

3 Class, gender and inequality

The role of welfare states

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Inequality is an issue which has always fascinated and energized human beings, in their roles of citizens as well as of social scientists. As Norberto Bobbio (1996) has pointed out, in Western societies views on inequality can serve as a prism separating the political left and the political right. Social scientists have traditionally studied inequality in terms of the distribution of material and other advantages among socio-economic classes or strata. In these distributive conflicts, issues related to the relative roles to be played by markets and democratic politics have been in the forefront. Here social scientists have seen political measures, especially those associated with the welfare state, as being of major relevance for the patterning and degree of inequality. While the mainstream focus in politics as well as in research thus has been on inequality in terms of class, there have long been undercurrents focusing on inequality in terms of gender. A couple of decades ago, these undercurrents came to the surface in the social sciences, where they generated considerable turbulence. Also in the context of gender inequality, however, the role of welfare states has been a central issue.

The turbulence once generated by issues related to gender inequality would now appear to be calming down. There is an emerging consensus that gender as well as class are major bases for inequalities and that both must be included in the analysis without excluding the other (see, for example, Acker 1989; Lister 1997; Williams 1995). Against this background this chapter attempts to integrate gender and class into an analysis of different dimensions of inequality and examines the ways in which these two factors interact with different types of welfare states in distributive processes.¹ In such an effort we face at least three major challenges.

First, we have to tackle the old question: Inequality of what? Is it here enough to look at the distribution of income and material standards of living, or should we also attempt to include aspects of agency? In that case, what areas of agency are important for gender inequalities? Second, we have to develop typologies of welfare states, which can help us to handle and to make sense of the puzzling mosaic of differences between countries that we observe. An important question here is if we can find typologies relevant for gender inequality as well as for class inequality. Third, we have to analyze the relations between gender inequality and class inequality. To what extent do they have similar driving forces? Do they show similar developments over time? I will here discuss these questions and bring in

empirical data from comparative analyses of inequalities in 18 OECD countries. These countries are Australia, Austria, Belgium, Canada, Denmark, France, Finland, Germany, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, and the United States.²

Inequality of what?

Inequality in terms of material standards of living has been central for class analysis but has also been important in analysis of gender inequality. In this context a large number of studies have focused on the intra-family distribution of standards of living.³ These studies indicate that in the affluent Western countries some significant inequalities are likely to remain within nuclear families and that these inequalities are exacerbated in the case of marriage dissolutions, thereby disadvantaging women in terms of material conditions of life. Outside the nuclear family, we also find some significant differences between men and women in these respects.

Yet it would appear that analyses of gender inequality in modern Western societies cannot be limited to standards of living and material achievements but must also consider inequalities with respect to agency. As Amartya Sen (1992) argues, when assessing individual well-being or the goodness of a social order, we must consider not only manifest but also latent or potential aspects of a person's well-being. Sen assumes that freedom to choose is an important component of well-being, and he defines freedom in terms of "alternative sets of accomplishments that we have the power to achieve" (1992: 40). In the context of gender inequality, it is therefore important to consider freedom to choose, that is the range of alternative achievements among which women and men actually have the capability to choose and which thus define their real opportunities to achieve well-being.⁴

Feminist scholars have long highlighted different expressions of gendered agency inequalities with respect to civil and political rights, inequalities which historically have been important in what now are affluent Western countries.⁵ Major parts of these inequalities were associated with the institution of coverture, whereby women lost basic parts of their civil rights when entering marriage. Furthermore, women's access to higher education was limited, and marriage bars prevented them from entering the civil service and some of the professions. In many countries women received the right to vote later than men. In several European countries considerable parts of these legally enforced gender inequalities in civil and political rights remained until well after the end of the Second World War.

But at the beginning of the new century, what dimensions of agency can now be assumed to remain most important for gender inequality in the rich Western countries? Without claiming full coverage, I will here concentrate on three arenas in which gendered agency inequalities can be expected to be of central importance, namely democratic politics, higher education, and labor force participation. Most of us would probably agree that these three arenas are worthy of study in

their own right, even if they do not exhaust areas in which gendered agency inequality can be of importance.

Gendered agency inequality in politics and education

Gendered agency inequality in the arena of politics can occur at different levels; at the basic level, for example, in terms of differences in the right to vote, and at elite levels in terms of differences between men and women in representation in parliaments and governments. We will here concentrate on elite level gender inequality. As an indicator we will use a simple index of the *equality gap*, showing the percentage point difference between the share of women and the share of men in parliaments (weighted average of both chambers where relevant).⁶ In terms of representation in legislatures, the average equality gap among our 18 countries was -90 percentage points in 1950, indicating that women made up only 5 percent of the membership in legislatures (Figure 3.1). Two decades later, in 1970, the average equality gap remained largely unchanged. Thereafter, however, this gap tends to decrease and ends up -50 in 1998, when on average 25 percent of parliamentary members were women.

Behind the average level of the equality gap in 1998 we find major differences among our 18 countries (Figure 3.2). At this time, the equality gap was greatest in France and Japan (-82) with only 9 percent women in the legislature, followed by Italy, the United States and Ireland. The equality gap was lowest in Sweden (-14), with 43 percent women in the parliament, followed by Denmark, Norway,

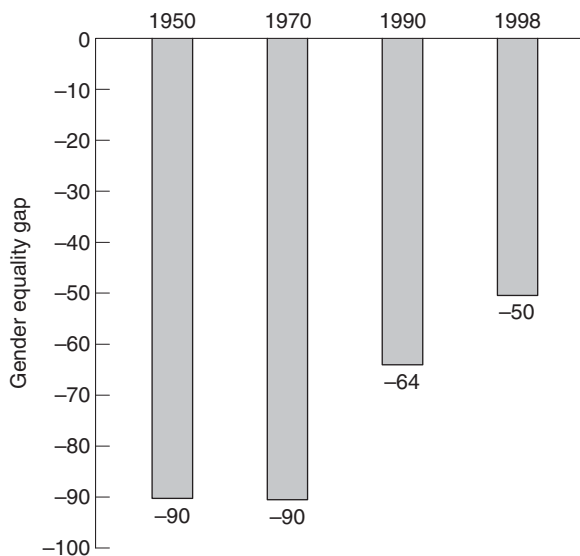


Figure 3.1 Gender equality gap with respect to representation in legislatures, 1950–1998 (average percentage point difference women–men in 18 countries).

Finland and the Netherlands. The gender composition of governments partly follows the patterning of legislatures but with somewhat higher equality gaps. The social democratic cabinets in Norway in 1994 and in Sweden in 1998 were the first ones with a full gender balance.

The above differences in gendered political representation between countries reflect a range of factors, significant among which are electoral systems and the relative strength of different political tendencies. Here party lists and proportional elections appear to favor women relative to single member majority elections. Given the level of voter preference for men, single member districts tend to activate this preference both among voters and among parties in the nominating process. Even with only a relatively small preference for men among voters, voting for individual candidates may thus generate social processes similar to those described by Schelling (1978) in the context of racial segregation, processes which can result in large imbalances in the sex-ratio among elected representatives. Voting for party lists may allow gender preferences to be expressed in a more balanced way. Left parties appear to have been more inclined to elect female candidates than have other political tendencies (Norris 1987). This is somewhat surprising given the traditional tendency for women to vote for confessional parties to a larger extent than men (Tingsten 1937).

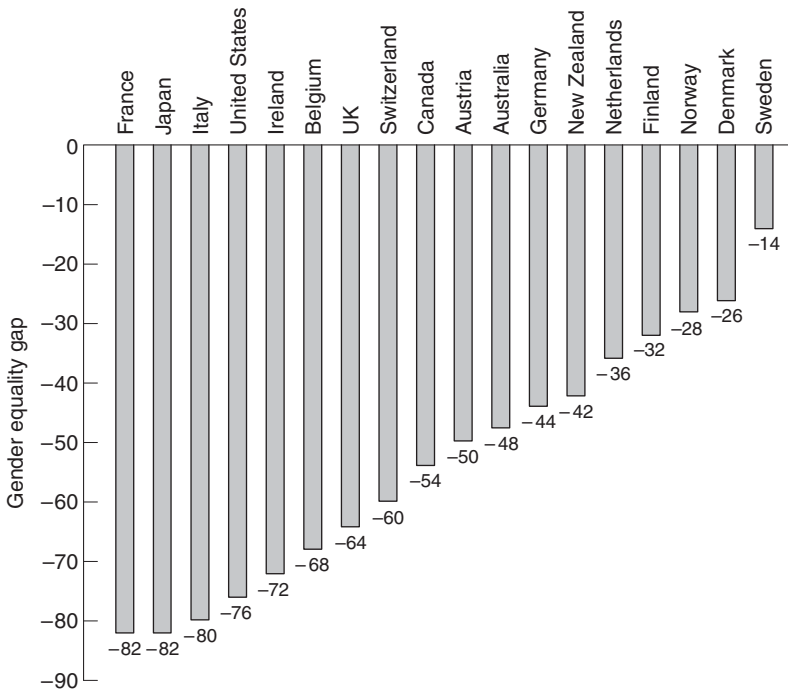


Figure 3.2 Gender equality gap with respect to representation in legislatures in 18 countries, 1998.

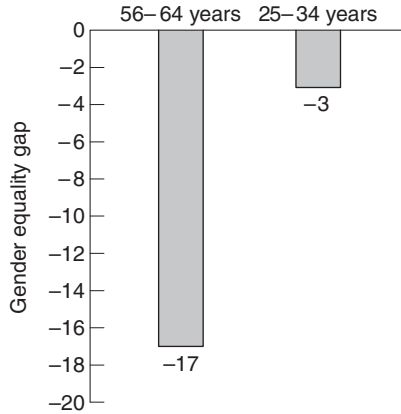


Figure 3.3 Gender equality gap with respect to percentage of university graduates by age in 1994 (average of 17 countries).

As noted above, in several countries women's access to higher education was for a long time limited. During the period after the Second World War, however, in all of our countries in successive cohorts the proportion with university degrees has increased faster among women than among men. Taking the equality gap as the percentage point difference between the proportion of women and the proportion of men with a university degree we find that in 1994, among women 55–64 years (born in the 1930s) this distance was –17 percentage points while it was only –3 percentage points among those 25–34 years (born in the 1960s) (Figure 3.3). Noticeable gender differences are found primarily in Switzerland, Belgium, the United Kingdom, Austria and Germany. In the cohorts from the 1960s, women had on the average a slightly higher cumulative number of years of schooling than did men. Among those with a recent Ph.D. degree, however, women are still a minority and we also find gender differences in terms of more or less prestigious educational specialization.

Labor force participation and agency related gendered policy institutions

In analyses of gendered agency inequality, the role of labor force participation has long been central. Labor force participation is thus a key issue in the vigorous debates on gender inequality in terms of the distinction between paid vs. unpaid work as well as in the debate on strategies to decrease gender inequality captured by the horns of the Wollstonecraft's Dilemma (Pateman 1988: 252). Here we must recognize that behind the distinction between paid and unpaid work looms the fact that the labor force is an arena for the major socio-economic processes of stratification and distribution in modern societies, processes where agency is crucial and which are located outside the family. Individuals who are excluded from

participation in the labor force, among them traditionally many women, are disfavored not only in terms of material standards of living but also in terms of social rights. Participation in the labor force is also likely to affect a person's self-perception and identity in ways which influence her capabilities and freedom in many different areas of life. Furthermore such participation is very relevant for interaction patterns and bargaining positions within the nuclear family. It can therefore be argued that in contemporary Western societies, gender differences in terms of labor force participation constitute a crucial area of gendered agency inequality. Being outside the labor force can be seen as a major indicator of agency poverty.

In this context an important question is to what extent different types of welfare states shape patterns of gendered agency inequalities in terms of labor force participation. To discuss these questions we need a gender-relevant typology of welfare states. We all know Gösta Esping-Andersen's (1990) seminal three-fold distinction between "liberal," "conservative," and "social democratic" welfare state regimes. The conceptualization of these broad regime types has proved very fruitful. By opening up new and imaginative perspectives in the comparative study of welfare states, it has stimulated much research. However, this as well as other mainstream typologies have proved problematic in the context of gender relevant analyses, especially when it comes to labor force participation (Lewis 1992; Orloff 1993; Hobson 1991; Sainsbury 1996; Shaver 1989).

Esping-Andersen's typology spans a wide range of factors, from causal forces over aspects of policy programs to policy outcomes, and has therefore been useful primarily for descriptive purposes. To improve the analytic power of a typology it would appear fruitful to focus on welfare state institutions as intervening variables between, on the one hand, driving forces, and, on the other hand, policy outcomes. I will here outline a typology of gender policy aspects of welfare state institutions likely to be of relevance for gendered agency inequality in terms of labor force participation. In this context it must however be remembered that while the typologies we construct can be of heuristic value in helping us to bring out the main contours of the vast empirical mosaic we can observe, such typologies are always great simplifications of the outcomes of complicated historical processes and can only be expected to show a partial fit with reality.

The typology of gender policies proposed here has two dimensions; the degree to which policy institutions give general support to the nuclear family and the degree to which they support a dual earner family model.⁷ These two dimensions need not be uncorrelated with each other, but can be used to indicate the relative weight of different types of public policies likely to be of relevance for gendered agency inequality in terms of labor force participation.

The dimension of *general family support* reflects to what degree public policies help to sustain the nuclear family while presuming that, or being neutral to whether or not, wives have the primary responsibility for caring and reproductive work within the family and only have a marginal labor force attachment. As empirical indicators for this dimension we can look at three indicators: (1) the level of cash child allowances to minor children; (2) the level of family tax benefits to minor children and to an economically non-active spouse; and (3) the

level of public daycare services for the somewhat older children (from three years up to school age).

While the first two indicators above are self-explanatory in this context, the third one is more problematic. This is because in many countries presently available statistical information does not allow us to distinguish between full-time and part-time day care. In most continental European countries, daycare centers have thus traditionally been organized primarily for the somewhat older pre-school children and on a part-time basis, intended only to complement caring work within the family. Thus they often offer only half-day care, are closed on Wednesdays and do not provide lunches for the children, presuming the presence of a mother at home. In other countries, for example the Nordic ones, daycare is typically provided on a full-day, full-week basis and is intended to enable mothers' continuous work careers. At present it is however not possible to find comparative data reflecting this difference.

The dimension of *dual earner support* reflects the extent to which public policy institutions encourage women's continuous labor force participation; enable parents, men as well as women, to combine parenthood with paid work, and attempt to redistribute caring work within the family. For this dimension we use four indicators, measuring the extent to which public policies provide (1) daycare services for the youngest children (0–2 years); (2) paid maternity leave; (3) public home help to the elderly; and (4) paid paternity leave. The first three indicators reflect policy efforts to enable wives and mothers to carry on a continuous work career while the last one indicates efforts to redistribute caring work within the family.⁸

Because of statistical problems with now available basic data, the above empirical indicators are partly unreliable. We will here therefore treat them as ordinal variables and rank our countries from 1 to 18 in terms of both these dimensions; giving *rank 1* to the country with the *highest* level of support provisions. These rankings in the two-dimensional space are shown in Figure 3.4. It appears that we can here distinguish between three different gender policy models. The figure shows that seven of our countries have chosen to provide very little of general family support as well as of dual earner support, having ranks 12–18 on both these dimensions. The dominant gender policy chosen in these countries can thus be described as a *Market oriented model*; that is, their policy is to allow market forces to dominate the shaping of gender relations by leaving individuals to find private solutions within the context of their market resources and family relations. These seven countries are New Zealand, the United States, Switzerland, Australia, Japan, Canada and the United Kingdom. The remaining eleven countries provide some degree of general family support as well as of dual earner support. Among them, however, only Sweden, Denmark, Finland and Norway, can be described as having a *dual earner support model*. The remaining seven countries; France, Belgium, Germany, Italy, Austria, the Netherlands and Ireland, can then be said to have a *General family support model*. It can here be noted that in terms of these rankings, Norway is relatively similar to France. Among the countries with a general family support model, France thus has the most developed dual earner support policies, while among countries with the dual earner model, Norway has the strongest emphasis on general family support policies.

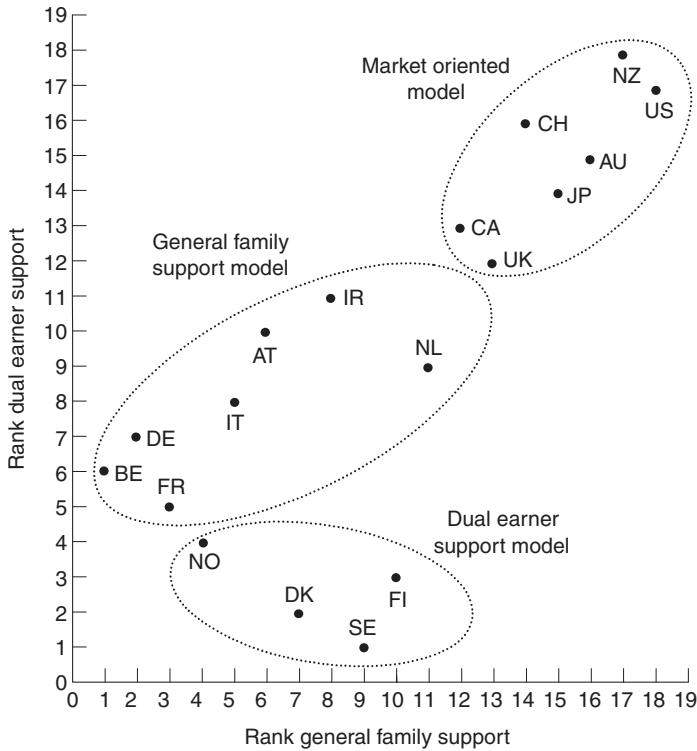


Figure 3.4 Ranks of countries by two dimensions of gender policies and gender policy models, 1985–1990.

Political tendencies, institutions and inequality

In the development of gender policy models many different actors have been involved, among them churches and women's movements acting outside political parties or in close association among them. In many countries women's movements have been important in changing public attitudes and values and in bringing up gender issues to the top of the political agenda. Yet in the countries considered here women have not formed feminist political parties; in recent decades they have instead chosen to attempt to affect the policies of already established parties from the outside or from the inside.

The development of gender policy models is quite clearly related to the strength and longevity of the presence in governments of the main political tendencies in our countries. In this context the most important differences among parties can be roughly described in terms of two dimensions; on the one hand, the left-right dimension centering around the relative role of politics and markets in distributive processes, and, on the other hand, what perhaps could be called a confessional or moral dimension, focusing especially on the role of the family.

During the period after the Second World War, we can thus here distinguish between secular conservative-centrist parties, confessional parties, and left parties.⁹

Secular conservative-centrist parties have generally tended to be wary about introducing policies impinging on market distributive processes, whereas left parties have been inclined to introduce policies to modify market distribution to decrease inequality and poverty. In this context, European confessional parties have often attempted to occupy some kind of a middle ground, especially in terms of counteracting poverty. The confessional or moral dimension is a much less clear one. Of relevance here is that this dimension reflects positions taken with respect to the role of the traditional family form. Confessional parties have seen the preservation of the traditional family as one of their most important goals. While a concern with pro-natalism has also made some secular parties, especially conservative-centrist ones, to occasionally support similar policies, on the whole the preservation of the traditional family form has played a lesser role among the secular parties.

During the period after the Second World War, in the countries of continental Europe confessional parties have been of major importance and they have tended to favor the traditional family and the general family support; a model now found in Austria, Belgium, France, Germany, the Netherlands and Italy but also in Ireland with a very strong position for the Catholic Church. Although having a relatively strong confessional party presence, in this context Switzerland constitutes an exception with a market oriented gender policy model, something probably reflecting that its constitution tends to inhibit political action on the national level.¹⁰ Apart from Ireland, in the English-speaking countries secular conservative-centrist parties have dominated. With their general propensity to avoid meddling with market forces, they have come to favor the market oriented gender policy model. The traditional left parties have been strongest in the four Nordic countries, and in recent decades they have come to support the dual earner model. In this context women's movements have been significant.

Thus, for example, within the Swedish Social Democratic Party women's movements have long worked within the party to affect gender-relevant policies (Hobson and Lindholm 1997). An example of efficient working outside parties was given in the run-up to the 1998 parliamentary elections, when a network of feminists threatened to field a feminist party if the established parties did not increase their nominations of women. This threat was ultimately withdrawn but resulted in the highest proportion so far of women in the parliament and in a government with an equal representation of women and men. In this context it can be noted that Norway, where a confessional party has had a more influential government position than those in other protestant countries, has a combination of gender policies which is relatively similar to the one in France, which is the continental European country where the confessional party impact has been weakest and where secular conservative-centrist parties have dominated post-war governments.

Policy models and gendered agency poverty

As argued above, in modern Western societies being outside the labor force can be seen as an indicator of agency poverty. To what extent are different gender policy models associated with differences in terms of this indicator of agency poverty? We must here limit the discussion to one empirical measure; the female–male differences in percentages outside the labor force in the 25–54 years age category, taken as an average for 1983 and 1990.¹¹

According to this measure the range of variation in the overall gendered differences in agency poverty rates among our 18 countries is very large, with almost a 50 percentage point difference between Ireland and Sweden (Figure 3.5). We are here primarily interested in the size of the overall differences among countries with different gender policy institutions rather than in variations within these models. As expected, we tend to find the highest levels of gendered agency poverty in countries with the general family support model, the lowest ones in countries with the dual earner model, while countries with the market oriented model tend to fall in between.

Because of the multitude of factors affecting gender differences in labor force

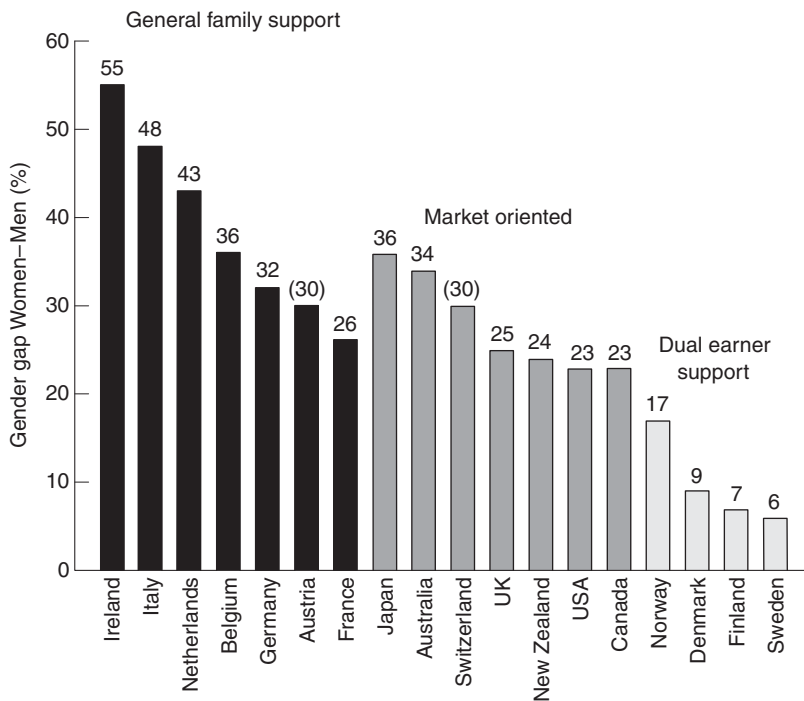


Figure 3.5 Gender equality gaps in agency poverty by gender policy model (indicated by the percentage point differences in proportions outside the labor force, 25–54 years, averages 1983 and 1990).

participation we cannot expect more than a partial fit between our policy models and observed gender differences. Thus Japan and Australia with market oriented gender policy models have higher gender differences than expected. In Japan, gender differences probably to some extent reflect cultural traditions and the still relatively high frequency of three-generation families. During the period after the Second World War, Australia has to a large extent satisfied its labor demand through immigration, something which may have lessened pressures on women to enter the labor force. In this context we can also note that the gender difference is relatively low in France in spite of its general family support model, while this difference is comparatively high in Norway with a dual earner model. A hypothesis in this context is that this pattern reflects the relatively weak government position of the confessional parties in France but again, the comparatively strong position of the confessional party in Norway.

A class-related welfare state typology and income inequality

For the analysis of the role of welfare states in the context of class inequality, we need a different typology. Assuming again that welfare state institutions provide a fruitful basis for analytically oriented typologies, we will here focus on the major social insurance programs, primarily old age pensions and sickness insurance, the development of which has often been associated with major societal conflicts and which are of great importance for the economic security of most citizens. Again it must be remembered that typologies can never be expected to show a perfect fit with existing realities.

In this context we can use a typology keyed to three different aspects of social insurance institutions: (1) criteria for benefit eligibility; (2) principles used for determining benefit levels; and (3) structures for governing social insurance institutions (Korpi and Palme 1998). Eligibility can be determined in terms of proven need, contributions, labor force participation, belongingness to a specific occupational category, and citizenship (residence). Principles for benefit levels result in a continuum running from minimum or flat-rate benefits to benefits which are markedly related to previous income. In terms of structures of governance it is fruitful to make a distinction between programs run by elected representatives for employers and employees and programs governed in other forms. On the bases of these criteria, among the social insurance institutions found in old age pensions and sickness insurance in our 18 countries during the past century, five different ideal-typical institutional forms can be distinguished. These five ideal-typical institutions are the targeted, voluntary state-subsidized, state corporatist, basic security, and encompassing models, and they have emerged roughly in the order stated here. The principle characteristics of these models are outlined in Figure 3.6.

The *targeted model* originates in the old poor laws and relies on a means test before granting benefits at a minimum level (indicated in the figure by horizontal lines). Targeted programs have been important in many countries but are now dominant only in Australia, where however the means test has been gradually

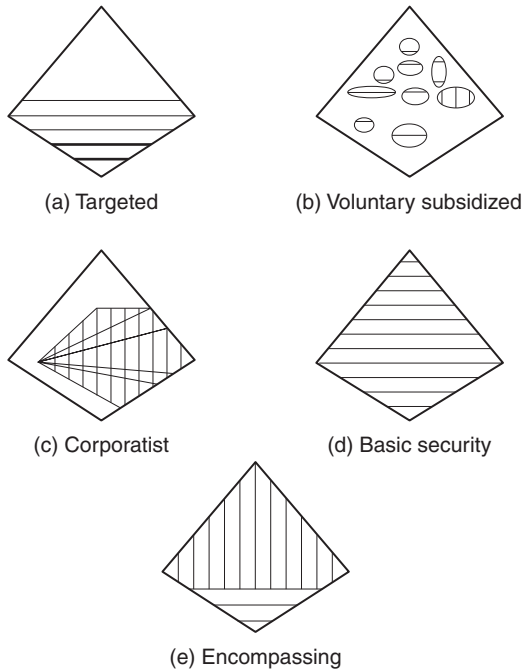


Figure 3.6 Ideal-typical models of social insurance institutions.

relaxed so as to exclude the rich rather than to include only the poor. The *voluntary state-subsidized model* with a multitude of separate mutual-benefit associations has historically been important in sickness as well as unemployment insurance but has not proved practicable in the context of old age pensions. It is therefore no longer dominant in any of our countries. The *state corporatist model*, introduced by Bismarck in Germany in the late nineteenth century, broke with the poor laws as well as with voluntarism by being based on compulsory insurance. In principal, this model is limited to the economically active part of the population; it provides separate programs for selected occupational categories, such as industrial workers, agricultural workers, salaried employees, self-employed, and farmers, each program with different conditions and entitlements. In this model benefits are clearly earnings-related (indicated in the figure by vertical lines). Unlike the other four models, state corporatist social insurance institutions are governed by elected representatives for employers and employees. Catholic confessional parties have traditionally favored the state corporatist model. Pension programs of this type are now found in Austria, Belgium, France, Germany, and Italy with a somewhat differing variant in Japan.

The *basic security model* includes, in principle, all citizens (residents), and insures them within one and the same program. It is thus based on universalism but provides typically only flat-rate benefits, thus a relatively low safety net for all (indicated by

horizontal lines). In accordance with principles expressed by William Beveridge, this is to leave room for high-income earners to protect their usual standard of living via various forms of private insurance. The basic security model is now found in Britain, Canada, Denmark, Ireland, Netherlands, New Zealand, Switzerland, and the United States.¹² The *encompassing model* combines the Beveridgian principle of universalism with the Bismarckian principle of clearly earnings-related benefits. This model was first introduced in Sweden in the 1950s, when the universal flat-rate “People’s Pension” program was complemented with the clearly earnings-related occupational pension program for all economically active individuals. This model of social insurance is now found also in Finland and Norway.

These different models of social insurance institutions receive their socio-political significance partly because they organize citizens into differing configurations in terms of the distribution of risks and resources. Therefore they are likely to influence the formation of citizens’ interests, identities and patterns of collective action. Of socio-political relevance also is that they involve different degrees of political interventions into market distributive processes, something reflected in the relative size of budgets available for redistribution. Furthermore these models can be seen as associated with different types of redistributive strategies. These redistributive strategies can be characterized in terms of the degree to which benefits are targeted to population categories with relatively low incomes, that is what proportion of monies spent goes to the poor.

By having a high degree of low-income targeting, the targeted model relies on a Robin Hood type redistributive strategy of financing benefits to the poor via general taxation. Thereby it tends to drive a wedge between the short-term economic interests of the poor and the rest of the population, which has to finance redistribution but gets very little in material returns. As a result this model tends to produce relatively small redistributive budgets. By limiting itself to a low safety net, the basic security model follows a redistributive strategy of simple egalitarianism in giving the same benefits to all without regard to previous income. Thereby it becomes inefficient for safeguarding accustomed standards of living for middle and high-income earners. In the long run the better off therefore tend to develop various forms of private insurance and come to rely on these additional programs for the major part of their economic security, while mainly manual workers remain dependent on the public programs. In this way the material interests of the economically better off tend to diverge from those of manual workers, also here tending to result in relatively limited redistributive budgets.

Because of its separate programs for different occupational categories, the state corporatist model tends to segment the population according to socio-economic status and can thus be said to follow a strategy of redistribution among relative equals. Since programs are clearly earnings-related, however, this model tends to result in relatively large redistributive budgets.¹³ By including all citizens within the same insurance programs and by providing the economically active with clearly earnings-related benefits, the redistributive strategy of the encompassing model can be said to follow the Matthew principle of giving more to those who already have much. However, since it provides all citizens with relatively good

protection for accustomed standards of living, the encompassing model tends to limit or to crowd out the various forms of private insurance. Therefore it tends to produce relatively large redistributive budgets.

The total redistributive effect of social insurance institutions can be expected to depend not only on the degree to which monies spent go to low-income citizens but also on the total amount of money to be spent, that is, on the size of redistributive budgets. The relationship between these two factors is likely to be of a multiplicative nature. Furthermore, we can expect a trade-off so that the more highly targeted a program is, the smaller is the redistributive budget likely to be. On the basis of these considerations, we can expect that the lowest degree of redistribution and therefore the highest levels of inequality are likely to be associated with the basic security and the targeted models. The highest degree of redistribution and the lowest levels of inequality are expected to be associated with the encompassing model. The corporatist model is expected to generate middling levels of inequality. It must of course here be remembered that in this context, social insurance institutions provide only one set of intervening variables in the distributive processes generating income inequality; here also many other significant factors are likely to operate.¹⁴

To provide something of a test for the hypotheses sketched above, we can use data from the Luxembourg Income Study (LIS) to analyze the distribution of household income in 15 of our 18 countries in the 1980s. We have here computed three measures on income inequality and five measures on levels of poverty in different demographic categories.¹⁵ In Table 3.1, countries are grouped by type of

Table 3.1 Average rank of countries in terms of eight indicators of inequality and poverty, by type of social insurance institutions

<i>Country (Year of data set)</i>	<i>Type of social insurance institutions</i>	<i>Average rank*</i>
United States (1986)	Basic security	1
United Kingdom (1989)	Basic security	2
Canada (1987)	Basic security	3
Ireland (1987)	Basic security	4
Australia (1989)	Targeted	5
Switzerland (1982)	Basic security	8
Denmark (1987)	Basic security	10
Netherlands (1987)	Basic security	11
Italy (1986)	State corporatist	6
France (1989)	State corporatist	7
Germany (1984)	State corporatist	9
Belgium (1988)	State corporatist	12
Norway (1986)	Encompassing	13
Sweden (1987)	Encompassing	14
Finland (1987)	Encompassing	15

* Gini total population; Gini persons 25–59 years; P90/P10 total population, and poverty measures for total population; persons 25–59 years; persons 65+ years; children, and lone mothers.

social insurance institutions, and the table also gives their rank in terms of the average rank on the above eight indicators of income inequality and poverty. On the whole the expectations sketched above are borne out.

Of the eight countries with the basic security or targeted model, six end up among the highest ranks in terms of inequality (United States, Britain, Canada, Ireland, Australia and Switzerland). The three countries with the encompassing model (Norway, Sweden and Finland) are all found among the three lowest ranks. In the middle of the distribution we do however find some exceptions. Thus Denmark and the Netherlands with basic security models have levels of inequality comparable to the lowest among the state corporatist ones. Among the four countries with the state corporatist model, Germany and Belgium have middling ranks as expected while Italy and France have higher levels of inequality than expected.

On the whole, however, these results point to what can be called “the paradox of redistribution” (Korpi and Palme 1998). The targeted model, giving only to the poor, and the basic security model, giving equally much to all, thus tend to produce higher levels of inequality than the encompassing model giving more to those who already have much. This paradox is to a large extent accounted for by the fact that in the targeted and basic security models, middle and high income earners must attempt to safeguard their accustomed standards of living by private or occupational insurance or by savings, something which tends to produce even higher levels of inequality than those found in the income-related benefits of the encompassing and state corporatist models. By tending to “crowd out” such solutions, the markedly earning-related public programs tend to result in comparatively low levels of inequality.

It is here tempting to advance hypotheses for future research that may help to account for what appear as unexpected results above. Thus in Italy, the well-known regional differences between the North and the South may contribute to increase income inequalities. Unlike Germany and Belgium where Christian democratic parties have dominated during the postwar period, in spite of its state corporatist model French distributive policies have been largely directed by secular conservative-centrist parties with less concern for avoiding poverty than have traditional confessional parties. In the Netherlands with a basic security model, however, confessional parties as well as the social democratic party have been relatively strong, and in Denmark the social democratic party has been stronger than its counterparts in the other countries with a basic security model. Such differences in political constellations may help to account for relatively low levels of inequality in those countries with unexpected levels of inequality.

Types of welfare states and patterns of class and gender inequalities

The above discussion indicates that to account for the role of welfare states in gender inequality and class inequality, we would appear to need two separate typologies reflecting the nature of different aspects of welfare state institutions. In

combination these two typologies can serve to describe major constellations of welfare state institutions. As noted above each of the three types of political tendencies, which have dominated governments in our 18 countries during the decades after the Second World War, can be expected to have favored specific constellations of welfare state institutions. With their stress on the primacy of market processes, secular conservative-centrist parties can be expected to have opted for the targeted or basic security models of social insurance institutions as well as the market oriented gender policy model. Confessional parties are likely to have thrown their support behind corporatist social insurance institutions and the general family support model.

Left parties, which were latecomers into the social policy making arena, found themselves in the context of welfare state institutions largely erected by the other political tendencies and these institutions turned out to be difficult to change, especially in countries where left parties were relatively weak. The strategies which the left parties chose have therefore come to differ greatly among our countries, much more so than the strategies adopted by confessional parties and secular conservative-centrist parties. It is thus hardly possible to talk here about a "social democratic model" of welfare state institutions in the sense that it has been adhered to by most social democratic parties. In countries where left parties have had a long-term hold on governments, we would however expect them to have gradually come to support encompassing social insurance institutions and dual earner gender policies. Again it must however be remembered that the types of welfare state institutions we now can observe are the products of the interplay between many different actors, often working at cross-purposes, over long historical periods, and with overlaid effects.

When we combine our typologies of social insurance institutions with gender policy institutions, we find a *targeted/market oriented* constellation of institutions in Australia and *basic security/market oriented* constellations in Canada, Switzerland, Britain, the United States and New Zealand (Table 3.2). With one exception, in these countries the dominance of conservative-centrist secular parties has been marked. The exception here is Switzerland with a relatively strong presence of confessional parties. However, as noted above, the characteristics of the Swiss constitution have contributed to drastically limiting the role of policy making on the national level. The constellation of *state corporatist/general family support* institutions is found in Austria, Belgium, Germany, Italy, which all are countries with a strong presence of Christian democratic parties. Also in France we find a similar constellation, although its Christian democratic parties have been considerably weaker and faded out in the 1960s. Here, the state corporatist social insurance institutions were introduced before the First World War and in the period between the two world wars and have been largely retained, but as noted above, in the general family support institutions have been complemented with a significant dose of dual earner support policies. In Finland, Norway, and Sweden, three countries where social democratic parties have been strong, we find the *encompassing/dual earner* constellation.

An unexpected combination of *basic security/general family support* institutions

Table 3.2 Combinations of institutional models of social insurance and gender policies and of inequality with respect to class and gender in 18 countries, 1985–1990

Country	<i>Institutional models of</i>		
	<i>Social insurance/Gender policy</i>	<i>Class inequality</i>	<i>Gender inequality</i>
Canada	Basic security/Market oriented	High	Medium
Switzerland	Basic security/Market oriented	High	(Medium)
United Kingdom	Basic security/Market oriented	High	Medium
United States	Basic security/Market oriented	High	Medium
New Zealand	Basic security/Market oriented	(High)	Medium
Australia	Targeted/Market oriented	High	High*
Ireland	Basic security/General family support	High	High
Netherlands	Basic security/General family support	Medium*	High
Denmark	Basic security/Dual earner	Medium*	Low
Belgium	State corporatist/General family support	Medium	High
Germany	State corporatist/General family support	Medium	High
Italy	State corporatist/General family support	High*	High
France	State corporatist/General family support	High*	Medium*
Austria	State corporatist/General family support	(Medium)	(Medium*)
Japan	State corporatist/Market oriented	–	High*
Finland	Encompassing/Dual earner	Low	Low
Norway	Encompassing/Dual earner	Low	Low
Sweden	Encompassing/Dual earner	Low	Low

* Unexpected level of inequality, given type of institutions.

is found in Ireland and the Netherlands. Catholic Ireland received its basic security social insurance institutions while it was part of Britain and in the 1930s efforts failed to change them in a state corporatist direction. In the Netherlands, however, the social democratic party with its allied trade unions managed to change its pensions insurance institutions from the state corporatist to basic security one.¹⁶ Denmark has a *basic security/dual earner* combination of institutions. As in the other Nordic countries, during the postwar decades the Danish social democrats attempted to move from basic security to encompassing institutions but these efforts failed. In Japan we find an unusual combination of *state corporatist/market oriented* institutions. Its social insurance institutions became constructed according to a variant of the Bismarckian model during the Meiji Restoration. With cultural and religious traditions differing from those in Europe, however, its gender policies have developed in a different direction.

As discussed above, in terms of class inequality we would expect to find the relatively highest levels in countries with the targeted or basic security model and the lowest ones in the encompassing countries with the corporatist countries somewhere in between. In terms of gendered agency inequality, the relatively highest inequalities are expected in countries with the general family support model, the lowest ones in those with the dual earner model and middling levels in those with market oriented models. In Table 3.2 we have information on 35 of these outcomes, and 27 of them are in accordance with the above predictions.

It can be noted here that it is only the encompassing/dual earner constellation of institutions which tends to generate relatively low class inequality as well as low gender inequality. In the other institutional constellations, we can expect to find asymmetrical patterns of gender and class inequalities. Thus the combinations of targeted or basic security social insurance institutions with market oriented gender policy institutions tend to generate high class inequality but medium level gender inequality, while the state corporatist/general family support constellation tends to yield the opposite pattern. As a result we find relatively low correlations between class inequality and gendered agency inequalities in our countries, something attesting to the fruitfulness of developing separate institutional typologies in these two policy areas. In this context it can be remembered that also in terms of gendered agency inequalities in areas of political representation, tertiary education, and labor force participation, we tend to find low levels of "crystallization." Thus, for example, Ireland has the highest gender gap in labor force participation and a relatively high one in terms of political representation but has extinguished the gender gap in access to university education.

A long-term perspective

It is instructive to look at the relationships between class inequality and gender inequality in a long-term perspective. While it is here not possible to compare *levels* of inequalities in these two respects, it is possible to crudely sketch *trends* in the development of inequalities in each of the separate dimensions. Fifty years ago T. H. Marshall (1950) talked about the "modern drive towards social equality," stating that "the modern drive towards social equality is the latest phase of an evolution of citizenship which has been in continuous progress for some 250 years." As is well-known, Marshall saw this evolution as containing the gradual development of the civil, political and social components of citizenship. Although Marshall did not consider gender inequality, it appears that with the gradual emergence of citizenship rights, for long periods inequality with respect to gender as well as class decreased in roughly parallel although not identical ways. What does the situation look like half a century later?

During the period after the Second World War, governments in several Western countries have made strong efforts to decrease class inequality as well as gender inequality. In many respects, however, class inequalities appear to have been considerably more resistant to reform and reduction than have gender inequalities. These differences in reform resistance can be illustrated in different areas. With respect to life expectancy, we know that in Western Europe and North America, women now have considerably longer life expectancy than have men. But in the 1990s in these rich countries, among men, the risk of premature death is clearly greater for manual workers than for men in higher socio-economic classes. As shown above, the female disadvantage in access to university education has markedly decreased. In all of these countries, however, marked class inequalities in access to higher education remain.

As indicated above, the decreases in class inequality and in gender inequality

long followed largely parallel paths. During the last quarter of the twentieth century, however, these paths have come to diverge. As shown above, the decrease in gender inequality appears to have accelerated since the early 1970s, while since the early 1980s inequalities in disposable household income have markedly increased in these countries. In this context it is also important to consider long-term changes in levels of unemployment, an often overlooked indicator of class inequality. As is well-known, unemployment disproportionately hits lower socio-economic categories. Therefore the disappearance of recurring periods of mass unemployment characterizing the industrialized countries up to the Second World War and the arrival in most of our countries of full employment in the decades after 1945 can be seen as a major decrease in class inequality. In the same perspective, however, the return of mass unemployment after the 1970s, especially in the West European countries, is a major reversal of the trend of declining class inequalities.

Those who appreciate equality can rejoice at the tendencies towards decreasing gender inequalities which we can now observe. However, very much remains to be done and since political and economic factors are relevant here, reversals are always possible. Yet, those who appreciate equality should be concerned about the marked tendencies towards increasing class inequalities starting during the last quarter of the twentieth century. For social scientists, it is important to attempt to understand the diverging trends in these two areas. These changes indicate that the development of citizenship is unlikely to be one of evolution. Processes of distributive conflict are at work here.

Notes

- 1 Race, ethnicity, and immigration are examples of other important factors of relevance for inequality in many countries (see Woodward and Kohli 2001) but cannot be discussed here.
- 2 These countries have had uninterrupted political democracy after the Second World War and have a population of at least one million. The data presented here come primarily from the *Social Citizenship Indicator Program (SCIP)* which now is in the process of being built up at the Swedish Institute for Social Research, Stockholm University.
- 3 For example, Cantillon and Nolan 1998; McLanahan, Sorensen and Watson 1989; Millar and Glendinning 1989; Pahl 1989.
- 4 Needless to say, freedom to choose is of relevance also in the area of class inequality, but where differences in standards of living still remain central.
- 5 For example, Lewis 1986; O'Connor 1996; Orloff 1993; Pateman 1988; Vogel 1991.
- 6 Thus $Equality\ Gap = \% Women - \% Men$.
- 7 For a detailed description of the empirical indicators used in constructing this typology, see Korpi 2000.
- 8 In the measure of dual earner support, the indicators of daycare for the 0–2 year olds and for the character of maternity leave are given a weight twice that of the other two indicators. The three indicators for general family support are all given the same weight.
- 9 In addition to these three tendencies there have of course also been other types of parties, such as the “green” ones, but in terms of government positions they have been of less importance during the period considered here.
- 10 See Immergut 1992; Huber *et al.* 1993.

- 11 For an analysis based on a larger number of indicators, see Korpi 2000.
- 12 In Britain, Ireland and the United States, benefit eligibility is in principle based on contributions but in the other countries on citizenship or residence. In Britain, Canada, Ireland, Switzerland, and the United States, pension programs are to some extent earnings-related but because of low ceilings for benefits, the degree of earnings-relatedness is much lower than in the encompassing countries.
- 13 In some countries state corporatist programs have excluded the top income earners, enticing them to look for private insurance.
- 14 These other factors include, *inter alia*, industrial relations systems, wage setting procedures, and demographic factors.
- 15 The inequality measures include Gini coefficients for the total population and for the 25–59 year category as well as the P90/P10 ratio for the total population. Defining poverty as the proportion below 50 percent of median income, poverty levels are computed for the total population, the prime working age population (25–59 years), the elderly (65+ years), minor children and lone mothers. In comparing households of different sizes, household income is weighted by the size of family and to account for economies of scale, by giving different weights to the “first” and other family members. The equivalence scale is one used by the OECD and gives a weight of 1.0 to the first adult, 0.7 to the second adult and 0.5 to each additional person, regardless of age. To avoid statistical problems associated with differing practices for including teenagers in the data, we have excluded households with a head below 20 years of age. Countries have then been ranked on each of the seven indicators and the average ranks are given in Table 3.1. Here disposable income refers to net cash income after direct taxes and social security contributions as well as after public transfers.
- 16 In health insurance, however, state corporatist institutions were retained.

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