

**Paternalism and Development:  
Expanding the Analysis of Welfare Regimes in Southern Europe and Asia**

Authors:

**Tonia L. Warnecke, Rollins College**  
**Alex DeRuyter, University of Birmingham**

Abstract

In recent years, the scope of welfare state regime analysis—originally focused on advanced, industrialized Western countries—has expanded to include less-studied European regions (such as Southern Europe), as well as newly industrialized and developing countries in Asia. Though many economic, political, and cultural differences exist between Southern Europe and Asia, the socio-cultural norms in both areas rest on paternalist foundations. The question remains as to whether this has exerted similar effects on the welfare regimes and social policies of Southern Europe and Asia. Given the significant role of informal labor in these areas, particularly for women, the structure of welfare regimes can have a major impact on gender (in) equality. In this paper, we focus on the links between gender and social welfare regimes in Spain, Indonesia, and China. We investigate the ways that varying approaches to development, alongside mounting globalization pressures, have contributed to the evolution of social welfare regimes in these countries. Of particular interest is the evolution of welfare mechanisms and their effects on gender-differentiated outcomes such as decommodification and labor force participation. To this end, we examine three family policies (parental leave, child benefits, and childcare provision) in each country.

**Safety net:** something that provides security against misfortune or difficulty

**Welfare:** the state of doing well especially in respect to good fortune, happiness, well-being, or prosperity

**Welfare state:** a social system based on the assumption by a political state of primary responsibility for the individual and social welfare of its citizens

--Merriam-Webster Dictionary (2008)

Contact address: Tonia L. Warnecke, Rollins College Department of Economics, 1000 Holt Avenue, Box 2751, Winter Park, FL, 32789, USA [email: [twarnecke@rollins.edu](mailto:twarnecke@rollins.edu)]

## Introduction

What is social welfare? What is a welfare state? What type of welfare state (if any) do we need? The answers to these seemingly simple questions have been fervently debated for the last couple of decades, and with the growing amount of literature studying various welfare state regimes, it is even more important to remember what lies at the heart of the analysis. Although social welfare is a commonly discussed topic, it can have many different meanings depending on the focus of analysis. In general, though, welfare refers to socioeconomic wellbeing. This is correlated with the basic level of economic development, of course, but focuses more specifically on a variety of goods and services believed to be essential for individual and social happiness and security (such as health care, housing, social insurance, other employment-related benefits, and additional forms of social assistance). Together, the institutions and policies supporting these types of goods and services form a welfare-state regime.

The welfare state defends and supports the development of social rights, aiming “to make civil rights actually work...removing the barriers that blocked the full and equal exercise of civil and political rights” (Bussemaker and van Kersbergen 1994: 10). Supporting the idea of a welfare state can indicate a willingness to think about prosperity and economic security as community goals (or even community *responsibilities*), not merely individual ones. At the very least, it signifies an acceptance that individuals, even hard-working ones, cannot always make things work out well on their own—that they, too, might need help from the state in order to make ends meet, in order to cope with unforeseen circumstances.

Reasons for instituting a welfare state range from the pragmatic (politicians want to satisfy their electorate) to the economic (improving human capital can improve economic growth) to the social (demonstrating that the state ‘cares’ can unify the citizenry) (Goodin et al. 1999: 21). Visions of the ‘ideal’ welfare state also change over time, as approaches to economic and political theory change, and as conceptualizations of development change. At any given moment, however, the precise make-up or composition of a welfare state—its priorities, its policies and its eligibility requirements for benefits—

heavily influence both the livelihoods and the inequalities shaped by class, race and ethnicity, and gender (it is the latter which is the focus of this paper).

In recent years, the scope of welfare state regime analysis—originally focused on advanced, industrialized Western countries—has expanded to include less-studied European regions (such as Southern Europe), as well as newly industrialized and developing countries in Asia. Though many economic, political, and cultural differences exist between Southern Europe and Asia, the socio-cultural norms in both areas rest on paternalist foundations. The question remains as to whether this has exerted similar effects on the welfare state regimes and social policies of Southern Europe and Asia. Given the significant role of informal labor in these areas, particularly for women, the structure of welfare regimes can have a major impact on gender (in)equality. In this paper, we focus on the links between gender and social welfare regimes in Spain, Indonesia, and China. We investigate the ways that varying approaches to development, alongside mounting globalization pressures, have contributed to the evolution of social welfare regimes in these countries. Of particular interest is the evolution of welfare mechanisms and their effects on gender-differentiated outcomes such as decommodification and labor force participation. To this end, we examine three family policies (parental leave, child benefits, and childcare provision) in each country.

### **. Paternalism, Gender and Welfare States**

Before embarking on the country studies, it is first important to think about the connection between paternalism, gender, and welfare state evolution. If the welfare system relies heavily on the family as welfare provider (instead of the state), this is likely to unduly burden women of the household – especially given socio-cultural norms which assume that females undertake the majority of unpaid labor around the house. A culture of paternalism is bound to influence two crucial things: the way that development agendas unfold, and the way that social welfare policies are structured. Paternalism is “a system under which an authority undertakes to supply needs or regulate conduct of those under its control

in matters affecting them as individuals as well as in their relations to authority and to each other” (Merriam-Webster 2008). Paternalism has often been taken to mean ‘behaving like a father’ or ‘treating someone like a child’ (Suber 1999). Paternalism implies the existence of a hierarchy (or hierarchies) of power, and feminist literature in particular focuses on power hierarchies among men and women—linking paternalism to inequities within the household. This casts the global emphasis today on paid (and to a lesser degree, formal) work in a whole new light, given that development is often conceptualized in terms of GDP growth—and national income accounting (which calculates GDP figures) does not include the category of unpaid labor. Furthermore, socio-cultural norms (including gender norms) are bound to affect the way that social welfare policies are structured. If policymakers adhere to traditional conceptions of the gender division of labor, little state assistance may be given to enable women to balance work with family life. This essentially forces women to choose between working outside the home and raising a family. It is apparent in our analyses of Spain, China, and Indonesia that paternalist norms are embedded in social and family policies of each country.

### **Development and the Welfare State in Spain and Southern Europe**

In the latter half of the 20<sup>th</sup> century, when most of Europe embraced a path of modernization, Spain (along with the rest of Southern Europe) generally attempted to emulate its northern neighbors in terms of labor market and social welfare policy—but often lagged behind. This can be attributed to many factors. One is the suppression of communist opposition after World War II, which “had a significant impact” on shaping the welfare states of all Southern European countries—primarily through a conscious distancing from the socialist parties and their ideals (Allen et. al. 2004; also see Rhodes 1996; Ferrera 1996). This ‘separation anxiety’ was magnified due to the delayed democratization in the region; in Spain, for example, although economic changes associated with industrialization, urbanization and migration began in the late-1950s, the transition to democracy only began after the death of Franco in 1975 (Rydell 2003: 14). One result has been the emergence of a family-centered welfare system. Social

policies in Spain have largely left the family to fend for itself. This is as much a product of Catholic doctrine (in which certain aspects of society, such as family life, do not fall under state rule) as of the rejection of an authoritarian past. After all, family policy was “one of the most cherished aspects of Fascist regimes” (Flaquer 2000: 11). As in “a sort of self-fulfilling prophecy, the outcome of a passive family policy is that difficulties faced by individual families are not tackled via public mobilization but through people’s private strategies. This creates a kind of negative feedback situation in which the system is reproduced and even reinforced” (Flaquer 2000: 12).

Political legacies, however, do not fully explain the unique welfare system in Spain and the rest of the region. Another reason is the comparatively high incidence of agricultural, informal, and illicit employment in Southern Europe in the 1940s and 1950s. Even today, estimates of the underground economy in Southern Europe range from 15-30% of GDP (Ferrera 1997; Cousins 1999). Being that it was incredibly difficult to regulate labor outside of the formal, recognized sector, Southern European countries made some particular policy choices during the 1970s and 1980s –strongly segmenting the labor market in ways that still plague the countries today. Essentially, a system of protective labor market devices was put into place in the region. These targeted the public employment and large industrial employment sectors, providing substantial job security and benefits but effectively segmenting the job market between “guaranteed and non-guaranteed workers,” the latter being non-standard workers and underground workers (Ferrera 2005:5). The way that social insurance has developed in the region—privileging certain types of workers over others—has further contributed to the stark division between formal, permanent workers and other types of workers in Southern Europe. This has serious consequences for gender (in)equity in Southern European countries, since women in the region tend to be informal sector workers, if they are in the labor market at all.

The emphasis on occupation-based pension schemes is characteristic of Southern Europe, but there are other commonalities as well. Each country in the region has a universal health care system (all

were founded from 1978 to 1986). Ferrera (1996) claims that this blend of ‘occupationalism’ and ‘universalism’ is not found in other parts of Europe. It is also worth noting that no country in Southern Europe offers a nationally guaranteed minimum income program (Flaquer 2000). Perhaps most notable is the fact that in terms of public social expenditure as a percentage of GDP, all Southern European countries are significantly below the European Union [EU] average. In 2000, the figure for Spain was 20.1%, compared to the EU-15 average of 27.3% (Eurostat 2004). Additionally, the proportion of the population working in key public sector areas such as health, education, and family care services is only 5.8% in Spain, compared with 12% for the EU-15 (Ibid.).

Even though fertility rates in Spain are among the lowest in the continent, well below replacement levels,<sup>1</sup> female employment rates in Spain (51.9%) are low compared to the 2005 OECD average of 56.1% (OECD 2007). Furthermore, the male labor force participation rate in Spain is more than 20% higher than the female labor force participation rate (International Labor Organization [ILO] 2007). Examining the composition and eligibility requirements of Spain’s family policies, however, can help to explain why female participation rates are so low.

### **Family Policies in Spain**

Family policies—including maternal/parental leave, child benefits, and childcare provision—greatly influence the labor force participation of women by either promoting or discouraging the employment of mothers. Several empirical studies (cross-country and single-country) have determined the impact of various family policies on women’s labor force participation. If they are shorter than 20 weeks, parental leaves unambiguously increase female participation (Jaumotte 2003: 8). Longer parental leaves, however, actually diminish the likelihood of a mother returning to work. Government assistance to families with children can also have divergent results: childcare subsidies boost female participation,

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<sup>1</sup> In 2005, the total fertility rate in Spain was 1.34 births per woman, compared to the OECD average of 1.63 births per woman (OECD 2007). Countries in Southern and Eastern Europe have the lowest fertility rates in the European continent.

but child benefits reduce it (Jaumotte 2003: 1).<sup>2</sup> Therefore, knowing the precise content of a family policy bundle is very important for understanding its effect on women's participation in a given country.

### **A. Parental Leave**

Maternity and parental leaves recognize the important role played by mothers in childrearing. Most countries also acknowledge the role of fathers by enabling them to take part of the parental leave time. However, the period of time reserved for the father is generally a small fraction of total parental leave, thus ensuring the establishment of the woman as the primary caregiver.<sup>3</sup> Although maternity and parental leaves focus on motherhood (and fatherhood), it is important to note that only paid leave time can truly support the woman's role as mother. Otherwise, the leave time is associated with a position of financial dependence, and can also diminish the woman's likelihood of entering the job market in the future.

Spain has one of the longest and most generous maternity leave policies in Europe—16 weeks, all of which are paid at 100% of the woman's salary up to a maximum level (Eurostat 2004: 29). Furthermore, there is a maximum (unpaid) parental leave of 36 months. For the first year of parental leave taken, the parent's job is guaranteed. After the first year, a job of similar level is guaranteed, though not at the same company (Flaquer 2000). Provided that the mother takes leave for at least 6 weeks directly after giving birth, a maximum of 4 weeks of parental leave can be transferred to the father. In sum, although only one parent can take leave at a time, the right to unpaid leave is guaranteed until a child reaches 3 years of age.

The generosity of Spain's maternity and parental leave policies does not come without a catch. Even though maternity leave compensation is among the best in Europe, the low numbers of working

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<sup>2</sup> This apparent contradiction can be explained in neoclassical economics by the income and substitution effects. The income effect is exemplified by the child benefit. This benefit (a cash transfer) increases the household income level, which increases demand for all normal goods—including nonmarket goods (e.g., leisure time). To satisfy the demand for nonmarket goods, fewer labor hours are supplied to the market. (Free time becomes more affordable.) In contrast, childcare subsidies reduce the price of childcare. Since childcare costs are essentially a tax on market earnings, the subsidy acts to increase the real wage. By raising the rate of return to market labor, market labor becomes more attractive—causing women to substitute market work for nonmarket work.

<sup>3</sup> See Eurostat 2004 for European country data on the division of parental leave time between the mother and father.

women mean that not many new mothers actually receive this payment.<sup>4</sup> Additionally, as stated above, longer leaves are correlated with lower female participation rates. If mothers take just 4 weeks of parental leave beyond the 16 week maternity leave, they have already exceeded the limit beyond which participation rates begin to drop (see Jaumotte 2003). Given the legal possibility of taking 36 *months* of parental leave, it seems likely that women will take more than 20 weeks, thus exerting a negative effect on their future participation in the labor market. This is unsurprising considering the Catholic bent of Spain, where state policies provide fairly generous financial support for mothers and their families while taking no steps to enable mothers to participate in market work (Huber, Ragin and Stephens 1993: 717-18, 726). Combined with social support for a traditional division of labor within the family, the long parental leave supports the position of women as dependent wives.

### **Child Benefits**

Although Spain's family policy may be generous with regard to leave time, the situation is quite different for child benefits (family allowances). In fact, Spain has one of the least generous child benefit packages in Europe. Family allowances were extremely low but were universal until 1990; since then the amounts have been increased a bit, but became means-tested, so fewer families are eligible to receive any child benefits (Flaquer 2000: 4-5). The income threshold for receiving the benefits is set at  $\frac{1}{2}$  the average production wage—roughly 7,439.92 euro in Spain—and the threshold is based on household income rather than the mother's income (International Reform Monitor 2005). This means that married mothers with a husband working full-time are almost never eligible to receive any child benefits, because the husband's income likely exceeds the threshold level.

For a traditional family of two parents and one or more children, the low income threshold for child benefits underpins the woman's role as wife in two ways. First, the effort of raising children (incorporated in the role of woman as mother) is not recognized or rewarded by the state. Means-tested

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<sup>4</sup> Escobedo 1999 estimates that only one-third of new mothers receive the payment. The estimate by Eurostat 2004 is even more dire (11%).

social assistance “means a shift away from individual entitlement to greater family support”—which is provided as unpaid, unofficial labor by the wife (Millar and Warman 1996: 5). Second, the threshold reinforces the idea of the family wage, wherein the husband’s income is sufficient to support his children and dependent, non-working wife. In Spain, then, there has been no eligibility for child benefits on the basis of citizenship. If this existed, any mother in Spain could claim the benefit regardless of household income or marital status.

## **B. Childcare Provision**

Another important family policy for women’s labor force participation concerns the availability of childcare. The public provision or subsidization of childcare (or lack thereof) is a strong indicator of women’s employment behavior.<sup>5</sup> [This is especially true for societies with traditional gender divisions of labor, in which women bear full responsibility for taking care of the children.] Childcare is generally divided into two age groups: newborns to age 3, and age 3 to age 6 (or whenever compulsory education begins). In Spain, substantial childcare coverage is provided for the 3-6 age group because it is included in their educational programming; 98% in this age group were covered in the 2001-02 school year (Eurostat 2004: 29). However, there is a dearth of childcare for the 0-3 age group (only 10% of children in this age group were covered in 2001-02), which means that mothers are forced to take lengthy leaves of absence from work. Numerous studies have shown that longer periods of absence from work are correlated with a lower likelihood of returning to work, lower wages if one does go back, and a much flatter lifetime earnings pattern (for example, see the classic analysis by Mincer and Polachek 1974).

It is important to add that the high coverage for the 3-6 age group masks an important fact: in Spain the official school day runs between 9:00-12:00 and 15:00-17:00 (Eurostat 2004: 99). The hours from 12:00-15:00 are not included in the official school day so children are generally picked up by their mothers during this time. Even among children enrolled in compulsory education, only about 35% are covered by some kind of organized care for which the mother does not need to be present during the

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<sup>5</sup> Childcare availability is not synonymous with childcare affordability; this is why the amount of public funding is so important.

break time (Eurostat 2004: 29). As a result, the hours of the official school day in Spain (which are also the hours of *educación infantil*) are not conducive to working mothers. These childcare issues constitute the most pressing difficulty for increasing women's labor force participation in Spain and other Southern European countries (Del Boca, Pasqua and Pronzato 2003; Rydell 2003; Mangen 2000; Flaquer 2000; Millar and Warman 1996). The lack of coordination between school hours and childcare provision emerges from the "assumptions of dependency relationships" inherent in the Spanish welfare state (Millar and Warman 1996: 4).

### **Summary - Spain**

Family policies in Spain tend to discourage women from working. This is done implicitly, which is why the policies' negative effects on women's participation often seem "invisible". However, it cannot be denied that the parental leave, child benefit and childcare policies discussed in this section support the male breadwinner family structure. As a whole, this supports traditional roles for women as dependent wives. Yet the work involved in sustaining household needs goes unpaid and for the most part, unacknowledged.

### **Development and the Welfare State in China**

China has undergone a significant shift in production since the transition to a market economy commenced in 1978 with Deng's "Four Modernisations" policies. Accompanying this shift has been a profound change in welfare regimes, social protection measures and broader labour market policy. Under the old (1949-1978) regime, labour market policy was subordinated to a broader state goal of capital accumulation and investment in capital-intensive heavy industry (Tao, 2006). As part of this system, labour mobility was heavily restricted under a *hukou* system of household registration and hence workers needed permission to move from one part of the country to another. This in turn segregated urban and rural communities and hence enabled full employment in the cities (ibid.). It also enabled ready access to the provision of subsidised health care, education and training, housing, childcare provision and also in

effect a “job for life” – typically provided by the individual employment unit, or *danwei* (e.g., state-owned enterprises, collectivised entities; see Zhu and Nyland, 2005 for a discussion). This “protection for life” system in turn was known as the “iron rice bowl” system (ibid.): as such, employers were not permitted to dismiss workers (Tao, 2006).

As part of the shift to a market economy, restrictions on labour were gradually relaxed. This process culminated in the Labour Law of 1995, which dismantled the lifetime system of employment and increased labour flexibility through allowing the use of fixed-term and open-ended contracts; in addition to decentralisation of wages (Lee and Wood, 2005). In addition, workers could now be prosecuted for violation of a contract, e.g. through paying compensation for economic losses caused (ibid.). The decision in 1997 to transform state-owned-enterprises into profit-making ventures within 3 years also allowed for millions of workers to be dismissed (ibid.). Thus, the net effect of a shift to a market economy has been to shift Chinese labour market policy towards “favouring firm autonomy, flexibility, and managerial control of worker organisation” (Lee and Wood, 2005: 21).

At the macro level, despite the growth of the private sector, political power is maintained exclusively by the Communist Party; which retains a firm control of the country’s legislative, security and media apparatus. The collapse of communist ideology now means in effect, however, that the regime’s legitimacy can only be secured through continuing to deliver employment growth and rising living standards (with one estimate putting the number of jobs needing to be generated every year at 30 million!). Chinese economic growth in the past 25 years has been impressive, with an average annual rate of 9% (Tao, 2006: 503); growth which in turn has seen China displace the US as the world’s premier destination for foreign direct investment. This economic performance has in turn been reinforced by a favourable exchange rate and low labour costs. However this overall performance has come at a cost; and the gains of economic growth have not been distributed evenly – one casualty of which has been a commitment to a comprehensive welfare regime (despite World Bank data which suggests apparent falls in poverty rates in the same period, from 49% in 1981 to 7% in 2002; cited in Tao, 2006: 503).

## **Parental leave**

Despite provisions for 90 days of paid maternity leave under legislation (Bowen et al., 2007: 272); there do not appear to be any effective means of sanctioning such regulations to promote paid maternity leave in China (Nielsen et al., 2005: 360). There is evidence to suggest that this places increased pressure on women to defer marriage and childbirth in order to retain their jobs; and that when women (particularly rural migrant women) become pregnant it is simply easier to substitute them with replacement workers rather than pay them maternity leave (ibid.).

## **Child benefits**

Evidence suggests similar ingrained obstacles to the provision of child benefits, given the erosion of the social support system in the transition to a market economy. Child benefits such as education provision may also be compromised if a family violates the “one child” policy (see below) (Bowen et al., 2007).

## **Childcare provision**

A key aspect of the transition to a market economy advocated by the government was to constrain the population growth rate. This led to the adoption of the “one child” policy (Hesketh et al., 2005). On one level, this would be expected to ease the demand for childcare provision, as family sizes shrunk (the problematic issue of Chinese families’ ongoing desire for male children to look after them in old age as women will eventually marry and become part of another family economic unit, aside; see Bowen et al., 2007: 270). However, on another level it could be argued that this policy only serves to reinforce attitudes that the problems women face in family duties are somehow minimal compared to women in other

countries and hence that childcare support measures should be minimal.<sup>6</sup> This only serves to reinforce the traditional Confucian bias against women (Bowen et al., 2007).

### **Summary - China**

Hence, it can be seen that despite the shift to a market economy and rapid economic growth; considerable cultural and institutional biases against women remain. Thus, China can still be considered as paternalist/patriarchal in its approach to development and welfare regime provision.

### **Development and the Welfare State in Indonesia**

In Indonesia, in common with other South-East Asian countries, the approach to economic development and industrial governance was largely shaped by the immediate post-War colonial legacy and the “threat” of Communism. This encouraged the emergence of corporatist or ‘statist’ regimes (Warner, 2002: 386) - often led by the military, that embarked on a systematic subjugation of labour in the pursuit of industrialisation, irrespective of gender, social justice or environmental concerns. In Indonesia the subjugation of labour has encompassed a particularly brutal history. The defining moment came in 1965/66, with the destruction of the Indonesian Communist Party and the violent suppression of left-wing independent trade unions with the emergence of the Suharto regime (Hadiz, 2002: 263) – which resulted in the deaths of an estimated 500,000 to 1 million people (Pilger, 2002: 23).

Under the Suharto regime (1966 – 1997) women occupied a particularly subjugated role, compounded by family and religious affiliations. This however, did not prevent governments marketing the positive attributes of women in the region, with the Malaysian government for example referring to its women workers as being “cheap, literate and docile” (Rasiah, 2001: 93; cited in Hadiz, 2002: 260). A 1993 ILO report<sup>7</sup> on gender issues highlighted the essentially conservative Indonesian approach toward

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<sup>6</sup> See Clancy, M. and Tata, J. “A Global Perspective on Balancing Work and Family”, at <http://www.midwestacademy.org/Proceedings/2005/papers/Clancy%20and%20Tata%20-%20revision.doc>

<sup>7</sup> <http://www.ilo.org/public/english/region/asro/mdtmanila/training/unit2/indomenu.htm#indotss1>

female participation in economic activity. Whilst women actively participate in the labour force, economic development policy has primarily emphasised the role of women within the family – a situation that entrenched their position as being part of a largely secondary, peripheral workforce.

At the macro-level, in the wake of the 1997 Asian crisis, the IMF and the World Bank have become key players on the domestic political scene in their own right (Hadiz, 2002: 250). The relationship between these international development bodies and the Indonesian government has often been terse, with the government expressing rancour at the “structural conditionality” principles of IMF bailouts – for example, the dismantling of state monopolies and the reduction of trade barriers (Grenville, 2004: 83-4). However, in practice the Indonesian government has largely maintained a neo-liberal policy approach to economic development and management. In this schema, tight fiscal policy and keeping inflation to less than 5 per cent p.a. has become the overriding macro policy objective, whilst employment concerns appear to have been downplayed in importance (ILO, 2004: 4).<sup>8</sup> As Sugiyarto *et al.* (2006: 306) note, a policy to reduce the targeted budget deficit from 1.7% of GDP in 2003 to 0.2% in 2009 is highly inconsistent with a goal of job creation, which would require expansionary fiscal policy (*ibid.*). In this context, one would expect the welfare state support mechanisms to be minimal (and largely constructed to cater to a traditional male-dominated breadwinner model).

## **Parental Leave**

There is maternity leave for Indonesian formal sector workers. In terms of scope and coverage, nominally it is meant to apply to “all women workers”: 3 months leave can be taken; of which 1.5 months must be taken immediately after giving birth (<http://www.asianfoodworker.net/maternity/mp-law-seasia.htm> accessed November 24th 2008). In accordance with ILO Convention 183 on Maternity Protection, a full “cash benefit” of two-thirds of a woman's previous earnings or equivalent payment and benefits to be provided from social insurance or public funds or determined by national law and practice

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<sup>8</sup> There have been some relatively minor public works programmes to address the plight of (largely male) displaced workers (Lee and Wood, 2005).

was stipulated (*ibid.*). Whilst, *prima facie*, this does appear generous by developing country standards, it only applies to formal sector workers—which means that a considerable amount of women do not receive any such benefits.

### **Child Benefits**

In line with the above discussion, social security coverage in Indonesia is minimal to non-existent. Only 10 per cent of Indonesians in 2002 had pension coverage and 15 per cent health insurance – largely confined to civil servants and private sector workers in the formal sector (cited in Arifianto, 2004). In this context, the scope of child benefits provided by the state appears to be virtually zero; with no child benefit or free health care for children (ANNISA, 2008: <http://annisa.org/> accessed November 24<sup>th</sup> 2008).

This picture of inadequate child benefits is reinforced by data on poverty and deprivation: during 2004 the percentage of those living in poverty in Indonesia stood at some 17 per cent (Statistics Indonesia<sup>9</sup>). However, the number of those just above the poverty line is estimated to be another 35 - 50 per cent of Indonesians (Sugiyarto *et al.*, 2006: 302), suggesting official measures may downplay the extent of deprivation. Only 1.9 per cent of central government expenditure in 2005 was on “social security” - in contrast, approximately 25 per cent of the budget was allocated to servicing debt, *i.e.*, interest payments on domestic and foreign loans (RAPBN 2005, cited in Sugiyarto *et al.*, 2006: 307) – suggesting that the need to meet IMF strictures have compromised the ability to provide comprehensive social programmes.

### **Childcare Provision**

Finally, having noted the dominant cultural construct of a male breadwinner model and the traditional subservience of women in the home; one would expect that company or state provision of child care would be non-existent. This is commented on by some researchers; *e.g.*, Hutchings, 1996 (cited in

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<sup>9</sup> <http://www.bps.go.id/main-bin/htwrap> Accessed 21st May 2007.

Bennington and Habir, 2003: 387), who argued that childcare provisions were virtually unheard of in Indonesia, as it “would not be culturally acceptable for parents not to take care of their own responsibilities and so such provisions would not be used even if provided” (ibid.).

### **Summary - Indonesia**

Despite the democratisation inherent in the last 10 years, it is apparent that significant cultural and institutional barriers remain to the full integration of women into the workforce. Similar to China, this points to the persistence of ingrained prejudices to the participation of women and the maintenance of a patriarchal approach to welfare regime provision.

### **Concluding discussion**

This paper has provided an initial comparison of the ways that development strategies shape the welfare state in one Southern European country (Spain) and two Asian countries (China and Indonesia). These three countries are different in many ways, but share one thing in common: socio-cultural norms resting on paternalist foundations. Though welfare state benefits are more generous in Spain (as one would likely suspect), it is clear that in all three countries gendered socio-cultural norms—particularly regarding the division of labor—have influenced the welfare state through family policy structure, adversely affecting women’s ability to advance in the labor force. The recent trends toward welfare state retrenchment in Western countries are likely to aggravate these problems in the future. If economic gender equality is to be achieved, the hands-off role of the state across developed and developing countries in promoting individual well-being and gender participation needs to be significantly amended in favor of more redistributive policies.

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