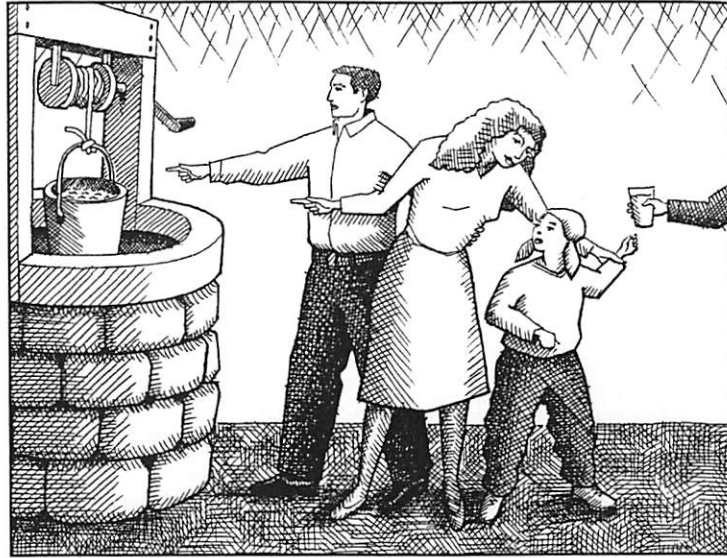


Family Policy Is Not Welfare

Lessons From the French Experience

by Jean-Didier Lecaillon



Stephen Schildbach

Family policy is strangely absent from debates in Europe (the word “family” plays no part in the treaty of European Union signed at Maastricht). In France, however, it has become the object of numerous controversies. From these debates, several lessons can be drawn which would enable policy-makers to avoid repeating the mistakes of the past.

France is often cited for having developed an original model of family policy, but that model was not built up in a day, and over the years it has progressively deteriorated. A careful analysis of this experience should help us to avoid reproducing the same confusions or falling into the same traps.

Any serious reflection, to be useful, requires agreement—right from the beginning—on the meaning of words. At the same time, to be practical, that is, to find solutions assured of giving positive results, it is essential to know what one is talking about, and this brings us to a distinction which is at the heart of the entire question of family policy, the distinction between social policy and family policy.

The expression “social policy” makes us think first of everything that concerns life in society. But under so broad a definition, each and every policy ends up being social in this sense. To speak at such a level of generality is close to saying nothing. It is better to take “social” in its second sense, which refers to programs aimed at improving the condition of the least advantaged. A related expression would be “assistance” or “welfare,” and it derives from the concept of the welfare state.

The purpose of this sort of policy would be the struggle

against a condition which is neither desired nor desirable: poverty. In the beginning, the object is to alleviate the harshness of poverty by reducing the negative effects. But in the end, it becomes a question of doing everything possible to eliminate a condition that is considered inherently evil.

This aspect of the welfare state provides a criterion that allows us to make a fundamental distinction between social policy and family policy: The vocation of the former is to eliminate itself, since the disappearance of a social policy is the best sign that it has worked; the more ephemeral a social policy is, the better it has done its duty to the extent that the evil it was created to combat has disappeared.

The same reasoning does not apply to family policy, unless the family is considered as a sickness, an obstacle, a handicap—in short, a condition to escape from as quickly as possible. If, on the contrary, we regard the family as something that does good, and if we want families to flourish, then any policy that promotes this mode of social organization ought to be established for the long haul. By definition, then, a family policy aims at prolonging the condition which it was created to address and not at eliminating the condition.

On the level of fact, however, things are not so clear. The reasons used to justify the adoption of a family policy are diverse and vary from age to age and country to country. Also, family policy is rarely given institutional recognition under the form of a cabinet ministry or of a government department. This absence, undoubtedly, can be explained by the all-inclusive (or “global”) character of family policy: Questions that touch the family are so broad that every government department can justifiably claim to be concerned. But in practice, it is the ministers of social affairs who take on responsibility for family matters, and they are trained to eliminate problems,

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rather than to promote good institutions. This assumption of authority creates an obvious confusion.

With so many fingers in the pie of "family policy," it is easy to see why the meaning of "family" is often missing.

At the end of the 19th century, France basically pursued pro-natalist policies based largely on arguments developed by demographers, who were interested in the living conditions of large families. The assistance that was provided had the object of restimulating fecundity. On the other hand, none of the measures put into place made reference to a precise conception of the family. Even in the 1930's, the "birth dearth" and aging of the French population influenced public officials to take a certain number of concrete measures that resulted in the law of July 29, 1939, called the "Family Code." The scale of family allowances became strongly progressive; couples were encouraged to have their children early; there was a real commitment to assist the formation of large families.

Another ideal to be seen in the French experience is the desire to promote the family as the basic social unit or "*cellule de base*," which became the dominant idea after World War II. From that point on, the family was explicitly regarded as the natural basis of individual happiness. This recognition originally meant that business leaders regarded grants to families as a genuine family wage. These employers thought that a worker with responsibility for a family, should be paid more than a bachelor whose income served only his personal needs. . . . It was only later (in 1932) that these family grants were generalized to include all salaried workers.

The Family Code gives privileges to a specific type of family: one with three children and a stay-at-home mother. More generally, the promotion of marriage or of stay-at-home mothers (in recognition of their contribution to the formation of human capital) is based on the very specific role played by the institution of the family in the development of society. A fiscal arrangement such as the *quotient familial* (family allowance), established in France in 1945, is a concrete realization of this new attitude toward the family. Contrary to what a superficial analysis might lead one to believe, this arrangement was not a simple measure designed to provide fiscal incentives but a fundamentally original approach. In the first place, it is the family, and not the individual, which is in contact with the fiscal administration. Under such a program, family functions receive social recognition, and the existence of the family as an autonomous entity is, in some fashion, made official. The same approach emphasizes the family's rights to social security (for example, health insurance for stay-at-home mothers, and inheritable pensions).

Elsewhere, family policy concentrates on very specific situations, whether they are peculiar to the institution of the family or not. In Germany, for example, family policy is treated as an aspect of social planning, and the object is to maintain equilibrium in the different phases of family life. But in the Netherlands, there are measures designed to ensure the emancipation of women or the integration of at-risk groups into society. In France, as we have seen, only certain families benefited from the system of compensation designed to reimburse families for their responsibilities. But from the beginning of the 1970's, a fundamental shift in perspective took place, from paying families for the cost of rearing a child (the policy inaugurated after World War II) to advocating the rights of the child. In the former system, the birth of a child—of whatever class—was not

supposed to impose a lower standard of living on the family, whatever its resources might be; while the latter system may justify the setting of income restrictions on the amount of grants for which a family is eligible.

This change is a tangible illustration of the gradual slide from a policy that supports the family toward a policy that tries to remedy social inequalities. This tendency is increasingly accentuated, particularly in Sweden and Denmark, where pro-natalist concerns and encouragement of the family as a mode of social life are completely absent: The primary goal is to make sure that maternity does not get in the way of women's liberation.

Pro-family legislation can also be passed in order to benefit the national economy. This is the case when a government decides to jump-start the economy by distributing buying power, or to redirect economic activity through fiscal incentives, or to stimulate employment by creating and subsidizing family businesses, or to develop certain business sectors, such as housing, by easing access to property or making the levels of rent payment attractive to investors.

To complete this little survey, we should consider that in certain countries there is an almost total absence of family policy. In this category, one can put Spain, Ireland (even though the existence of a family code shows that the family is considered in law), or the United Kingdom (despite certain declarations recognizing the fundamental importance of the family's well-being as the basis of a stable, responsible, and free society). This category includes both nations where the state refuses to get involved in what is regarded as an essentially private domain or where the term "family" is banished from official texts, as it is in the Netherlands, in the name of neutrality.

In short, there is no unity of motive or method that can be traced in the varieties of family policy, and European unification will not make up for the absence of pro-family provisions in the Maastricht Treaty. On the contrary, the effect will be a reduction to the lowest common denominator—a family policy brought down to its simplest expression.

Such an evolution is not good news for families living in countries that have preserved a system of family allowances. To understand the consequences, some thought must be given to possibly high opportunity costs that are inflicted when a family policy is absent or disappears.

Responsible politicians who wish to act intelligently must be shown what might be the interest of managing time and money in support of a specifically family-oriented policy. It is essential to demonstrate that, on the level of basic principles, the distinction between social policy and family policy is *de rigueur*. On this point, the recommendations made in 1996 by the Steering Committee in charge of preparing a French National Conference on the Family are very precise:

The first question to be clarified concerns the conception of the family. . . . If the expression "basic unit of society" is almost naturally applied to the family, this should not cause us to forget that it refers back to a very precise conception of the social order resting upon the existence of communities of stable persons that one should recognize at all institutional levels. From this perspective, the family is the first human community because it assures reproduction and supplies the first elements of education. It is the kernel of society in the sense that it alone could assure its continuity and its fu-

ture. This conception is fundamentally different from that which makes the individual (autonomous and isolated) the basic unit of society, which would then consist, simply, of one individual added after another. This second perspective ends up in the notion of the individualist family . . . the family becomes an option, one mode of social existence among others.

To illustrate concretely the difference between the two ways of conceiving of the family, we may say that the first justifies marriage regarded as a social fact while, with the second, the formation of couples will be able to be considered a strictly private affair. . . .

A family policy worked out in the context of a plan making the family the basic unit of society will step in, *a priori*, to promote, to privilege, and—quite simply—to prevent harm from coming to this mode of life. Starting from the point at which the family is considered better and more balanced when it rests on the lasting unions of men and women who intend to rear children and that individuals are naturally destined to thrive in this setting, family policy will be conceived as a means to providing both incentives and preventive measures. On the other hand, from the individualist perspective, the point will be to insure that each individual can associate himself under the best conditions when he considers that it is necessary for his success in life. In the end, intervention will be made, *a posteriori*, if his choice entails negative effects. Family life becomes a risk; the State intervenes to correct the situation on behalf of social justice.

The main point to bear in mind, in a question of family policy, is, first, that it must rest on a precise analysis of social organization, and second, that it is by its very nature preventive, not only to the extent that intervention is made *a priori* in favor of a social organization that is a given of human society, but also because this action must contribute to reduce the importance of welfare assistance. Unfortunately, to make family policy on the basis of social policy means that intervention is *a posteriori* in favor of certain categories of persons, to correct failures or compensate them for hardships they have encountered, whether they are the consequences of deliberate choice or simply the expression of differences among human beings. . . .

In France, actions taken in the realm of family policy are, because of the complexity, not easy to interpret. In particular, the number of family allowances that are paid (28 different types, currently) makes it a delicate task to evaluate the results. At the same time, it seems difficult to simplify the system without penalizing this or that category of family. Nonetheless, one useful step that could be taken, which would eliminate much of the confusion, is to spell out the specific objectives of the different programs. A group of experts directed by Madame H. Gisserot has, in fact, issued a report that makes considerable progress in this direction. According to the report:

Family policy, insofar as allowances are concerned, should seek to reestablish equity between persons responsible for a child and those who are not; in the logic of compensation, allowances should not be, on the level of principle, made conditional on income and resources nor subject to taxation; [such a policy should also seek] to recognize the parents' participation in the creation of

wealth; finally, in providing resources for certain families to make them solvent—this assistance is distinct from family allowances and belongs more to a guaranteed minimum familial income than to a recognition of family investment.

This statement does a good job of putting together the givens of the problem. Based on a recognition of the family as the basic unit of society, an operational family policy requires: re-establishment of equity and additional resources for particular families, but also recognition of the parents' role in creating true wealth. When this objective is overlooked, the end result is a failure to hold on to any dimension of family policy that is not "social," i.e., that is not welfare assistance.

The slide from family policy toward welfare policy entails several difficulties. The first of them is connected with the need to establish thresholds beyond which all assistance would be suppressed.

This is the case when there are plans to fix an upper limit on the income and resources of a family that is eligible for support. In 1998, the French government announced a relatively low standard (25,000 francs for a couple) without being able to jus-

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tify this total. It is, however, difficult to decree that someone is rich or poor solely on the basis that he has a few francs more or less than a certain total; in addition, the progressive diminution of the number of beneficiaries is an inevitable fault of a procedure that regularly reevaluates the threshold. To this mechanical difficulty is added the much more delicate problem of selecting which resources to include, as well as the need to define the appropriate scales of equivalence. (This is a problem in the most favorable scenario, where family size is taken into account.) Even the evaluation of wealth levels derived from income would deserve long discussions, to say nothing of an additional source of discrimination—the desire not to help "the rich" in their task of forming human capital, resulting in the establishment of a different ceiling depending on whether there are one or two sources of income.

More serious, obviously, are the consequences of welfare assistance when they result in the creation of a veritable poverty-trap. This is the case when government actions maintain the beneficiaries of assistance in their dependency instead of helping them to escape. A bondage of this type is the result of AFDC programs in the United States, where it is legitimate to wonder if welfare does not end up encouraging women not to acknowledge the father of their children. The result is an increase in the number of single-parent families, which is para-

doxical in itself, at least if one considers that the ideal situation (promoted by a family policy) is that a child has both mother and father. This concern, in France, led the participants of the Conference on the Family to put their finger on the dangers lurking in measures reserved strictly for isolated parents.

We are at the frontier between actions which encourage or assist a positive choice and the necessity of correcting failures. But one must be clear that the correction is real only if the victim actually escapes from the circumstances of distress in which he finds himself, and not if he is permitted simply to endure his situation with less difficulty.

The French experience helps us to see that, as family policy has been transformed step by step into welfare policy, it has ceased to be effective, not only in the sense that the constitution of the family has not been encouraged (as seen in lower marriage rates), but also the stability of marriages has deteriorated (higher divorce rates), while fecundity has been reduced at the same time that the comparative circumstances of families, whatever their level of income, underwent a profound erosion.

In recalling these facts, we are in a position to oppose the conclusion that a family policy would be ineffective—a conclusion based, in fact, on the confusion between social policy and family policy.

Here are the alternatives: either to decide to promote the family as family and base support on the notion of family (rather than social) policy; or to consider that this is a question of a strictly individual choice and to help certain parts of the population (e.g., the poor) to make their choice, not because it would be beneficial for the family, but because they are in trouble. It is here that the idea of social policy comes to the fore.

In the first case, the familial reality is a goal in itself. It is also a bet on the future, since one is never sure that there will not be failure. But the point is to put the maximum number of trumps in the game by anticipating problems. This supposes, obviously, that the family is actually considered as something beneficial to society.

In the second alternative, this conviction is not necessary: The reality of the family is not a goal in itself, it ends up disappearing completely in the sense that it is accorded no particular preference. The sole preoccupation is to proceed, periodically, to observe the damages and to intervene when there is distress.

As in the case of every investment, the burden (the cost) precedes the return (the revenue). To bring children into the world and to rear them procures, from the emotional point of view, great immediate satisfactions. But in the economic sphere, children are from the first instant of their lives consumers, and it takes many years for them to become self-sufficient and to become productive. However, this delay is a condition necessary to economic and social development. Not only reproduction but also human capital formation (acquisition of technical skills, transmission of tradition, etc.) must be assured in the best conditions. The stable and durable union of a man and woman planning to have and rear a child or several children—a definition of family on which we should be agreed—is the mode of existence that offers the best chance of obtaining successful results.

Every investment involves a hope for future return. The notions of risk, of betting, are closely related. Only a correct understanding of “a return on investment” can justify the venture. It is important that those who make the attempt and emerge

victorious (from the struggle to rear children) are not considered as slackers, or penalized systematically. This appeal to responsibility is a new means of grasping the importance of the clear distinction between family policy and social policy. If parents have decided to bring children into the world and rear them, and they are creating true wealth which will profit the entire society, it is only just to recognize the contribution they are making, and it is also reasonable to take steps to prevent the spring from drying up. ◊

The Recovery

by Alan Sullivan

Beside her bed he set to sketching
The faint frown on a sleeping face.
Already he heard critics retching:
Staid, insipid, commonplace.

The livelihood he thought to fashion
From such unfashionable themes
Was palling like an artist's passion
In attics of forsaken dreams.

He left his work to dust and darkness,
Doubting times or tastes would change;
But critics one day favor starkness,
The next, prefer eclectic range

And under stacks of dross discover
The paradigms of modern life.
He only meant to sketch a lover
Resting from domestic strife.