phenomenon may be an indicator of overqualification. Women are not able to put their qualifications to appropriate use on the job market and are forced to focus on the domestic domain.

The official economy continues to be segregated horizontally by gender. As was the case prior to 1989, education, health care and social activities continue to be the domain of women. The expansion of the hospitality industry has increased the percentage of women employed in this industry. I should point out that women often hold lower positions as support staff or unpaid family workers in these fields. Horizontal segregation is inherent in vertical segregation. A new trend has been detected in recent years: women are being pushed out of newer fields with many prospects, such as real estate services and production-related services (Stojanova and Kirova 2004: 103).

In 2005, men were twice as likely to hold a management position than women, who were in the majority in the categories of “applied analytical specialists,” support staff (where they outnumbered men three to one) and services (Zaetost i bezrabotiza 2006: 78). These differences between men and women also reflect differences in their income. On average women earn around 67 per cent of the income that men earn (Ženi, trud, globalisazija 2003: 40).

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Table 2  **Structure of the workforce by gender and professional status, 2003-2005 (in per cent)**

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</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>5.0</td>
<td>1.9</td>
<td>11.9</td>
<td>7.0</td>
<td>49.9</td>
<td>50.2</td>
<td>31.6</td>
<td>38.0</td>
<td>1.3</td>
<td>2.6</td>
</tr>
<tr>
<td>2004</td>
<td>5.3</td>
<td>2.1</td>
<td>11.5</td>
<td>6.7</td>
<td>53.9</td>
<td>53.5</td>
<td>27.8</td>
<td>34.8</td>
<td>1.2</td>
<td>2.6</td>
</tr>
<tr>
<td>2005</td>
<td>5.2</td>
<td>2.3</td>
<td>10.5</td>
<td>6.5</td>
<td>57.8</td>
<td>55.5</td>
<td>25.3</td>
<td>33.3</td>
<td>0.9</td>
<td>2.2</td>
</tr>
</tbody>
</table>

*M = Men/W = Women
Source: Zaetost i bezrabotiza, NSI 2006.

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**80.** Editor’s note: The terms are used as such in the Bulgarian statistics; the employees in the professions are meant.
In sectors with a high percentage of female employees, the labour rights of women are often infringed upon; wages and additional benefits are not paid regularly, or social security and health insurance are not paid. The right to parental leave or leave to care for an ill child is often ignored. Women receive lower wages than men despite the equal treatment standard in labour legislation (Stojanova and Kirova 2004: 109-112). In many of these cases, the work performed is informal, in other words, unregistered work.

### Women in the informal economy

The difficulties in studying the informal economy reflect our lack of knowledge about it. In comparison, much is known about its industry structure and the factors that affect its growth, but we know only little about the gender, age and education structures of those employed in the informal sector. Studies of informal employment contain only general data about the percentage of men and women involved in the informal economy, but there are no detailed studies of gender differences in this sector. Until now only one representative sociological study of women’s participation in Bulgaria’s informal economy has been carried out (Dimova and Radeva 2006). The data clearly show that the percentage of women employed in the informal economy is on the rise.

While it was primarily men who held an (unregistered) second job in the early 1990s, (66.7 per cent in 1991, 71.4 per cent in 1994), the percentage of women doing so has risen since the mid-1990s. In recent years, women have made up the majority of workers hired under the table, both for primary and secondary employment (Čavdarova 2002: 22; Dimova and Radeva 2006: 24). Differences have also been detected in the area of employment. Men predominate among the self-employed and in transportation, construction and the trades. Women work primarily as unpaid workers in household production and as unregistered employees in the service sector – education, hair and cosmetics, housekeeping and office cleaning; they serve as kitchen staff in hotels and restaurants, work as nurses and care for the elderly, work at home, and work in the tailoring, textile, and food and beverage industries (Dimova and Radeva 2006). Women belong to the following groups depending on their employment status:
– Women in a formal legal employment relationship with their employers, but whose employment relationship deviates from employment standards: vaguely formulated employment contracts, low insurance or none at all, irregular payment of wages, infringement of entitlement to breaks and vacation, irregular workday

– Women with a paying job and legal employment relationships according to defined standards but who have an additional job without paying tax on those earnings

– Women who are unemployed or who are not active in the economy, who take any informal work they can find to help the family budget

– Women in subsistence farming.

If we analyze the reasons why women perform informal work, economic necessity is the dominating cause. Mention is often made of women’s willingness to take any job (one that is unregistered or does not meet their qualifications and so on) if only to benefit the family’s budget (Daniela Bobeva et al. 1998: 17). Women are more likely to make compromises in this relationship than men, which causes them to lose their qualification and competitiveness. Some women performing informal work are aware of the necessity of doing so yet view it as a form of protest against the state and its institutions.

In the following I draw on my field research in which I studied the role of informal work in the lives of men and women using qualitative methods of ethnographic analysis. I used participant observation and biographical and narrative interviews since representative quantitative data collection is not feasible for this subject area. The research was carried out as part of my own qualitative studies on “families and gender relationships in post-socialist Bulgaria” and “the family in Bulgaria in a period of crisis” from 2002 to 2006. Seventy-five interviews with men and women of different generations serve as the basis. The aim of the study was to understand the processes brought about by the transformation in the gender arrangements and relationships in different social strata. Informal work has proved an important survival strategy in the post-socialist period. My interest lay in the incentive for women to perform informal work, the distribution of this work between the genders, the interviewees’ reference to gender ideologies and the interviewees’ notions of gender
equality. The study posed the following questions: How do informal economies affect the everyday lives of men and women? Are there gender-specific differences in the informal economy and how does the participation of men and women in this work change the relationships between them?

Women’s participation in informal activities is not subject to any institutionalized standards or laws (unlike in the official economy), but rather informal rules, cultural standards and values, which also include socially legitimized gender behaviour patterns. According to West and Zimmermann (1987), wealth and services are produced, and gender relationships are produced and reproduced (doing gender). Work is closely tied to gender practices. The choice of a particular job is determined by notions of masculinity and femininity and expresses positions of power.

My studies prove that women turn to informal work not only out of economic necessity but also because they are motivated by their ideas of motherhood, care for their children and self-sacrifice for their family. The second informal job often has nothing to do with a woman’s qualification and official career: teachers sell vegetables at the farmer’s market, clean offices and babysit small children; female engineers work as seamstresses at home.

When women over 40 are registered with work offices as unemployed, they often have to put their education aside. Maria T. (44), a university-educated engineer, has been unemployed for years and cleans offices and apartments. According to her, “there is nothing shameful about working” – she’s doing what all women do. She attends to her home and family regardless of her profession and education. She uses this interpretation to “normalize” her own situation and puts herself in the context of “normal” and “natural” female behaviour in the patriarchal gender order. Her behaviour and words are also indicative of another important trend. The hierarchical relationships between the genders in the family are reinforced when the family includes unemployed women and unpaid working women.

Unpaid work in household production (subsistence economy) is the most common form of informal employment for women. There are twice as many women as men even in the officially registered category of “unpaid family workers.” A job in domestic agriculture as a second or primary job
is typical in villages and small towns. The capital and larger cities offer more opportunities for informal work, and women (especially younger women) prefer such opportunities to difficult agricultural work at home.

Domestic agriculture for food production (vegetables and meat) was a common strategy to compensate for deficiencies in socialist times (Creed 1998; Benkovska-Săbkova 2002). It proved an efficient survival strategy in the time of crisis at the beginning of the transformation process. Domestic agricultural production of vegetables, livestock and poultry continues to be an important strategy for maintaining and improving the material position of the family. According to a representative sociological study from 2000, around two-thirds of Bulgarian households rely either entirely or to a large extent on their own production for food (Rajtschev et al. 2000). As late as 2005, one in three Bulgarian households (31.6 per cent) had their own agricultural production (Dimova and Radeva 2006: 28). Family agriculture is without a doubt a necessary economic means for alleviating poverty for a great deal of those who practice it. It ensures a supply of basic foods and provides supplemental income. But for the older generations in villages, the incentives are more than just economic in nature. Working the family’s land and operating a family farm is part of this generation’s idea of dignity and a prosperous family. Therefore, not only do they continue to work in the family’s production in old age, they also require their children to help. Running these types of economies requires certain resources, both in terms of money (to pay for the necessary services – plowing, mowing etc.) and labour, which traditionally includes all members of the family. The traditional division of labour between men and women is evident in these activities. In Bulgaria, this means that women and men are equally involved in all phases of agricultural work and livestock farming, and women perform the “women’s work” alone – processing the raw products and canning.

Nadja V., 37 and director of a small town bank branch, is typical of many women in everyday post-socialist Bulgaria in that she must balance her career, family duties and agricultural work. She works at the bank Monday through Friday (sometimes even after the end of the official workday) and lives together with her husband and son in an apartment in town. She spends every Saturday and Sunday in a nearby village, performing agricultural work on her mother’s and mother-in-law’s properties. Both women are around 70 and widowed, and both are outraged at the attempts of younger generations to limit livestock farming and cultivating the land (“She can’t and won’t accept it;” “she tells us, it’s
our job, and that’s it.”). Nadja V. feels depressed that she does not have enough time to herself, that she is “exhausted” and “worn out,” and that she has to spend each year’s vacation harvesting potatoes and hay.

The importance of subsistence farming for the family’s standard of living effectively forces women to participate. When women are no longer gainfully employed, they lose the recognition they had in the public sphere. Their professional qualification, knowledge and skills, which are important for their identity, lose their value. Subsistence farming, the household and small family businesses replace the previous working world and become closely entwined with private life. This work largely remains “hidden” as is often the case of household work (laundry, cleaning, cooking and other activities relegated to women) and is assumed to be a matter of course. The importance of the domestic sphere – and women’s dependence on it – becomes even greater for women who have lost their paid jobs. Consequently, they are prevented from achieving a feeling of autonomy and reaping the value of their own work.81 Women describe their work as “helping out” with family work even when they are the primary person carrying out subsistence tasks or working in the family business because men have another primary job. Men choose the “I” form more often when talking about family work. Women’s portrayal of themselves could be due to traditional models of female speech, but it undoubtedly reveals a lack of feeling of autonomy and the depth of the patriarchal stereotype.

Repeated participant observation in the city where Nadja lives allowed me to follow the development of another couple’s behaviour on the job market and at home over time – Elena and Aleksandăr. Elena was 34 and had a university degree from a sports institute with a focus on education and skiing, and Aleksandăr was a 44-year-old mechanical engineer. He had worked in a factory, but after the factory closed in the mid-1990s, he changed jobs frequently. Most jobs were in the informal sector and did not require his qualification as an engineer. When we first met in 2000, the couple had a five-year-old daughter. Elena worked as a ski instructor in a nearby winter sports resort during the ski season. This was her only opportunity to work since she could not be hired as a teacher – the job she would most like to do. Every year she applied for a position at a ski

81. Pine makes similar observations in Poland (2002).
school along with another woman, and she was able to get the job despite competition from over twenty men. Both women were more qualified than the men and were able to demonstrate work experience and success. Nevertheless, there was a lack of recognition from their colleagues, who believed that they were doing “men’s work” instead of “staying at home.” Elena’s social environment (her father, neighbors and relatives) also made Elena feel that she was not feminine, that her husband was not masculine and that the roles in her family were reversed since she worked and he took care of their child. The couple had egalitarian views of relationships in the family and did not make the traditional clear distinction between men’s and women’s work at home. The family survived on Elena’s seasonal wages, her husband’s temporary informal jobs and the sale of carrots, which they grew in the large orchard on the edge of town. The couple’s earnings were very low, and they said that only emigration to a “normal” country could offer them a “normal life.” Six years later, the situation in Elena and Aleksandăr’s family had changed. Aleksandăr had a (“normal”) job at a real estate company that was doing well financially (at that time there was great demand in the region for land and for lots to build on). Elena had given up her job as a ski instructor. According to her, the job was too difficult, the pay was too low and she could afford to do without it. She was working informally, however, teaching students “under the table.” She earned “pocket money” doing so and felt free. She is happy with her husband’s work success, helps him with his job and takes care of their home and child. They no longer think of emigrating. And so developed the couple’s career paths – at different stages in their lives they relied on the informal economy, where they found an alternative to the official economy, which was closed off to them. At our first meeting, Aleksandăr said he would not work “under the table” if he had a normal job with sufficient pay. His words proved true. Elena took the opposite path. She currently works as a housewife, taking periodic unregistered jobs, and is fully dependent on her husband’s income. Although she presents herself as successful (her family no longer experiences their previous financial difficulties), her statements also prove that she does not see herself in the housewife role forever. But how is she to achieve this? Elena’s case is typical; it shows the direction the place of women in Bulgaria’s post-socialist gender order has taken. Women’s willingness to take any job is forcing them to the periphery, including into the informal economy, which in turn further reinforces gender hierarchies. Women hold less prestigious, often hidden and low paying jobs that do not require much qualification.
Cases in which informal work (either as the primary or second job) does not discriminate and instead creates room for economic activity and entrepreneurship for women and brings about success are much less common. In these cases, women prefer to legalize the work to escape from the shadow of illegal employment and carry out their work legally.

Change in the discussion on gender roles

Compared to the state-socialist period, a major change has taken place in public discourse since 1989: the revitalization of the male breadwinner model in which the primary role of women involves motherhood, caring for the house, and family life. According to Eva Kreisky, “freedom” was associated with the freedom to be able to live out a traditional male or female identity unhindered by the state-socialist or any other state (1996: 12). Part of the change and pluralization of the gender order in the post-socialist period has been the freedom for women to choose to adopt the role of housewife, which was rehabilitated under the new circumstances. In the media discourse, those taking an essentialist position are skeptical of gender equality as a “socialist” hold-over. Caring for the family as a primary task in women’s lives is presented as returning to “normality” (Luleva 2005: 69). What is “normal,” “modern” and “European” is associated with a model in which the man is responsible for the family’s livelihood (traditional breadwinner role) – a model that is both retrospective (wherein the pre-socialist model of the urban patriarchal family is sought) and prospective (striving to achieve the imagined middle-class family in Western Europe).

The patriarchal model plays a major role in shaping the media discourse but can rarely be implemented in practice and only with great difficulty. The male breadwinner model is realistic only for a very limited social class: businessmen who represent the type of a new hegemonic masculinity. It is a normative and real model for these men. When couples in which both parties work out of necessity (which is very common) share the ideology of the male breadwinner model and the traditional gender-specific division of labour, this frequently intensifies gender hierarchies: women’s work is considered less important than men’s. This notion, which is often internalized by women themselves, is one reason why women choose a job that allows them to have more time for their family.
In the male-structured labour market, women have the choice of having a career and adopting the male behaviour model, which ignores the family, or joining the ranks of “the weaker sex” in the patriarchal order. While many Bulgarian women share the cultural values of the male breadwinner model (ISSP 2002), in which the woman serves primarily as a housewife and is responsible for the family and raising the children, the majority of women continue to be gainfully employed – as was the case in state-socialist times. They believe they must contribute to the family budget. A large percentage of women actually follow the model that combines work and family, but women tend to give the family priority when they have the option of choosing. The growing percentage of housewives and the fact that 10.5 per cent of women (compared to 2.5 per cent of men) do not look for work due to household duties are indicators of this attitude. Family duties have a strong impact on women’s professional development (career) but not on men’s careers. In the macro perspective, the model of women’s participation is reflected in the job market (Stojanova and Kirova 2004: 93). A 2001 study by the National Statistical Institute of Bulgaria showed that a larger percentage of Bulgarian women than men view being a parent or mother as personal fulfillment and the purpose of life (www.nsi.bg/Labour/Labour.htm). The majority of Bulgarian women identify themselves with the family. If they have to choose between their personal development (work) and the home (children), the family and children usually have priority for women. According to a 1996 survey, 40 per cent of women believed that women should sacrifice themselves for their children under all circumstances; 59 per cent explained that women should try to balance raising children and their careers and only 1 per cent believed that their own life had priority over other duties (Dimitrova and Kozeva 1998: 25).

Analysis shows that there are considerable differences between men’s and women’s ideas of a “normal,” “ideal” gender arrangement and the actual arrangement in practice. The consequences of men and women finding it impossible to live out what is appropriate and normal merits further study.

**Informal economy and gender equality**

Informal work largely gives women the necessary means for themselves and their families to live, but the form of the work oppresses them, exploits them and threatens to exclude them from society. These risks are
largely ignored in the public discourse. This gives the impression that the state accepts illegal work without comment and that although state policies are geared towards curtailing the gray zone economy to reduce tax loss, policymakers do not act when the rights of employees are infringed upon. Nor has the risk that those employed informally may be excluded from the social insurance system prompted policymakers to act.

Frustrated by growing social inequalities and the cases of serious corruption that have been uncovered, people view the illegal practices as legitimate. There is deep mistrust of official institutions. Many of the men and women interviewed express “hate” for the “mother-in-law state” like those “deceived by history” (Giordano 1992) and believe they are justified in not declaring their work.

Women are affected by the negative impacts of the informal economy to a greater extent than men (cf. Dimova and Radeva 2006). Different generations of women have different ideas about informal work. Older women are more sensitive to infringements upon their employment rights. They are often unhappy that they are forced to accept jobs without insurance, work safety or irregular working hours. Younger women seem to accept these conditions as a given and think it is trivial to assert their rights, especially gender equality, given the inevitability of working. The ethos of survival predominates in the informal economy and precludes obeying and defending the employment rights of employees.

Pfau-Effinger writes that the gender segregation of (informal) work is closely linked to the structures of the gender division of labour in the formal economy and family (Pfau-Effinger 2003: 3 in Renoy et al. 2004: 183). The distribution of informal work is determined more by cultural and gender norms than institutionalized standards and rights. In the context of the patriarchal discourse after 1989, which has stressed traditional gender roles, the informal economy reinforces stereotyping certain work as “women’s work,” naturalizes it and associates it with innate characteristics and abilities of women. So “naturally” women perform all services that represent a continuation of household work and caring for children, the ill and the elderly. Women are “suited” for monotonous tasks and household work in tailoring and shoemaking and in the food and beverage industry. It is “natural” for women to serve as unpaid family workers. These women do not even view these activities as “work.” Consequently, the distribution of work by gender in the informal sector builds (traditional) gender identities and inequalities.
Similar to Dölling’s findings on East German women (2005), Bulgarian women’s “biographical baggage” contains habitual practices that help them in the difficult economic situation of the transformation. Like the men, they also contribute to the family budget, and the majority continues to be employed (in the official and informal economy); they have internalized the model combining work/career and family. At the same time, gender-based inequalities are intensified, both in public and domestic work. Bulgarian women’s lack of sensitivity for gender inequality is one of the fundamental reasons for this. Like women in Eastern Germany, many feel they have achieved gender equality (cf. Dölling 2005).

Conclusion

The processes in the post-socialist transformation have changed the distribution of labour between the sexes. Before 1989, the percentage of men and women gainfully employed was almost the same. Today a greater percentage of men than women have registered employment, and men dominate the private sector as entrepreneurs and the self-employed. In the official economy women predominate in the lower paid yet secure jobs in the public sector, the lower levels of the private sector and unpaid family work. In this regard Bulgaria is no exception to the general trend in Eastern European countries. Women’s employment situation and their working conditions are worse than men’s (Fodor 2002: 136).

Inequality between the genders has intensified in Bulgaria under the influence of another factor: the informal economy. Forms of previously unknown informal work – employment without an employment contract or social insurance – have emerged in this sector, which has grown considerably since 1989. Women are employed either exclusively informally – as unpaid family workers in subsistence farming, in small family companies, as unregistered wage workers in tailoring and shoemaking - or they have a second informal job. As part of the post-socialist market economy, informal employment has a strong impact on the new post-socialist gender order. The growing percentage of women taking part in informal work segregated by gender reinforces the traditional stereotypes of work and gender and leads to the development of patriarchal rather than egalitarian opinions and associated practices in gender relationships.
By working in the informal economy, women run the real risk of being excluded from society – both from public life and the social insurance system. Since social insurance is tied to formal gainful employment or the option of finding insurance independently, those employed in the informal economy are outside of the insurance system and remain invisible.

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Prospects and limitations of EU gender equality policy in the Central and Eastern European Countries

Uta Klein

Introduction

Equality between men and women has long been an issue on the European Union’s political agenda. Legal requirements and political strategies were developed when the European Union was still exclusively a union of Western European countries.

It became apparent in 1989 that the countries in Central and Eastern Europe (CEE) that until then had been socialist states would undergo a monumental system transformation that would bring them closer to the European Union. The process of integrating those countries into the EU began that same year when the European Commission began the PHARE aid program for reorganizing the economies of the Central European countries. Europe Agreements were then signed beginning in the early 1990s, and a few years later the various countries applied for membership. Accession negotiations began, and referenda on EU enlargement to the East were held, culminating in the accession of then candidate countries Estonia, Latvia and Lithuania (the Baltic states), Poland, Slovakia, Slovenia, and the Czech Republic in 2004, and Romania and Bulgaria in 2007.

From the day of accession on, the states would be required to accept and apply the EU’s policies and body of laws as the “acquis communautaire.” This also included fundamental gender equality laws and policies.

The aim of this article is to discuss the prospects and limitations of EU gender equality policy for the CEE states. The effects of the transformation on gender relationships are examined in particular for the Central and Central Eastern countries of Poland, the Czech Republic, Hungary, Slovakia, and Slovenia and the three Baltic republics Estonia, Latvia and Lithuania. Romania and Bulgaria are also included here and there.

82. The effects of the transformation on gender relationships are examined in particular for the Central and Central Eastern countries of Poland, the Czech Republic, Hungary, Slovakia, and Slovenia and the three Baltic republics Estonia, Latvia and Lithuania. Romania and Bulgaria are also included here and there.
implemented. It will also examine the extent to which the European Union’s equality policies can deal with the special problems regarding equality between men and women that have resulted from the countries’ socioeconomic, political and sociocultural transformations. Political and legal integration, market integration and cultural integration in terms of gender relationships will be discussed (cf. Klein 2006a).

I will first give a necessarily short overview of the acquis communautaire and the main features of EU gender equality policy. I will then address the change in gender relationships in the CEE countries and the special challenges facing gender policy. There are two essential levels: on one hand, the social structure level (especially economic and political factors) and on the other, sociocultural factors and the social climate, for example as manifest in attitude patterns. Finally, I will identify the measures and areas EU gender equality policy absolutely must work towards the improvement of gender equality.

**EU gender equality policy: the acquis communautaire**

Legislative acts are binding for member states. They include the EC Treaty, directives, decisions on Community action programs, and Parliament and Commission decisions – in our case, as they relate to equality issues. Every citizen of the EU can invoke this primary and secondary legal basis and file a suit. In this way the European Court of Justice has played an important role in the creation and implementation of equality policy in certain phases through its progressive administration of justice. There are also other non-binding Community acts in addition to legislative acts, such as Council and Commission recommendations. 83

Equality policies in the first four decades concentrated almost exclusively on gainful employment. The basis was Article 119 of the Treaty of Rome (which founded the EEC in 1957), which called for “equal pay for equal work” (today Art. 141 of the EC Treaty). Public actions in subsequent years were based on Art. 119. A major strike in 1966 at a company in Herstal, Belgium, where women were demanding equal pay, is one such action. The Court of Justice was also concerned with Art. 119, after the

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83. For a detailed presentation of the development of Community gender law, specific texts, different definitions of discrimination, sexual harassment, etc., and European Court of Justice decisions on equality issues, cf. Klein (2006b), in a shorter form (2006c).
Belgian flight attendant Gabrielle Defrenne filed multiple suits against her employer. Nevertheless, Art. 119 had only declamatory value until the 1970s.

A more active phase followed from 1975 to 1986, during which various directives were passed, which still focused on employment, more specifically gainful employment. Directives passed included the directive on the principle of equal pay for equal work (75/117/EEC) and the Equal Treatment Directive on access to employment and working conditions, which prohibited direct and indirect discrimination (76/207/EEC). Multiple directives on equality in the social security systems followed (79/7; 86/378 and 86/613). This phase went beyond the concept of absolute equal treatment, which had previously been the dominant focus, so that measures to remove inequalities were implemented and protected by law (affirmative action). Another phase began in the early 1990s with directives including those on the legal protection of working mothers and pregnant women (92/85/EEC), parental leave (96/34/EC), which enabled mothers and fathers to take parental leave, and on the burden of proof in discrimination cases (97/80/EC). In addition to shifting the burden of proof, the latter contained a definition of indirect discrimination, which various Court of Justice rulings have incorporated.

The Treaty of Amsterdam (1999) was a turning point – for the first time the necessity of equality in areas beyond the labour market was formulated and made mandatory. Equality is understood as a fundamental principle of the EU, which can be defined by law and mainstreamed – gender mainstreaming can be introduced. The treaty expanded not only primary legislation but also the EU’s possibilities for advancing legal foundations in equality (today Art. 13 of the EC Treaty). Gender mainstreaming is a component of the acquis communautaire.

Today the EU’s protection against discrimination and ban on discrimination extend to additional target groups and criteria thanks to the 2000 anti-discrimination directives. First, they apply to ethnic origin. The ban on discrimination goes beyond the labour market; discrimination is illegal in education, social security, health care services, as well as in access to goods, services and housing. The anti-discrimination directives also prohibit discrimination based on disability,

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84. Other measures were also passed, including a Council Recommendation in 1984 (84/635/EEC) on the promotion of positive action for women.
sexual orientation, age, and religion or world view. The protection from discrimination provided applies to employment and occupation.

Areas on the EU political agenda that go beyond gainful employment and in which serious disadvantages for women have been identified – such as poverty, health care, violence against women, and trafficking of women – are key for gender relationships. The topic of equality was long limited to the labour market and discussed primarily in the context of competitive advantages and disadvantages. In the legal realm, the 1976 equal treatment directive was amended in 2002 (2002/73/EC) to include protection against discrimination through harassment, including sexual harassment. In a paradigm shift in gender law, a directive on the equal treatment of men and women in the access to and supply of goods and services has been in effect since 2004 and had to be implemented by the member states by the end of 2007. For the first time, discrimination is banned in many areas of daily life beyond the labour market. Although important areas such as the media sector and taxation unfortunately were excluded, the directive does include the issue of different life and health insurance premiums for men and women.

If we assess the development of equality law at the European level, equality and even equal opportunity have largely been achieved on a normative level – as is the case in the international system of standards. Of course we are referring to standards, which are defined in and mandated by agreements, advanced by programs and measures, and can be invoked by social movements such as the European Women’s Lobby, an umbrella organization, does at the European level (cf. Klein 2006b). This development is clearly due to the activities of women’s movements and women’s rights lobby groups. And vice versa, standardization helps groups in civil society. Consultations with groups and/or individual experts has become systematically integrated; lobby groups have become important political players at the European level. This aspect is most important for assessing the potential of EU gender equality policies for the CEE states since legal obligations can only be effective if groups in civil society take advantage of the potential and push the gender issue.

The current political guidelines for equality were supposed to be defined in the Road Map for Gender Equality for 2006 to 2010 (cf. European Commission 2006). While the EU Commission has often been at the fore in equality initiatives, this road map has proved disappointing since it does not contain any specific legal initiatives. Women’s organizations had
previously indicated the areas where legal initiatives are urgently needed: fighting violence against women and human rights violations against female immigrants. The European Women’s Lobby had submitted a road map comprising six main themes with specific strategic objectives drawn up for each: institutional mechanisms for the realization of gender equality and gender mainstreaming; economic and social justice for women; advancing the position of women in decision-making; eradicating violence against women and implementing women’s human rights; Europe’s role in advancing women’s rights in an international context; and eliminating patriarchal gender roles and stereotypes. It will become clear in the following that these themes are important for the CEE countries without exception.

**Gender equality in the CEE states**

**State-socialist systems**

Let us first take a short cursory look back at the situation of women in the former state-socialist countries – only with this background can today’s difficulties be explained.

Most state-socialist countries viewed the “right to work” as a socialist achievement in a society free of private ownership of means of production. On the flip side, this was associated with the duty to perform “work beneficial to society,” which did not take precautions for unemployment. This principle also applied to women. The key to women’s emancipation and equality was seen as employment. Not only was the social issue as a whole thought to be solved but so also was the issue of discrimination toward women in society. Unlike in Western European countries – and true to the ideology – employment rates among men and women barely differed (such as in the Baltic states) or were far closer to equal than in Western and Southern European countries, where this phenomenon was also due to the labour-intensive economic system. Not only was there little difference between the employment rates among men and women, there was also little difference in the volume of work performed. This policy was supported by offerings that can be described as welfare state benefits, such as subsidized food, housing, health services in the workplace and public transportation. Full-time employment was generally enabled by the expansion of public childcare, and there was a high level of social support for mothers and
children. Women were highly educated and were trained or qualified for careers that from the Western perspective were “typical men’s careers.”

In fact, even these societies were known to have unequal gender relationships, and there was a discrepancy between ideology and reality. The female population was not really equal in terms of income, employment, social status, or political influence and participation. There was a gender wage gap - gainful employment of women was not considered equal – and the labour market was segmented. In these systems women were concentrated in certain sectors and careers, particularly education and health care and the clothing and textile industry.

In particular, sharing domestic and family work was not an issue. And we must consider that domestic and family work was much more difficult than in Western European countries due to the lack of consumer goods and time-saving appliances. Women kept their families small due to daily burdens even though the socialist system preached an increase in the birth rate. Since there was a lack of contraceptives, women relied on abortion – which was available in most states without restriction – more frequently than women in Western Europe.

Law dictated that women be present in the political sphere, but they were marginalized. Quotas for different groups were introduced in the Communist Party in the 1970s. In some countries, the quota for women was 30 per cent, resulting in a higher percentage of women in parliaments than in Western European countries at that time. Around 20 per cent of members of parliament were women in the early 1980s. Lithuania and Latvia had the highest percentage of female members of parliament in 1980 – 36 per cent and 35 per cent respectively - while women made up 23 per cent in Poland, 22 per cent in Bulgaria (1981) and 21 per cent in Estonia (1985) (cf. Sloat 2004). The percentage of women in government was extremely small. On average, women made up 3 to 5 per cent of the government, except in Latvia where they accounted for 17 per cent in 1980 and 1985 and Slovenia where they accounted for 17 per cent in 1982 and 12 per cent in 1986 (cf. ibid.). Czechoslovakia had one woman, who served as minister of labour and social affairs, from January to October 1969. As in Western European countries, female office-holders were assigned to the traditional areas of social services, health care and cultures.
This participation was admittedly in name only since the assignment merely confirmed the Party’s previous decision. The position that women were “truly” visible in politics can therefore be disputed. In fact, the opposite was true: “The pseudo-elections under socialism, with party-determined quotas for women, did not strengthen candidates’ self-confidence, but led to the development of an inferiority complex and a revulsion toward holding political office,” according to Šiklová (1993: 78, in Sloat 2004). Immediately after 1989/90, the percentage of women in parliaments fell dramatically once quotas were eliminated: to under 6 per cent in Romania, Estonia and Latvia; under 10 per cent in Hungary, Slovakia, Lithuania and Bulgaria; and 11.2 per cent and 11.0 per cent – the highest levels – in Slovenia and the Czech Republic respectively.

Detailed studies of gender inequality have been conducted only since the fall of state socialism because critical (empirical) analysis of society was taboo in almost all socialist countries. Western European social research was more interested in capitalist systems, while feminist research focused more on the patriarchal capitalist system.

The structure of the socialist system was also patriarchal (cf. Dölling 1991) – first, patriarchal in the sense that the image of the male breadwinner had not been overcome (as is demonstrated by the gender-based division of labour in families); second, patriarchal in the sense that gender segregation existed even in the labour market (horizontal segregation because of the unequal concentration of men and women in economic areas and occupations, and vertical because of the inequality in hierarchical positions); and third, patriarchal in the sense that women were marginalized at the political level. “Never and in no place” had “core elements of patriarchalism in state socialism” been overcome (Kreisky 1996: 11).

Gender inequality today

At first, unemployment and income poverty generally rose rapidly due to the change of system in the Central and Eastern European countries (cf. Pascal and Kwak and Steinhilber in this volume). Economic development has had varied success, but in all countries the economies, which had previously been centrally organized by the state and characterized by large companies, were restructured into smaller privatized companies. At the same time, functioning social assistance and security systems
needed and still need to be established (for a detailed explanation cf. Klein 2006b).

The large number of jobs lost immediately after 1989 affected both sexes; economic development reached a low point in 1991-95. The employment rate fell more dramatically among women than men almost everywhere. It began to climb again in most countries after 1997 but still has not reached 1985 levels, i.e. the level before the change of system. The situation in Poland is especially alarming. The employment rate among women dropped to 46.8 per cent between 1995 and 2004 (European Commission 2007: 306). The EU’s target rate, which was defined as 60 per cent by 2010 in the Lisbon Strategy, will be difficult to achieve in all countries and impossible in Hungary and Poland. Hungary is “missing” around 10 percentage points and Poland 12 percentage points (ibid.). As expected, part-time jobs play a very minor role, with around 10 per cent of employed women working part time. The 2004 Task Force Report concluded that there is a lack of affordable child care options and family-friendly employment contracts and working hours (cf. Klein 2006b, see also Klenner and Haškova in this volume).

Unemployment among women has dropped in recent years from its peak in the first years after the change of system. The economy of the Central and Eastern European countries as a whole grew faster than the old EU member states from 1992 to 2000. At just under 15 per cent the current unemployment rate among women (2006) in Poland and Slovakia is dramatic (cf. European Commission 2008). The difference between unemployment among men and women is not as high in every country (Pascal and Kwak in this volume). However, the ILO and other organizations point out that actual unemployment, particularly among women, is higher than the rate officially recorded. They have observed that women have pulled out of the labour market. The response to the changes was apparently not to reduce working hours but for women to leave or be forced out of the labour market. Application of early retirement systems and extending parental leave has pushed many into “inactivity” – as it is referred to in documents – and thus has resulted in a drop in official unemployment.

Women have a weaker position on the labour market, and multiple factors have contributed to this position. In many countries women had held lower skilled and lower paid positions in state-run industrial plants and were therefore especially vulnerable to changes in economic
liberalization and company restructuring. As in the GDR a disproportionately high number of women were employed in the textile and clothing industry, and in Hungary in other sectors and small private and family businesses as well (cf. Cox and Mason 1999: 140).

Segregation has since reached the level of gender segregation in the OECD countries as a whole. Women lost jobs primarily in agriculture, industry and construction (except in agriculture in Slovenia and industry in Poland). In all transformation countries new jobs for women were created primarily in the service sector, public administration, banking and commerce. Jobs in the public service sector were eliminated as a result of the loss of the state quota, however. The number of jobs in education and health care, sectors that were previously dominated by women, has remained relatively unchanged. In some countries tourism and services in particular have created new opportunities. A phenomenon we are familiar with from Western European countries is beginning to emerge, especially in new private companies, due to extended maternity leave and parental leave regulations: employers prefer to hire men, and women are considered less reliable and productive.

Social and labour policy regulations and structural factors of the labour market not only affected ideas on gender arrangements, they also became entwined in cultural models that evoke attitude and behavior patterns. In terms of the social climate, there has been a relapse and a turn towards traditional and conservative gender models. This is evident in attitudes toward equality issues. International Social Survey Programme (ISSP) data from 1994/95 and 2002 show a clear distinction between “old” EU member states and some of the “more recent” member states. Respondents were asked the extent to which they agreed with the statement that “a job is alright, but what most women really want is a home and children.” In 1994/95, the “old” EU states of Spain, Italy and Austria had the highest rates of agreement of around 45 per cent and higher. The lowest rates of agreement were recorded among male and female respondents in East Germany (19.8 per cent), the Scandinavian countries and Great Britain. Agreement was much higher – 60 per cent and above – in Hungary, Poland, Slovenia and the Czech Republic. The highest rates of agreement in 2002 were also recorded in the new

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85. For all EU member states cf. Klein (2006b).
86. Family and Changing Gender Roles module.
member states Hungary, Poland, Slovenia, the Czech Republic and Slovakia with rates between 50 per cent and 70 per cent.

Respondents were also asked to indicate how closely they agreed with the statement that “a preschool child is likely to suffer if his or her mother works.” This statement is important for our context because rejecting socialization of children outside of the family is an indicator of a traditional family model. Results in the old EU countries confirm the welfare state typologies of feminist research (cf. Klein 2006b). In 2002, the strongest rejection of socialization outside of the family was recorded in western Germany, Austria and Great Britain, provided the child is preschool aged (52 per cent, 58 per cent and 57 per cent respectively). Respondents in eastern Germany and Sweden were the most likely to be in favor of women with one preschool-aged child working (over 80 per cent). Among the new member states, Poland and Slovakia recorded high numbers opposing socialization outside the home. However, the rates of agreement, at least among female respondents, to the principle of women with preschool and school children working in general increased from 1994 to 2002, even in Poland.

This attitude will conflict with state cutbacks in child care. The results from Eastern European countries regarding the statement “a man’s job is to earn money; a woman’s job is to look after home and family” are also striking. While central and southern European countries showed a low level of support for this traditional breadwinner model, over 45 per cent of respondents in Eastern European member states agreed.

A study by Voicu (2004) of data from the European Value Study (EVS) made a distinction between countries. Voicu assumes that the way governments make policies relating to women is related to the population’s values and attitudes towards the position of women in society. She makes a distinction between two fundamental attitudes in the population: the attitude toward the division of labour in the home.

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87. France is not included here; a high level of support for care outside of the home is to be expected for this question.
88. Variables are the possible answers to the questions: “a working mother can establish just as warm and secure a relationship with her children as a mother who does not work;” “a preschool child is likely to suffer if his or her mother works;” “a job is alright, but what most women really want is a home and children;” “being a housewife is just as fulfilling as working for pay” (p. 243).
and the attitude toward women’s and men’s access to the labour market. Her results indicate a total of five clusters of countries. There are two groups of Central and Eastern European countries. The first group includes the CEE states in the EU Slovenia, Latvia, the Czech Republic, Slovakia, Hungary, Romania and Bulgaria. In these labour market-oriented models, the populations demonstrate a high level of acceptance of the same access to the labour market for men and women and a high level of support for the traditional role of women in the home. The populations assume that men and women are equal in society, but that women must assume their traditional role in the family. This attitude is consistent with the direction of work-life balance policies. The second group includes Poland and Lithuania (as well as Greece) and demonstrates an extremely high level of traditionalism in terms of the division of labour in the home and only marginal support for equal access to the labour market.

In some respect, the socialist legacy must be considered one of the reasons for this re-traditionalization in the CEE countries. Since a share of housework has not been put up for discussion, we suspect that women were dissatisfied with the previous situation and enormous double burden. Gainful employment was accepted only as prescribed by the state. The return to the female family role – even if this return does not really take place – is perceived as liberation from the double burden. Religious orientation must also be taken into account. Many of the countries studied here are primarily Catholic, and the Catholic model supports the attitudes of the middle-class nuclear family with women being explicitly responsible for work in the family. In the socialist era, the Catholic idea of family was in conflict with socialist ideology as regards employment among women, and there is some indication that the ideology of full-time employment among women “had no cultural foundation” (Gerhards and Hölscher 2005) and to this day has not affected the attitude among the population. The Church established itself in the former socialist countries following the collapse of state socialism.

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89. Variables are the possible answers to the questions: “a working mother can establish just as warm and secure a relationship with her children as a mother who does not work;” “having a job is the best way for a woman to be an independent person;” “both the man and woman should contribute to the household income;” “in general, fathers are just as able to take care of their children as mothers are” (p. 243).

90. As well as France and Belgium.
The CEE countries are also more family-oriented than Western European countries. This makes sense historically since the family was a private place, protected from the dominant state, Communist Party and associated high level of social control. Moreover, we should remember that some countries historically had conservative societies. This was true especially where women did not have political rights between the World Wars. Women in Hungary did not have the right to vote until 1945 (cf. Lemke 1996). Activities related to women’s involvement in politics were also marginalized in countries where the issue of national unity was the focus following the upheaval (ibid.). In Poland, for example, the development of gender relationships was absolutely typical in resistance movements and conflict regions before the collapse of state socialism. In leading positions of Solidarity women were not well received. Politics was considered a male domain; women were to support men in public in addition to carrying out their work in the family. While male activists were arrested or went underground after December 13, 1981, women kept the resistance work alive – they were considered “above suspicion.” Women were only tolerated until the men could become active again. Support for traditional cultural areas, particularly in the areas of religion, politics, family norms, gender roles and sexuality norms, is very high in Poland and much stronger than in other former socialist countries (cf. also Inglehart 1997). As demonstrated above, this support is evident in the low acceptance of child care outside the home for children under three and in the low percentage of young children in child care.

The traditional gender model is also reflected in party programs. In a comparison of programs in the relevant parties in countries including Slovakia and the Czech Republic, Binder (2003) determines that the programs scarcely mention the topic of gender inequality. When they do touch on women’s living circumstances, women are mentioned only as mothers and wives. They clearly draw on the traditional family model, and family duties are outlined for women.

**Requirements of EU gender equality policy**

From the day of accession on, states were required to adopt the acquis communautaire. This duty has made it possible for women’s organizations to popularize their objectives. Gesine Fuchs (2003) has demonstrated this phenomenon in Poland. Governments were required to comply with the relevant EU fundamentals, and a growing number of
politicians were influenced by the EU’s equality standards (Lohmann 2006).

The legal basis has largely been implemented. Basic rights are guaranteed in constitutions. Regulations on equal pay and on direct and indirect discrimination have been implemented in most labour laws. Legal avenues for filing suit for suspected discrimination have been created. The burden of proof has also been shifted in national laws.

De jure equality has largely been achieved. However, the need for advice and information on existing laws is great. National players like equality bodies, social partners and non-governmental organizations have not been precise enough in promoting information on legal provisions. The population in many countries is very familiar with laws on equal pay, equal treatment and maternity leave since such laws existed in socialist systems. Concepts such as the burden of proof in discrimination cases, legal status and equality of the self-employed and legal conditions for part-time jobs are new, however. The lack of understanding has been obvious in the few legal cases before the court that have dealt with gender discrimination. Moreover, employees who are informed of their rights shy away from law suits. Employees are insecure and afraid of losing their jobs should they file suit, especially in former socialist countries where employees were used to lifetime job security. For the most part, unions are not interested in gender issues and do not pressure employers on such issues. Acceptance of unions is low in some countries since the population associates unions with the previous regime. Membership has dropped to 17 per cent of all employees in Hungary (2004) and 22 per cent in the Czech Republic (cf. Falkner and Treib 2007). When public bodies provide information on discrimination, the information usually focuses on ethnic minorities such as the Rom, or people with disabilities. The results of one project show that there is little communication of gender discrimination. 91

This adaptation of laws contrasts with the lack of enforcement of equality law in practice. A study by Falkner and Treib (2007: 12) also comes to this conclusion. It analysed the implementation of three directives on labour law, including the equal treatment directive, in the Czech Republic, Slovakia, Slovenia and Hungary: “(...) many of the legal

91. Enlargement, Gender and Governance. European Union Framework 5, at Queen’s University Belfast, http://www.qub.ac.uk/egg/.
specifications (…) that comply with EU social policy are essentially dead letters.” The countries mentioned fall into this category. Legal specifications were readily adopted, but then the readiness seems to disappear when it comes to monitoring and implementation, with the result that the legal regulations are not effective in practice.

The political and legal guidelines in most countries tend to be unspecific when it comes to the actual implementation of the gender mainstreaming strategy. Specific requirements are in place in the Czech Republic (since 2004), Estonia, Latvia and Slovenia, however. In these countries, a gender impact analysis must be carried out before laws can be passed (Sterner and Biller 2007). In Estonia, the Gender Equality Act calls for public authorities to systematically and effectively promote equality between men and women. In Latvia, all ministries are required to implement equality in their policies. In addition, since 2002, an ex-ante gender impact assessment must be conducted in preparation for most legislation. Slovenia passed a law on equal opportunity in 2002 requiring ministries and the government to implement gender mainstreaming.

The European Commission drafted a guide naming the gender aspects of the Joint Reports on Social Inclusion to facilitate the process of integrating gender mainstreaming. These reports serve as the basis for national action plans (NAPs), which must be created every two years. The first NAPs from the new member states covered the years 2004 to 2006. Gender mainstreaming was explicitly named a priority in Lithuania and the Czech Republic in this period. Lithuania specified work-life balance measures. Only a very few countries had drafted strategies for equality policies according to the Open Society Institute (OSI 2005).

In the current NAPs Estonia names a specific gender mainstreaming strategy, Lithuania and Latvia mention equality policy and gender mainstreaming, and the Czech Republic, Hungary and Slovenia name equality aims. Neither Poland nor Slovakia have any plans that even mention equality or gender mainstreaming. Poland transformed the NAP for women into a national road map for the family (Sterner and Biller 2007). This information is sobering given that specific targets at

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95. Poland’s last National Action Plan for Women was for the years 2003-2005.
the political level are prerequisites for gender mainstreaming. Although almost all of the member states mentioned here have expressed the political will to implement gender mainstreaming; only half have developed specific plans, made resources available and codified mandatory specifications for gender analyses. Note that this is a comprehensive strategy; almost all countries have named individual gender-related objectives in various policy areas. However, there are no long-term strategies of good governance aiming to eliminate inequalities between women and men.

The establishment of structures for enforcing equal treatment, especially independent institutions, as provided for in the equal treatment directive has remained unsatisfactory. One positive example is Lithuania’s establishment of an ombudsperson for equal treatment. In Estonia an ombudsperson is also appointed by the Minister for Social Affairs. The equality department is part of the Ministry of Social Affairs. In Slovakia equality issues are handled by the Ministry of Labour, Social Affairs and Family (OSI 2005). Sterner and Biller (2007) note that the gender mainstreaming activities have apparently focused more on gender training than on the establishment of support structures.

Women’s organizations and other non-governmental organizations (NGOs) are enormously important for the continuing development of equal opportunity and equality (cf. Klein 2006b). The new member states have also developed approaches for civil society – albeit hesitantly. Women's groups are the forerunners. Over 70 women’s NGOs were founded between 1989 and 1990 in the Czech Republic alone (Čermáková et al. 2000). Lithuania saw a similar wave from 1992 to 1996. One of the first major topics was abortion since many countries wanted to abolish laws allowing abortion in the first trimester, which had been in effect. Family violence became a public topic in these countries for the first time. The agenda also included (and continues to include) the labour market situation and ultimately representation of women in politics, which I will address again later.

International support is important, especially since the conservative step backwards, which is evident in the attitudes described above, has set up major hurdles for women’s organizations. Several groups were not able to survive, and countless groups that call themselves women’s groups do not deal with equality (Eberhardt 2006).
Political women’s groups seem to have networked only very slowly.\textsuperscript{96} International support must be given to the groups in the new member states because the issue of equality will be considered a luxury in many countries in times of weak economic power, low employment and rising poverty. Human rights groups noted that women faced serious discrimination in Poland in the first half of the 1990s. The government led by the Law and Justice Party (PiS) was also cause for concern. The party shut down the office of Government Representative for the Equal Status of Women and Men in late 2005. The PiS had previously caused problems for the Representative for the Equal Status of Women and Men because of her support for abortion and her stance against the discrimination of homosexuals. It remains to be seen whether the new government under Donald Tusk of the liberal-conservative Civic Platform party (\textit{Platforma Obywatelska} (PO)) steps up compliance with European standards.

Many organizations hope that the position of women in the professional world and labour market will be strengthened, and this is to be expected. The EU will appeal to the new member states in this regard. It must call for protection against discrimination since women in particular are the losers under market economy conditions as employers fear the cost of maternal leave and the state has thus far not taken responsibility for child care duties. Programs for the advancement of women are therefore needed especially in this area.

The EU must put pressure on the countries to improve formal political participation among women. Combined with the backlash in attitudes, defense reactions against women will otherwise succeed in permeating politics. The traditional attitudes, which were mentioned previously as they are reflected in the division of labour between men and women, also apply for attitudes toward political activity. Respondents in most Central and Eastern European countries surveyed (except Slovenia and Macedonia) agreed with the statement that “men make better political leaders” (cf. Wilcox et al. 2003: 45). In Poland 67 per cent of men and in Estonia almost 80 per cent of men surveyed agreed with the statement. The percentage of women agreeing with the statement is lower, but the majority still considers men better political leaders.

\textsuperscript{96} Cf. the conclusions of the project in footnote 10. KARAT, a network of Central and Eastern European women’s initiatives, is an exception.
Thus far no voting system quotas have been in place, and attempts to implement them have failed. There seems to be widespread defense against positive measures – they are perceived as quotas imposed by the state during socialist times in the way that seats on the Central Committee of Communist parties were assigned undemocratically. As mentioned previously, women were represented as party members but did not hold leading positions in equal measure.

Some parties on the left today have introduced forms of quotas for seats. Women in Poland and Slovenia in particular have been very active against underrepresentation and have managed to form coalitions. Table 1 shows the massive drop in the number of women in parliaments from 1980 to 1990 and the rise from 1990 to 2008. However, female representation in Lithuania has dropped once again – by 5 per cent – following the most recent elections (10/2008).

### Table 3  Percentage of women in parliaments in Central and Eastern European EU countries

<table>
<thead>
<tr>
<th>Country</th>
<th>1980</th>
<th>1990</th>
<th>1997</th>
<th>Today (in ( ) month/year of the last election)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulgaria</td>
<td>21.7 (1981)</td>
<td>8.5</td>
<td>10.8</td>
<td>21.7 (06/2005)</td>
</tr>
<tr>
<td>Romania</td>
<td>33.1</td>
<td>3.6</td>
<td>7.3</td>
<td>11.2 (11/2004)</td>
</tr>
<tr>
<td>Estonia</td>
<td>20.7 (1985)</td>
<td>5.7</td>
<td>10.9</td>
<td>20.8 (03/2007)</td>
</tr>
<tr>
<td>Latvia</td>
<td>34.8</td>
<td>5.5</td>
<td>9.0</td>
<td>20.0 (10/2006)</td>
</tr>
<tr>
<td>Lithuania</td>
<td>36.0</td>
<td>8.1</td>
<td>17.5</td>
<td>17.7 (8/2004)</td>
</tr>
<tr>
<td>Poland</td>
<td>23.0</td>
<td>9.5 (1991)</td>
<td>13.0</td>
<td>20.2 (10/2007)</td>
</tr>
<tr>
<td>Slovenia</td>
<td>26.0</td>
<td>11.2</td>
<td>7.8</td>
<td>13.3 (9/2008)</td>
</tr>
<tr>
<td>Slovakia</td>
<td>29.0</td>
<td>8.7</td>
<td>14.7</td>
<td>19.3 (06/2006)</td>
</tr>
<tr>
<td>Hungary</td>
<td>30.1</td>
<td>7.3</td>
<td>11.4</td>
<td>10.4 (04/2006)</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>29.0 (1981)</td>
<td>11.0</td>
<td>15.0</td>
<td>15.5 (06/2006)</td>
</tr>
</tbody>
</table>


### Conclusion

Trends in the state of gender relationships and equality between men and women in the Central and Eastern European EU member states are conflicting. Integration of women was inconsistent even in the state-socialist systems. Men and women can be said to have been relatively
equal in terms of gainful employment and the associated social protection, yet the labour market was segregated and women and men did not receive equal pay. The division of labour in private life in particular was accepted without question.

Today there have been setbacks in many areas of social and political participation. These setbacks have been accompanied by and reinforced through the population’s support of traditional notions of gender roles. This is clearly evident in attitudes: support for relegating women to the family and home and men to the professional arena is extremely high.

Equality policies must enforce legal regulations, which have largely been implemented, by establishing appropriate mechanisms such as equality commissions or ombudspeople, equality departments in all ministries, and in particular effective mechanisms that enable a gender mainstreaming strategy. An EU gender equality policy must put particular pressure on the implementation of gender mainstreaming while at the same time encouraging feminist-policy NGOs that work toward a gender democracy and that are essential for the continuing development of civil societies.

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III Welfare state reforms and their gender specific consequences
Pension reforms in Central and Eastern Europe: a comparison of reform paths and gender equality

Katharina Müller

1. Introduction

The last twenty years have seen radical political, economic and social change in the Central and Eastern European transformation countries. The pension insurance systems, a legacy of the real socialist period, were not excluded from far-reaching changes. These began with a series of parametric reforms, i.e. changes to important parameters within the existing pay-as-you-go system. However, the change did not end here: Several states in the region, particularly many of the new EU member states, carried out systemic pension reforms and thus introduced fundamental changes to their old-age pension systems. In particular, this includes the introduction of the notional defined contribution and the partial or total changeover to pre-funded schemes. 97

When the cornerstones of an old-age pension system are altered, the consequences are seldom gender neutral. The pension reforms that were implemented in Central and Eastern Europe will have implications for existing gender relations which arise partly from the different work and life situations of men and women, but also partly from explicit gender-specific parameters such as different retirement ages and the mortality tables used.

This contribution will first outline the general conditions – the inherited pension systems, the influence of economic transformation on the existing pension systems, and demographic change. This will be followed by a description and discussion of the various types of pension reform found in Central and Eastern Europe. Finally, the gender dimension of the reform paths observed in the region will be analysed. A brief conclusion will be drawn to close. The regional focus of the analysis lies

97. The terms are explained in Sections 3.2 and 3.3.
on the new EU member states from Central and Eastern Europe, whereby other post-socialist states will also be selectively considered if they are of significance in terms of their experience with pension policy.

2. The general conditions: the real socialist legacy, transformation and demography

During the period of real socialism, old age pensions in Central and Eastern Europe were structured according to similar principles without completely forgoing local idiosyncrasies. There was a centralised social security authority that, in most cases, was not separated from the national budget or other lines of social security. Employees generally didn’t have to pay their own contribution. Rather, the companies paid a fixed percentage of their salaries to the tax authorities. Over the decades, it was possible to increase pension coverage step by step until finally the entire labour force was involved by the sixties or seventies. The mandatory retirement age was simultaneously lowered and was usually set at 60 years for men and 55 for women; however, the effective retirement age lay well below this. A working life with a compressed wage structure was followed by drawing a pension that bore almost no relation to the contributions paid by the employer. For example, the duration of employment had the most significant influence on the amount of pension paid but only the last income prior to retirement was involved in the calculation of the pension.\textsuperscript{98} Current pensions were constantly losing real value due to the lack of dynamisation. The longer an old-age pension was drawn, the lower was its purchasing power. Consequently, many older people felt forced to remain in active employment (Götting 1998).

Existing old-age pension systems were affected in a multitude of ways from the start of transformation. The cost of living rose strongly in the face of drastic reductions in subsidies. At the same time, subsidies that can also be perceived as indirect social expenditure were increasingly replaced by direct transfer payments. This included not only the introduction of previously unknown social security systems, such as social assistance and unemployment insurance, but also increasing pension expenditure as the result of the higher level of benefits. The restructuring measures in the area of state-owned enterprises had an impact on both

\textsuperscript{98.} Miners and other occupational groups enjoyed special rights, mostly in the form of higher pension payments or a lower retirement age.
income and expenditure. They were associated with extensive personnel
cuts, which were partly absorbed through early retirement regulations
but often resulted in unemployment. There was a drastic decline in the
once very high labour force participation rates, from which the region is
still recovering. In 1996, the labour force participation rate in nine out of
ten of the Central and Eastern European accession countries (the so-
called “EU 8+2” countries) lay below the EU 15 average of 71.6 per cent.
Only Estonia could boast a slightly higher labour force participation rate.
The official unemployment rates, which only partly reflect the extent of
job cutbacks continue to lie significantly above the EU 15 average of 7.4
per cent in four of the ten EU 8+2 countries (Pellényi 2007).

The heavy fall in the number of contributors and the simultaneous
escalation of the number of benefit recipients within the context of
transformation led to a clear deterioration of the so-called “system
dependency ratio”. Particularly because this trend occurred during the
years of transformation recession and high inflation rates, it led to a
destabilisation of public pension finances. Differences in the level of
expenditure were usually accompanied by strongly divergent benefit
levels. Particularly in the Baltic States, replacement ratios are, and
remain, comparatively low. At the same time, coverage rates sank
dramatically due to the labour market problems. Chawla et al. (2007: 152)
state clearly that although the great majority of older people in Central
and Eastern Europe still draw a pension, the majority of the working-
aged population no longer contributes to the local pension system.

However, the years of transformation in Central and Eastern Europe are
not only associated with upheavals in the labour market; they are also
associated with demographic change (Chawla et al. 2007). In 2005, the
rate of natural population increase was negative in all of the countries
acceding to the EU but Slovakia (Münz 2007: 17) due to the, in some cases
drastic, drop in total fertility rates in Central and Eastern Europe during

99. The so-called “EU 8+2” group of countries includes Poland, Hungary, the Czech Republic,
Slovakia, Estonia, Lithuania, and Slovenia which joined the EU on 1st May 2004, plus
Bulgaria and Romania, which followed on 1st January 2007.
100. In 2006, the unemployment rate was 13.8 per cent in Poland, 13.4 per cent in Slovakia, 9.0
per cent in Bulgaria and 7.5 per cent in Hungary (Pellényi 2007). Cf. also Pascal and Kwak in
this volume.
101. This quotient measures the number of pension recipients as a per cent of contributors.
102. The replacement ratio measures the average pension as a percentage of the average wage.
103. Natural population increase is understood to mean the difference between birth rate and
mortality rate.
the nineties.\textsuperscript{104} At the same time however the life expectancy at birth improved and life expectancy at the age of 65 reached the impressive level of up to 14.1 years (men) and 18.2 years (women). The aforementioned demographic trends led to an increase in the so-called “old-age dependency ratio”\textsuperscript{105} in the region during the nineties (Müller 2003a, 2006a).

3. Comparison of pension reform paths

The socio-political institutional structure that Central and Eastern Europe inherited from the real socialist period has experienced extensive change over the past twenty years. This is partly a consequence of the outlined general conditions – change in the economic system and demographic trends – but it also reflects the altered political coordinates, for example the transition from collective to individual provisions for social security and from the State to the market. Parametric reforms were introduced within the pay-as-you-go system (cf. Section 3.1) during the years that followed the political shift. In the meantime, many of the transformation countries have undertaken much more radical pension reforms: The introduction of systems with notional defined contributions (cf. Section 3.2) and the changeover to pre-funded schemes (cf. Section 3.3). These different reform paths will be described in the following (Müller 2002, 2003a, 2005a).

3.1 Parametric reforms within the pay-as-you-go-system

There was relative consensus among pension experts in respect to the following measures aimed at changing the basic parameters of the pay-as-you-go system in Central and Eastern Europe: Pension insurance was to be institutionally separate from other social security branches (line separation) and separate from the national budget, employees were to share in the payment of contributions, retirement age was to be increased and the special rights held by specific professions (branch privileges) were to be discontinued. Furthermore, to increase the incentive to pay contributions, there was a dismantling of redistribution elements in the

\textsuperscript{104} The total fertility rate measures the average number of births per woman. As early as 1990, it lay below the demographic replacement level, which is around 2.1.

\textsuperscript{105} This quotient describes the population of retirement age in relation to the population of working age, e.g. the number of persons over 65 years of age as a per cent of the 15-65 year-olds.
pension formula, i.e. a strengthening of the contribution-benefit link, for example though the introduction of pension points. Indexation of the benefits paid, i.e. their systematic adjustment to the development of prices and/or wages, was a further necessary measure since the nominal old-age pensions sometimes remained unaltered for years on fiscal grounds. This often led not only to inadequate pension levels but also to a distortion of the relative pension payments. Although initially opportunities were created for early retirement to reduce pressure on the labour market, as a rule, access conditions were tightened significantly within a few years. In some places, the minimum required number of insured years was also increased. The relatively easy access to disability pensions was also made more stringent.

It was only in the face of substantial opposition from the unions, elderly persons associations and the constitutional courts that the above-mentioned reforms could be implemented. They were mainly introduced in the mid-nineties but reach as far back as the eighties in Poland and Hungary.\textsuperscript{106} However, country studies reveal substantial differences in details, which often suggest that there is still significant need for reform. For instance, the retirement age was increased in all areas but is still rather low in international comparison (Schmähl/ Horstmann 2002; GVG 2003; Whitehouse 2007).

3.2. Transition to notional defined contribution plans

Traditionally, a distinction is made between systems with defined benefits and defined contributions in the area of old-age security. In defined benefit (DB) plans, which are usually used by pay-as-you-go financed systems, the amount of pension paid is predefined and usually related to the final earnings prior to retirement. The income risk is carried by the pension insurance fund. In the case of defined contribution (DC) plans, which are usually applied in pre-funded systems, only the contribution amount is defined. The benefits depend on the actual amount of contributions paid and interest accumulated during the saving phase. Under this model, the risk of possibly not having an adequate pension due to insufficient contributions or the unfavourable development of investment income is carried by the insured.

\textsuperscript{106} For information on the background to earlier parametric reform approaches in Poland and Hungary, cf. the comprehensive country chapters in Müller (1999).
A notional defined contribution system – known internationally under the English abbreviation NDC (“notional defined contribution”\(^{107}\)) – represents a hybrid form. It is a pay-as-you-go financed system in which all contributions are recorded in individual accounts. The amount of pension received depends, on the one hand, on the amount of paid contributions and the “interest rate” applied, an indexing factor that varies from country to country; on the other hand, the amount of pension received is dependant on the development of life expectancy and the age of retirement. Time spent in training, military service and childrearing can be credited to the individual accounts if the State assumes responsibility for the contributions during these periods (Cichon 1999).

The NDC concept was developed in Sweden and Italy, but first put into practice in Latvia. The Latvian pension formula, which has been valid since 1996, can be simplified as follows: \( P = \frac{C}{E} \) (\( P \) = annual old-age pension, \( C \) = the individual’s total notional interest-bearing contributions and \( E \) = remaining life expectancy at the time of retirement). If the statistical life expectancy increases for a particular cohort, the amount of pension decreases unless the individual entry into retirement is deferred. Later retirement increases \( P \) since \( C \) increases and \( E \) sinks.

The advantages ascribed to transition to an NDC plan include a more transparent logic, the automatic adjustment to increased life expectancy and greater incentives for the insured to postpone retirement (Holzmann 1997). However, defined contribution systems can increase poverty among the elderly because they include no obligation to provide adequate pensions. Moreover, demographic changes can also bring an NDC system into difficulty. In spite of these reservations, Poland, Kyrgyzstan and Mongolia followed Latvia in the introduction of an NDC System; the Czech Republic plans to introduce one in 2010 (Chlon-Dominczak/ Mora 2006).

3.3. Transition to pre-funded schemes

Since 1998 numerous transformation countries have made the transition to a pre-funded scheme, which has been accompanied by the complete or partial privatisation of provisions for old age.

\(^{107}\) However, a recent World Bank publication on this subject speaks – contrary to the current convention – of “non-financial defined contribution (NDC) schemes” (Holzmann and Palmer 2006).
Table 1 approx. here
However, the only countries to opt for a complete privatisation of pension insurance for the elderly (substitutive model) are Central Asian Kazakhstan (1998) and Kosovo (2002/03), which had been under the administrative authority of the United Nations then (Hinz et. al. 2005; Gubbels et. al. 2007).

In contrast, the partial privatisation of old-age pensions was chosen by Hungary (1998), Poland (1999), Latvia (2001), Bulgaria, Croatia, Estonia (2002), Lithuania (2004/05), Slovakia (2005), Macedonia (2006) and Romania (2008). 108 In these countries, the state pay-as-you-go pillar will be reduced and part of the compulsory contributions redirected to a newly created private pension fund pillar (mixed model). The division of pension contributions into two obligatory pillars may be optional or mandatory for the insured depending on their age group or labour market status.

The mixed model, which has been selected by eight of the ten new Central and Eastern European EU member states will be described in greater detail in the following (cf. Table 1). Following the reform, the contribution-funded, pay-as-you-go system has remained mandatory, at least as the first pillar, for all insured in the EU 8+2 countries. The second, pillar comprises a newly created system of private pension funds, to which – depending on the country – between two and ten per cent of the insured person’s gross income is paid. With every person who transfers to the private system, the pay-as-you-go system loses income of this amount since the respective contribution points are transferred from the state to the private pillar. 109 The individual pension fund accounts in Central and Eastern Europe are maintained almost exclusively through employee contributions as a means of reanimating the concept of personal provision for old age, which played no role during the period of real socialism.

Participation in the second pillar is not mandatory for all of the insured. In Poland and Latvia, it was mandatory for those under thirty years of age at the time of the reform to become members of the new mixed pension model, while those between thirty and forty-nine years were free

108. A similar reform is planned to begin around 2009 in the Ukraine, whereas the status of partial pension privatisation in the Russian Federation is unclear. Other post-socialist states are also considering this step.

109. In Estonia alone, the introduction of the second pillar was accompanied by an increase of two additional contribution points.
to decide whether to do so or whether to continue to pay their entire pension contribution into the State system. In Romania, this age limit lies at 35 years (obligatory) and 36 to 45 years (optional), respectively. It was mandatory to enter the partially privatised model for new entrants to the workforce in Hungary and Slovakia and for those up to nineteen years of age in Estonia. Everyone else could choose between the pure state model or the mixed pension model as long as they were not already pensioners. In Lithuania, this choice is open to all dependent employees. Through the otherwise ubiquitous mandatory membership for those beginning their working lives or young people, the partially privatised model will become the standard model for providing security in old age in the region in the future. At the end of 2006, only a few years after the beginning of the reform, between 52 per cent (Lithuania) and 95 per cent (Poland) of employees in the EU 8+2 countries that decided in favour of the partial privatisation of pensions were members of the second pre-funded pillar (Müller 2007).

The supporters of pension privatisation expect that the transition to a funded system will increase long-term saving and investment so that the overall economic development prospects will improve. The close relationship between contribution and benefit was intended to eliminate the negative employment and saving incentives that are attributed to the pay-as-you-go system by its critics. In addition, this paradigm change was intended to limit the role of the State in the provision of old age security and lower public spending (World Bank 1994). Return differentials between private and public old-age pension systems were also cited as justification for the privatisation of pensions (Disney 1999).

However the insured are exposed to significant income risk since the capital markets in most countries in the region are still fragile but only very limited foreign investment in pension funds has been permitted. The net real return – nominal gross return less fees and inflation – was negative in many areas in the first years (cf. e.g. UNFE 2001). The pension funds charge the the bulk of the administration fees against the current pension contributions (“front-loading”). The risk of inflation generally cannot be secured on the capital markets in the region and can threaten the capital stock in the event of insufficient interest.

Furthermore, in the short and medium term, pension privatisation leads to a significantly greater burden on the State’s budget since implicit pension commitments are made explicit. Accrued future pension
entitlements acquired under the earlier pay-as-you-go system are usually recognised after the (partial or complete) change of system. That means firstly, that the State must ensure that the current old-age pensions continue to be paid although those in active employment are now saving for their own pensions, either exclusively or with part of their mandatory contributions. Secondly, compensation is granted to those of the insured who have already paid contributions for years in the pay-as-you-go system and now switch over to the private pension funds.

The costs incurred annually as a result of the change of pension system are expected to be between 0.5 and one per cent of the GDP in Estonia and an estimated two per cent of the GDP in Latvia (Leppik/Kruuda 2003; Casey 2004). In Poland, the total cost of the system change to 2050 is expected to be no less than 100 per cent of the GDP (Chlon-Dominczak 2002). The additional financial burden resulting from the changeover to the pre-funded pension system is sizeable, especially in the formerly real socialist countries since in the past almost all employees had social security insurance and accrued future pension entitlements.

4. Pension reform paths and gender equality

The outcomes of old age security systems and their reforms are seldom gender-neutral. Although far more than half of the elderly are women, it is often neglected to consider changes from a gender perspective when planning and analysing pension reforms. Indeed, there remains a lack of consensus on what is to be understood under a gender-equal pension system (Hohnerlein 2003; Steinhilber 2004a, 2004b). Does equal treatment of the sexes in respect to eligibility achieve this objective? Or is, in view of the social realities, unequal treatment necessary in order to place women on par with men in terms of outcome – the amount of pension? Particularly in insurance systems where entitlement is based on the course of the individual employment biography, the concentration on “gender-neutral” contribution times leads, as a rule, to systematically lower benefits for women due to the different employment and life situations of men and women. The recognition of family-related interruptions to employment, such as maternity leave and time spent in

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110. Although a comprehensive study on the gender dimension of pension reforms in Poland, Hungary and the Czech Republic was presented by the ILO-CEET several years ago (Fultz et. al. 2003).
childrearing, which predominantly involve women can – depending on the conditions – have a partially corrective effect. However, how is the lower retirement age for women found in many places to be assessed? Is this a female privilege that discriminates against men – or does it disadvantage the women in systems with a close contribution-benefit link since they achieve (even) fewer years of contribution? And how should the statistically higher life expectancy of women be handled? These questions arise especially in pre-funded and NDC pension systems because here, life expectancy is explicit input for the calculation of the pension. If gender-specific mortality tables are used, women receive a lower monthly pension than men with the same accumulated savings.

The pension reforms implemented in Central and Eastern Europe can also be expected to have implications for the existing gender relations, which partly result from the different employment biographies of men and women, but also from explicit gender-specific parameters, such as different retirement ages and the mortality tables used. In the following, the questions outlined above are applied to the Central and Eastern European pension reforms. They are posed with specific focus on four aspects and their gender-specific impact: (1) the partial withdrawal from redistribution in post-socialist old-age security, (2) the altered assessment of time spent in childrearing, (3) adjustment of the retirement age of women, (4) the mortality tables used in the calculation of pensions.

Re (1): The pension reforms in Central and Eastern Europe all aimed – notwithstanding the differences in their details – at the transition from a universalist-redistributive legacy to a system with strongly differentiated, income-related benefit levels. This is a result of both the closer contribution-benefit link in the pay-as-you-go system and of the introduction of NDC systems or pre-funded pension funds, in which the amount of individual contributions is central to the calculation of the

111. As provisions for the acknowledgement of time spent in childrearing in pension entitlements in Germany show, this recognition must not necessarily be accompanied by the strict adherence to gender roles, nor must it differentiate between the “concurrency or coexistence of family and profession” (Horstmann 1996: 93).

112. The selected aspects are of an exemplary nature and do not permit exhaustive consideration of the subject. This would have to include, e.g. consideration of the provisions for transferring pension entitlements to survivors (cf. e.g. van Selm 2004). However, the analysis in this contribution is limited to the acquisition of an independent pension entitlement (but see Ratajczak-Tuchołka in this volume).
pension. The partial withdrawal from redistribution and the increased significance of contribution financing imply that precarious employment biographies will have to bear the consequence of even less adequate benefit levels. Women are much more strongly affected by this than men (Fultz/ Steinhilber 2003): Because their employment biographies are often interrupted by family duties and characterised by lower average wages, the resulting benefits are lower. Simulated calculations for Poland, Latvia and Kazakhstan indicate a drop in the replacement rate for insured women to 30-35 per cent (Castel/ Fox 2001; Chlon-Dominczak 2002). Later projections estimate the replacement rate for a typical Polish woman under the new pension system at a paltry 22.4 per cent compared to 64.8 per cent under the old system (Balcerzak-Paradowska et al. 2003). Of course, this mechanism does not preclude that the position of individual women – particularly those who count among the top earners – will improve as a result of the reform or that low-income or long-term unemployed men in the region must also expect heavy losses as a consequence of the reform.

Re (2): Breaks in employment due to family commitments, such as maternity leave or childrearing, were equivalent to periods of employment in the assessment of pension entitlement during the real socialist period. The pension reforms of the last twenty years have often led to a reassessment of these periods. In the future, these periods will only be acknowledged at the level of the minimum wage or the (meagre) childrearing allowance in the calculation of pension entitlements. As such, they have been completely devalued, which has the direct consequence of lower pensions for women, as far as they have not remained childless. Fathers who take paternity leave are also potentially affected; however, in Central and Eastern Europe they only represent a very small minority. Consequently, the reassessment of childrearing periods in the region must be perceived as a measure with gender-specific impact.

Re (3): In most Central and Eastern European countries, women retired several years earlier than men in spite of their longer life expectancy. During the real socialist period, the lower mandatory retirement age was considered a privilege intended to compensate women for the multiple

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113. In contrast, the replacement rate calculated for the average Polish man was 39.6 per cent (new system) or 86.2 per cent (old system) (Balcerzak-Paradowska et al. 2003). The differences also partly result from the different retirement age, which lies at 60 for women and at 65 for men in Poland. See also the discussion under (3).
burdens of employment, housework and childrearing (Fultz/ Steinhilber 2003). In Czechoslovakia, the retirement age for women was actually staggered according to their number of children.\textsuperscript{114} At the same time, the earlier withdrawal from employment made it possible for older women to comply with social expectations of them to assume the role of caregivers, e.g. to support their daughters in childrearing and to look after relatives requiring elderly care. Thus, a conscious policy of unequal treatment of the sexes was intended to partially correct existing social inequality. The gender-differentiated retirement age has repeatedly appeared on the pension policy agenda in Central and Eastern over the last twenty years. The proposed equalisation of retirement age has not always met social acceptance and in fact met grim opposition, for example in Poland (Müller 1999; Ratajczak-Tucholka in this volume). However, it must be observed that only women in pension systems with defined benefit plans profit from early retirement. In contrast, earlier retirement effectively reduces the pension level in old-age security schemes that calculate the pension on the basis of defined contributions or have closely related contribution-benefit links. Assuming that active employment is possible until retirement age, persons who retire early are given less opportunity to pay contributions and to profit from the compound interest effect.\textsuperscript{115} Thus, the direction of pension reforms in Central and Eastern Europe outlined above must be accompanied by an equalisation of the retirement age for men and women if women are not to be additionally disadvantaged in the development of their pension entitlements.\textsuperscript{116} This strategy presupposes the simultaneous gender redistribution of care tasks within the family, i.e. between the private and public spheres.

Re (4): How should old age security systems deal with the higher life expectancy of women? This question is posed in Central and Eastern Europe particularly with the introduction of the pre-funded pillar and

\textsuperscript{114}. The Czech Republic has maintained an analogous provision: While the retirement age for men and childless women has been raised to 63 years, for women with children it runs – depending on the number of children – from 59 to 62 years (MPSV 2006).

\textsuperscript{115}. In the case of Poland, it has been calculated that a woman who retires at 60 years with the average female pension entitlement receives only 57\% of the benefit received by a man who retires at the age of 65 years with the average pension entitlement for men. However, if the woman retires at 65, she is entitled to 74\% of the pension received by a man (Fultz and Steinhilber 2003: 35).

\textsuperscript{116}. However, it must be pointed out that a higher retirement age always represents a reduction of benefits since the overall period in which the pension is drawn is reduced (Folbre et al. 2005).
NDC systems, which distribute the individual accumulated savings over the statistically remaining life expectancy – the anticipated number of years the pension is drawn. If these are based on gender-specific mortality tables that show the higher life expectancy of women, then women with the same accumulated saving receive a monthly pension that is around 20% lower than that of men.\footnote{For example, in the pre-funded pension systems in Latin America much lower old-age pensions are paid to women due to the use of gender-specific mortality tables (Arenas de Mesa and Montecinos 1999; Bertranou 2001).} The alternative is to use the so-called “unisex” mortality tables with averaged life expectancies so that both sexes can expect the same benefit from identical savings. However, the total pension sum drawn by women over their lifespan is then higher. Some men may perceive this as discriminatory. However, women are not the only population group that demonstrates higher than average life expectancy. For example, in spite of their statistically higher longevity, non-smokers and higher income earners are not subject to benefit reductions but land in the common risk pool (Fultz/ Steinhilber 2003).\footnote{For a comprehensive discussion, see Curry/ O’Connell (2004).} The Council Directive 2004/113/EC prohibited common practice of using gender as grounds for the differentiation of premiums and benefits, for all new contracts concluded after 21 December 2007. However, under specific conditions the member states can allow exceptions to the Equal Treatment Directive and are likely to make use of this option so that unisex tariffs still cannot be taken for granted.\footnote{Personal communication with the European Commission Directorate General for Employment Social Affairs and Equal Opportunity, 9.7.2007.}

5. Conclusion

Pension systems are traditionally considered difficult to reform since they generate long-term legal entitlements that politicians are unwilling to interfere with – the more so because older people often represent an election-relevant group. In light of this credo of social policy research, it is striking that far-reaching pension reforms have been undertaken in most Central and Eastern European Countries during the last twenty years.

The reforms, as different as their details may have been, brought the conscious transition from a universalist-redistributive legacy to a strongly differentiated, income-related benefit. Special significance must be accorded the partial privatisation of old-age security, with which the
countries in the region followed Latin American examples and the policy recommendations of the World Bank (Müller 2003b, 2003c, 2005b). The fact that many of the transformation countries that were inspired in favour of this paradigm change are EU members today has altered the former mix of state and private, pay-as-you-go and pre-funded pension schemes in the European Union.

In spite of the radical reforms, the steady fall of employment in the formal sector remains a central challenge for the still contribution-financed pension systems of the transformation countries. Strongly increasing system dependency ratios and an erosion of the formerly almost universal entitlement are the consequences and raise questions about system stability, the adequacy of benefits and the level of coverage.

Furthermore, in most cases, the planning and analysis of reforms have failed to consider fundamental changes from the perspective of gender. Since women often have interrupted employment biographies and earn below-average wages, they do not benefit from the new system logic, but are rather penalised. Childcare leave, which is taken almost exclusively by women in Central and Eastern Europe, is also assessed at a lower level now. This is compounded by the fact that, due to their earlier mandatory retirement age, women are obliged to leave the labour force several years earlier than men. Consequently, they are offered less opportunity to acquire their own pension entitlements and to profit from compound interest effects. Overall, women in Central and Eastern Europe – except for those that belong to the numerically small group of childless, top income earners – must consequently accept serious cuts to their pension levels.

Since, due to their longer life expectancy, women represent the bulk of elderly persons in the transformation countries, there is an urgent need for measures to counter the threatening feminisation of old-age poverty in Central and Eastern Europe.

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Pension reforms and gender equality in Poland

Joanna Ratajczak-Tuchołka

Introduction

If – as in Poland – the pension system is based on the insurance principle (Ratajczak 2005: 186-187), inequalities that occur between men and women in other markets (e.g. on the labour market) or in other areas are reflected in the old-age pension system. From this perspective, one can analyse whether reforms to the pension system have maintained, reinforced or reduced these inequalities. The inverse relationship, i.e. how the pension system influences individual decisions and consequently modifies gender relationships is difficult to track. The reason for this, among other things, is that pension policy is only one of many policy areas and only one of the factors that influence individual behaviour. However, pension policy appears to have limited influence on women’s behaviour, e.g. on their employment (Meyer and Pfau-Effinger 2006: 67, 73, 100).

This article exclusively considers the question of which normative ideas (Schmähl 2000: 15) are held in relation to gender relations in the pension system\(^{120}\) and how these have changed. These normative ideas are examined on the basis of the general rules for the acquisition of pension entitlements and the determination of the pension rate. The analysis includes changes that have occurred over the last 50 years. The main focus lies on the obligatory pillar(s) of the pension system\(^ {121}\); because of their minor significance, optional provisions for old-age will only be considered marginally.

One can distinguish (at least) two phases in old-age security policy in Poland over the last 50 years. The first relates to the period up to 1999

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\(^{120}\) The analysis is limited to the old-age pension system.

\(^{121}\) In Poland, as in Germany, the term “the three pillar system” rather than the “three tier system” is in common use. However, the different pillars in Poland are not equivalent to the pillars in Germany (see Section 3).
and the second begins with the (radical) old-age pension reform of 1999. Although the compulsory pillar(s) in Poland were always organised as social insurance, there are significant differences between the old – till 1999 – and the new – valid since 1999 – old-age pension systems. For this reason, the paper begins with a description of the most significant features of the two systems. Then the main developments in relation to old-age security for women will be identified and analysed for each phase.

The first phase: the pension system prior to the old-age pension reform of 1999

Until 1999, the old-age pension system in Poland was not based on a three pillar system; old-age security was limited to the first compulsory pillar.\(^{122}\) The sector of the population covered by the system was systematically extended. From a women’s perspective, it was important that those who worked at home (1960) and family members who helped in the home (1965) were included.\(^{123}\) However, to be covered by the insurance at all, one had to work at least half a day (till 1991).\(^{124}\) It was also possible to take out voluntary insurance. However, this was intended for a very few groups and housewives, for example, could not use it. Consequently, voluntary insurance was of almost no significance.

The pensions were calculated according to a defined benefit pension formula; however, this formula was altered several times. Until 1991, the pension provision depended on the amount of individual income\(^{125}\) and the number of insurance years. The pensions were subject to ad hoc adjustment, which resulted in the devaluation of benefits. Regular adjustment to wages was first introduced in 1986; however, this only

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122. Following the change of political system in 1989, the finance market and the offer of insurance provisions developed; however, voluntary provisions for old age were perceived as a luxury and mostly taken out by the well situated in the form of capital life insurance. The occupational old-age pension system continued to operate till 1999 but only as a group capital life insurance. Only after the reform of 1999 occupational pension schemes were regulated by separate legislation and complemented, among other things, by three other forms of schemes that were later modified.

123. The other important groups that were covered by the system included: agricultural workers (1953), civil servants and public service employees (1954), the self employed (1962), tradespersons (1965), freelance artists (1973) and self-employed farmers (1977).

124. However, these prerequisites were of little significance because full-time employment dominated.

125. This amounted to a specific percentage of the income. Different percentage rates applied to different income thresholds and were based on a steep progression.
partly solved the problem of low pensions (Ratajczak 2005: 187). The latter issue was one of the most important reasons for the pension reform of 1991. The second cause of reforms was financial difficulty which was at least partly due to (mainly politically based) pension privileges. The pension reform that took place in 1991 was more the result of problems prior to the change from a socialist to a capitalist economic system. The pension reform of 1997 was the first response to the above all economic consequences of the new economic conditions. The pension reform of 1991 was intended to strengthen the relationship between contributions and benefits. Among other things, the number of years required for the calculation of the individual contributory basis (a required waiting period) was significantly increased from one to ten years. In addition, for the years of insurance, a distinction was made in the assessment of contributory and non-contributory periods. At the same time however, compensation mechanisms were retained or introduced: the individual pension basis (but not the contribution basis) had an upper limit; the system included an element of solidarity (a fixed amount for all pension recipients) and there was no reduction of the pension benefit due to early retirement.

A minimum pension that was financed through the social insurance fund had been guaranteed within the compulsory system (since 1956). Different eligibility conditions applied to men and women for the receipt of the (minimum) old-age pension. Both the pension age and the waiting period were 5 years shorter for women than for men.

At the beginning of the 70s, periods spent in the provision of elderly care and childrearing were considered in the calculation of the pension for the first time. The period for parenting was then systematically extended – from one year for a single child in 1972 to three years in 1982 (but a maximum of six years for all children). However, with the changes to the pension formula in 1991, the value of these times was downgraded and they counted as non-contributory periods (rather than contributory periods). In addition to individual old-age pensions, a widow/widowers pension was also guaranteed as a family pension (since 1954). Over

126. The pension privileges were introduced primarily in the first half of the 80s as a substitute for the wage increase demanded by the society.
127. Only time spent in maternity leave was considered contributory periods.
128. The family pension is a combined pension for all surviving dependants (e.g. the widow/widower and the children, and possibly also the grandchildren or parents).
time, the prerequisites for eligibility for this benefit were reduced and the pension increased. In particular, the condition of never remarrying (1982) and the discrimination of men in relation to the conditions for the widowers’ pension\textsuperscript{129} were eliminated.

Pensions acquired under the old system could be obtained by people born till the end of 1948. For the younger insured, who will be retired from 2009-2013 and who did not contribute to a pension fund (second pillar in the new pension system) a mixed pension of the old and the new systems will be offered (see also Section 3). The norm on which the old pension system was based in terms of the gender relationship was characterised by the political objective of equality between men and women and support for women’s emancipation. The real socialist policy aimed at the development of female participation in the workforce in order to develop the prosperity of the socialist state following the Second World War.\textsuperscript{130} As such, it was a dual earner model with state childcare (Pfau-Effinger 2000: 88). Long-term employment was the prerequisite for both sexes for receipt of an old-age pension. Because almost everyone was bound to compulsory participation in the pension system, broad access to this important source of income was guaranteed.\textsuperscript{131} This led to an increase in the share of women among the insured over time and supported independent old-age insurance for women.

Although women could enter retirement five years earlier than men (for example at 60, and later at 55), they had to demonstrate a similar work history to males if they were to receive an adequate pension.\textsuperscript{132} The pension formula had a redistribution effect, which diminished salary differences considerably. Over time however, the redistribution was reduced again following the reinforcement of the insurance principle that took place in 1991.

\textsuperscript{129} E.g. since the 1st January 1999, men can apply for the family pension at the age of 50 (and not at the age of 65 years as in the past).

\textsuperscript{130} Public childcare was developed to enable the combination of employment and parenting (the care of older people was seldom broached as an issue), which was consistent with the official objective that the State should also take responsibility for family tasks.

\textsuperscript{131} Social assistance benefits played and continue to play a subordinate role in Poland although the reason for this was political (denial of poverty) before the change of political system and later pragmatic (lack of financial resources), cf. Žukowski (2005: 119-121). There were (and are) also no special benefits for older people.

\textsuperscript{132} This applied, above all, to the length of full-time employment because the waiting period for women amounted to 20 years (and 25 years for men).
The system included an important instrument for protection against poverty – the minimum pension, which was paid on the condition of long employment and which was independent of the spouse’s pension. Here however, the political rhetoric stressed not the equality of the sexes but was based on protection of low income earners in general (Czepulis-Rutkowska 2000: 85). In practical terms, it was concerned with securing the same minimum income for all pensioners, independent of changes to the (nominal) income thresholds in the pension formula, which determined the amount of the pension prior to 1991 (Plawucka 1991: 387). These norms changed at the beginning of the 70s. Prior to this, women were expected to carry the double burden of employment and running the household and childrearing. To be able to fulfil the latter task, women were expected to take breaks from employment (for fixed terms that became longer over time) and then return to full-time work.\footnote{Women resumed full-time work for two reasons: firstly, the male income was insufficient to support the family and secondly, there were almost no part-time jobs.} Due to the limit on the number of childrearing years taken into account in the pension system (max. six years for all children) and because parental leave (to which only women were entitled) had a duration of three years, a two-child family was favoured.\footnote{However, the compensation for childrearing described above was systematically reduced in 1991.} At the same time, it was expected that women continued to carry responsibility for managing the household. In return, all women were officially offered a five-year reduction in pension age (55 years) in 1975.\footnote{This was the so-called women’s pension. Apart from that, a lower pension age was only guaranteed for professions that involved health risks or specified specific health conditions.} These changes were actually a response to the situation on the labour market. In the socialist state, where there was officially no unemployment, the pension system was used as an instrument to control the female workforce. For example, the lowering of retirement age and the waiting period for women in 1975 was a response to the high supply of labour.\footnote{Similarly, the easier access to pensions at the beginning of the 1990s was the most important measure for reducing mass unemployment (also in relation to women).} The same applies to the introduction of parental leave and its prolongation.\footnote{For this reason, the interruption of employment was also a condition for making use of the compensation mechanism, which was related to elderly care/childrearing. Limiting women’s employment was a response to social policy. “Social policy was unable to ease the difficulties of daily life in the 1980s. Its main thrust was aimed at drafting regulations that would allow families to function independently, without support in the form of an extensive system of social transfers and without non-essential reliance on social services” (Golinowska/Gardawski 2005: 15).} The option of early retirement, which did not affect the amount of pension received, was...
perceived as a formal privilege for women. For this reason, there was hardly a discussion of old-age security for women at all prior to 1999.

However, the advancement of independent old-age security for women was inconsistent. On one hand, the widow’s pension was incorporated into the family pension and guaranteed as an independent (e.g. of the future marital status) benefit. On the other, there was also the option of choosing between one’s individual pension and derived pension (e.g. if the family pension was higher than the individual pension). The family pension was therefore an instrument of primary – and not only supplementary – insurance for old age that was mainly taken advantage of by women because they not only lived longer than their partners but also because their own pension entitlements were lower. The gap in the pension received by men and women amounted to approx. 30 per cent (Table 1). This additional security was only accorded a limited group, namely married women.

What was the most important turning point in the (pension) norms for women? During the entire phase, women were expected to do both paid and unpaid work. First, full employment was supported by state childcare. Since the mid-70s, increasing interruptions to employment have been demanded of women as a response to economic problems (excessive availability of employment, deficit in consumer goods) whereby the resulting gap in their pensions was fully compensated by the system. At the beginning of the 90s, this double burden was still expected of women. However, due to the reduction of compensation

<table>
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<tr>
<th>Table 1</th>
<th>Pensions of men and women*</th>
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<tbody>
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<td></td>
<td><strong>Women</strong></td>
</tr>
<tr>
<td>Individual pension basis (as % of the average wage, retirement 2004)**</td>
<td>100.6</td>
</tr>
<tr>
<td>Number of years insured (2007)</td>
<td>33,3</td>
</tr>
<tr>
<td>Average retirement age (2007)</td>
<td>55,8</td>
</tr>
<tr>
<td>Duration of pension receipt (years_months) (2007)</td>
<td>19_7</td>
</tr>
<tr>
<td>Average pension (in PLN, Retirement 2004)**</td>
<td>1243.19</td>
</tr>
</tbody>
</table>

*This data relates to the old pension system.

**The individual pension basis and the average pension for women and men are not published in annual statistics.

Source: ZUS 2008: 23, 31, 34; ZUS 2006
mechanisms\textsuperscript{138}, the unstable economic situation and changes to the financing of childcare, they were increasingly performed at the (pension) cost of women. This made women a group that (indirectly) carried the cost of the economic transformation.

The second phase: old-age security since the pension reform of 1999

The three pillar system was established with the structural pension reform of 1999. The first and second pillars are compulsory, but the first operates according to pay-as-you-go principles and the second is fully funded.\textsuperscript{139} The third pillar includes both the company and individual pension schemes for old age.

Defined contribution\textsuperscript{140} old-age pensions are provided by the two compulsory pillars, whereby pensions are only calculated on unisex tables. The prerequisites for drawing a pension were changed – the waiting period was abrogated. At the same time, however, different retirement ages for men and women were retained in the compulsory first and second pillar and have remained 60 years for women and 65 for men.\textsuperscript{141} An upper limit was also placed on the amount of pensions through the introduction of a contribution assessment ceiling (30 times the average wage). The minimum pension was maintained in the compulsory old-age pension system. This benefit is paid under the same conditions as in the old system but financed differently (by the state as a supplement to the compulsory pension). The amount of the minimum pension was set at 28 per cent of the average wage, which meant a reduction in comparison to the former regulation (Czepulis-Rutkowska and Golinowska 1999: 23).

\textsuperscript{138} Compensation mechanism is understood to mean the mechanism in the old-age pension system that compensates for foregoing the ability to make provisions for the future (e.g. due to a low income or lack of employment).

\textsuperscript{139} The pension contribution amounts to 19.52\% and about one third of that (7.3\%) is transferred to a selected pension fund (OFE) (for further details, see e.g. Ratajczak 2005: 193-194).

\textsuperscript{140} In the defined contribution pension formula, the amount of pension paid depends on the accumulated (fictive or real) pension capital and the remaining life expectancy. The defined benefit pension formula determines, above all, the amount of payment (usually a specified replacement rate).

\textsuperscript{141} Since 2009 so-called bridging pensions are paid for health damaging professions, which are entitled to earlier retirement.
With the introduction of the defined contribution pension formula, many “social” elements were dismantled and the personal responsibility was strengthened within the context of voluntary provisions for old age (the so-called third pillar). Since non-contributory periods were dispensed in the new system, the years spent in childrearing were transformed into contributory periods and financed by the state. This was accompanied by the end of the maximum limit of six years of parenting leave. For women, this means that every phase of childrearing (every parental leave, independent of its duration and the number of children) increases the amount of their pensions. However, the contribution basis for these periods was systematically lowered: where earlier the minimum wage provided the basis for contributions, till the end of 2008 it was the care allowance (which amounts to approx. 40 per cent of the minimum wage). According to the new law of 6 December 2008 the contribution basis for parental leave will be increased up to the minimum wage for the years 2009-2011, and up to previous individual earnings (but max. 60 per cent of the average wage in the economy) from 2012. It is also not possible to receive entitlements from employment and from childrearing at the same time. This means that those involved in childrearing (usually women) are expected to be involved in unpaid work only, whereas the direct costs (in the form of gaps in the pension) are only minimally compensated by the compensation mechanism, and the indirect costs (e.g. the loss of human capital, exclusion from the labour market, financial dependence on the partner142) are completely carried by the carers.

At the same time, a compensation mechanism was constructed for time spent in the provision of elderly care: these years were also included as contributory periods, however over time the contribution basis was reduced to the income level that is entitled to social assistance. The compensation of the period spent providing care only comes into consideration if the care-giver has an income that is less than 150 per cent of an income low enough for entitlement to the social assistance benefit143 and is only paid until the waiting period for the minimum pension has been fulfilled. Those who have a higher income or are older than 50 (and cannot provide evidence of the ten-year waiting period), can only take out voluntary insurance. Because of a lack of elderly care institutions, care is

142. In Poland, only those who qualify for social assistance benefits are entitled to the benefit for childcare during parental leave (amounting to 400 PLN, which is approx. 36 per cent of the minimum wage).

143. This is approx. 56 per cent of the minimum wage for a multiple person household and 76 per cent of the minimum wage for a single person household (values for 2008).
provided within the family in Poland, which means that (mostly) women are practically forced to perform this task. They are simultaneously expected to carry direct and indirect costs – compensation is limited to the group of the “poorest” care-givers and aims at protecting them against poverty in old age. Beyond this, two new compensation mechanisms were introduced, but were only applied in the part of the compulsory old-age pension system, namely in the second pillar. The first is the splitting of the pension entitlements in the case of divorce, which, however, only relates to the accumulation period. The second mechanism relates to the inheritance of pension entitlements in the case of death. Should one of the partners die, the spouse would automatically have 50 per cent of the accumulated capital transferred to his/her account. The rest is paid out in cash to a beneficiary nominated by the deceased (e.g. either the spouse or partner or the children). This regulation is intended to be equivalent to the pension for widows and widowers in the first pillar.

It must be stressed that there are no gender-specific regulations in the occupational or voluntary pension schemes, either in relation to the access to provisions, the financial capacity to make provisions or the calculation of the benefits. The prerequisites for taking advantage of company provisions (PPE) for old age must be so designed that at least half or a third of the employees are (potentially) included in these provisions for old age. Because a specific level of income and full-time work can be among these requirements, an indirect discrimination of women can occur. The individual pension accounts (IKE) that are promoted by the state are available to everyone over 16 years of age – independent of whether they are actively engaged in employment. The problem of voluntary provisions for old age lies above all in the inadequate financial capacity of the citizens, which is reflected in a very low participation rate.

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144. The accumulation or saving phase is understood as the phase in which the pension entitlement can be acquired. This is generally the time between the age of 15 and 65 years.  
145. The spouse who benefits can also apply for a transfer of the pension capital to his/her pension account in the pension fund rather than having it paid out in cash.  
146. This applies to companies with more than 500 employees.  
147. Minors are only permitted to pay contributions if they are in an employment relationship.  
148. Other causes include: insufficient state support, bureaucracy, the lack of tradition in individual and occupational pension plans and high unemployment.  
149. At the end of 2007, only approx. 310,000 employees (approx. 2 per cent of all employees) participated in company pension plans (KNF 2008a: 9; the percentage of women was not specified) and approx. 915,500 (approx. 6 per cent of employees) had a personal old-age pension plan in the form of an individual state promoted old-age pension account (IKE), whereby women constituted over the half (54 per cent) of these (KNF 2008b: 8).
Since the old-age pension was first paid out in 2009 under the new system, legislation for the payment of pensions from the second pillar was not part of the reform package of 1997 and 1998. Under the most recent legislation of November and December 2008, new entities on the Polish financial market – pension companies – are to be set up for this purpose. Two kinds of pensions will be offered: temporary pensions and lifelong pensions. The former can be claimed at the age of 60 if a minimum pension capital has been accumulated. It will be calculated and disbursed together with the pension from the pay-as-you-go system, but the pension capital will continue to be managed by Open Pension Funds (OFE). The lifelong pension can be drawn at the age of 65 on the condition that a hypothetical life annuity is higher than a defined minimum level (50% of the care allowance, approx. 20 Euro). In the event of retirement, the Social Insurance Office (ZUS) calculates the lifelong annuity, and the pension capital is transferred from the OFE to one of the pension companies. The latter manages or invests the (rest of) the individual capital.

As only women are eligible to retire at 60, the temporary pension will mainly be drawn by female beneficiaries. From a woman’s point of view, it is also important that pensions are calculated twice: first by the OFE according to the unisex life expectancy at 60 and then by the pension companies according to the unisex life expectancy at 65.\textsuperscript{150} This manner of calculation results in higher female pensions (MPiPS 2008: 53).

The possible inheritance of pension capital within the first three years of retirement is also offered. Furthermore, there are also plans for a family pension amounting to 80 per cent of the benefit received by the deceased partner, but which would be paid from the disability and surviving dependants’ fund.\textsuperscript{151}

\textsuperscript{150.} The first draft legislation on the payment of pensions from the second pillar that was presented by the government in 1999 suggested separate tariffs for both sexes. The government deferred the resolution due to strong criticism in Parliament.

\textsuperscript{151.} This fund is one of four social security funds managed by the ZUS. (The other three are the old-age security funds of the first pillar, the sickness benefit fund and the accident insurance fund). However, due to a reduction in contributions to the disability and surviving dependants’ funds (from 13 per cent in 2007 to 6 per cent from 2008), it was stressed that the financial resources for the planned family pension in the second pillar would be inadequate.
Altered normative ideas in old-age security and their consequences

The new system is contradictory in relation to the old-age security for women. On the one hand, regulations were passed that support independent old-age security for women and their financial independence and on the other however, the normative ideas follow a more traditional pattern.

The waiting period, for example, was dispensed with as a condition for the compulsory old-age pension, which means that all insured have the right to benefits regardless of the duration of their membership. At the same time however, access to the minimum pension was made more difficult. The 20-year waiting period for women (and 25-year for men) which was maintained for the minimum pension, will be increasingly difficult to fulfil due to the changed labour market situation (among other things, the relatively high unemployment, seasonal work, increasing part-time work and black labour). In addition, these pension reforms were not accompanied by an increase in resources for social assistance, which is underfinanced in Poland. Consequently, older people without the minimum pension cannot hope for a functioning safety net against poverty.

The changes in pension insurance (especially the changeover from the defined benefit to the defined contribution pension formula) were not associated with changes in what was perceived as the “normal” work biography. “While the individualization of pension entitlements could be positive for women’s economic independence, the implementation of these norms is decidedly problematic due to the fact that the eligibility conditions to gain these entitlements have barely been adjusted” (Frericks and Maier 2007: 28). This observation corresponds exactly to the Polish reality. In spite of poor labour market conditions (among other things, resulting in the above-mentioned discontinuous employment biographies) and demographic changes (e.g. fall in fertility rate) an even longer duration of full-time employment (and at least on average well paid) was required following the reform of 1999 in order to secure a near orderly income replacement rate (or – as stressed above – the minimum pension). Groups that cannot satisfy these conditions, (e.g. the poorly paid insurance holders) will form new marginal groups. Due to the differences in employment biographies of the sexes, the pension between men and women will increase. The, with consideration of equal
opportunity, “neutrally” formulated pension system regulations will consequently generate new inequalities.

Indeed, the difference in pension age between men and women has not been eliminated. This will result in a drop in the level of women’s pensions in the compulsory pillars, because women not only accrue their pension capital for five years shorter but also live and draw their pensions for five years longer. There have been several attempts to make the retirement age of the sexes uniform. 152 These attempts met repeated resistance from the unions (and also from women’s representatives), which can be traced back to the lack of knowledge about the new old-age pension system and the negative consequences for women’s pension level. The politicians have no interest to act on women’s behalf against the expert’s long recommended increase in retirement age for women. They neither want to lose votes nor to increase the state’s costs. Because of a lack of public care (both for children 153 and those in need of elderly care) especially older women are perceived as free of charge care personnel. 154 Since a lower retirement age has been identified as the most important factor in sinking women’s pensions in the new system (Szumlicz 2004: 115), the financial independence of women in old age is significantly weakened by this regulation. For this reason, the lower retirement age can be perceived as a “pseudo privilege” for women (Szumlicz 2004: 114). As such, the state supports the general conditions for unpaid care work from older women at the cost of women’s old-age pension.

Through the defined contribution pension formula, the pension reform of 1999 aimed at supporting the employment of all insured. However, the construction of the compensation mechanism shows that women were still treated as a “silent labour reserve”. The interruption of employment was made a condition for taking leave for childrearing or to provide elderly care. Although men formally can also take parental leave since

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152. Last time in 2004, when the stepwise increase of women’s retirement age (originally, this was intended to take place between 2010 and 2019), was postponed for four years on the recommendation of the Expert Committee on the pension age of women (to 2014) (MGiPS 2004: 10).

153. Because of changes in the financing of childcare facilities (from the central state to municipal financing), the number of places was reduced and the cost of care was increased (Balcerzak-Paradowska, 2003: 204).

154. One could even speak of a “redistribution of work” among women: Grandmothers leave the labour market and assume unpaid work (in particular childcare) for their daughters and daughters in law so that they can take up or return to employment.
1996, they hardly make use of this right.\textsuperscript{155} Therefore, the negative consequences of parental leave for subsequent employment mainly affects women (Ginn 2003: 72; Frericks and Maier 2007: 49), which again influences the amount of pension to which they are entitled. At the same time, only those who interrupt their employment are entitled to compensation for time spent in childrearing – it is not an option to accrue entitlement to the old-age pension from employment and childrearing simultaneously.

At first glance, one has the impression that the regulation of parental leave has improved in the new system and that its independent provision for old age is promoted: Every year spent in childrearing (parental leave) is taken into consideration, they are recognised as contributory periods and the contributions are paid on an ongoing basis. However, the changes to the pension formula and the very low contribution basis during parental leave make a positive effect on women questionable.\textsuperscript{156}

The contribution basis during the parental leave is the same for all insured (fixed amount).\textsuperscript{157} In practice, this means an incentive for the partner with lower income, usually the woman, to interrupt their employment. Because the compensation is very low and inadequate for the most of the women\textsuperscript{158}, it is hardly possible to balance out gaps that result from parental leave. Consequently, the cost of childcare is (almost) exclusively carried by women – both in the form of unpaid work and through loss of pension entitlements. The only advantage lies in that parental leave is included in the calculation of the 20-year waiting period (for women) for the minimum pension. This demonstrates that the childrearing costs to be carried by the state are consciously shifted to the shoulders of the future generations because they will have to finance the

\textsuperscript{155}. There is no special motivation for them to do so (e.g. financial bonuses when both partners take parental leave or a compulsory parental leave for fathers). From 2010 the implementation of a voluntary paternity leave, i.e. only for fathers (one week in 2010 and two weeks from 2011), until the child is one year old is planned. Benefit and pension contribution will be paid as in the case of maternity leave.

\textsuperscript{156}. In 2009, however, important changes were introduced: among other things the contribution basis for parental leave was significantly strengthened, maternity leave (where pension contributions are paid continuously) was prolonged, and a paternity allowance for paternity leave of up to two weeks was introduced. This is calculated according to the same rules as the maternity allowance during maternity leave.

\textsuperscript{157}. Full compensation is only guaranteed during maternity leave (generally 20 weeks since 2009), because the contribution basis is oriented on the mother’s prior wages.

\textsuperscript{158}. Only about 30% of women in 2004 received in 2004 a salary up to 60% of the average wage in the economy (CSO 2007: 197).
minimum pension. Policy-makers handle the care of elderly family members in a similar manner, whereby the compensation is limited to only a proportion of care-givers, namely the poorly situated. In principle, this construction of the compensation mechanism places independent old-age security for women in question. Due to the defined contribution formula, the differences between the employment biographies of men and women are strongly reflected in the amount of pension received. Due to the low contribution basis, the compensation mechanisms foreseen in the pension insurance system for childrearing and elderly care hardly reduce the gap between the pensions of men and women.

A different picture can be seen in relation to the newly introduced compensation mechanisms in the second pillar: The pension entitlements are split in the case of divorce and can be inherited in the case of death of a partner. Firstly, this promotes the women’s (financial) independence in the old age and secondly, it goes beyond the traditional definition of the family. In particular, to recognition of cohabitation without marriage through the inheritance of pension entitlements from the second pillar opens the way for modernisation of the normative ideas in the compulsory old-age pension system. However, in view of the systematic reduction of compensation mechanisms in relation to unpaid labour (until 2009, cf. footnote 37), this derivative security mechanism is endowed a leading role in the provision of security for women.\textsuperscript{159} Thus, the “modernity” of this mechanism loses significance. Because of the “pseudo compensation” for those providing childrearing or elderly care, their security provisions within the context of the compulsory system take place in fact through marriage (or partnership). The above-mentioned new compensation mechanism becomes effective when the family (partnership) breaks down – either through divorce or the death of one of the partners.

One can therefore establish that the incentives for full-time employment for women – strongly promoted prior to 1999 – are reinforced in the new pension system. At the same time (through the abrogation of the maximum number of years spent in parental leave and the changing conditions for the respective compensation mechanisms) long parental leave (for several children) and nursing time at the cost of full-time and

\begin{footnote}{159. This compensation mechanism between the partners/spouses does not adequately solve the problem of too low pensions among women (for a comprehensive handling of the subject of the equalisation of pensions, cf. Ginn 2003: 66).}

\end{footnote}
part-time work have become the normative ideas. This strengthens the financial dependence of older women on their partners and the traditional role allocation is rewarded. The financial situation of older people is viewed from the perspective of the family and not of the (female) individual. As stated by Meyer and Pfau-Effinger: “The financial dependence assumed by a woman who cares for her own children stands in contrast to the high cultural esteem enjoyed by autonomous financial security” (Meyer and Pfau-Effinger 2006: 77).

The changes observed within the system since 1999 show that the above-mentioned tendency of increasing the woman’s financial dependency on her spouse or partner is actually supported. Financial deficits were the grounds for systematically reducing the compensation mechanisms for childrearing and elderly care (until 2009, see footnote 37). In the meantime, compensation mechanisms that are financed within marriage or partnership and only affect part of the compulsory system (the second pillar) are the only ones that have not been reduced.\textsuperscript{160} However, they only affect some groups, e.g. single parent mothers are usually excluded. One could in fact argue the thesis that the political decision-makers have consciously shifted the costs of security for women from the public to the private sphere. This means, however, that the group that compensates for the pension losses experienced by women is limited to the (ex-) husbands or partners.

\textbf{Evaluation of the pension policy from the perspective of gender models}

How can these changes to Polish pension policy be judged against the background of their impact on gender models? Meyer and Pfau-Effinger suggest four distinctions (Meyer and Pfau-Effinger 2006: 80-81): (1) a strong promotion of the male breadwinner model by the old-age pension system, (2) a moderate promotion of the male breadwinner model by the old-age pension system, (3) no promotion of the male breadwinner model due to individual pension entitlements, (4) no promotion of the male breadwinner model due to insufficient pensions.

\textsuperscript{160}. On the contrary: They were (at least according to the former right wing government (PiS)) expected to be expanded in the first pillar through the planned introduction of the married pension and splitting of the pension rights in the event of divorce.
The pension system before 1999 can be described as a mixture of the second and third models, although the third model tended to dominate.\textsuperscript{161} Prior to 1999, independent old-age pension entitlements were accorded for (almost every types of) work, childcare and elderly care. The entitlements that were accrued in this manner were, thanks to a defined-benefit pension formula that served redistribution, translated into adequate pensions. This is reflected in the relatively low risk of poverty in old age for both sexes. All these elements speak for the classification of the old pension insurance system under the third model. However, the system also provided a family pension, which represented a derived benefit and which, in reality, was made use of by many insured women instead of individual pensions. This is more characteristic of the second model.

Following the pension reform of 1999, the system developed more strongly in the direction of the second model. Due to changes in the pension formula and the abrogation of some compensation mechanisms – resp. the (virtual) reduction of compensation of other mechanisms, especially in relation to childrearing and elderly care – the benefits will fall significantly. This will especially impact on women because firstly, their individual pension factors (level of wages, hours and nature of employment) are lower than for men. Secondly, they are the ones who mostly perform childrearing and nursing tasks. Thirdly, their retirement age is five years lower. For this reason, women’s financial independence is notably limited in relation to pensions. This tendency is reinforced by the abrogation of the old-age pension for women\textsuperscript{162} and the maintenance of the old conditions for the minimum pension. Consequently, the derived security (family pension) or security through marriage (partnership) increases in significance.\textsuperscript{163}

How is the issue of “old-age security for women” discussed in Poland? The equal opportunity perspective is often used as a pseudo argument for the implementation of other objectives. The only thing that appears important is the (predicted) rise in the risk of poverty among women under the new system. According to estimations, the income replacement

\textsuperscript{161.} During a brief phase (from 1945 to 1954), it was also possible to speak of a fourth model. Following the Second World War until 1954, considerably uniform, very low pensions were paid due to discontinuous employment histories (Plawucka 1991: 373-374).

\textsuperscript{162.} Due to the announced abrogation of pension privileges, the old-age pension entitlement of women who are over 55 years of age and have had insurance for 30 years is only expected to last until the end of 2008.

\textsuperscript{163.} Policy took a similar direction in relation to family benefits (Fultz/ Silberstein 2003: 27).
rate (especially for women) will drop considerably and the gap between the pensions of men and women will increase by between 20 and 50 per cent (KNUiFE 2003; Balcerzak-Paradowska et al. (2003): 234-243). Indeed, only two counter measures have been seriously considered: The increase in pension age and the unisex tariffs in the second pillar. The first has been rejected by the government due to the previously mentioned resistance from the society. The second has been included in the newest legislation, although it appears to be difficult to implement due to the strong lobbying power of insurance companies and the extremely weak women’s lobby, which also seems incapable of pursuing common objectives (Fultz and Silberstein 2003: 15). Such decisions demonstrate that social objectives played a subordinate role.

Reform perspectives

Have fundamental changes occurred in the normative ideas of the pension system? Not really. Women have always been expected to fulfil tasks in two areas: employment and unpaid labour. Only the actors who are intended to support the women have changed. In the socialist phase, this was the State and not the partner. In the 1950s and 60s, this support was based on the provision of public services (public childcare). Later, it was increasingly based on monetary support (e.g. compensation mechanisms and pension privileges in the old age security system). Over time (especially after the political change of 1989), the state withdrew step by step and compensation for gaps in the pension resulting from unpaid care work was largely transferred to the partner. The latter is realised in the form of transfers of pension entitlements or pension benefits within families.

What were the approaches for improving women’s (independent) old age security? There are (at least) two methods: The modification of the normative ideas in the old age pension system and/or changes to the general conditions, the factors that determine the pension.

The first approach demands an expansion of the normative ideas about new biographies, whereby not only the image of the employee is meant

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164. Even the Minister for Employment and Social Policy in the right wing government (PiS), Anna Kalata, expressed objection to increasing the retirement age for women whereby the grounds were based on the cultural environment – the role of the grandmother.
to be modernised but childrearing and elderly care are to be included as independent, gender neutral biographic phases.\footnote{165}{A gender-sensitive analysis of pension systems is relevant not only to women. As labour markets are further deregulated with growth of contingent work, insecure and part time employment, the features of pension systems which tend to benefit women become more important for men as well, especially those who are low paid..“ (Ginn et al.: 234).} In an employment-centred old-age pension system, this can occur through the restructuring or development of compensation mechanisms. This can even occur in unison with the targeted individualisation of old-age security and strengthening of the (mathematic, individual) equalisation of contributions, if the compensation mechanisms can be adequately financed (for example, by those who benefit from the increased prosperity created through the tasks that result in a loss of pension entitlement).\footnote{166}{There is one difficulty, however, in that only the insured have a right to compensation, which means that some of those whose work increases the prosperity of the state are excluded. They also finance such compensation which causes a regressive redistribution (Frericks/ Maier 2007: 53).}

The second approach involves a reduction of the inequalities in the working biographies. Where these are caused, above all, by the lack of effectiveness of the labour market, they should be rectified by state intervention on this market and not in the pension system. The compensation mechanisms that address these inequalities in today’s pension system should be justified on other grounds (e.g. with the protection of human dignity in the case of poverty) and appropriately (i.e., not from the insurance funds) financed.\footnote{167}{This would also allow a reduction of the state subsidy of the pension system and/or strengthen the financial position of the pension system.}

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ZUS (2006) Internal material

A slow departure from universality?
Health reforms in Central and Eastern Europe and their gender specific consequences

Björn Hacker

Introduction

If one compares the current health systems of the ten Central and Eastern European EU Member States (CEE countries) with the Soviet Semashko model that dominated in these states until 1989, the vast scope of reform that has taken place since the political transformation of the East European socialist states becomes clear. Roughly two major waves of reform can be identified here: Estonia, Hungary, Latvia, Slovakia, Slovenia and the Czech Republic radically redesigned their health systems in the years immediately following political independence. In a further round that followed in the second half of the 1990s, they were joined by Bulgaria, Lithuania, Poland and Romania. Prior to this, all CEE countries had suffered the same problematic experience with the bureaucratic and hierarchical structure of a Soviet model of health care that had to conform to the requirements of the state redistributive economy: The health of the population was defined as a matter of public interest and therefore completely managed by the state’s central planning units. Care was free of charge and based on citizenship. “No other region in the world, not even Europe or China, has ever succeeded in providing such extensive coverage of comprehensive health care to a population of similar size” (Preker and Adeyi 2005: 172). However, because it was financed solely through the national budget, the system quickly confronted its financial limits. This manifested in the form of long waiting lists, the lack of or obsolete medical equipment and the establishment of a permanent market for illegal payments by patients to service providers as a means
of securing higher quality and preferential treatment (Mossialos et al. 2003: 99f.). The strong role of the state as primary responsibility holder for the provision and regulation of health care, established in the CEE countries under communism, is still very present today. While reforms have completely redesigned the financing and administrative structures, the basic principle of universal coverage of the population has largely been maintained. In fact, the right to free access to health care enjoys the status of a constitutional right in many countries.

This article explores the development of the health systems during the time of transformation from 1989 on, describes their most important patterns of change and individual idiosyncrasies and identifies both consistencies and changes in direction. Finally, the implemented and pending reforms in the health sector are examined for their impact on gender relations. Central here is, above all, access to health care and the effect of reforms on the health of the population in Central and Eastern Europe.170

The reorganisation of health structures

All-round health care as socialist legacy

The dominant organisation principle according to which Health financing was restructured in the 1990s, was obligatory insurance based on a combination of employer and employee contributions. Even the two Baltic States Latvia and Lithuania, whose systems are at least partly financed through taxes, have designed an institutional system similar to the contribution-financed principle through health insurance. The development of social insurance-based financing systems in the health sector was not new for most CEE countries: In the pre-communist period, almost all of these countries had ‘Bismarckian’ social insurances.

However, these contribution-financed systems, which existed till shortly after the Second World War, only involved a small part of the population in each country.

Therefore, their functionality is not directly comparable with the insurance systems implemented today. Nevertheless, the common roots

170. The issue of the development of gender-sensitive medicine, i.e. gender-sensitive treatment methods, is not addressed here.
of the design of the welfare states in Eastern and Western Europe are evident.

In all CEE countries except Latvia, contribution-financed social security is the heart of financial and material benefits in the event of illness. Organisationally, all CEE countries rely on the existence of health insurance companies for the allocation of available financial resources. However, the collected health insurance contributions do not represent the greatest share of the overall financial expenditure for the health sector in all states. Rather, the overall expenditure is made up of insurance contributions, tax revenue, premiums from voluntary supplementary insurance, and formal and informal direct payments made by patients. There are significant differences between the CEE countries: While in Bulgaria the tax-financed share lies at 69.2 percent, the social insurance contributions in the Czech Republic amount to 81.5 percent of total financing (Koulaksazov et al. 2003: 29; Rokosová and Háva 2005: 34). This is due to differences in the focus of social and economic policy and different levels of efficiency in the health insurance systems.

There are great differences in the amount and distribution of health-sector related ancillary labour costs, i.e. tax levels, in the ten countries. As a rule, the employer and employee share the contributions, however at very different rates (Table 1). For example, in Slovenia both parties

<table>
<thead>
<tr>
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<th>Employee</th>
<th>Self-employed</th>
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<td>8.75%</td>
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</tr>
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<td>Contributions</td>
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</tr>
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<td>SK</td>
<td>Contributions</td>
<td>10%</td>
<td>4%</td>
<td>14%</td>
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<td>SI</td>
<td>Contributions</td>
<td>6.56%</td>
<td>6.36%</td>
<td>12.92%</td>
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</table>

Source: Missoc 2007
make almost equal contributions, while in Poland the employer and in Estonia the employee make no contribution at all.

In all ten CEE countries, health care is universal, sometimes organised according to the citizenship, i.e. residency, principle or on the basis of employment. The state takes over the contributions for citizens who do not pay into the health insurance system; these are usually retired or unemployed persons, or women on maternity leave. In Poland and Slovenia, this group also includes the farmers. Civil servants are integrated into all systems; so are the self-employed, who usually pay a fixed contribution rate. Except for in Latvia and Slovakia, where everyone is individually insured, unemployed spouses are automatically co-insured in all CEE countries. In some countries, the contributions for children and school and tertiary students are taken over by the state. Due to the inclusion in the financing system of those not involved in active employment and the state’s assumption of responsibility for their contributions, a coverage rate of between 90 and 100 percent of the respective population is achieved.

For reasons of financial sustainability and the political objective of strengthening patients’ personal responsibility, most states define so-called basic medical care packages. In all CEE countries, use of the services offered within the scope of the basic package is unlimited. Services beyond this free-of-charge basic care are liable to direct payment, i.e. should be covered by supplementary insurance. There is no universal definition of which services should, according to the basic principles of the system, be included as basic care.

Those who are not registered in the system usually have the right to medical services nevertheless, at least to emergency care. The comprehensive free-of-charge care becomes problematic in the face of a sustained deterioration of the ratio of contributors to the group of persons whose contribution is carried by the state. For example, this is the case in Slovakia, where the treasury has to carry the contributions for 59 percent of the insured (Vagac and Haulikova 2003: 130). The weakening of the source of revenue through a drop in the actual number of contributors leads to mixed financing, where tax covers a far greater share of the overall costs than originally intended by the state. With increasing economic development, the CEE countries hope for additional jobs with obligatory social insurance, which will also lead to a greater source of revenue for health insurance.
The continued payment of wages at times of illness is difficult to compare in the CEE countries. The statutory provisions for the calculation and duration of sick pay entitlements differ from country to country. The amount of sick pay received ranges from 25 percent (during the first three days of illness in Slovakia and the Czech Republic) to up to 100 percent (in Slovenia and Poland) of the assessment basis, which is usually the individual’s average annual gross income. With the exception of Bulgaria, where sick pay is paid until convalescence, the payment of sick pay is of limited duration. The term ranges from four to 18 months. In most CEE countries, sick pay is financed through separate insurance contributions (Table 2); in Estonia, Slovenia and Hungary, the wage replacement benefit is covered within the scope of services covered by contributions. With the exception of Estonia and the Czech Republic, employers are obligated to continue paying wages until the receipt of social insurance benefits. Here, there are also significant differences between CEE countries: For example, employers in Lithuania only finance the first two days of absence from work; in Poland in contrast, the first 33 days. Latvia is the only country where patients are subject to waiting periods.

<table>
<thead>
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<th>Employee</th>
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<td>Taxes</td>
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<td>Contributions</td>
<td>Covered by contributions to services</td>
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<tr>
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<td>Contributions</td>
<td>33.09% share of the global contribution for social services</td>
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<td>Contributions</td>
<td>1.4%</td>
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</tr>
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<td>SI</td>
<td>Contributions</td>
<td>Covered through contributions to services</td>
<td></td>
</tr>
</tbody>
</table>

Source: Missoc 2007
Less funds are expended in the health sectors of the CEE countries than in the West European Member States of the EU (Figure 1). The health expenditure in all ten states averaged approximately 6.5 per cent of the gross domestic product (GDP) in 2004 compared to almost 9.3 percent in the EU 15. The range of expenditure among the CEE countries is broad. Bulgaria spends – measured against its level of economic development – a disproportionately large amount on its health sector while Estonia demonstrates the opposite trend. Slovenia, the Czech Republic and Hungary were much closer to the Western EU States than any other members of the CEE country group. The East European country with the greatest expenditure in the area of Health is Slovenia. At 8.7 percent of the GDP, it is on par with the overall European average. However, if one measures the per capita expenditure, Slovenia spends 1815 Purchasing Power Standards (PPS) on health. The distance to the average of the EU 15 countries, with values of 2729 PPS per capita, is substantial but appropriate to the country’s economic development. Romania displays a major difference to the old Member States. With an expenditure of only 433 KKS per head, it spends only a fifth of the EU 15 average on health. This path of development also reflects the differences in economic power: The Romanian per capita GDP amounts to only a third of the GDP of the EU 15. In contrast, Estonia made good progress toward catching up

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Figure 1 **Health expenditure as share of GDP, 2004**

Source: WHO 2007; European Economy 2006, own calculation.
economically during the transformation years, but allowed its expenditure in the health sector to remain at the comparatively low level of 5.3 percent of the GDP. The situation is quite different in Bulgaria which, in spite of less economic prosperity, maintains its health expenditure at a West European standard with 8.0 percent of the GDP. Following a significant loss of resources during the first years of transformation, there has been a slight increase in health expenditure as a share of the GDP in the CEE countries since the end of the 1990s (WHO 2007).

Under-financing continued to be the central problem of health systems in the CEE countries following the change from the Soviet Semashko model to the health insurance model. The adoption of the universal care model demands a high level of funding that is impossible to satisfy at the moment, either through wage-dependent contributions or through the low level of taxation found in Latvia. Health system reforms in the CEE countries have laid the legislative basis for health services that hopes to provide all citizens with a high standard of care. The necessary and cost-intensive restructuring of the Soviet health system to meet Western standards and the still low level of economic prosperity in most CEE countries, compared to Western Europe, leave this demand unfulfilled for the time being. Since none of the states wish to give up the principle of universality, limits are increasingly set on the scope of services. This includes the formulation of basic packages of medical care and measures for increasing the efficiency of the systems, which will be presented in the next section.

**Decentralisation and capacity reduction: attempts to save universality**

The introduction of health insurance systems was accompanied by a decentralisation process in most CEE countries. While the Soviet Semashko System was characterised by central administration and planning, these tasks were later placed in the hands of regional corporate bodies or local institutions were established to take responsibility for them. Most countries have a national health insurance fund, which either has multiple regional branches or which acts as an umbrella body for a group of relatively autonomous health insurance companies. In most countries, the insurance contributions are collected centrally and then distributed to the health insurance systems according to regional requirements. In Slovenia and Hungary, the public financing system is
still completely centralised. Only Slovakia and the Czech Republic no longer have any form of central insurance budget; the individual health insurance companies are responsible for collecting contributions and allocating funds themselves. The independence of the health insurance companies faces many technical and political problems in practice, for example in relation to the equitable allocation of funds according to need. In Poland, this recently led to a re-centralisation of the autonomous health insurance companies as dependant branches of the national health insurance body (Kuszewski and Gericke 2005: 99). National policies continue to have significant influence on the distribution of funds and administration even to the furthest reaches of a country. This significantly curtails the independence of the regional bodies, local health insurance companies and finally, the service providers.

With the transition to health insurance, a clearly increasing trend toward contractual models between insurers and the service providers can be observed. As a rule, a contract with the responsible insurance fund provides the basis for provision of ambulant care by doctors. This is associated with the increasing privatisation of the service providers. In primary care, general practitioners in many CEE countries operate on a private basis, whereas the secondary and tertiary care is still primarily organised by the state.171 Nevertheless, the contractual model is also applied here to provide an organisational separation of the insurance companies, as public or semi-public funding bodies, and the service providers. The ownership of hospitals was often transferred from the national level to the hands of local bodies. Some states have transformed their hospitals into public non-profit organisations with their own rights and responsibilities. However, medical practices and especially hospitals have little operative autonomy. For example, to do justice to their role as so-called gatekeepers to all forms of further care, doctors in Romania are obligated to offer specific medical services to all residents of their respective district. Unclarified questions in relation to management, capacity, resource allocation and billing have resulted in the contractual basis with the insurance companies remaining relatively open: “CEE countries have tended to use ‘soft’ agreements, rather than selective provider contracts that contain full accountability” (Mossialos et al. 2003: 131).

171. In most CEE countries, a high percentage of dentists operate on a private basis. Most pharmacies have been released from the state system. Overall, the share of privately operated medical practices and hospitals is developing slowly in comparison to Western Europe (cf. Mossialos et al. 2003: 129).
The legacy of the Semashko system is clearest at the interface between the insurers and the service providers on the one hand and doctors and patients on the other. For example, during the socialist period it was usual to seek treatment directly from a hospital in the case of illness. In contrast, primary ambulant care was only weakly developed. The provision of over-dimensional hospitals created their own demand at the cost of the quality of care. The bed capacity of Central and Eastern European hospitals is still higher than in the West although a reduction from almost nine to 6.8 beds per 1000 residents was achieved in 2004 (Figure 2). The EU average lay at 5.9 beds in 2004 (WHO 2007). The necessary expansion of primary care after transformation and the definition of the role of the freely selected family doctor as gatekeeper to secondary and tertiary treatment occurred in all CEE countries. Legislative regulation attempted to bring patients to discontinue their traditional, direct presentation for treatment at hospitals. Patients could generally choose their specialist and hospital but required a referral to them from a doctor. A binding registration is usually required and the options for change are limited. Accordingly, the number of practicing physicians is close to the European average of 3.2 per 1000 inhabitants. Problems with medical care in remote rural areas are common in Poland and Romania.

Figure 2 Hospital bed capacity, 1999 and 2004

Source: WHO 2007
The development of cost-effective structures in the CEE countries is still in progress; per capita and fixed service fees are already widespread for primary and secondary care. Billing on the basis of fixed case-based charges (*diagnosis related groups*) is currently implemented in only four countries; however, it is also on the reform agenda in other CEE countries. In some cases, the newly introduced remuneration and billing system came to unexpected consequences: For example, the introduction of fixed case-based charges in Hungary led to a reduction of the patients’ length of stay in hospital, but at the same time to an increase in the number of admissions. In the first instance, capitation fees motivated the general practitioners to keep their patients healthy; as soon as they fell ill there was no further financial incentive to treat them so they were quickly referred to a higher level (Gaál 2004: 115; Mossialos et al. 2003: 135).

Once almost all the CEE countries had reformed the revenue side of their health systems in a move towards the Bismarckian insurance principle in the 1990s, the attention of policy focused intensively on the expenditure side. The problem of financing the health sector was to be significantly alleviated through increased efficiency in the provision of health services. As with the financing model, when it came to cost reduction, the CEE countries primarily oriented themselves on Western models of provenance. Increasing decentralisation, the introduction of the family doctor principle and the use of financial incentives in the remuneration and billing practice are familiar political discussions from the health systems in Western European countries. However, a closer look shows that the modern approaches to efficiency are accompanied by totally different conditions. For example, the CEE countries continue to be occupied with the improvement of the basic infrastructure of their health systems. The modernisation of hospitals and outpatient clinics, renewal of technical equipment, development of primary ambulant care outside hospitals and better payment of medical personnel are immense cost factors here and cannot be expected to be completed within the foreseeable future. Compared to the conditions at the beginning of the 1990s, there have been great advances. However, those who can afford to do so, switch to private, better equipped providers of medical care or secure better treatment in the public system through illegal payments. Thus, the claim of universality is further undermined.
Departure from universality? The significance of direct payments and privatisation

Today, the privately financed share of the health sector averages approx. 29 percent and shows an upward trend in the ten CEE countries (Table 3). This is less due to a market of private insurers than due to an increase of the fees and other official direct payments (*out-of-pocket payments*) that patients must pay for visits to the doctor, stays in hospital, medicine and prescriptions. In most CEE countries, these direct payments account for between 80 and 100 percent of private health expenditure, while in the EU 15 it amounts to only 68 percent.

Table 3  Breakdown of health expenditure, 2004

<table>
<thead>
<tr>
<th>Country</th>
<th>Share as % of total expenditure</th>
<th>Out-of-pocket payments as % of total expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Public</td>
<td>Private (^1)</td>
</tr>
<tr>
<td>BG</td>
<td>57.6</td>
<td>42.4</td>
</tr>
<tr>
<td>CZ</td>
<td>89.2</td>
<td>10.8</td>
</tr>
<tr>
<td>EE</td>
<td>76.0</td>
<td>24.0</td>
</tr>
<tr>
<td>HU</td>
<td>71.6</td>
<td>28.4</td>
</tr>
<tr>
<td>LV</td>
<td>56.6</td>
<td>43.4</td>
</tr>
<tr>
<td>LT</td>
<td>75.0</td>
<td>25.0</td>
</tr>
<tr>
<td>PL</td>
<td>68.6</td>
<td>31.4</td>
</tr>
<tr>
<td>RO</td>
<td>66.1</td>
<td>33.9</td>
</tr>
<tr>
<td>SK</td>
<td>73.8</td>
<td>26.2</td>
</tr>
<tr>
<td>SI</td>
<td>75.6</td>
<td>24.4</td>
</tr>
<tr>
<td>EU 27</td>
<td>75.0</td>
<td>25.0</td>
</tr>
<tr>
<td>EU 15</td>
<td>76.3</td>
<td>23.7</td>
</tr>
</tbody>
</table>

\(^1\) Including private insurance
\(^2\) Direct payments without private insurance
Source: WHO 2007

Almost no one has full private insurance in the CEE countries; this option is only available in Poland and Slovakia – and then exclusively to those who are not covered by compulsory insurance in the public system. Until now, all CEE countries have resisted the development of a dual system such as the one in Germany in favour of the maintenance of universality. In contrast, all ten states have private supplementary insurance. However, in CEE countries their share of total expenditure is minimal (between 0.1 and 2 per cent), except for in Slovenia (12 per cent) and Latvia (3-4 per cent). In many EU countries, funding shortages and the
prospect of aging societies have led to increased political discussion on the admission of a private insurance market. Policy-makers hope that this will provide an additional source of revenue – and by virtue of the competition it introduces – more efficient financial administration of the public insurance and service institutions. External consultants consider the status of the Slovenian health system a good example. Here, a simple package of medical services that are covered by statutory insurance was defined very early. The cost of care beyond these services is born by the patient directly but can be fully covered by supplementary insurance. Because of the higher private costs, 94 percent of the Slovenian population make use of this option (Laursen 2005b: 202). This trend toward extending the market share of private insurers and simultaneously relieving the state budget can be seen in a drastic reduction of the health services provided in the basic packages in many CEE countries. Politically, this plan is highly controversial, firstly because it is difficult to develop a basic package that includes the “right” services (Mossialos et al. 2003: 116), and secondly, because here one stands at the political crossroad between retaining a high degree of state influence over the health sector with the same services for everyone and a loss of state control accompanied by the development of a two-class system. However, due to the at times acute funding difficulties of the former universal system, these reservations occupied an increasingly subordinate role. Political discussion in the CEE countries attests to the awareness of a possible balancing act between universality and commodification.

The regulations that govern reimbursement and out of pocket expenses are quite different in the various CEE countries (Table 4). A fee must be paid for a visit to the doctor or for a stay in hospital in half of the countries (in Bulgaria, Estonia, Latvia, Slovakia and Slovenia). This takes the form of either a fixed sum payment or a percentual share of the total costs. Upper limits and exceptions are regulated by legislation. The patient must share the costs of medication in all ten countries. The level of patient contribution varies enormously between the countries and also within systems in different reimbursement categories depending on the type of medication and the severity of the illness. In some cases, the cost of medication is completely carried by the insurance; in others, the patient is responsible for up to 100 per cent of the costs. In all CEE countries except the Czech Republic, the costs of dental prostheses are only partially reimbursed, and only at intervals of several years for pensioners. Only in very few CEE countries do insurance companies carry the full or partial cost of prostheses and other aids.
In all ten countries, the share of direct patient payments has increased steadily in recent years and now forms a significant component of the financing mix for the total cost of the health sector. In Bulgaria, Latvia and Romania, this share is particularly high with values of between 32 and 43 percent. Only Slovenia and the Czech Republic lie below the EU average of 18 percent (WHO 2007). The consequence is growing general inequality and unequal access to health care. Poverty is a widespread phenomenon, especially in the CEE countries. Therefore, the additional costs and charges hit a large proportion of the population very hard.

---

**Table 4  Fees for health services**

<table>
<thead>
<tr>
<th>Country</th>
<th>Per Doctor’s Visit</th>
<th>Per Day in Hospital</th>
<th>Medication</th>
<th>Dental Prosthesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>BG</td>
<td>1% of the monthly minimum wage</td>
<td>Up to 2% of the monthly minimum wage</td>
<td>Marginal fee</td>
<td>100%</td>
</tr>
<tr>
<td>CZ</td>
<td>None</td>
<td>None</td>
<td>0-100%</td>
<td>None</td>
</tr>
<tr>
<td>EE</td>
<td>Up to 3,20 €</td>
<td>Up to 1,60 €</td>
<td>3.20 € + 50% of the remaining amount</td>
<td>100%, except for pensioners</td>
</tr>
<tr>
<td>HU</td>
<td>None</td>
<td>None</td>
<td>0-100%</td>
<td>Case-specific calculation</td>
</tr>
<tr>
<td>LV</td>
<td>€0.72 - €2.86</td>
<td>between €2.15 and €7.16 depending on the type of hospital</td>
<td>50-100%</td>
<td>100%</td>
</tr>
<tr>
<td>LT</td>
<td>None</td>
<td>None</td>
<td>0-50%</td>
<td>100%, except for pensioners and the disabled</td>
</tr>
<tr>
<td>PL</td>
<td>None</td>
<td>None</td>
<td>30-100%</td>
<td>Free every 5 years</td>
</tr>
<tr>
<td>RO</td>
<td>None</td>
<td>None</td>
<td>0-50%</td>
<td>0-60%</td>
</tr>
<tr>
<td>SK</td>
<td>€1.75 per emergency services visit; €0.15 per prescription</td>
<td>None</td>
<td>10%</td>
<td>26%</td>
</tr>
<tr>
<td>SI</td>
<td>5-75% of the costs incurred</td>
<td>5-75% of the costs incurred + €6.21 per day</td>
<td>25-100%</td>
<td>75%</td>
</tr>
</tbody>
</table>

*Source: Missoc 2007*

In all ten countries, the share of direct patient payments has increased steadily in recent years and now forms a significant component of the financing mix for the total cost of the health sector. In Bulgaria, Latvia and Romania, this share is particularly high with values of between 32 and 43 percent. Only Slovenia and the Czech Republic lie below the EU average of 18 percent (WHO 2007). The consequence is growing general inequality and unequal access to health care. Poverty is a widespread phenomenon, especially in the CEE countries. Therefore, the additional costs and charges hit a large proportion of the population very hard.

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172. Fees to be paid directly by patients for doctor’s visits and stays in hospital were first introduced in the Czech Republic on the 1st January 2008. Following protests, the legislation was supplemented by provisions for exceptional cases in July 2008.
In addition to the official direct payments, informal supplementary payments are widespread in Central and Eastern Europe. Even in the socialist period, these had become an established financing component of the health system in the CEE countries. There is little reliable research into this; however its share of total expenditure is estimated at one to ten percent with unequal distribution over the ten countries. Due to its inherent role in the system, there is often reference to culturally developed structures in this context. “Historical reliance on out-of-pocket payments as well as informal payments may lead to hesitation on the part of individuals to pay third-parties. [...] Patients may be more comfortable paying physicians and other providers directly, compared to payments made to private health insurance firms [...]. Paying third-party entities may be viewed as needlessly meddling with the doctor-patient relationship and reducing assurances of quality care” (Mossialos et al. 2003: 110). The low payment of doctors in Eastern Europe contributes greatly to the persistence of the informal system of additional payments. In contrast, these play almost no role in Slovenia and the Czech Republic where medical personnel receives relatively high wages. Since the wages and salaries of doctors and nurses constitute the bulk of health expenditure in many countries, the adjustment to the national salary developments is an immense cost driver (Laursen 2005a: 112f.). The informal additional payments burden patients with additional costs that cannot be carried by all social groups. From a financial perspective however, they represent a not to be underestimated stabilising component for the health system. Unequal access to health care is created with all forms of additional direct payment since they depend on the patient’s financial liquidity. However, informal additional payments hit the population harder since there are no statutory regulatory mechanisms in operation here (e.g. in the form of an upper limit for low income persons or the chronically ill).

The need to modernise and restructure the health systems, the developing but, in European comparison, still weak economic power of the CEE countries and the declared objective of maintaining the principle of universalism in medical care are hardly reconcilable. Even after limiting of the range of services provided through the development of basic care packages, cutting expenditure and increasing the system’s efficiency, the funding requirements remain high and universality is, if anything, theoretical. The virtual establishment of a two-class medical system through the market of illegal additional payments ultimately carries the principle of universality to ad absurdum. Official patient direct payments
are intended to break through this system but at the same time this high individual burden outside the health insurance is preparing the way for a strong future market for private insurers. The possible development of a dual insurance system in the CEE countries would only direct the current two-classes of care into a legal framework and reinforce resignation to the unattainability of the ideal of universality.

The gender dimension of the health reforms

Growing disparity in access to health care

When examining gender specific differences in care, the question of equitable access to health services is one of the most pressing issues requiring research all over the world. In Central and Eastern Europe, this issue is of particular significance because all of the countries here began comprehensive reforms in the health sector during the transformation process. It would be necessary to analyse the extent to which the health reforms do justice to women’s special health needs and to establish whether gender imbalance in the provision of health care has decreased or increased, i.e. whether new iniquities have been created (Standing 1997: 2).

The introduction of contribution-financed health insurance in almost all CEE countries did not revoke the universal character of the old system but created other forms of dependency that are particularly evident from the gender perspective. Except for in Latvia and Slovakia, married women who are not employed are covered by their husband’s health insurance. As such, the majority of CEE countries orient themselves on the welfare state concepts of the conservative continental European states, which subsidise the non-participation of married women in the labour force and which result in a redistribution in favour of the traditional male breadwinner model (Steinhilber 2001; Domsch et al. 2003). In contrast, with their practice of individual insurance, Latvia and Slovakia follow more the classical social-democratic welfare state model found particularly in the Scandinavian countries. In theory, maintenance of the universal principles of the socialist period is a guarantee for equal access and the provision of equal health services for the entire population, including equality between the sexes. Universalism is intended to prevent the reproduction of inequality between men and women on the labour market that results from wage-dependent health insurance. However, as
demonstrated in the first part of this article, considerable obstacles stand in the way of the realisation of the essentially universal health system in the CEE countries. Consequently, there are in fact large differences between the sexes when it comes to health care.

The introduction of the derivative right to security (e.g. through the cost-free co-insurance of the spouse) strengthens existing incentives towards a loss of women’s independence and withdrawal from the (formal) labour market (for detailed information, see Pascall/Kwak and Luleva in this volume). The re-establishment of women’s dependence in CEE countries is also a consequence of increasing direct payments through patient prepayment. Since, when the male bears sole responsibility for filling and controlling the household purse, the use of medical services and the purchase of medicine with the specified out-of-pocket-component can be significantly more difficult for the female. Exceptional provisions for women only apply to pregnant women. These cannot circumvent access barriers to healthcare posed by patriarchal structures within the family. Low participation in the labour market increases not only the risk of social exclusion but also the risk of a poorer level of health for women in the CEE countries (UNICEF 1999: 75). In addition to gender-specific role behaviour, the widespread poverty in some countries of Central and Eastern Europe also represents an obstacle to the use of medical services. In eight of ten CEE countries, women are – if only marginally – more strongly affected by the risk of poverty than men (Eurostat 2007, cf. also Steinhilber in this volume). This is particularly significant in light of high unofficial payments.

The erosion of universal-oriented health care that began during the reform process in the CEE countries implies further possible disadvantages for women. While the discrimination discussed above is usually indirect, spending cuts in the health sector can also generate direct negative effects. If the comprehensive cost-free spectrum of services offered in most CEE countries is reduced to a basic package, the question must be raised of whether the services included are adequate to meet the special needs of women’s health, for example, the regulation and duration of maternity leave and the continued payment of wages during this time. The provisions for both are very different in the ten countries but tend to be generous. The cost cuts affect not only patient care. The ongoing reduction of personnel in hospitals hits women harder than men since, as nurses, they represent the majority of employees. The changed gender roles will possibly also lead to a reduction of the currently
very high rate, compared to the EU 15, of practicing women doctors (McKee et al. 2004: 131). The effect of decentralisation on the health systems is unclear and difficult to measure. On one hand, it makes service providers more efficient and flexible, and improved resource allocation makes them more likely to do justice to patients needs. On the other, the decisions at local government level that negate equal treatment of the sexes are more difficult to correct (Standing 1997: 7ff.). The significance that the current partial privatisation of the health systems in the CEE countries will have for gender equality cannot be fully estimated. The existence of private service providers creates, on the one hand, better quality service and lower fees than in the state monopoly system and thus improves access to healthcare for both men and women. On the other, private health insurance companies primarily direct their offer to the prosperous sectors of the population, withdraw necessary funds from the original universal system and reinforce unequal access to health care in a situation where women increasingly hold jobs that are lower paid than those of men.

Few private health insurance companies offer a unisex rate. Rather, they burden women with higher charges than men on grounds of their statistically longer life expectancy, the potential costs of pregnancy and birth and on average more frequent doctor’s visits.

Improvement of health standards and increased risks

Generally, women have a longer life expectancy than men. Alongside biological grounds, social factors also play an important role here. The period of transformation began with a relatively high level of health among women in Central and Eastern Europe. The communist states had policies that were explicitly intended to promote women professionally, in society and in terms of their health care. This included the same education for girls and boys and the high participation of women in the labour market. The state also provided comprehensive childcare and intensive medicinal care for pregnant women and children. Nevertheless, the health care standards and life expectancy remained lower in the CEE countries than in Western Europe. In 1989, women had an average life expectancy of 75.24 years in the ten CEE countries compared to 79.63 years in the EU 15. In the same year, men had an average life expectancy of 66.99 years in the CEE countries compared to 72.91 years in the EU 15.
In spite of the special medical focus on motherhood, the infant mortality rate in the CEE countries was, with 14.13 deaths per 1000 births, almost double that of the EU 15 (7.98) in 1989. At 36.41 deaths per 100,000 births, the maternal mortality rate was more than five times that of the EU 15 (6.41) in 1989.

Lower income, growing poverty rates and at times high unemployment rates reduced the capacity to pay for and access health products and services during the first years of the transformation process. In almost all ten CEE countries, women’s life expectancy fell during the first half of the 1990s. This was particularly marked in the three Baltic States (Figure 3). Alone in Latvia, the life expectancy for men diminished by six years and that of women by almost three years by 1994.

This sometimes dramatic decline in life expectancy in the Central and Eastern European countries was followed by marked improvement. However, it has remained lower than in the West (Table 5). In 2004, the average life expectancy in the CEE countries lay at 77.88 years for women and at 69.24 years for men. In the EU 15, it lay at 82.28 and 76.52 years respectively. Compared to 1989, the gap between East and West has
marginally increased. While the difference between the life expectancy of men and women in the EU 15 diminished from 6.72 years in 1989 to 5.78 years in 2004, it increased slightly from 8.25 to 8.64 years in the CEE countries during the same period (WHO 2007). This means that there was a somewhat greater reduction in the health risk for women than for men during the transformation period, i.e. that the impact of the socio-economic upheaval on men was more immediate and more sustained than on women. “The individuals most affected have been men, with low levels of education, low levels of social support (such as unmarried) and low levels of control over their lives” (McKee et al. 2004: 36).

### Table 5  Life expectancy by birth, 2005

<table>
<thead>
<tr>
<th></th>
<th>EU 15</th>
<th>EU 27</th>
<th>MOE</th>
<th>SI</th>
<th>CZ</th>
<th>PL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>76.52*</td>
<td>75.12</td>
<td>69.24*</td>
<td>74.04</td>
<td>72.97</td>
<td>70.67*</td>
</tr>
<tr>
<td>Women</td>
<td>82.28*</td>
<td>81.37</td>
<td>77.88*</td>
<td>80.93</td>
<td>79.32</td>
<td>79.28*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>SK</th>
<th>EE</th>
<th>LT</th>
<th>HU</th>
<th>LV</th>
<th>BG</th>
<th>RO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>70.32</td>
<td>67.31</td>
<td>65.37</td>
<td>68.75</td>
<td>65.44</td>
<td>69.08*</td>
<td>68.3*</td>
</tr>
<tr>
<td>Women</td>
<td>78.23</td>
<td>78.23</td>
<td>77.4</td>
<td>77.23</td>
<td>76.62</td>
<td>76.28*</td>
<td>75.59*</td>
</tr>
</tbody>
</table>

* Data for 2004
Source: WHO 2007

Figure 4  Infant mortality rate, 1989 and 2004

Source: WHO 2007
Reproductive medicine deserves special attention in the analysis of gender specific healthcare data. It was possible for the CEE countries to largely maintain the achievements in mother-child care from the socialist period; however, the respective indicators still lie far below Western standards (UNICEF 1999: 62). This applies, for example, to the infant mortality rate, although this has been significantly reduced in all CEE countries. With an average death rate of 7.98 per 1000 births in 2004, the risk of dying in infancy has remained almost twice as high as in Western Europe. However, examination of the regional distribution shows that the high mortality rate can be attributed to Romania and Bulgaria, while most of the other states share the European level (Figure 4). The maternal mortality rate has also been reduced. However, at 12.29 deaths per 100,000 births, this is also still double that of the EU 15. Large differences between the CEE country groups can also be established here, with the highest mortality rates found in Estonia, Lithuania and Romania. The number of abortions has fallen strongly and with a rate of 389 cases per 1000 births, the three CEE countries moved closer to the overall European average of 259 in 2004. This development was not constant in all CEE countries: Following the change of political system, there was an initial increase in the abortion rate in Bulgaria, Estonia, Hungary, Latvia and Romania. This can be attributed to higher social acceptance and improved access to abortion on medical grounds but also indicates deficiencies in the area of family planning and sex education (UNICEF 1999: 75f.). Romania is a special case since abortion was illegal here until 1989. Liberalisation led to a massive increase in the abortion rate, which peaked at 3153 cases per 1000 births a year after political transformation. This was accompanied by a significant corresponding drop in the maternal and infant mortality rates. In contrast, Poland strictly limited the possibility of abortion from 1997 onwards and this has remained the object of fierce political dispute. Many Polish women go abroad for abortions. The number of orphans is also relatively high here (UNICEF 1999: 64).

The willingness to take risks increased during the transformation period. This applies above all to the risk of sexually transmittable illnesses such as HIV and syphilis. Both played a minor role in the CEE countries in 1989 but occur with notable frequency in some regions today. In the Baltic States, HIV – with around 50 new infections per 100,000 persons in Estonia alone – represents a threat that must be taken seriously. The European average lies at around five infections per 100,000. Syphilis is especially common in Bulgaria and Romania. Women are far more
affected by the risk of venereal disease than men due to biological reasons. The pattern of alcohol and cigarette consumption also changed during the transformation period. In the CEE countries, the death rate attributed to alcohol and tobacco consumption rose to a level higher than that of the EU 15 during the 1990s. For women, the difference of more moderate drinking and smoking habits in comparison to Western Europe is disappearing fast. An anticipated consequence is a higher rate of lung cancer among women in the future (UNICEF 1999: 69; McKee et al. 2004: 34). Tuberculosis, which was long believed to be overcome in Europe, is spreading rapidly in some CEE countries. Again, it is the poorer countries that are most affected, the three Baltic States, Bulgaria and Romania.

Since 1989, health indictors have attested to a significant improvement in the position of women in Central and Eastern Europe. Following the initially negative impact of the change of economic system, by the mid-1990s life expectancy had risen, the maternal and infant mortality rates had dropped, and the abortion rate had moved in the direction of the EU average in all CEE countries.

The positive effects of better medical care and access to healthier nutrition, made possible through the availability of a broader range of foodstuffs, were obscured through the higher consumption of tobacco and drugs and the spread of HIV and tuberculosis. The atypical increase in the gap between female and male life expectancies is an indication that women have profited more than men from improvements in the health sector.

At the crossroads of universalism and individualisation: the outcome of reforms and future prospects

Many of the areas of the Central and Eastern European health systems investigated here still require considerable reform almost two decades after political transformation. However, a distinction must be made between problems that are also experienced by the Western European welfare states and those that only occur in processes observed in the ten CEE countries and are the consequence of their specific development. Coming from models with central administration, the health systems in the CEE countries have moved closer and closer to Western standards since 1989. The CEE countries have reorientated their health systems very cautiously through gradual reform and adapted them to the needs
of their politically and economically liberated societies. In doing so, the aim of universal free access to comprehensive health care for all citizens that was stressed in the free socialist period was not simply thrown overboard but continued to be pursued in the new, predominantly contribution-financed insurance models. Because of this reform path, the transformation of these characteristically Soviet health care systems was not experienced as a strong social-political breach.

However there is a huge gap between the unisono formulated objective of maintaining universalism in the healthcare systems of the ten countries and the way the systems really function. The financing requirements of comprehensive modernisation of the medical infrastructure is enormous and cannot be covered by contributions (or through the low tax component in Latvia) alone. Firstly, the newly introduced health insurance schemes do not operate at optimal efficiency since the political learning effect and adaptation mechanisms take years to adjust, and secondly, the economic power of the CEE countries is still low in European comparison, so that the income from wage-dependent insurance systems is of limited magnitude. This has resulted in a mixed financing model in which the state is attempting to reduce the subsidies that come from the general national budget. Various approaches can be identified here. For example, the formerly unlimited health care has been increasingly reduced to a basic package of services. For the state, this represents a relatively simple intervention measure. Adoption of the organisational principles and billing structures of western provenance is intended to promote efficiency and contribute to a further reduction of expenditure. However, the continuing high investment requirement of a modern medical infrastructure, which is the foundation for efficient management, leaves this objective partly unrealised. The most effective cost reduction in the CEE countries has been achieved through the increasing personal responsibility placed on the patient through direct financial participation in the form of out-of-pocket payments. These lead to a de facto socio-political reassessment of the fundamental principle of equal access to health care for all citizens. Especially the large proportion of the population living in poverty in the CEE countries is increasingly excluded from access to high quality health services. In view of the at times very tight employment situation and, compared to the socialist period, more difficult reconciliation of work and family life, it can be assumed that women have poorer access to health care. The state ignored the consolidation of illegal payment structures for too long. Today, these illegal additional payments represent a significant financing component
of the health system. The now widespread introduction of mandatory direct participation of the patients is intended to help curtail this sort of corruption. Thus the need for supplementary insurance has been introduced through the back door. This is intended to relieve the patients’ financial burden and enable the state to further reduce the still relatively comprehensive health package offered by public insurance. Slovenia is the forerunner in this development. In contrast, the Czech Republic, where direct payments have played only a subordinate role to date, shows that a different direction is possible.

The balancing act of health policy between the introduction of Bismarckian health insurance systems and the retention of the right to – state guaranteed – high quality universal care is increasingly precarious in the CEE countries. With the prospect of introducing the common currency, the Euro, in the near future, the political interest of the CEE countries in reducing state expenditure in order to avoid budget deficits has increased considerably in recent years. The principle of universal care was weakened by the above-mentioned cost-cutting measures but remained recognisable; now a conscious break with this tradition is being discussed in many CEE countries. Through the withdrawal of the state in favour of stronger private financing of the health sector, policy-makers hope for a new source of funds and stabilisation of the existing system. The CEE countries are faced with a fundamental decision regarding the future balance of public and private medical services. The establishment of a dual insurance system and the accompanying development of a two-class system of medical care would mean a final change of direction. This alone has been the subject of controversial political debate in the CEE countries to date. Another option would be the reinforcement of a mixed system of public Bismarckian insurance practices with guaranteed universal basic care in the sense of a Beveridge system, in which specific additional services are privately financed. This is the direction taken by Slovenia.

The level of economic development in a country appears to be the linchpin for successfully redesigning the financing and organisation the system. As a rule, increasing economic strength is the precondition for higher expenditure in the health sector (Baum-Ceisig et al. 2008: 267ff.).

173. In the ideal-typical Beveridge System (named after its mastermind, the British economist and politician William Henry Beveridge) the state funds public health care exclusively through taxes and every citizen, regardless of income, is entitled to basic care.
For example it is conspicuous that in countries with a high level of economic development such as Slovenia and the Czech Republic, the acute problem areas in the health system are almost the same as those of the Western EU countries. In both countries, the contribution-financed insurance systems that were introduced at the beginning of the 1990s count as established and functional. The reforms that are being considered today relate to the long-term sustainability of the systems. They are primarily concerned with the financial viability of the health sector in view of the costs associated with the demographic development of an aging society. In those countries with a higher per capita expenditure on health, life expectancy also tends to be higher (Suhrcke 2000). Some countries display specific problems, e.g. inadequate regional infrastructure makes access to health care difficult in Poland and Romania, and the Roma population is poorly integrated into the health system, especially in Bulgaria, Romania, Slovakia and Hungary.

The main health indicators point towards constant improvement, but also a large difference between the states. With the exception of Slovenia and the Czech Republic, there is still a considerable gap between the CEE countries and Western Europe. Especially the poorer states, namely Bulgaria, Romania and the Baltic States are conspicuous with consistently negative health indicators. The consumption of tobacco and drugs continues to increase in the CEE countries and some states have not managed to stop the spread of HIV and tuberculosis. A general improvement in the provision of services for women’s special health needs was observed during the transformation period. This is expressed in a slightly higher life expectancy, sinking mortality rates for mothers and infants and an abortion rate that is approaching the average for Western Europe. The difference between the life expectancy of men and women is significantly higher in the CEE countries than in Western Europe. This difference has increased slightly since 1989 so it can be assumed that women have benefited more from the improved health system infrastructure than men.

However, this development is countered by the increasing inequality faced by women in terms of access to health care. Changes in the labour market, the discontinuation of comprehensive childcare and the loss of specific incentives for women’s participation in the labour market have led to contexts in which women tend to be more dependent on their partners than during the socialist period. In view of the need to pay higher illegal direct payments for better health care, the co-insurance of spouses
without employment that has been introduced in almost all countries with Bismarckian insurance models could lead to acute problems for co-insured women who lack the necessary additional financial resources. The increasing introduction of official additional fees for patients hits women without their own income particularly hard since they are not adequately considered in the regulation of exceptional cases. The introduction of measures designed to achieve further cost savings in the health sector can create additional obstacles for women. Especially the reduction of medical services to a basic care package poses the danger of neglecting the inclusion of important areas of preventative care for women. The possible establishment of independent private health insurance systems in some CEE countries must be assessed in terms of their capacity to provide the same access and the same contributions for both sexes, which can only be guaranteed through legislation. All in all, the differences in healthcare between the sexes and in their access to health care reflect the problems and contradictions faced by the CEE countries in maintaining the principle of universalism as the traditional basis of their health systems.

References


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The gender implications of labour market policy during the economic transformation and EU accession. A comparison of the Czech Republic, Hungary, and Slovenia

Alena Křížková, Beata Nagy, Aleksandra Kanjuo Mrčela

1. Introduction

The reform of the Central and Eastern European (CEE) economies at the beginning of the 1990s, EU membership, and the effects of globalisation have all had a fundamental impact on women’s employment. These changes occurred in societies where women’s access to paid employment and their long-term and consequently unquestionable participation in the labour market had been established for several post-war generations. Despite the declaration of equality and the objective of women’s emancipation during the period of communist rule in CEE countries, women were nonetheless generally regarded as a secondary category on the labour market; they were poorly paid and strongly segregated into certain sectors and positions (Čermáková 1995, Fodor 2002, Pollert 2003). This was partly a result of the privileged position heavy industry was accorded by the former communist leaders and partly due to the unrealised assumption that widely accessible public services would release women from the double burden of responsibility for unpaid domestic work and paid employment. Gender inequalities were not identified or tackled during this period, and so-called emancipation led to a heavier burden on the shoulders of working women. Despite the socialist parties’ effort to support women’s employment, the responsibility of men was never discussed. The contradiction between the rhetoric and the reality of women’s policy was obvious in all post socialist countries (Gal and Kligman 2000). In spite of the functioning gender contract, there were very important achievements – high employment among women, job security (economic independence) and available and affordable childcare services. As women were mostly employed on a full-

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time basis, which is still the case today, the socialist state started to extend the scope of day-care facilities, childcare provision and allowances, maternity and parental leave, and various services, e.g. canteen or subsidised meals, which made it easier for parents, i.e. mothers to combine employment and family responsibilities.

In this paper, we have selected three countries (Czech Republic, Hungary and Slovenia) as the basis for the comparison of similarities and differences in post-socialist countries during the period following transformation and EU accession (2000 – 2005). We argue that during and after the period of transformation to market economies, attitudes towards gender roles became increasingly conservative in both private and public life, and women lost some of the rights (e.g. job security and child care services) gained during the state-socialist era. Despite the formal approach to the EU accession process, the promise of gender equality has not been fully realised. We also argue that there are significant differences between the countries in terms of their employment and family policies and that the status of gender equality in their respective labour markets depends on the following main factors: 1. Development of the gender structure of the labour market, 2. The legislative framework and employment policies and 3. Provisions for work-life balance. The differences in these factors in the investigated countries largely account for the different outcomes in the position of women in the labour markets and societies of CEE.

During the last decade, each of the three countries experienced processes and events that had specific effects on gender relations in the labour market. Evidence of a backlash against women’s emancipation and signs of the re-masculinisation of the gender order were observed in the CEE region in general in the 1990s (Gal and Kligman, 2000, Metcalf-Afanassieva 2005, Domsch et al. 2003) but to different intensities and with different implications for the labour market in individual countries. As Eva Fodor expressed it, “The legacy of the state socialist emancipation project lives on, although in a different context. Vast numbers of women have suffered economic setbacks since the collapse of the state socialist planned economies” (Fodor, 2006: 6). We can discover some common characteristics in gender order (UNIFEM, 2006). The period of transition in CEE countries was characterised by attempts to re-domesticate and return women to their traditional roles (Jogan, 2001). Research in some post-socialist countries has also indicated that family policy, e.g. the long parental leave, explicitly or implicitly led to the re-familisation of society,
which in some cases clearly coincided with changes in the value system (Saxonberg, Sirovátka, 2006, Blaskó, 2005). In the Czech Republic and Hungary, the changing structure of family policy with its implicit goal of driving women (with small children) out of the labour market, and its explicit goals of cutting public expenditure for childcare facilities for children under three years and prolonging parental leave to up to three years, is a clear turn to familist policies (Saxonberg and Sirovátka 2006).

Yet the return to traditional gender relations, which has been observed to some extent in all the CEE countries, cannot be attributed to the transformation period alone. For example, the Hungarian welfare system and the reconciliation policies since the 1960s have inevitably reinforced traditional roles and strengthened conservative values in respect to gender roles (Ferge, 1999). On the other hand, Slovenian employment and reconciliation policies, which had taken gender equality into consideration for decades (both before and after the transition), resulted in less deterioration of the position of women in the labour market. Jogan (2006) emphasises that during the period of “self-administration” the socialist system in Slovenia, included special bodies that ensured the presence of gender equality issues on the public agenda (with considerable success, especially in the 1970s and 1980s, when legislative changes concerning parental leave and investment in childcare, elderly care and health care facilities enabled a better work-life balance for men and women). Jogan sees this tradition as a reason “why attempts to reinforce patriarchy and re-domesticate women during the transition period of the 1990s were less effective” in Slovenia compared with some other post-socialist countries (Jogan 2006: 202). Although this interpretation is extremely thought-provoking, it might overestimate the significance of the socialist national machinery in influencing social expectations in respect to gender roles. The Czech Republic and Hungary, where similar institutions were established under socialism to develop gender equality, serve as counter examples, although an intensive conservative turn can also be observed here. The ISSP (International Social Survey Programme) surveys that were carried out in 1988, 1994 and 2002 showed traditional attitudes toward gender roles among the Czech and Hungarian populations, especially the men; however, a slight decline in traditional attitudes could also be observed (Tóth 1995, Blaskó 2005). Conservatism dropped somehow in Hungary between 1994 and 2002, but did not change much in the Czech Republic. For example, recent research on the issue has shown rather rigidity (Crompton et al. 2005). It seems that the traditional gender roles are continuously
reproduced in Hungarian and the Czech society, but not in Slovenia, where the expectation of gender equality in paid work was reflected in values expressed in recent public opinion surveys. The majority of women and men in Slovenia accepted the active role of women in the labour market as legitimate and as the basis for women’s economic independence.

2. Trends in employment and gender in the labour market

After a long period of mandatory employment, required by law under the communist regimes,175 the economic activity of women dropped in all three countries during the economic transformation of the 1990’s. But with rising unemployment, the position of men in the labour market also deteriorated, and women continued to represent almost half of the employed in the Czech Republic, Hungary and Slovenia. The most important feature of employment relations common to all three countries (and most of the CEE countries) is that the majority of both women and men are employed full-time. In spite of attempts to reinforce tradition and re-domesticate women at the beginning of the 90s, which tried to confine women’s role to the “natural” private domain of unpaid care and domestic work, the return of women to households as full-time housewives did not occur. Rather, women remained an important part of the labour force in the CEE markets, which were characterised by crisis situations, increasing workloads and unemployment, and at the same time retained their position in the household and thus the double burden. To combine paid work with family duties became more difficult than ever. In this section, we will summarize the position of women in the labour market in these three countries.

175. For example in socialist Czechoslovakia, employment was mandatory for the population (work was a state-guaranteed right and obligation) and thus, officially, there was no unemployment. From 1962 until 1989, a person who was not working was considered a parasite (in Czech – příživník) under Czechoslovakian law (Penal Code No 140/1961) and could be penalised with a prison sentence of up to three years. The only exception here was mothers who decided to take care of their children although they could use institutional care. It was very similar in Hungary, where men had to work, otherwise they were labelled as dangerous labour deserters (in Hungarian – közveszélyes munkakerülő: kmk). They were arrested for this reason. Women’s absence from the labour market was not punished in the same way. In socialist Slovenia, employment was also seen as a right and obligation, but there were no legal sanctions comparable to the Czech example.
The position of employed women is characterised by both horizontal and vertical segregation as well as by a persistent gender wage gap. Gender segregation in the CEE labour markets was established under the communist regimes where women and men were generally assigned to different types of jobs. Evidence of the existence of gender inequality despite the state-declared emancipation of women in the socialist societies has been widely published (Einhorn 1993, Fodor 2002, Čermáková 1995, Gal and Kligman 2000). Historically, women’s full participation in the labour market, imposed on them from above, has been in contrast to the fight of Western women’s liberation for their right to work. Full-time employment has been the norm for women for generations as a right to work and to be emancipated and financially independent. At the beginning of the 1990’s, some researchers and policymakers expected large numbers of women to leave the labour market to become housewives. This did not happen because two incomes were necessary for most households in the countries studied, but women also declared that they would not stop working even if they didn’t need to work for financial reasons. However, a great proportion of women would prefer to work part-time if they did not require the income.

In the Czech Republic, only 3.8 per cent of the female population older than 15 years were inactive due to full-time household duties in 1993 and 4.7 per cent in 1997. This number dropped to 3.5 per cent in 2006 (Labour Market in the Czech Republic 2007). In Slovenia, the trend was the opposite: While in 1997, only 2 per cent of women declared themselves inactive due to family or personal responsibilities, this share was 7.2 per cent in 2004 (Stanovnik et al. 2006). In Hungary and the Czech Republic, people on parental leave are counted as inactive. In Hungary, 10 per cent of all women between 15 and 64 belonged to this group in 2001 (Bukodi 2005). Moreover, there are “other inactive persons” who cannot take a job because of their family responsibilities. On the whole, the proportion of women who wanted to work but couldn’t due to family responsibilities was 15 per cent in Hungary in 2002 (Frey 2002).

Figure 1, which compares employment rates in the three countries by sex, shows a considerably lower rate in Hungary than in the other two countries. There was little change in the Czech Republic between 2000 and 2005 and the gender gap continued to be very large. The gender gap was small in Slovenia and the activity and employment rates increased for both men and women. Slovenia displays the smallest gender gap and
the Czech Republic the largest; in Hungary it remains considerable. Further, in this chapter we will see how the country-specific conditions for parental leave shape the employment activity of women.¹⁷⁶ The Hungarian employment rate is well below the European average for both women and men. The EU 25 average employment rate has been 71.3 per cent for men and 56.3 per cent for women in 2005. While women’s employment in Hungary fell below this rate, the Czech Republic was close to the EU 25 average and Slovenia exceeded it.

Figure 1 Employment rate for the population aged 15-64 yrs. by sex in 2000 and 2005 in the Czech Republic, Slovenia and Hungary

Note: ER = Employment Rate.

Hungary, with a female employment rate of 51 per cent and male employment rate of 63 per cent, falls far below the Lisbon targets. The causes of this dramatic situation are both the low level of available jobs and the rigidity of the labour market in Hungary. The rigidity of the labour market is also supported by the data on full-time equivalents, i.e.

¹⁷⁶ Here it is important to note that unlike Hungary and the Czech Republic, in Slovenia parental leave does not change the economic status of the parent. In Slovenia, those who were employed before taking parental leave continue to be counted among the employed in the statistics. But as stated above, those on parental leave in the Czech Republic and Hungary are considered inactive, even if they were employed before their taking parental leave. This may partly explain why the employment rate is higher in Slovenia.
most Hungarian employees work full-time, which clearly blocks the potential integration of mothers of small children into the labour market. Full-time work is one of the most important features that differentiate the labour market participation of women in CEE from the rest of the EU. Only 12.5 per cent of Slovenian, 8.5 per cent of Czech and 5.4 per cent of Hungarian women work part-time. Later, we will see how these rigid labour market structures, based almost exclusively on full-time work contracts, make a positive work-life balance difficult for CEE women.

Figure 2  
**Unemployment rate 1995 - 2005 in the Czech Republic, Hungary and Slovenia**

Today, the unemployment rate in the three countries is the reverse of what it was in the mid-1990s (see Figure 2). Prior to the mid-90s, unemployment was very low in the Czech Republic and considerably higher in Hungary and Slovenia. Following the economic crisis and expenditure-cutting reforms of 1998, the Czech unemployment rate rose to as high as 10 per cent for both men and women. After peaking at 10.3 per cent for women and 13.4 per cent for men in 1993, unemployment was not a serious problem in Hungary. It usually hasn’t exceeded the average of the EU-25 countries and has remained significantly lower than the average rate of the new Member States. However, the Hungarian unemployment rate started to increase rapidly again between 2004 and
2005, and approached the average of the European Union. Hungary was well-known for its low female unemployment rate relative to that of men, which changed course only in the last period. Men were particularly hit by unemployment until 2004, which can be explained by two main factors. On the one hand, the structural changes in the economy damaged those economic sectors that employed mostly men, such as heavy industry or mining, and on the other, women became inactive, but not unemployed, in large numbers shortly after 1990. Then this process came to an end, and women were dismissed from the public sector in large numbers. As a result of this trend, 7.8 per cent of women and 7.2 per cent of men were unemployed in 2006 (HCSO 2007).

During the first wave of restructuring at the beginning of 1990s, more men than women lost their jobs in Slovenia, but this trend changed in the mid-1990s when the female unemployment rate began to steadily increase. In the last quarter of 2006, it was 6.9 per cent compared to a male unemployment rate of 4.5 per cent (SORS, 2007).

Gender segregation of the CEE labour market has remained considerable and stable during the last decade and well above the EU25 average. With the restructuring of the CEE labour markets, the share of women and men in agriculture and manufacturing showed a considerable decline, which has been partly compensated by an increasing number of jobs in the service sector (mainly private services). For example, with the emergence of a private service sector in the Czech Republic, the proportion of men involved in services rose notably (from 38.4 per cent in 1993 to 46.1 per cent in 2005); women retained their dominant percentages in public service branches throughout the 1980s and 1990s and their proportion in this area continued to rise consistently (from 34.8 per cent of employed women in 1993 to 42.1 per cent in 2005). There is no significant difference in these trends among the three countries under study. The position of these sectors as feminised sectors has been reinforced over time, along with all the features associated with such a position – low wages, few opportunities for upward mobility for women, low prestige, and fewer other employment benefits.

The gender structure of the labour market and the relative position of women and men is summed up in the gender wage gap indicator. Here, we can see that the considerably higher unemployment of women and highly segregated labour market in the Czech Republic translates into a very high gender wage gap of 19 percentage points. In contrast, the high involvement of women in paid work, the similar working patterns of men and women and the high education level of women put the gender wage gap in Slovenia among the lowest in the EU countries (see Figure 3). Considering the trends in gender wage differentials in Slovenia, data shows an increase at the beginning of 1990s but that from mid-90s on there has been an evident reduction of the gender pay gap. The gender wage gap in Hungary is not much higher, mostly due to the still relatively unfavourable position of men in the labour market – till recently, the male unemployment rate was even higher than that of women – and the fact that women work mostly full-time as well as men. It should be noted that the analysis of data from different sectors, activities, and occupational and professional attainment groups (for example, management positions) shows even greater gender differences than the evidence from the aggregated data does.
The households in CEE countries are largely dependent on the dual-breadwinner model and this is one of the reasons why women maintained their important position on the CEE labour markets throughout the entire post-1990 period and did not withdraw as was expected or suggested. But women also kept the poorer position compared to men, especially in Hungary and in the Czech Republic, where the situation is worsening with growing unemployment among women. The new labour markets brought more insecurity, lower wages and increased the feminisation of some sectors (mainly public services, for example healthcare).

In the late 1960s, work-life balance schemes were introduced only for women, but later they became officially gender neutral. However, these measures did not promote men’s responsibility for family life. In all the three countries, official gender-neutral schemes (e.g. parental leave) have been mostly used by women.

Although the relative rigidness of the Slovenian labour market is changing, it is still relatively rigid and inflexible. However, the shift towards flexibility is more intensive here than in the other investigated countries. The analysis of Slovenian companies reveals a high degree of individual and family-unfriendly forms of employment (work intensification, insecurity of employment) and work that is oriented towards achieving flexicurity (Kanjuo Mrčela and Ignjatović 2005).

Data on the diversity of contractual and working arrangements shows that 26.5 per cent of employees in Slovenia are employed under part-time and/or fixed-term contracts or are self-employed. There are gender differences in the type of contractual and working arrangements: In fixed-term employment, the difference is only 0.2 percentage points but, while men are more often self-employed than women, a greater share of female employees works part-time (SORS, 2006b). The share of employed women working part-time increased from 10.3 per cent in 2004 to 12.5 per cent in 2005 (which clearly coincides with the trends in Hungary and the Czech Republic (European Commission 2006) and is higher than the share of men in part-time positions (7.6 per cent in 2004 and 7.2 per cent in 2005, SORS 2006a).

The Hungarian labour market offers extremely rigid work options for both women and men, and this is one of the main causes of the low employment rate. As in Slovenia, teleworking also plays a very minor role in employment here, i.e. it involves only 2-4 per cent of employed
persons. The availability of flexible working time is scarce. It is offered by companies that mostly employ highly motivated professionals, e.g. telecommunication companies and computer specialists, or for unskilled jobs, where a part-time job or flexible hours might mean unsocial working hours for women with very low educational attainment. The rigidity of the labour market has led to a deep division among women of working age, i.e. division between those working on male terms as superwomen and those without any connection to the labour market. However, investigations conducted following the late socialist period reveal that the both women and men would prefer for women to work part-time instead of working long hours. There is considerable tension between the reality and the preferences in women’s everyday life (Blaskó, 2005).

The Czech economy is characterized not only by limited work mobility and flexibility but also by rejection of the idea of employment with reduced working hours by both employers and employees. This is similar to the case of Hungary, with low wages for employees and high administrative and tax costs for the employer. In the most recent recommendations of the European Commission (COM(2006) 816 final), labour market flexibility is described as the most important point that the Czech Republic needs to improve in the area of employment.

### 3. Values and gender norms

Under the socialist regime, it was the norm for women to have full-time employment and to also establish a family with children. Since the end of this regime, there has been intensive discussion on the obligatory choice between family and career, which makes young families feel insecure about their position.

The analysis of the time-use data of 2000/2001 indicates that even if women have higher occupational status and spend as much time in the labour market as their partners, they do 80 per cent of the housework (Bukodi 2006). However, Hungarian women are particularly satisfied with the low male contribution to housework even in international comparison (Pongrácz, 2006). Expectations in relation to traditional gender roles clearly hinder women from achieving an equal position in social and economic life in Hungary and also in the Czech Republic, i.e. women who want to be highly valued in the labour market have to work on male terms, but they also have to perform most of the housework.
Childcare policies and regulations clearly influence parents’ and mainly mothers’ actual labour market conditions and behaviour. The Czech Republic and Hungary follow very similar models based on long parental leave up to 3 years. This generous parental leave system is a double edged sword: It does not only support the combination of waged work and private life, but also undermines the core values of gender equality policies and reinforces the traditional gender order. The following indicator of the European Commission measures the difference, in percentage points, in the employment rates of women aged 20–50 years without children and that of those with children less than six years of age. As we can see from Table 1 parenthood has had the largest (negative) impact on women’s employment in the Czech Republic (39.2 percentage points in 2005). Hungary lies close behind with 35.3 percentage points. The average difference for the EU 25 is 14.3 percentage points. The difference between the high impact observed in the Czech Republic and Hungary and the negative figure of -1.5 percentage points found in Slovenia suggests that the following main factors play a role: A strong correlation with the length of parental leave, women’s attachment to the labour market, (un)available child care facilities and labour market conditions that facilitate women’s rapid return to employment, and the gender contract. However, even Slovenia demonstrated some negative trends. In 2005, this indicator decreased considerably compared to previous years.

Table 1  The impact of motherhood on women’s employment.
(The difference in percentage points between the employment rates of women without children and those with a child aged 0-6, age group 20-50)

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<tr>
<td>EU15</td>
<td>12.6</td>
<td>12.7</td>
<td>12.2</td>
<td>12.5</td>
<td>13.3</td>
</tr>
<tr>
<td>NMS 10</td>
<td>22.0</td>
<td>20.2</td>
<td>20.0</td>
<td>18.7</td>
<td>19.5</td>
</tr>
<tr>
<td>CZ</td>
<td>43.6</td>
<td>41.8</td>
<td>38.9</td>
<td>41.0</td>
<td>39.2</td>
</tr>
<tr>
<td>HU</td>
<td>35.0</td>
<td>35.1</td>
<td>37.1</td>
<td>34.1</td>
<td>35.3</td>
</tr>
<tr>
<td>SI</td>
<td>-5.9</td>
<td>-5.1</td>
<td>-7.9</td>
<td>-5.1</td>
<td>-1.5</td>
</tr>
</tbody>
</table>


179. The indicator ranges from negative values for Portugal (-3.8) and Slovenia (-1.5), through very low values in Belgium (2.1), Denmark (1.6), Spain (7.5) and the Netherlands (9.4) and France (10.2) to countries like UK (21.2) and Germany (26.5) (EC, 2006).
In Slovenia, most women choose to stay at home for one year (taking their entire maternity and parental leave, which is fully compensated) and then return to full-time work. Since the introduction of a non-transferable right to paternity leave,\textsuperscript{180} the majority of Slovenian fathers use the fully paid component of that leave but do not participate equally in other forms of parental leave or in childcare.

In all three countries, parenting is seen as mothers’ responsibility, which means that parenthood has gender-specific consequences for employment and the working experiences of men and women. Women report, more often than men, on negative experiences related to parental or care leave and problems in finding a job related to (potential) motherhood. Those fathers who would like to play a more active parental role report facing similar difficulties. Family formation and the responsibility for childcare are among the main causes of discrimination in the labour market.

Table 2  \textbf{Work-life balance: Selected conditions for parents in the Czech Republic, Hungary and Slovenia}

<table>
<thead>
<tr>
<th></th>
<th>Czech Republic</th>
<th>Hungary</th>
<th>Slovenia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Length of parental leave</td>
<td>3 years</td>
<td>3 years</td>
<td>1 year</td>
</tr>
<tr>
<td>Availability of childcare services</td>
<td>8%</td>
<td>6%</td>
<td>27%</td>
</tr>
<tr>
<td>Childcare coverage rate 0-2 years</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labour market flexibility - percentage of employed women with part-time contracts</td>
<td>8.5%</td>
<td>5.4%</td>
<td>12.5%</td>
</tr>
</tbody>
</table>


In contrast to Slovenia, the “policy-institutional” burden on work-life balance is clearly reflected in the gender equality outcomes in the Czech Republic and Hungary. We chose three indicators that contribute to explaining the impact of parenthood on employment and the (in) compatibility of work and family in these countries. The main indicators are: The length of parental leave, the childcare coverage rate for children under three years and the share of part-time employment (see Table 2). The negative impact of long parental leave without available childcare services for parents returning to work is well known (Ellingsæter and

\textsuperscript{180}. Since 2001, Slovenian fathers have the right to take paternal leave of 90 days (15 days are fully compensated and only social contributions are paid for the remaining 75 days).
Leira 2006, Korpi 2000). The share of part-time work for women is also a good example. Whereas in Slovenia the share of women working part-time has been growing in recent years, in the Czech Republic and Hungary we see either the opposite trend or stagnation at a very low level. Of the three countries, Slovenia has the best conditions for the successful combination of work and family life. In the Czech Republic and Hungary conversely, having children has a huge negative impact on the labour market position of women and on gender equality.

Long parental leave together with the massive decline in available childcare services for children under 3 years of age and the almost total absence of flexible work arrangements have resulted in a new employment pattern among women in the Czech Republic and Hungary. Women mostly work full-time, however, when they become mothers they drop out of the labour market for a period of three (to four) years and then try to return to a labour market that almost exclusively offers full-time employment. Moreover, the three-year job protection provided for Czech and Hungarian mothers results in the paradoxical situation where these countries with the longest job protection for parents in the EU are also the countries where the lowest percentage of women return to their previous employer after their parental leave (Anxo et al. 2007, see also Klenner and Hašková in this volume).

4. Legislative framework and employment policies

4.1 EU accession and legislative and institutional changes concerning gender equality

All the CEE countries seeking EU membership were obligated to implement the directives of the European Union, the Acquis Communautaire, in order to be granted membership in 2004. Some research into the Eastern enlargement process points out that the integration of gender issues during the pre-accession period has been neglected (Stratigaki, 2000) and that “the EU has failed to realize its influence in promoting gender awareness in CEEC” (Bretherton 2001:75, Roth 2006). However, EU pressure to address the issue of gender equality has had a certain degree of positive influence on legislative changes and the establishment of new gender equality institutional arrangements in the three countries. The main reforms concentrated on the labour laws. Table 3 shows the main legislative and institutional developments.
The gender implications of labour market policy during the economic transformation and EU accession

**Table 3  Legislative and institutional framework for gender equality**

<table>
<thead>
<tr>
<th>Legislative Developments</th>
<th>Institutional Framework</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Czech Republic</strong></td>
<td></td>
</tr>
<tr>
<td>Labour Code (2000) legislated for gender equality with respect to access to employment, professional training, promotion, labour conditions and the prohibition of any direct or indirect discrimination, on the ground of sex, the principle of equal pay and work-life balance measures (granting the sexes equal rights to parental leave).</td>
<td>The Government Council for Equal Opportunities for Women and Men (2001).</td>
</tr>
<tr>
<td>The Labour Code (2007) includes only a basic definition of discrimination and refers to the separate Anti-discrimination law (which has not been introduced yet).</td>
<td>“Gender focal points” (2001) Half-time positions for dealing with the agenda of equal opportunities for men and women in each ministry.</td>
</tr>
</tbody>
</table>

| **Hungary**               |                         |
| Act on Equal Treatment and the Promotion of Equal Opportunities (2003) prohibits discrimination on the basis of gender or other grounds (e.g. race, colour, nationality, national or ethnic affiliation, mother tongue, disability, state of health, religion or creed, political opinion, marital or parental status, sexual orientation, gender identity, age, social origin, property status, the conditions of employment). Discrimination includes direct and indirect discrimination. Affirmative action should not be considered a violation of the requirement of equal treatment. The burden of proof has been reversed. | Directorate General for Equal Opportunities 181 was transformed into the Government Office for Equal Opportunities (2002), which was led by a minister without portfolio. |
| The Constitution (1989) declares that the Hungarian Republic guarantees human rights and citizenship for all, regardless of gender. | After the accession to the European Union, it merged with other ministries in the Ministry of Youth, Family, Social Affairs and Equal Opportunities. In 2006, the Government Office for Equal Opportunities was moved to the Ministry of Social Affairs and Labour and a lower level in the bureaucratic hierarchy. It is currently marginalised. |
| The Labour Code (1992) also prohibits differentiation on the basis of sex in the case of employment, promotion, income, etc. | The Equal Treatment Authority has been responsible for monitoring the enforcement of the Antidiscrimination Act since 2005. |

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181. The first Hungarian government equal opportunity body was established within the Ministry of Labour in 1996. Initially, it was called the Department of Women’s Policy. Following the election of the conservative government in 1998, the Department was moved to the Ministry of Social and Family Affairs.
The Czech Republic was among the countries that were criticised by the European Commission for inadequate progress in introducing gender equality legislation. Since the government considered it as one of the less important conditions for the Czech Republic’s accession to the EU, gender equality legislation was not enforced, affirmative action measures and positive discrimination policies were not implemented, and the transformational potential of gender mainstreaming was not activated (Hašková and Křížková, 2008).

In Slovenia, on the other hand, legislative developments were substantial and laws that were passed in the last decade improved the legislative basis for gender equality in work and employment. An important contribution

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182. The Office for Equal Opportunities is the former Office for Women’s Politics that was established in 1992 and played an important and active role in the coordination of activities, distribution of information and the promotion of gender equality in Slovenia during the 90s. This body was renamed in 2001.
to the equal opportunities policy framework in Slovenia was the adoption of the Resolution on the National Programme for Equal Opportunities for Women and Men (2005-2013) in 2005. The Resolution specifies specific measures for the achievement of these aims as well as the responsible actors and indicators of the successful implementation of these measures.

In Hungary, legislation also stimulated several projects and initiatives aimed at reducing gender inequality (such as the establishment of the Equal Treatment Authority in 2005, which investigates reported cases of discrimination and is responsible for the development of equality plans for public agencies employing at least 50 people, and elaboration of the Action Plan for Gender Equality).

All three countries have institutions and government offices that deal with gender equality. The role of these institutions is a more formal than practical one that would lead to the real translation of new legislation into practice (Hašková and Křížková 2008). It seems that in the Czech Republic and Hungary, the legislative and institutional developments of recent years have actually weakened the formal gender equality framework: In the Czech Republic, legislative changes reduced the visibility of gender equality, while in Hungary, the unit responsible for gender equality became a department with only a few employees and the status of issues connected to gender equality dropped (Nagy 2007). The extent to which legislative and institutional developments have been put to practical use is soon to be seen in Slovenia as the OEO has to report on the accomplishment of the goals defined during the first two-year plan for the implementation of the national equal opportunity programme (2006/2007). It could be estimated that acts that provide for the regular evaluation of policy implementation are a positive step towards the practical use of the legislative and institutional framework for equal opportunity.

Realisation of the potential of legislative and institutional arrangements is related to the broader social context. We assume that part of explanation for the recent developments in the position of women in the labour market lies in the social partners’ attitudes and actions in relation to equal opportunity for men and women. The analysis of both social partners and public opinion in the three countries shows both similarities and differences. Although many indicators of gender inequality are evident – more in Hungary and the Czech Republic than in Slovenia (e.g.
gender gaps in employment, unemployment and pay levels, the higher risk of poverty among women, suboptimal use of women’s human capital, the unequal participation of women and men in decision-making in the economic and political arena) – social partners have failed to activate the potential of gender mainstreaming to support gender equality in practice in Hungary and the Czech Republic. Analysis of the Slovenian social partners’ attitudes and activities shows that the Government (mainly through the Office for Equal Opportunities) and trade unions (at least the largest confederation) are increasingly active in integrating equal opportunity into their policies and in creating internal and external EO-friendly infrastructural frameworks. Employer organisations are still the least active in this respect in Slovenia.

In contrast, gender equality has not received wide recognition in Hungary and the Czech Republic to date. The forty years of socialism led to contradictory experiences in this area. In the wake of a state ideology of equality and legislation changes due to the EU accession in 2004, many people, including politicians, think that gender equality is no longer a real issue because equal rights are legislatively guaranteed for men and women. Issues of gender equality have been discredited by the communist legacy, which creates a source of “a priori antagonism”, i.e. the majority of the population rejects the policies aimed at real equality between the sexes both at the workplace and at home. As mentioned, the populations in these two countries have rather traditional expectations of gender roles, which is clearly an obstacle to real change, while the congruence between legislative changes and expected gender equality is higher in Slovenia.

4.2. Employment policies and gender equality

4.2.1 General trends in labour markets and labour market policies during the post-socialist period
In recent decades, labour market policies in the three countries under consideration have been influenced by the models used in the post-socialist transition as well as by EC guidelines. Countries’ specific transition approaches were affected by a choice between (and a combination of) gradual reforms and more radical socio-economic changes aimed at increasing activity and employment (more flexible work and employment arrangements and later retirement) and the implementation and rationalisation of free market mechanisms in the
social security system (e.g. imposing limits on the length of sick leave, ceilings on sick leave pay, maternity leave and child nursing benefits). In Slovenia, the development went through two phases. The first was a gradual reform phase where new legislation was adopted in various areas (such as privatisation, commercial companies and labour relations) and established a framework for reform of the old system while social protection schemes were in place to amortize the negative economic and social consequences of these reforms. The second phase was characterised by an attempt to implement more radical liberal reforms proposed by the right wing government in 2005, which have been under intensive public and academic discussion ever since. A similar development was observed in the Czech Republic, where the right wing government has been in power since 2006 and the more radical reforms (taxes, social services, social benefits, health care financing) began in 2007. In Hungary, the change of system brought radical changes in economic policy, e.g. the mechanism of privatisation was the subject of controversy among the public. Despite the rhetoric of the free market, the redistributive elements of privatization became stronger. In practice, the state redistributed a considerable amount of state-owned property to non-market actors, such as churches, social insurance funds, or on a smaller scale and more as a gesture to pre-war property holders instead of privatizing the properties on the market. During this period, the employee’s organizations, e.g. trade unions were weakened. Since the early 2000s, the need for new economic policy and state reform for the creation of a long term, sustainable financial balance has been obvious. The government defined the establishment of macro-economic stability as its most important short-term objective. These reforms were observed in high taxes and the absurd financial burdens of legal employment. The reform process was welcomed by the EU decision-makers, however it has deeply divided the Hungarian population, and now we are witnessing some withdrawal from the original ideas. In Slovenia, the radical reform programme was strongly opposed by a considerable part of public, academic community and trade unions, and political opposition was expressed criticism through the media, public protests and demonstrations. Critics objected to the radicalism of the reforms to conditions of stable and positive development in Slovenia and most of them expressed fear that the reform package (including a flat tax system, privatisation of public services, labour market flexibility and liberalisation of the social security system) would lower the level of social security and change society in a manner that conflicts with the basic values of Slovenian society (such as equality, fairness, solidarity) and create a polarised society of great social inequality. It is certain that such
a development would also have a negative impact on gender equality. As a result of criticism and public opposition, there was some modification of measures foreseen by the reform programme (e.g. the controversial flat tax system was, after a long debate, replaced by a three level progressive tax system). Other measures are still under debate (e.g. health reform). In the Czech Republic, a flat tax system was introduced in 2008 and it will certainly have a negative influence on low wages and gender equality.

Concrete active employment policies that were recently introduced in the three countries stem from EC guidelines and while the actual policies and implementation differ somewhat, all three countries have set similar priorities, such as the stimulation and support of the unemployed to actively engage in solving their own unemployment situation: This means improving the employment opportunities of those who are less employable, reducing the structural discrepancies in the labour market, stimulating the development of new programmes and new occupations, securing access to employment and training during the entire active period, and securing equal opportunities in respect to access to the labour market and employment.

Despite differences in the three countries, changes (or attempted changes) to labour market policies and social security arrangements during the post-socialist period caused greater social insecurity and gender-specific consequences that stem from gender inequality inherent in the labour market and the unequal burden of unpaid work on men and women. An example of this are changes in unemployment regulation. Commentators have assessed the active labour market policies in Slovenia as efficient in terms of reducing the number of registered unemployed. However, in addition to “positive action” (guidance, training, education) they have also been strongly related to stricter implementation of the Employment and Insurance Against Unemployment Act (2006), which promotes greater activation of the unemployed and their expulsion from the register in the case of unavailability or the refusal of offered work (Kanjuo Mrčela and Ignjatović 2008). An unemployed person must accept a job classified one level lower than his/her educational level after three months, and two levels lower after six months of unemployment. Unemployment benefits amount to 70 per cent (in the first three months), i.e. 60 per cent (in following months), of the average monthly wage earned by the insured person during the previous year. The duration of financial compensation depends on the length of insurance: From three months (1-5 years of insurance), 6 months (5-15 years), 9 months (15-20
years) and 12 months (more than 25 years). Persons older than 50 and older than 55 (with more than 25 years of insurance) receive compensation for 18 and 24 months respectively. As the system is based on individual contributions, factors such as gender, marital status and the employment situation of the partner/spouse have no direct influence on the receipt of unemployment benefits. Women must represent at least 50 per cent of participants in all active labour policies and some measures are oriented especially towards women. However, data shows that the average rate of registered unemployment in 2007 was 9.6 per cent for women compared to 6.2 per cent for men and that the unemployment gender gap has increasing in favour of men in recent years.

In 2006, there were also changes in the unemployment benefit policy in the Czech Republic that aimed at activating the unemployed. Unemployment benefits are lower than in Slovenia and how this “activation” policy affects different target groups is questionable. For example women with small children are discriminated by employers in the hiring process following parental leave. Thus, the problem is not a lack of willingness to work but of the rigidity of a labour market that only offers full-time, inflexible jobs and discriminates against mothers (the unemployment rate of women aged 20-44 years with children under four years is 17 per cent compared to the unemployment rate of women generally, which is 9 per cent). In fact the fourth year of parental leave, during which the parent is not protected in the labour market but receives a very low parental allowance, is creating a situation of hidden unemployment among low-qualified women and is a “trap” that often leads to long-term unemployment. Further, the Roma population (and Roma women are marked by multiple discrimination) which is excluded from the labour market and discriminated against by employers, cannot be activated simply by lowering the amount and duration of unemployment benefits. In the Czech Republic, the unemployed person had to be employed for at least 12 months during the previous 3 years to be eligible for benefits, which are paid for a period of 6 months. The benefits are 50 per cent of the previous wage during the first 3 months, and 45 per cent of the previous salary during the second 3-month period. During requalification measures, which can exceed six months, the benefit is 60 per cent. Women represented 61 per cent of the retrained unemployed in the Czech Republic in 2006.

After 1990, the Hungarian labour market witnessed dramatic changes, which entailed a huge drop in employment and rocketing unemployment
in the early 1990s. Later, unemployment dropped to a low level although employment also remained low. The cause of this paradox was the very high inactivity rate of the working-age population. The rationale of the employment policy-makers was the prevention of high unemployment. However, it proved to be a disadvantageous trajectory for the functioning of the labour market because it did not motivate people to remain in the labour market. By the mid-1990s, it became impossible to ignore the increase in both male and female inactivity levels for the working age population, which had previously been very low. Consequently, labour market policies in Hungary do not focus exclusively on the unemployed but give equal consideration to inactive people. Active labour market policies play a crucial role in the present employment policy. In recent years, several policies have been introduced to increase the employment level and to promote gender equality. The growing level of unemployment in Hungary might be connected with the active labour market measures, which try to promote inactive people’s return to the labour market. In European comparison, not the level of unemployment, but the extent of inactivity is alarming. Consequently, many active labour market policies focus on inactive people and in some cases also consider gender differences important, for example the return of young mothers or other persons involved in full-time care to the labour market. The official document includes the following statement: “An integrated employment and social service system will be launched, which enables to reach, in addition to the registered unemployed, certain groups of the inactive population, thus promoting job search activity.” (NAPemp, 2006: 21).

Consequently, the focus includes both inactivity and unemployment traps. The unemployment system was transformed to promote active job-search. The unemployment benefit was replaced by the job-seeking benefit shifting the focus to finding a new job as soon as possible. The job-seeking benefit offers a significantly higher amount for the first three months of unemployment, thus the dismissed person can focus more intensively on finding a new job.

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183 As noted above, the mobilisation of inactive and unemployed people is the key element of the Hungarian employment policy. A crucial role is given to the public employment service, which handles an increasing number of people. “The average number of those seeking jobs and registered with the Public Employment Service (PES) amounted to 410 thousand in 2005, representing an increase of 9 per cent (34 thousand) compared to the previous year. The increase amounted to 21 per cent (7 thousand) in the case of school leavers. In 2005, 221 thousand persons participated in active labour market measures, among them nearly 30 thousand school leavers.” (NAPemp, 2006: 64) The gender composition of the participants is unknown.
Despite the fact that Roma women face multiple discrimination in the labour market and their employment rate does not exceed 16 per cent, no special attention has been paid to their situation in Hungary.

Gender equality in the labour market could be affected by changes in the taxation system. While individual-based taxation supports equality between partners and the gainful employment of women, family/household/couple-based taxation puts women at a disadvantage as they are usually the second earners. The tax system in Slovenia is individual-based and there have been no attempts to change this gender-neutral arrangement. Taxation is also individual-based in Hungary, but family taxation is a topic of discussion. In the Czech Republic, couple-based taxation was not compulsory but voluntary until 2008. There was a fixed tax-free income that both partners (they had to be married with at least one child) deducted from their taxable income. Then these gross incomes were combined and divided by two. Each partner then paid tax on exactly half of the joint income. This was very beneficial for couples where one partner was not working or on parental leave. It was cancelled from 1.1.2008 (it is valid for the taxation of income earned prior to 2008) as part of the ongoing tax reform.

It is yet to be seen how much the most recent changes will actually influence the relatively rigidly organised labour markets in the three countries, and whether they will stimulate positive employment flexibility for men and women. Will they positively effect the reconciliation of work and family life and thus also gender equality? So far, data shows that on the contrary negative forms of flexibility are widely practiced (Wallace 2003) and accompanied by the rise of a culture of long working hours and tolerance of illegal practices (such as unpaid overtime, contracts for minimal wages - part of wage paid “unofficially”, employment of “entrepreneurs”, illegal employment of immigrants).
Table 4  Employment and social policy developments

<table>
<thead>
<tr>
<th></th>
<th>Recent changes in labour market policies</th>
<th>Unemployment benefits (eligibility, length and level)</th>
<th>Tax system</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Czech Republic</strong></td>
<td>Amendment of the Labour code, flexibility in employment contracts, flexible working time arrangements, working time accounts, working from home and teleworking.</td>
<td>Eligibility: Employed for 12 of the previous 36 months Duration: Six months or more if on requalification Level: 50% of former wage (the first three months), 45% (the next three months), 60% (during requalification)</td>
<td>Individual-based, flat tax system, optional couple-based taxation (until 2007)</td>
</tr>
<tr>
<td><strong>Hungary</strong></td>
<td>Amendments to the Act on the Promotion of Employment and the Provision of Unemployment (Act IV. 1991): financial assistance of employment (wage and contributions) promotion of self-employment trainings active labour market policies financial assistance for creation of new jobs</td>
<td><strong>Job seeking benefit</strong> Eligibility: Employment for 365 days during the previous 4 years, Length: Maximum of 270 days, but it depends on the duration of previous employment Level: 60% of former wage (the first three months), 60% of minimum wage (the following months) <strong>Job-seeking allowance</strong> Eligibility: Those who are no longer eligible for a job-seeking benefit, Eligibility: 200 days employment during the previous 4 years Duration: 90 days (over 50 years, 180 days) Level: 40% of the minimum wage</td>
<td>Individual-based, three-level progressive tax system, consideration of a family-based tax system</td>
</tr>
<tr>
<td><strong>Slovenia</strong></td>
<td>Amendments to the Labour Relations Act: Reduction of the dismissal notice period (from 75 to 60 days for those employed by the current employer for at least 15 years and from 150 to 120 days for those employed by the current employer for at least 25 years), more flexible regulation of working time, termination of the employment relationship in the case of ongoing unjustified absence (at least 5 days) from work,</td>
<td>Eligibility: Persons employed for 12 of the previous 18 months Duration: Three to 24 months (depends on duration of employment) Level: 70% of former income (for the first three months) and 60% for the following months</td>
<td>Individual-based</td>
</tr>
</tbody>
</table>
4.2.2 Special attention of employment policies to gender equality

During the last decade, Employment policies in all three countries have lacked a systematic approach toward detecting and resolving gender inequalities in the labour market. However, some differences can be observed in the treatment of the gender equality issues and proposed policies and programmes aimed at greater gender equality in the labour market. The analysis of national employment programmes (NAPs) in the three countries shows that while there was no systematic gender mainstreaming in NAPs in Slovenia and Hungary, some important gender-related problems and inequalities in the labour market were at least discussed and policies and measures were envisaged for dealing with them. In contrast, the Czech Republic’s employment strategy has completely neglected gender mainstreaming and gender equality considerations. Gender mainstreaming was not used as a tool for the preparation of the national employment policy in the Czech Republic. The objectives relating to gender equality – closing the gender gaps, anti-discrimination measures, etc. were mentioned in very general terms, and no specific measures, strategies, or steps were proposed for their achievement (Křížková 2007).

Analysis of employment policy documents in the three countries shows somewhat stronger continuity and gradual development in Slovenia. Until the late 90s, there were no special measures aimed at women in Slovenian employment policies. The Slovenian Action Programme for Employment (NAP) for 2000 and 2001 indicated the beginning of changes and included measures and programmes aimed at ensuring equal opportunity and easier reconciliation of work and family life. The National Programme of Development of the Labour Market and

<table>
<thead>
<tr>
<th>Recent changes in labour market policies</th>
<th>Unemployment benefits (eligibility, length and level)</th>
<th>Tax system</th>
</tr>
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<tbody>
<tr>
<td>incentives for the reconciliation of working and family life, greater security for workers against discrimination and mobbing</td>
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</tbody>
</table>

184. Analysis of some active labour market policy programs in the 90s showed that in spite of the lack of special attention paid to women, women were involved in these programs (e.g. two-thirds of all persons included in job-seeker clubs during 1996 and 1997 were women, women accounted for more than 60 per cent of the participants of training and educational programs for the unemployed in 1998 (Kerec 2000).
Employment (2001) followed the guidelines of the EU employment policies and identified the achievement of gender equality in the labour market as one of the global long-term objectives to be achieved by 2006. The Active Employment Policy Programme for 2002 and 2003 was designed with the intention of achieving the objectives set out in the National Programme of Development of the Labour Market and Employment by 2006. Women-oriented programmes and measures were directed at the encouragement of female entrepreneurship, the development of new occupations for women and improvement of the equal opportunities legislation. The Active Employment Policy Guidelines defined women as one of four target groups for participation in the active employment policy programmes. The 2003 programme of active employment policies paid special attention to women’s unemployment and introduced a special programme for redundant workers in the textile, clothing and leather industries where 76.5 per cent of employees were women. They aimed at providing education, re-employment and support for employees. Women were also defined as one of the target groups of the programme encouraging entrepreneurship. The National Action Programmes for Employment in 2004, 2005 and 2006 tackled gender equality on a different scale.

The Hungarian action plans on employment lacked the aspect of gender mainstreaming. Most NAPs did not pick up the concept of gender mainstreaming (GM), however the gender approach was present particularly in the first year. In later years, gender analysis was very weak, but the 2006 inclusion report paid more attention to gender inequality once again. Not only the NAPs, but also other policy documents were developed, for example the first National Development Plan. In 2007, the second National Development Plan was approved by parliament and gender mainstreaming was partly included in this document.

In addition to the previously mentioned gender-neutral, active labour market initiatives, several measures were also introduced to provide incentives for employers to employ workers from a number of high-risk groups in Hungary. Women’s labour market reintegration has been a priority of Hungarian employment policy since the beginning of 2004. The Hungarian government gradually focussed more on specific programmes for increasing female employment. Instead of the introduction of gender mainstreaming, we find several measures exclusively for women. For example, the framework of the Human Resource Development Operative Programme (HRD OP) has had two special tenders for the improvement
of women’s labour market commitment. One of the tenders focused on the promotion of women’s labour market participation, whereas the other tender promotes female self-employment, and supports the training, networking, and other related skills for women setting up a business. The creation of family-friendly workplaces also became an important aim of employment policy. A further focus has been on incentives for employers to hire more women. Employers are granted a special reduction in health and social insurance contributions in some special cases, e.g. when employing young mothers. In the case of part-time work, employment policy tries to encourage employers by offering a 50 per cent reduction in social insurance contributions if they employ parents returning to work from full-time childcare or care of the elderly. Moreover, as part of the reconciliation policy, parents can have a full-time job and simultaneously receive childcare allowance once the child is over one year old. Another important programme in employment policy is the Equal Community Initiative. Hungary chose gender equality as one of its priorities. There were three target groups for the programmes: Unemployed and inactive women, and employed women who were endangered by dismissal. Particular attention and priority was given to women who wanted to return from childcare leave or from leave for the long-term care of other family members, and to women over 40 years. We have not yet seen major changes in employment practices, which also means that more time is needed to influence deep-seated traditions.

As already mentioned, the Czech Republic’s employment strategy has not shown much positive development in the use of gender mainstreaming and gender equality strategies during the last decade. New policies have not been evaluated from the point of view of their impact on gender equality. The problem also lies in the lack of stakeholders or specialists on gender equality and the lack of knowledge about the inclusion of gender mainstreaming in the development of employment policies. Nevertheless, some of the policies discussed within the framework of public finance and tax reforms have clearly had an impact on gender equality (e.g. the gradual elimination of the lower retirement age for women with children, the abolition of the limits on earnings allowed while simultaneously collecting a pension or when on parental leave). These effects are not, however, identified and related to gender issues in employment policy documents. The result of this approach is that the changes that were meant to have an effect on gender equality have been diluted and fall short, and the biggest problems have not actually been addressed in practice.
We can conclude by saying that the differences found in the intensity and direction of changes in labour market policies and social security systems in the three countries partly explain the differences observed in gender equality. However, in all three countries further attention should be paid to systematic gender mainstreaming in labour market policies.

5. Conclusion

A combination of factors influence gender equality in work and employment in the three countries analysed. Some are connected with the legacy of the former system in which both official ideology and social policy and legislation supported the dual-earner model based on the full-time employment of men and women.

In spite of the fact that the former economic and political systems in all three countries encouraged (materially and ideologically) the high participation of women in full-time employment, which contributed to the economic equality of women and men, many problems (e.g. vertical and horizontal gender segregation, unequal division of unpaid domestic and care work) remained unresolved. Economic and political turmoil at the end of the 20th century did not contribute to the resolution of open questions related to gender inequality, and also did not lead to the same degree of deterioration of the position of women in the three countries. We think that the choice of models of transition which influenced recent legislative changes, social and economic policies, and the involvement and strength of social actors (including those dealing with equal opportunities (EO) also influenced the state of gender equality in work and employment in the three countries.

Recent legislative changes, which were very much stimulated by EU accession, have improved the legal framework for gender equality in the three countries. However, the comparison of legislative changes affecting parental leave showed that the long, paid parental leave provided in the Czech Republic and Hungary negatively influences the equality of women in the labour market, while the much shorter, fully-financed leave and incentives for the involvement of fathers in parenting offered in Slovenia better serve the aims of gender equality in the labour market.

We expect that the choice of models for future development in each of the three countries will have important impact on the development of gender
equality in their labour markets. EU membership will have an important influence in terms of sustaining and developing the gender equality policy framework. The model of post-socialist transformation chosen by Slovenia could be generally evaluated as favourable to gender equality as the restoration of capitalism did not cause dramatic negative changes to social security systems and policies. It is very important that Slovenia sustains some of its existing advantages (such as, e.g. the lower gender pay gap) and does not reduce gender equality while implementing some of the EU policy-driven labour market reforms (such as, e.g. flexibility). The gender-sensitive approach in the choice of future development models must acknowledge that European experience shows that, in the past, the indicators of gender equality were most positive in countries with a social-democratic tradition (e.g. Nordic countries) while “progress on EO in Western Europe has been poorest in countries following free-market tenets” (Pollert 2003: 350). Unless the design of the future development path considers the gender-specific consequences of change, and continues to build on the successful starting point of balanced economic and social aims, the post-communist transition will remain a “masculine project” (Watson 2000 in Pollert 2003) that will negatively affect both successful development and gender equality. Unfortunately, we can already observe some signs of these unwelcome trajectories in the investigated countries, especially in the Czech Republic and Hungary.

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A look into an uncertain future: gender equality and poverty policies in Central and Eastern Europe

Silke Steinhilber

Introduction

Poverty is an EU-wide problem: In 2004, 16 percent of all EU citizens lived below the poverty line and were at least partly excluded from social and cultural life.\(^{185}\) The poverty rate fluctuated between nine and ten percent in Sweden and the Czech Republic and 21 percent in Lithuania and Poland (European Commission 2007). Especially the reforms that occurred in the postsocialist countries of Central and Eastern Europe (CEE) during their transition to capitalist economic systems and liberal democracies caused previously unknown dimensions of social inequality and poverty.\(^{186}\) Moreover, contrary to the expectations at the beginning of the 1990s, poverty proved to be an enduring structural problem and not merely a temporary phenomenon associated with early transition.\(^{187}\)

Researchers in Western industrial and developing countries have spoken of a “feminisation of poverty” for several years now (cf. e.g. Sørensen 1992; Ostner 1995; Heitzmann/ Schmidt 2004).\(^{188}\) Many analyses have

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\(^{185}\) According to the EU definition, households are classified as in risk of poverty if their income amounts to less than 60 percent of the median equivalent income in their country. The equivalent income describes the adjusted household income taking household size into consideration. According to the modified OECD equivalence scale, the first adult in the household is weighted with a value of 1, every additional adult with 0.5 and each child with 0.3. The median describes the value in an income distribution in which 50 percent of earners have a higher and 50 percent have a lower income.

\(^{186}\) It would be inappropriate to assert that poverty in CEE is solely a consequence of the transformation process. Although a politically and ideologically marginalised issue and therefore difficult to show in hard data, poverty also existed during socialist times, as demonstrated for example by the research of Zsuzsa Ferge in Hungary in the late 1960s (cf. Emigh/ Szelenyi 2001).

\(^{187}\) In the following, the terms “poverty” and “in risk of poverty” are used synonymously – unless there is a specific indication of the contrary.

\(^{188}\) It remains unclear however, whether the “feminisation” of poverty actually results from the deterioration of the position of women or from a shift in the relationship between men and women, or whether it is due to the relative newness of the issue of “gender” in poverty research.
been concerned with poverty as a gender-differentiated phenomenon (cf. e.g. Heitzmann/ Schmidt 2001; UNIFEM 2005; Social Watch 2005; Stiegler 1998). This raises the question of whether women and men in CEE are equally affected by poverty or whether, and in what respect, poverty is to be perceived as gender specific in a CEE context as well.

This contribution discusses such questions mainly on the basis of data published by the European Union in the context of the coordination of national poverty policies. The focus is especially directed toward the examination of the gender-specific dimensions of poverty in the “successful” post-socialist reform countries in Central and Eastern Europe. This includes those that have been members of the European Union since 2004 (Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, Slovenia and Hungary – referred to in the following as the “EU 8”) plus Rumania and Bulgaria, which have been EU members since 2007 (together “EU 10”).

The data at hand suggests that poverty in CEE should also be analysed as a gender-specific problem. The risk of poverty is generally lower in the new EU Member States than in the old EU and there is often little difference in ‘at risk of poverty’ rates for men and women in the new EU Member States. However, there are clear signs of existing, and in some cases increasing, gender differences. The causes of gender-specific differences in the risk of poverty lie largely in gender differences in the labour market and the social security systems. These also hold special poverty risks for women: As indicated by comparative studies, gender inequality has intensified rather than declined in both of these spheres in recent years (cf. Paci 2002; Fultz et al. 2003; UNIFEM 2006). There is a risk that in the future female poverty will be above all the consequence of the precarious position of women in the labour market and the ongoing social reforms that have dominated the socio-political agendas in Central and Eastern Europe since the beginning of the 1990s. Initial evaluation of the data indicates, however, that more detailed analysis is necessary in order to make gender-sensitive policy recommendations.

The second part of this article provides an overview of the income distribution in CEE and the extent of the risk of poverty in the new EU member states. Part 3 will present the findings on gender differences in the distribution of the risk of poverty in CEE and the causes of gender-specific poverty that lie, for example, in the design of social policy. Part 4 summarises the feminist criticism of the measurement of poverty. In Part
5, political responses to poverty will be discussed, followed by concluding comments that specifically address the question of democratic mobilisation on the issue of poverty.

**Income poverty in CEE**

As a consequence of the economic reforms, income poverty occurred in previously unknown dimensions in all Central European countries, especially in the early 1990s. Particularly in the early years, large parts of the population experienced, at times dramatic, reductions in income, which lasted longer than originally expected (Alam et al. 2005; UNECE 2004). In contrast, only few people benefited from the impressive growth rates of the late 1990s.

Figure 1  *The risk of poverty in the new EU member states compared to the EU 15 average*

Poverty rates are lowest in the Czech Republic, Hungary and Slovenia. In turn Slovakia, the Baltic States and Romania have the highest poverty rates of the new Member States, all of which lie above the EU15 average of 15 per cent (cf. Fig. 1). There are substantial differences between the CEE countries when it comes to income distribution and the extent of poverty: This is made clear when comparing the Gini coefficients and
the various poverty rates in relation to the respective poverty threshold (cf. Table 1).

Although the overall situation in CEE does not appear dramatic when measured as relative poverty or in EU comparison, the trend of the last decade is nevertheless alarming. EU reports also confirm the multidimensional nature of poverty and the deficiencies of an income-based approach to poverty in Central and Eastern Europe: According to European Commission reports, material hardship and subsistence economies are widespread in the member states, as are poor living conditions, inadequate health care and multiple other problems that result from widespread long-term unemployment (European Commission 2005: 5-6).

Table 1  UNDP Poverty Indicators for EU 10 Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>HPI Order¹</th>
<th>Short live expectancy (under 60 yrs.) – as % of the peer group</th>
<th>% of households with an income &lt;50% of the median</th>
<th>% of households with an income &lt;4 US$/day²</th>
<th>Gini coefficient³</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulgaria</td>
<td>53</td>
<td>15.9</td>
<td>--</td>
<td>39.9</td>
<td>29.2</td>
</tr>
<tr>
<td>Czech Rep.</td>
<td>32</td>
<td>11.6</td>
<td>4.9</td>
<td>1.0</td>
<td>25.4</td>
</tr>
<tr>
<td>Estonia</td>
<td>44</td>
<td>21.4</td>
<td>12.4</td>
<td>33.2</td>
<td>35.8</td>
</tr>
<tr>
<td>Hungary</td>
<td>36</td>
<td>17.9</td>
<td>6.7</td>
<td>15.9</td>
<td>26.9</td>
</tr>
<tr>
<td>Latvia</td>
<td>45</td>
<td>19.8</td>
<td>--</td>
<td>26.3</td>
<td>37.7</td>
</tr>
<tr>
<td>Lithuania</td>
<td>43</td>
<td>20.0</td>
<td>--</td>
<td>36.0</td>
<td>36.0</td>
</tr>
<tr>
<td>Poland</td>
<td>37</td>
<td>14.5</td>
<td>8.6</td>
<td>20.6</td>
<td>34.5</td>
</tr>
<tr>
<td>Romania</td>
<td>60</td>
<td>17.7</td>
<td>8.1</td>
<td>54.8</td>
<td>31.0</td>
</tr>
<tr>
<td>Slovakia</td>
<td>42</td>
<td>14.6</td>
<td>7.0</td>
<td>11.4</td>
<td>25.8</td>
</tr>
<tr>
<td>Slovenia</td>
<td>27</td>
<td>10.8</td>
<td>8.2</td>
<td>--</td>
<td>28.4</td>
</tr>
<tr>
<td>Germany</td>
<td>22</td>
<td>8.6</td>
<td>8.4</td>
<td>7.3 ⁴)</td>
<td>28.3</td>
</tr>
<tr>
<td>Sweden</td>
<td>6</td>
<td>6.7</td>
<td>6.5</td>
<td>6.3 ⁴)</td>
<td>25.0</td>
</tr>
<tr>
<td>Greece</td>
<td>24</td>
<td>8.2</td>
<td>14.3</td>
<td></td>
<td>34.3</td>
</tr>
</tbody>
</table>

¹) The Human Poverty Index (HPI-2) for industrial countries is a measure of human development that, alongside indicators of economic development and the three basic dimensions of human development (a long, healthy life, education/knowledge and an appropriate standard of living), also includes the dimension of social exclusion (cf. http://hdr.undp.org/en/statistik/indices/).

²) 1990 PPP US$.

³) The Gini coefficient is a standard measure of inequality. A value of 0 represents an absolutely equal distribution of income and a value of 100 an absolutely unequal distribution.

⁴) <11 USD/day.

In spite of the success of economic and political transformation, a comparatively large number of people, particularly children, today live in households with low incomes in all new EU member states in CEE. Some of them cannot even buy the goods and services required to meet their basic needs. An examination of income distribution shows that alongside dramatic losses in income, reforms also produced winners and a clear trend towards greater inequality in income since the beginning of the transformation process. There has been an increase in general income inequality as well as between men and women. The trend towards greater inequality in the distribution of income and assets is continuing even fifteen years after the beginning of transformation (UNECE 2004; Barr 2005; Dennis/Guio 2004).

**Gender-specific poverty factors**

The available EU data on poverty shows neither clear regional differences nor great differences in the situations of men and women (cf. Fig. 1 above). Only in the Czech Republic, Estonia, Slovenia and Bulgaria is the risk of poverty clearly higher for women than for men. Poland is the only EU country in which men have a somewhat higher risk of poverty than women. No significant difference is found between the risk of poverty for men and women in Latvia, Slovakia or Romania. In contrast, the average risk of poverty is significantly higher for women than for men in the “old” EU 15 (European Commission 2005).

Nevertheless, CEE studies show particularly large differences in the subjective poverty of men and women, i.e. the personal appraisal and experience of a position of poverty (Schnepf 2004; Fodor 2006). Schnepf, for example, demonstrates that women in the post-socialist transformation countries experience themselves as poorer than men.\(^{189}\) Further, it appears that women’s greater subjective poverty is independent of criteria such as education or age. Moreover, the gender difference in the subjective experience of poverty is not greatest where the greatest overall poverty is found. In other words, women’s poverty is not, or at least not mainly, derived from the overall poverty of a society, but from the unequal distribution of circumstances and risks between women and men (Schnepf 2004: 23).

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\(^{189}\) Schnepf’s analysis is based on data derived from the World Value Survey and the International Social Survey Program of the 1990s, and mainly relates to Poland, Slovenia, Estonia, Latvia, Bulgaria, Belarus and Russia.
Fodor (2006) identifies gender-specific differences in day-to-day life and in respect to poverty particularly in those areas where the social discourse on gender has become more traditional since the 1990s: Men who live in households affected by poverty, especially those who are unemployed, fall into crisis in respect to their male identity as the family breadwinner. Society also stigmatises these men who “fail” and can no longer adequately fulfil their traditional gender role. In contrast, women who live in poverty often see themselves thrown back into traditional gender roles. In fact, they experience social approval and support when (re-)assuming their traditional gender roles. While the “withdrawal” of women from the labour market has not necessarily occurred voluntarily, it is nevertheless often subject to positive social sanctions. According to Fodor, neither the crisis of masculinity, nor the reinforcement or revival of traditional images of women have resulted in significant changes in gender relationships to date. However, other studies show that poverty often results in increasing domestic violence against women. (UNIFEM 2006).

 Classified according to income situation, three groups are especially threatened by poverty in the Central and Eastern EU member states: The unemployed, especially the long-term unemployed, households with three or more children, and single parents or single households. Ethnic minorities, especially the Roma, also frequently experience poverty (UNDP 2002). In all CEE countries, many more children and adolescents live in poverty than adults; the new and old EU member states are very much alike in this respect (UNICEF 2005).

 Elderly people in the EU 8 countries are currently 190 less affected by poverty than all of the above-mentioned groups. They also experience less poverty then the elderly in the EU 15. This is a consequence of the high employment participation and the redistributive pension systems of the past. The former relative equality of income still counters gender inequality today. While in 2003, the average risk of poverty for men over 65 years in the EU 15 amounted to 16 per cent, it was 6 per cent in the new member states (Zaidi 2007). 191 In the same year, the risk of poverty among women over 65 years was 21 per cent in the EU 15 in contrast to 10 per cent in the new Member States, whereby women in Lithuania (15

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190. On the expected development of old age security (for women), see Müller and Ratajczak-Tucholka in this volume.
191. The average also includes Malta and Cyprus which, with 19 and 48 percent respectively, lie well above all of the CEE States. Of these, the highest value was held by Slovakia with twelve percent.
per cent), Latvia (17 per cent), Estonia (22 per cent) and Slovenia (23 per cent) faced the highest risk. Nevertheless, the average pension received by Estonian women in 1966, for example, was over 96 per cent of the average male pension (Sepper/ Linntam 2005).

In spite of the relatively undramatic statistics in this EU comparison, there is a significant gender difference in poverty among the elderly in CEE. Far more women than men experience poverty in old age. The difference amounts to 15 percentage points in Estonia, ten in Lithuania and twelve in Slovenia – compared to an average of four percentage points in the EU 15. The main reason for gender differences in old age poverty is, like in the old EU, the difference between the income and assets of men and women and its consequence for the pensions received. Furthermore, differences are caused by women’s earlier retirement age and their temporary absences from the labour market due to childrearing, which is not adequately acknowledged in the pension system. The fall in women’s employment participation since 1990 (cf. e.g. Pascal/ Kwak in this volume) has not had a great impact on pension payments to date. However, massive poverty risks are to be anticipated here in the future since contributions during times of unemployment are minimal if registered at all, and because women show a stronger tendency to move from unemployment into inactivity.

Table 2  Long-term unemployed in the new EU Member States (in %), 2006

<table>
<thead>
<tr>
<th>Country</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulgaria</td>
<td>4.8</td>
<td>5.2</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>3.1</td>
<td>4.9</td>
</tr>
<tr>
<td>Estonia</td>
<td>3.1</td>
<td>2.6</td>
</tr>
<tr>
<td>Latvia</td>
<td>3.0</td>
<td>1.9</td>
</tr>
<tr>
<td>Lithuania</td>
<td>2.5</td>
<td>2.4</td>
</tr>
<tr>
<td>Poland</td>
<td>7.1</td>
<td>8.6</td>
</tr>
<tr>
<td>Romania</td>
<td>4.7</td>
<td>3.6</td>
</tr>
</tbody>
</table>

1) Long-term unemployment is defined as unemployment of twelve months or more. The statistics show the long term unemployed as a percentage of the labour force.
Source: Eurostat online

192. However, the average here also includes Malta (21 percent) and Cyprus (55 percent).
193. For comparison: In 2003 it amounted to 47.4 per cent in West Germany and 70.9 per cent in East Germany (cf. Gender Datenreport 2005: Chapter 7.6.2).
194. Low pensions among women are also caused by the inadequate adjustment of pensions to inflation and increases in real wages. Due to their earlier entry into retirement and longer life expectancy, there are far more women who draw “old” pensions, which means that their pensions suffer from inadequate adjustment over a longer period.
Gender differences in the risk of poverty are particularly evident where the distribution of men and women in the groups most affected by poverty is unequal: In most countries, with the exception of the Baltic States and Romania, women are more affected by unemployment, especially long-term unemployment than men (cf. Table 2).

In all EU countries, there are also more women than men in the single parent group and among those who live alone (mainly elderly persons). For example, in the Czech Republic, Poland and Romania, 85-90 per cent of single parents are women (Council of Europe 2006).

To sum up: The causes of gender-specific poverty lie largely in the different conditions for men and women on the labour market. The tendency towards gender-specific discrimination and segregation of the labour market in many countries has been reinforced by the establishment of market economies. Neither the ongoing labour market reforms, nor the reforms of labour legislation and the introduction of antidiscrimination legislation have made a significant contribution to eliminating structural gender-specific discrimination from the labour market (UNIFEM 2006).

Social benefits have the effect of preventing poverty

It is well known that the integration of women in the labour market is crucial for their economic independence. Together with the labor market, the design of the social security system significantly determines the risk of poverty for women. Particularly due to the unequal involvement of women and men in the provision of unpaid care, the extent to which caregiving secures social benefits is central to women’s social security. Because of the lower wage level, the much lower minimum wage and the fact that informal employment is relatively widespread in the EU 10 (cf. also Luleva in this volume), especially low-qualified women get caught in the vicious circle of dependency on social benefits.

The discussion of social and poverty policy in the EU stresses the role of income from employment and the importance of participation in the labour market. Yet, the opportunities and incentives for integration into the formal labour market are often inadequate and the obstacles difficult to overcome. Especially young women in CEE experience discrimination...
due to possible family plans; or else they face great difficulties to find access to the labour market through a permanent employment contract (O’Higgins 2004). Because of the gender-specific segregation of the labour market, the ongoing restructuring of the public sector endangers the workplaces of women to a greater extent than those of men (UNIFEM 2006). The introduction of income tests for family benefits and cuts of these benefits have severely limited access to state support for many families (Steinhilber 2004). However, at the same time, family policy in most countries encourages women with young children to take prolonged absences from the labour market, while specific measures for improving the reconciliation of employment and family life remain underdeveloped (Steinhilber 2008). In addition, women’s access to the labour market is hampered by the lack of social services such as childcare and nursing services, which are not available to the extent or in the quality desired (cf. e.g. KARAT 2003; Fultz et al. 2003). The impact of structural difficulties and discrimination experienced by women in CEE labour markets on old age pensions will intensify in the future, especially since the ongoing pension reforms make future pension levels much more dependent on the individual’s success on the labour market (cf. Müller in this volume).

At the moment social benefits in the EU 10 countries have a considerable redistributive effect and contribute significantly to the prevention of poverty. Pensions are particularly effective in preventing old-age poverty. Social benefits currently have greater impact on the prevention of poverty in CEE than in the rest of the EU. The comparison of the risk of poverty before and after social benefits illustrates this: In Poland, for example, social benefits reduce the risk of poverty from 48 per cent to 15 per cent. In comparison, in the old EU (EU 15), social benefits reduce the risk of poverty from 39 per cent to 15 per cent.

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195. Because the pension is a contribution-based benefit, pension payments should not be automatically included in social transfers. For current figures that separate pensions and social transfers, see Keune (in this volume: Table 3). According to these statistics, in the Czech Republic in 2005 the risk of poverty before social benefits and pensions amounted to 39 per cent, or 21 per cent if pension payments were considered as income before transfer payments. Combined, social benefits and pensions reduced the risk of poverty to 10 per cent. In Poland, the risk of poverty before social benefits and pensions was 51 per cent, or 31 per cent if pensions were considered income before social transfer payments. Together, social benefits and pensions reduced the risk of poverty to 21 per cent.
Three problems in the measurement of poverty make a gender differentiated analysis and discussion of poverty and poverty policies difficult: First, the practice of measuring relative poverty, second, problems that arise from income-centered poverty measurement, and third, issues related to the practice of household-based measurements of poverty (Stiegler 1998; Heitzmann and Schmidt 2001). These problems also apply to the situation in Central and Eastern Europe.

The relative measurement of poverty, on which the EU data is based, relates to a poverty threshold of 60 per cent of the average equivalent income. Poverty is therefore measured relative to the material prosperity of the respective country. This harbours a series of problems highlighted when comparing the countries: The differences between the poverty thresholds are large, especially between the old and new EU member states. For example, the poverty threshold lies at 26 Euros per day in Germany in contrast to six Euros per day in Latvia (this is based on the purchasing power parity between the two countries, which
means that every Euro purchases the same volume of goods and services). Relative poverty data says little about the situation of the individual. Moreover, the high number of households with low incomes in CEE significantly reduces the informative value of relative poverty data.

Feminist poverty research has questioned the use of household income as a (sole) indicator. Instead, researchers have demanded indicators related to education and employment or access to health care and the supply of drinking water, gas, electricity and heating for a realistic representation of poverty (Heitzmann and Schmidt 2001; European Anti-Poverty Network 2005; Social Watch 2005). These factors are often the basis of women’s poverty or women experience their effects faster or more pronouncedly, because they bear greater responsibility for the unpaid work related to reproduction and care.

A further problem is the common practice of the household-based measurement of poverty. Feminists have repeatedly documented that men and women control unequal shares of household income and resources. This calls into question the household-based measurement of poverty, because it assumes an equal distribution of the available resources so that all members of a household are either poor or not. However, the control of income always reflects the power constellation within the household and is partly determined by factors such as gender, age, social and ethnic background. Typically, the male breadwinner is privileged (Brannen and Wilson 1987; Pahl 1989). Some studies demonstrate the unequal access of household members to resources, for example, food and clothing, and the unequal distribution of space, warmth or light. Others show that women are most often responsible for fulfilling the basic needs of all members of the household. Therefore, the smaller the household income the greater the share of income controlled by women.

To advance gender-specific poverty research and the related political debate, it would be necessary to expand and improve the data. No data is available on individual income in relation to household income in the CEE countries so that an analysis of the gender dynamic in the control over income is impossible to date. The lack of data has also made it impossible to analyse the role of social networks and monetary and non-monetary transfers within family circles and circles of friends – described in the literature as important for the prevention of poverty –
in the CEE States.\textsuperscript{196} Other poverty data that would be useful for a comprehensive gender-specific analysis of poverty, for example the extent of \textit{enduring} poverty, is also lacking for the EU 8 countries as well as for Bulgaria and Romania. Some of the other data series are incomplete or out of date. Due to frequent changes in the methods of compiling data since 1990, it is difficult to describe trends precisely and to identify developments. The EU has made a contribution to improving data through the development of the Survey on Income and Living Conditions (EU-SILC), which should have been available for all 25 EU Members for the first time in 2007. In the area of poverty policy, the data primarily serves the calculation of the so-called “Laeken Indicators”, which include the poverty rate, the persistent poverty rate (by age, gender, household type, employment status, scope of employment and nature of housing), S80/S20,\textsuperscript{197} the Gini coefficient, poverty in the low income sector and the gender pay gap. In addition to a differentiated income-based poverty research it would also be essential to apply the findings of feminist poverty research to future research in Central and Eastern Europe, and in some places to first create awareness that poverty is a gender-differentiated phenomenon.

\textbf{Political responses to increasing poverty}

Internationally, the attention to poverty policies has increased significantly in the last decade. In the meantime, agreements, commitments, and programs for reducing poverty can be found at all levels. On the level of the United Nations, the World Summit for Social Development in Copenhagen in 1995 and the Millennium process, which involves the formulation and monitoring of the Millennium Development Goals, have raised awareness of poverty. The Lisbon process was largely responsible for this on the EU-level.

However, given the far-reaching consequences of economic liberalisation and globalisation, the diverse programs have been unable to report

\textsuperscript{196} Ruspini (no date) indicated that the data of the European Community Household Panel made it possible to determine the main source of income within a household and the nature and relevance of financial support from non-household members. Unfortunately, such data is not available for the CEE States to date.

\textsuperscript{197} With this rate for each country the complete equivalence income of the top fifth of incomes (20\% of the population with the highest equivalence income) is compared to the lowest (20\% of the population with the lowest equivalence income).
resounding success. Increased attention to poverty in the media, as well as the academic and political realm contrasts with little change or sometimes a worsening of the poverty situation.\textsuperscript{198} While the concept of social inclusion, which is standard in the EU today, contributed to the proliferation of a comprehensive concept of poverty, it has also been criticised as apolitical and depoliticising since it paves the way to avoiding the term and concept of “poverty”. (cf. Gore and Figueredo 1997: 44).

Significant differences are also apparent in the cooperation and comparative policy debates within the EU. The Open Method of Coordination applied to poverty policy in the EU allows the individual countries to largely determine the focus of their own poverty policy. Central common issues in poverty reduction can thus be marginalized. In Central and Eastern Europe, for example, poverty policy has been primarily directed toward persons with disabilities and ethnic minorities, especially the Roma. Such weighting may have economic and political explanations.\textsuperscript{199} However Gorniak (2001) places today’s poverty policies in CEE in their historical context. He describes a lack of tradition in perceiving poverty as a political and structural problem rather than as personal failure.

Gender-specific poverty factors and especially measures aimed at avoiding gender-specific poverty have occupied a marginal position in discussions of poverty policy till now. To a large extent, this applies to policy throughout the EU with minor differences between the new and old members. The statistics in individual countries have improved and the national poverty reports frequently address the special employment situation of women. However, an analysis of the existing national plans and overview reports shows that there is no consistent gender mainstreaming in the EU activities on poverty.\textsuperscript{200} The European Commission herself has admitted that gender mainstreaming is only “weakly institutionalised” in the area of poverty policy (European Commission 2005, confirmed in the European Commission report of 2007).

\textsuperscript{198} For Germany, for example, the Federal Government’s 3\textsuperscript{rd} Poverty and Wealth Report impressively documents the consolidation of poverty in a rich industrial country, cf. Lebenslagen in Deutschland (2008), see also Groh-Samberg (2007).

\textsuperscript{199} For example, the UN Decade of Roma Inclusion (2005-2015) and the relatively high attention given to the situation of the Roma in the EU accession process certainly contributed to the establishment of such a focus.

So far, no CEE country has formulated objectives or indicators for the measurement of gender-specific poverty or for the gender-sensitive monitoring of poverty policy. Problems and trends that appeared in new data were simply ignored. At the same time, the statistics improve only slowly and the discussion of new findings resulting from the data collected by the EU-SILC, which also considers issues of gender difference, has been marginal to date.

When questions of gender equality appear at all in debates on poverty policy in CEE, it is in relation to labour market issues. There is still an assumption that labour market participation provides adequate security against poverty – for men and women. In view of the extent of informal employment, the increasing demand for labour market flexibility, the rise in employment relationships with no or limited social insurance coverage and the increase in low-paid jobs, it is questionable whether this is justified. \(^{201}\) There has been a discussion of “in-work poverty” among the “old” EU member states for several years now (Bardone and Guio 2005). Since in many countries women are affected more than men by the growing flexibility of the labour market and precarious employment conditions, and because women are more frequently engaged in part-time work, the changes in the labour market create a growing risk of female poverty – which however has not been adequately addressed in the discussions on “in-work poverty”. Overall, the discussion of poverty increases among those that are employed and receive regular wages has hardly addressed gender-specific issues. It is almost needless to say that to date no comprehensive analysis has been conducted of the situation in the CEE States in this respect.

The fact that social benefits and social networks play such an important role in the relief and prevention of poverty points simultaneously to a risk of greater poverty in the future. Within the context of the Lisbon Process, all EU member states have committed themselves to social reforms and the EU monetary and finance policy demands cuts in state spending to reduce public debt. The often problematic consequences of these reforms on the redistributive potential and the effectiveness of social benefits in the prevention of poverty has been documented in some EU countries. The impact of social reforms on poverty in CEE countries, however,

\(^{201}\). For a contribution dealing with the debate on the interrelationship between flexibility and social security on the labour market in the Eastern and Southern European countries, including studies of Poland, Lithuania, Hungary and Croatia, cf. Cazes & Nesporova (2007).
remains to be documented, especially from a gender perspective (cf. e.g. Butterwegge 2001, 2006; Vecernik 2004).

It is foreseeable that some of the current social reforms, for example the reform of family benefits and pensions, will worsen rather than improve the situation of women. As a rule, the reforms reinforce the equivalence principle of social insurance benefits to the disadvantage of former redistribution principles. The trend away from redistributive pension systems and toward individual pension savings means, for example, that the amount of pension paid in the future will rely much more on the person’s “success on the market”. The difference in income between men and women and the barriers that hinder women’s entry into the labour market will have far greater impact in individualised pension-saving systems. Caring credits, which are pension entitlements resulting from care and childrearing work, are not well developed as instruments in social and gender policy in CEE.

The political reactions to gender-specific labour market structures and far-reaching social changes are inadequate in the new EU Member States. This is evidenced, for example, by parental leave policies responding to changing family structures and the labour market’s demand for mobility: The widespread tradition of state support for women’s relatively long absences from the labour market for the purpose of childrearing continues in several of the new EU member states. For example, the Czech Republic allows up to four years of parental leave; other countries such as Poland, Lithuania, Estonia and Slovakia allow a three-year parental leave – but not necessarily in conjunction with financial support (Drew 2005). Research findings regarding the negative consequences of longer absences on women’s labour market position have hardly been addressed in public debates, however (cf. Kuchařová et al. 2006). Other risks of long absences from the labor market concern women’s old age security, as was highlighted above.

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202. This is demonstrated for the Czech Republic, Hungary and Poland, by Fultz, Ruck and Steinhilber (2003), especially through some exemplary calculations for Poland. See also Ratajczak-Tucholka (in this volume).
203. For an overview of maternity leave provisions and the offer of childcare before/after 1989, cf. UNICEF 1999. It must be stressed, however, that access to institutional childcare has deteriorated in most CEE countries, especially for children under 3 years of age (cf. also Steinhilber 2004 and Pascal/ Kwak in this volume).
204. Of course, this does not mean that parents (primarily mothers) actually take such long parental leave, but it makes the family policy incentives clear.
Family structures in CEE countries (as in the Western European EU countries) have changed profoundly in the last two decades: For example, the number of multiple generation households is declining in all EU countries while the number of single parent and single households is increasing (East and West, with great differences between the individual countries). This often weakens the family support and care structures that prevent poverty – without them being replaced by state benefits or other social networks. At the same time, the distribution of unpaid work between men and women has not changed perceptibly. Women, who provide a much larger share of unpaid care work, are therefore usually more strongly affected by the loss of family support.

While families and lifestyles have changed radically, the demands of the labour market have increased in terms of workers’ geographic mobility. However, when long commuting distances or weekend journeys home become the rule, this also has an impact on the family and other social networks. So far, the impact of increasing geographic mobility – ideally for the chance of a larger income or at least of escaping unemployment – on the prevention of poverty through social networks is unforeseeable.\footnote{Without considering the consequences of the migration process, studies in the EU 15 countries have shown that, as a rule, social networks appear to be more stable in countries with higher poverty rates (measured as social contact with friends and family members per month), cf. Micklewright/ Stewart (2001).}

In general, the relationship between migration and poverty/poverty reduction has been inadequately investigated from a gender perspective: Often it is assumed that men are more mobile in response to labour market conditions than women. Women are regarded as less likely to migrate for work due to childcare and the care of older family members. However, more recent data shows that women increasingly migrate alone and as head of the household. There are indications of gender differences, not only in the employment situations of men and women in their migration country, but also in the amount and use of money sent back to their land of origin (cf. Ramírez et al. 2005; Kofman et al. 2000; Kofman and Sales 1998).
Outlook – mobilisation and democratic legitimation of social policies

The discussion of social policy trends and the political response to poverty in the new EU states stresses the risks of increasing poverty among women in the future. However, although poverty is omnipresent, poverty research has remained a marginal research field in CEE. This applies all the more to gender-specific issues. Moreover, there has been almost no political mobilisation on the issue of poverty in the Eastern EU countries to date - whether through non-governmental organisations, political parties, through public events or protests. Mobilisation on the subject of gender and poverty thus has been even more marginal.

The lack of attention to gender-specific issues is due, among other things, to the lack of opportunities for participation in policymaking venues, and the lack of economic knowledge of women’s organisations – as well as the lack of gender competence among the political decision-makers. The government offices that are responsible for women and issues of gender equality are often, like the affected women themselves, not involved in the process of developing poverty policy. The political representation of women has declined massively since 1990 and women’s organisations have only partly picked up on this (Matland and Montgomery 2003). In addition, poverty or threatening poverty is not always the most urgent issue for women and women’s organisations in Central and Eastern Europe: Other issues, for example reproductive rights, are perceived as more pressing.

The challenges to politicising those women affected by poverty are in no way limited to women and women’s organisations. In the overall relatively weak civil societies of Central and Eastern Europe, it is difficult for all citizens to influence the shape of social policy. Civil society lacks forces that are strong enough to place the economic and social structures that cause poverty on the political agenda – and consequently the opportunities for participation created by the EU-coordinated policy development process cannot be effectively taken advantage of. 206

On the other hand, states are unwilling to look at poverty policies from a gender perspective. The EU has also accorded gender mainstreaming no

[206 For a critical evaluation of the lobbying experience of KARAT, the regional network of women’s organisations, see Lohmann (2005).]
great priority within the open coordination process and the pressure to implement it is weak. Ruspini points out that the development of a different analytical framework is necessary to understand poverty as a gender differentiated phenomenon and to develop political measures to combat poverty: “women cannot simply be ‘added in’ to existing analyses: instead, a different analytic framework is required. What is needed is the elucidation of the different processes by which both women and men fall into, experience and escape poverty” (Ruspini no date). In face of the foreseeable trends of greater gender-specific differentiation and the threatening risks of poverty, we can only hope that the situation will not have to become more dramatic before gender issues are accorded a higher priority in EU-wide, but especially in CEE-wide poverty policies.

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