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Politics of Childcare Policy beyond the Left–Right Scale:

Postindustrialization, Transformation of Party Systems, and Welfare State

Restructuring

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Abstract

Childcare policy has become an integral part of social and economic policy in postindustrial democracies. This article explores how the transformation of party systems structures the politics of childcare policy. It reveals that political parties contend with each other over childcare and female employment policy on the social-value dimension as well as the redistributive dimension. Assuming that different party policies have distinct impacts on public childcare policy, this article hypothesizes that a government's policy position—composed of the governing parties' policy positions—affects changes in public spending for childcare services. Through an analysis of the pooled time-series-and-cross-section data of 18 advanced industrialized countries from 1980 until 2005 using multivariate regression methods, this article reveals that a government's redistributive left–right policy position interacts with its social liberal–conservative policy position, and that a left–liberal government raises its budget for childcare services while a left–conservative government does not.

Key Words: Comparative Welfare States; New Social Risks; Party System; New Politics

INTRODUCTION

This article examines how the emergence of new social risks is translated into new social policies in advanced industrialized democracies. New social risks are defined as "the risks that people now face in the course of their lives as a result of the economic and social changes associated with the transition to a post-industrial society" (Taylor-Gooby 2004: 3). These socio-economic changes encompass the tertiarization of employment, the feminization of labor force, lower birthrate and longer longevity, the transformation of family form and norm, and so on. The shift from the industrial economy toward the postindustrial service economy has compelled citizens to face new types of social risks—such as irreconcilability between paid work and family responsibility, poverty in lone parenthood, and possession of low or obsolete skills—and required modern welfare states to respond to new social needs and demands with policy instruments beyond standard cash benefits for male breadwinners (cf. Bonoli 2005).

This study takes childcare policy as a quintessential example of new social risk policies and explores the political logic behind the recent changes of childcare programs in advanced democracies. As suggested above, increasing female labor force participation and the erosion of male-breadwinner/female-caregiver family model necessitate that more and more mothers with young children reconcile paid work at the labor market and care responsibilities at home. Consequently, "work/family reconciliation" has become a buzz word in policy debates, and then formal childcare provision gains prominence among other reconciliation policies, such as parental leave

schemes and flexible work settings, because it helps mothers with young children to ease their tension between work and care burdens while it does not incentivize them to reduce their labor supply (Knijn & Smit 2009; Lewis 2009; Lewis et al. 2008b; Mahon 2006).   The promotion of childcare services agrees with the general trend of active, employment-oriented social policy.   In fact, when the European Union set the Barcelona targets in 2002, it encouraged its member states to lift the coverage of formal childcare services to at least 90 percent of children between 3 years old and the mandatory school age and at least 33 percent of children under 3 years of age as a part of its *employment strategy* (European Council of Ministers 2002).   In addition, the provision of quality formal child daycare services is now considered to be social investment in younger children as future work force (cf. Esping-Andersen 2002; Morel et al. 2012).

This article explores the political determinants of childcare policy.   It is reported that even though welfare states face social needs for "work–family reconciliation" in most postindustrial democracies, not every country and government responds to them by promoting childcare services (Lewis et al. 2008b).   Given that social needs and demands for "work-family reconciliation" are translated into public policy through democratic institutions, this study probes the following two questions.   First, does party politics matter to the development of childcare policy?   Second, if it does matter, along what dimensions do political parties compete with each other over this policy issue?   Is childcare policy still contended along the traditional left–right dimension? Is it debated along another policy dimension as well?

This article claims that childcare policy is now contended in a two-dimensional policy space, because current party systems have been transformed into a two-dimensional system in modern democracies. Due to the emergence of post-materialist values among constituents, political parties in postindustrial democracies have adapted their policy positions to the new configuration of preferences among voters and now compete with each other over not just redistribution of public resources but also issues related to social values, such as ecology, feminism, immigration, nationalism and individual liberty (cf. Inglehart 1997; Kitschelt 1994, 1997). In the contemporary party systems, a redistributive left–right axis—which reflects class conflicts in society and used to solely define each party's position in the respective party system—crosses a social-value liberal–conservative axis in the party competition space. This study maintains that this party system transformation affects political parties' preferences for childcare policy.

Political parties have different preferences with regard to childcare policy according to their position in the two-dimensional party competition space. Left–liberal parties, which prefer egalitarian income redistribution and espouse post-materialist values, seek to enhance female workers' employability without sacrificing equality. Public childcare programs are an indispensable policy tool to help mothers with pre-school age children to reconcile career development and family life and boost the labor supply of female citizens (activation). Left–conservative parties, which also support generous social policy but favor conserving conventional social orders, prioritize the protection of male industrial workers and seek to maintain the traditional male-breadwinner/female-caregiver family model. Left–conservative parties prefer to see female citizens raise their children at home with public support (familialism).

5

Right–liberal parties, which make maximum use of market mechanism while support post-materialist values, prefer to increase labor force participation through market-based solutions. These parties have an incentive to increase formal childcare provision, but they can fulfill this purpose by deregulating childcare services and encouraging an inflow of cheap, flexible workers to them (marketization). Right–conservative parties, which tolerate income inequality deriving from capitalist economy and embrace traditional values, prefer either familialism or marketization, depending on the configuration of their target constituencies. Because of these diverse preferences with regard to childcare and female employment policy across political parties, government composition influences the development of public childcare programs.

The above proposition is tested with data on public in-kind benefit expenditures for families in a panel of 18 Organization for Economic Cooperation and Development (OECD) countries from 1980 until 2005. The empirical literature has paid little attention to the policy consequences of party system transformation under postindustrialization. Hence, this article constructs a new dataset measuring each government's policy position along the social-value ("liberal–conservative") dimension as well as the redistributive ("left–right") dimension; this is achieved by using data from the Comparative Manifesto Project (CMP) (Budge et al. 2001; Klingemann et al. 2006; Volkens et al. 2009, 2010).

This article is organized into several sections. First, it explains what "new social risks" refer to and the strategic location of childcare policy in economic policy among advanced democracies; second, it shows the theoretical connection between the

realignment of party systems and partisan differences on childcare policy in a two-dimensional party competition space; third, it clarifies how this study constructs the dataset of government policy positions, and it describes other variables used in regression models; fourth, it explains the quantitative methods used to analyze the pooled time-series and cross-section data of this study; fifth, it presents the results of cross tabulation and regression analysis; finally, it summarizes the entire argument and discusses its implications for literature on comparative politics and social policy.

LITERATURE REVIEW

As discussed in the previous section, this article takes childcare policy as a typical example of new social risk policies and examines partisan effects on the transformation of welfare states under postindustrialization in recent decades. While existing literature points out that path-dependent effects established at the turn of the twentieth century (Morgan 2006, 2009) or during the golden age of welfare state development (Bonoli & Reber 2010) account for the cross-national variations of childcare policy, this study focuses on recent government policy responses to the emergence of the service economy and the increasing labor demands for female workers in the last few decades. The policy context surrounding childcare services has changed, and, as the European Union prescribed in the Lisbon Strategy, the significance of such childcare services as a policy tool to activate mothers with young children is being increasingly recognized across advanced industrialized countries.[1] Is there any room for the influence of political partisanship in this policy area?

In the "politics matters" camp, the power resources theory is used to explain the variations in public childcare and more general family policies across countries (Esping-Andersen 1999; Huber & Stephens 2000; Iversen & Stephens 2008; Korpi 2000).   However, this approach has several limitations in applying its logic—which accounts for the variation in welfare states in general—to childcare policy straightforwardly.   First, while the proponents of this approach theorize the development of welfare programs as a part of social democratic parties' strategy for "decommodifying" industrial workers and generating class solidarity among the working class (cf. Esping-Andersen 1985), public childcare programs "commodify" young female citizens (cf. O'Connor 1993; Orloff 1993, 1996).   There is no obvious reason for the labor movement or social democratic parties to prefer to encourage women to enter the labor market and heighten wage competition among workers. Second, related to the first point, childcare policy is concerned with life course-related rather than class-related social risks (cf. Jensen 2012).   The risks facing irreconcilability between paid work and child rearing are concentrated on the younger generation and female gender but scattered across social classes, and therefore the provision of childcare services benefits the middle as well as—or sometimes more than—the working class (cf. Van Lancker & Ghysels 2012).   Thus the theory based on class politics is least likely to be relevant for childcare policy.[2]

The alternative approaches to the power resources theory are insufficient for explaining political partisan effects on childcare policy as well.   For instance, the "insider–outsider" approach ignores the diversity of policy preferences for new social risk policies across leftist parties.   Rueda argues that "social democratic parties have

strong incentives to consider insiders their core constituency" (Rueda 2005: 62).   That is, while social democratic parties have incentives to protect industrial workers as their constituency (insiders), these parties are less enthusiastic about promoting the interests of precarious workers (outsiders).   Since many female employees are working as part-time or contract workers in public and private sectors, this approach expects leftist parties to care less about the expansion of affordable childcare services than about other welfare programs and implies that government partisanship would have no effects on childcare policy, as it shows in active labor market policy (Rueda 2005, 2006). However, the electoral bases of social democratic parties are not necessarily limited to unionized male blue-collar workers.   It is theoretically possible to expect them to appeal to female constituents cross-cutting the insider–outsider cleavage through expanding new social risk policies.   For instance, Huber and Stephens (2001: 125-127) point out the "feedback cycle" between social democratic governance, women's labor force participation, women's political mobilization, and public service employment in Nordic countries.   That is, the labor shortage during the 1960s and 1970s led to the expansion of public social services, and it further enhanced female labor force participation and women's political mobilization in union and leftist parties.   The changing gender roles in economic and political spheres have, then, augmented the support for public social services among women and reshaped social democratic parties' ideological orientation toward gender equality and these services in Nordic countries. Whether leftist parties exclusively serve the material interests of labor market insiders depends on each country's political context, and therefore leftist parties' policy orientations to childcare policy should be explored empirically.

For another example, feminist social policy research is also inadequate in accounting for the influences of partisan politics on childcare policy. Feminist welfare state scholars rightfully criticize the power resources approach because of its theoretical incapacity to take the commodifying aspects of social policy into its framework (e.g., O'Connor 1993; Orloff 1993, 1996). The feminist welfare state literature emphasizes the (de-)gendering effects of welfare states and proposes several gender regime types, such as strong/modified/weak male-breadwinner models (Lewis 1992) and dual-earner/dual-caregiver model (Gornick & Meyers 2009), in order to evaluate the gendered aspects of each welfare regime (i.e., the ensemble between families, labor markets, and state). The gender sensitive approach treats childcare policy as a centerpiece in its analysis because who bears burdens of social care has critical influences over gender relations in society (e.g., Daly 2002; Knijn & Kremer 1997; Lewis et al. 2008a). However, even though childcare policy—just like other public policies—is forged through parliamentary democracy, the feminist literature rarely explores the effects of party politics on it in a systematic way.[3]

This study challenges previous studies' assertions—namely the power resources theory's exclusive attention to the left–right struggles and the insider–outsider approach's indifference to the effects of partisan differences on new social risk policies—by examining the transformation of party systems in modern democracies and its implications for childcare policy.

POSTIINDUSTRIAL PARTY COMPETITION AND CHILDCARE POLICY

This study contends that party competition along the lines of class cleavage and newly emerging social-value cleavage determines childcare policy in postindustrial societies. As pointed out in the previous section, childcare policy is now a part of human capital investment policy in postindustrial democracies and therefore reflects partisan confrontation on economic policy between left and right parties.   Boix (1997, 1998) shows that leftist and rightist parties have different priorities for their platforms and employ distinct supply-side economic policies to maximize growth and reduce unemployment under global competition.   That is, while leftist governments increase public spending on human capital formation to enhance national competitiveness, rightist governments seek to create an incentive structure to encourage private investment and increase labor supply by cutting taxes and lowering social wages. Hence, we can expect that leftist governments increase their involvement in the provision of childcare services in order to adapt their national economies to postindustrialization without sacrificing equality, whereas rightist governments deregulate childcare services and fulfill social demands for those services by encouraging the inflow of cheap and flexible workers to them.

However, political confrontation in the social-value dimension complicates the politics of childcare policy in the postindustrial society.   Many political scientists point out that political competition in advanced industrialized countries has shifted from a one-dimensional, left-versus-right system toward a two-dimensional one (Betz & Immerfall 1998; Bornschier 2010; Kitschelt 1994, 1997; Kriesi et al. 2006, 2008). Even those who claim party systems are still structured along a single left–right dimension in postindustrialized countries willingly admit that the current "left–right"

axis puts less weight on economic redistributive issues and incorporates cultural issues, such as ecology, feminism, Europeanization, and immigration, instead (Huber & Inglehart 1995; Van der Brug & Van Spanje 2009). Because of the emergence of post-materialist values (Inglehart 1990), social-liberal-versus-social-conservative politics becomes salient in the party competition spaces of postindustrial societies.[4]

The social-value position of each political party is a significant determinant of its policy preferences with regard to formal childcare provision performed by paid employment. First, the population group that is likely to need childcare services overlaps with constituents with socially liberal values. Being female does not in itself indicate an inclination to be social-liberal. In postindustrial societies, however, women—especially young women—dealign themselves from religious, conservative values and sympathize with postmaterialist and feminist values as a result of modernization, secularization, the increase of female labor force participation, and other contributing factors (Inglehart & Norris 2000). These young women are likely to overlap with those who require childcare services. Second, those with social-liberal values are much more supportive to outsourcing unpaid care work to paid care services than those with social-conservative values are. While social-liberals believe that having a paid job is important for women's independence and self-fulfillment, social-conservatives are attached to a traditional male-breadwinner/female-caregiver gender model.

Due to these confrontations in the social-value dimension, we cannot presuppose that, in current advanced democracies, political parties' policy positions on the redistributive

left–right axis predict their policy preferences for childcare programs.   The politics of

childcare policy should be contemplated at least in the two-dimensional policy space.

To clarify the point that a political party's policy position not just on the redistributive

axis but also on the social-value axis constitutes its policy preferences with regard to

public childcare programs, this study presents a typology of political parties.

Obviously, the following typology shows ideal types in the Weberian sense, and then

most political parties are located between these pure types.   As Figure 1 indicates, this

study claims that political parties, depending on their policy positions in the

two-dimensional policy space, can employ three different strategies to address female

employment and childcare issues.

[Figure 1 around here]

Left–liberal parties seek *activation*.   Since their goal is to enhance female workers'

employability without sacrificing equality, they prefer to make the public sector actively

step in for the provision of various services.   For these parties, public childcare

programs are an important policy tool to help young citizens reconcile career

development and family life and boost the labor supply of women with care

responsibilities.

Left–conservative parties (either traditionalist-oriented social democratic or

redistribution-oriented Christian democratic) opt for *familialism*.   These parties

prioritize the protection of male industrial workers and seek to maintain traditional

gendered division of labor in society.   Such parties are less inclined to promote public

daycare institutions or expand public subsidies for private childcare services.   Rather,

they prefer to augment paid care leave schemes so that young female workers can exit the labor market during their childrearing period. While it is expected that left–conservative parties favor cash benefit programs for male breadwinners, these parties are reluctant to encourage female labor force participation through the expansion of childcare services.

Right–liberal parties opt for *marketization* strategies. These parties encourage female labor force participation and adapt the national economy to postindustrialization without expanding the role of the public sector. Although right–liberal parties also prefer to prevent female workers from exiting the labor market, they try to achieve this policy goal without involving the public sector. Aside from improving the state's direct provision of childcare services and subsidies for them, a national economy can fulfill the demand for childcare services by deregulating them and encouraging an inflow of cheap, flexible workers to them (cf. Bonoli & Reber 2010; Morgan 2005). Right–liberal parties have an incentive to encourage female labor force participation, but they achieve this purpose by penalizing not being in paid employment among lone mothers, deregulating childcare services, and sacrificing wage equality.

Right–conservative parties prefer either familialism or marketization. If right–conservative parties strive to please the capitalist and management class, they adopt the marketization strategy. However, if they aim to cajole traditionalist blue-collar workers and the old middle-class into voting for them, they espouse familialism. Either way, right–conservative parties look unfavorable on the expansion of public childcare programs.

The argument presented above—that political parties adopt different strategies for childcare policy according to their policy positions in the two-dimensional party competition space—leads to the following hypothesis. That is, if partisan differences do matter to childcare policy, the government policy position, composed of coalition parties' policy preferences, does also have an influence on public childcare programs. Then, the enhancement of government efforts toward childcare services requires a 'redistributive-left' and 'social-liberal' government in the two-dimensional policy space. In other words, the further apart from the pole of left–liberal position a government is located, the less likely it promotes public childcare programs.   In later sections, this article tests this hypothesis with empirical data.

DATA AND VARIABLES

This section describes the data and the variables used in the regression models.   This article analyzes data on 18 advanced industrialized countries from 1980 to 2005.[5]   Its dependent variable is annual changes in public spending for childcare services as a percentage of GDP.   Aggregate spending levels are now considered to be a poor measure for the outcomes of welfare provision, and it is often suggested that these outcomes (e.g., the degree of decommodification) should be directly measured with a certain index in an empirical study (cf. Allan & Scruggs 2004; Esping-Andersen 1990). Nevertheless, this study uses public spending for childcare services as its dependent variable.   First, due to data limitation, public spending as a percentage of GDP is the best available measure for the generosity and volume of public childcare services and

subsidies.   While we can estimate the income replacement level of transfer programs (e.g., unemployment benefits), it is hard to construct such an index to measure the generosity of social services because the production of social services is multifaceted and has no simple yardstick to measure their generosity and volume.   The generosity of public childcare programs should be measured with their coverage, the length of opening hours (part-time or full-time), the staff to child ratio, the educational and training attainment of child-minders, and so on.   Although a composite index incorporating all of these factors might be preferable, public spending can be transformed into any of these aspects.   Hence, public spending may be more appropriate for social services than transfer programs in order to measure each government's policy efforts devoted to them (cf. Jensen 2012: 281).   Second, this study's hypothesis concerns a government's efforts toward childcare programs rather than the outcome of public childcare programs *per se*.   This study explores whether political factors motivate welfare states to allocate scarce resources to public childcare programs.   Thus, its use of an aggregate spending indicator as an approximation of welfare efforts is justifiable.

To measure the size of public spending on childcare programs, this study uses, as its approximation, public expenditures for "benefits in kind for family" as a percentage of GDP from OECD (2009d) *Social Expenditure Database (SOCX)*.   OECD SOCX (2009) categorizes public programs into 9 branches and subdivides each category into cash benefits and benefits in kind.   The public programs classified under the "family" branch are "often related to the costs associated with raising children or with the support of other dependants" (Adema & Ladaique 2009: 18).   Although it also includes some

other minuscule programs (e.g., child abuse prevention), the category of benefits in kind for family mainly consists of public spending for child day care services.

There is one additional caveat to use the data of OECD SOCX.   The 2009 version of OECD SOCX changes its definition of "benefits in kind for family" and adds pre-primary education expenditures to this category for the data in 1998 and later years. As Figure 2—which shows time trends for public spending on benefits in kind for family as a percentage of GDP in 18 countries—clearly indicates, this definitional change has created a huge break in data for several countries, such as Belgium, France, and Italy.   To absorb these effects and make time-series comparison possible, this study creates a period dummy (i.e., 1 in 1998; otherwise 0) for each country, and puts these 18 dummy variables into regression models.

[Figure 2 around here]

To test the influences of party competition along the social-value dimension as well as the redistributive dimension, this article constructs a new dataset.   This is essentially an extended and updated version of Tsebelis's (n.d.) *Veto Players Dataset* with the newest data on government composition.   While Tsebelis's dataset does not consider the social-value dimension, does not cover Italian and Japanese data after their respective party system transformations in the mid-1990s, and ends in 1999, this study's dataset does cover the social liberal–conservative dimension as well as the redistributive left–right dimension by using Comparative Manifestos Project's (CMP) data (Budge et al. 2001; Klingemann et al. 2006; Volkens et al. 2009, 2010) and extends the time period until 2005 using the data from the *Political Data Yearbook* of *European Journal*

17

of Political Research (various years).

This study's dataset locates each political party's policy position both in the redistributive left–right and the social liberal–conservative dimensions using CMP's data.   CMP analyzes party manifestos and estimates party policy positions from text data.   Although content analysis of political texts may include greater errors than expert surveys (cf. McDonald & Mendes 2001), such content analysis has advantages in terms of estimating time-series changes in the policy preferences of political parties, because political parties issue their manifestos at the time of every election.   Since this study's regression models analyze within-country changes rather than cross-national variations in public spending for childcare programs (discussed later in *Method Section*), estimating time-series changes in party policy positions is indispensable for the analysis. Hence, this study uses CMP's data as a *de facto* standard of the content analysis approach.

To estimate each political party's policy positions in the redistributive left–right and the social-value liberal–conservative dimensions, the new dataset generates two indicators: the *Redistributive Left–Right Policy Position* and the *Social Liberal–Conservative Policy Position*.   CMP assigns each sentence in electoral programs to one of 56 pre-determined categories and calculates the ratio of each category in each electoral manifesto.   Following McDonald and Mendes (2001: 108-111), while this dataset attributes 13 categories to "Left" and 9 categories to "Right," it ascribes 5 categories to "Liberal" and 5 to "Conservative" (see Table 1).

[Table 1 around here]

The Redistributive Left–Right Policy Position subtracts the score of Left categories from that of Right categories (– = left; + = right) in each country and each election. In the same way, the Social Liberal–Conservative Policy Position subtracts the score of "Liberal" categories from that of "Conservative" categories (– = liberal; + = conservative) in each country and each election. This study assumes that political parties maintain their policy positions during the interval between elections, and it treats the left–right and the liberal–conservative scores as annual data based on this assumption. Although separating the social-value dimension from the redistributive left–right dimension makes no sense unless these two dimensions are orthogonal to each other, the two-dimensional policy space appears conceptually and substantively valid. As Figure 3 indicates, while these two dimensions are slightly correlated, political parties are distributed almost normally in this space.

[Figure 3 around here]

Figure 4 displays the policy positions of all parties in the two-dimensional policy space of Sweden, from 1980 until 2010, as an example, and it checks the face validity of the dataset. The figure indicates that although these political parties have been shifting their policy position as issues and events come and go, they have located their policy positions in the two-dimensional party competition space in an expected way. On the redistributive-right side, Moderate Party has put itself in the right–conservative location in most elections. On the redistributive-left side, while Left Party and Green Party have been positioned mainly in the left–liberal area, Christian Democratic Community

has almost always located itself in the left–conservative position.   Social Democratic

Party has been oscillating between the left–liberal and the left–conservative positions,

except in the 1994 general election right after the severe economic crisis.   The

left–conservative position of Swedish Democrats probably reflects its welfare

chauvinistic policy orientation.   Center Party and Liberal People's Party have taken

more or less moderate positions in both of the two dimensions, though the latter party

has had a larger fluctuation than the former.   Overall, Figure 4 indicates that the

dataset agrees with our common knowledge.

[Figure 4 around here]

After each political party's policy position is located on the left–right as well as the

liberal–conservative dimensions, each (single-party or coalition) government's policy

position in these two dimensions is estimated.   For the measure of each government's

policy position, the dataset uses an average of each coalition party's policy position

weighted by its share of seats among governing parties in the lower house, calculated

using the following equation:

$$\text{Government Policy Position} = \sum_{1}^{n} P_i W_i$$

where P_i denotes coalition party i's policy position in either the left–right dimension

or the liberal–conservative dimension, and W_i indicates coalition party i's decimal

share of seats in relation to the entire ruling coalition's seats in the lower house.   Based

on the data for each government's policy position, this study calculated the *Government*

Left–Right Policy Position and the *Government Liberal–Conservative Policy Position*. These variables are the annual scores of government policy position in the redistributive left–right and the social liberal–conservative dimensions, respectively, weighted by the duration of cabinets in each year.

In addition, this study puts a *Minority Dummy* and an *Oversize Coalition Dummy* into regression models.   While the government left–right policy position and the government liberal–conservative policy position would be skewed when the coalition is a minority government or the president faces a divided government, they would also be biased when the government is an oversized coalition.   These two dummy variables are intended to adjust for such effects.   If the cabinet coalition has a minority position in the lower house, the Minority Dummy takes one; otherwise, it takes zero.   If the cabinet coalition can maintain its majority status in the lower house even when the smallest coalition partner leaves the cabinet, the Oversize Coalition Dummy takes one; otherwise, it takes zero.   These two variables are also annualized by taking the average weighted by the duration of cabinets in each year, and the Minority Dummy and the Oversize Coalition Dummy take a continuous value between zero and one.

Since existing research emphasizes the impact of women's economic and political mobilization on public social services (Huber & Stephens 2000), this study puts *% of Women in Parliament* into the regression models as well (Armingeon et al. 2006; Inter-Parliamentary Union 2010).   In addition, to control for the effects of socio-demographic demands for childcare services, *Population under 15 Years of Age* (OECD 2009c) and *% of Service Sector Employment* (OECD 2000, 2009a) are included

in the models. While the former measures the percentage of the population under 15 years of age, the latter indicates male and female employment in services as a percentage of total civilian employment. Although the female labor force participation rate is the immediate candidate for explaining social demands for public childcare expenditures, public spending on childcare programs itself is part of government tactics to encourage women's employment, and then putting it into regression models generates endogeneity. Thus, this study substitutes the service sector employment rate for the female labor force participation rate.

This study also puts *Divorce Rate* into its regression models in order to control for the effects of sociocultural changes associated with postindustrialization, such as the transformation of gendered norms and the demise of nuclear family models. While this article hypothesizes that there is a causal relationship between party policy positions and public childcare spending, this relationship might be a spurious one caused by sociopolitical culture. That is, a country in which traditional family norms and practices continue to prevail has fewer divorces and less demand for childcare services and, in such a country, political parties might tend to have social-conservative values. To avoid confounding a spurious nexus with a causal one, while this study uses country dummy variables to absorb the effects of cross-national cultural differences (see *Method Section*), it also utilizes the crude divorce rate to adjust the effects of within-country changes in family structures and gender role models in each country. This variable is defined as the number of divorces per 100,000 population, and its data comes from OECD (2007).

Finally, *Natural Logarithm of Purchasing Power Parity GDP per capita* (OECD 2009b), *Growth Rate of Real GDP* (IMF n.d.), and *Consumer Price Index* (IMF n.d.) are added to the regression models to control for the levels of economic development, business cycles, and inflation.   Table 2 presents the descriptive statistics of dependent and independent variables.

[Table 2 around here]

METHOD

Since the dataset consists of pooled time-series-and-cross-section (TSCS) data, following a conventional method in comparative political economy, this study uses a unit-fixed-effect model in order to estimate the effects of independent variables on a dependent variable.   In a quantitative study of comparative welfare states, it is generally desirable to control for the influences of unobservable country-specific effects, such as culture and history, in order to assess the effects of explanatory variables. Controlling for the country-specific effects is especially indispensable to this study. For, while it is suspected that "welfare regimes" established during the formative era of welfare states have continued to constrain the form of public childcare policy in recent decades (Esping-Andersen 1999; Iversen & Wren 1998), this study is incapable of incorporating those historical factors that created the regimes into its regression models because its dataset does not cover the years prior to 1980.   This study's analytical strategy is to discard timely-invariant cross-national variations, such as welfare regime types, by putting unit dummies into regression models, and to focus on the time-series variations of explained and explanatory variables in each country.

In addition, as stated in the previous section, this study's regression models analyze the annual changes of public childcare spending, which is done by taking the first difference of public expenditures for benefits in kind for family (% of GDP) as their dependent variable. This treatment of a dependent variable derives from the following theoretical reason: government partisanship influences the relative changes from the previous year's spending rather than the absolute spending levels in government budgets. It is widely known that a government budgeting process is incremental. It is hard to imagine that the changes of government composition radically fluctuate spending levels among advanced democracies. In addition, this treatment has a methodological reason as well. The data for public spending on welfare programs as a percent of GDP are notoriously steady and suspected to have a "unit root" in many cases (Greene 2003: 631-49). It is not uncommon that the previous year's spending for a certain program accounts for more than 90 percent of the relevant year's one. This characteristic of welfare spending possibly violates the assumption of stationarity in analyzing time-series data. This study addresses the methodological problems concerning non-stationary data by using the first-difference (i.e., the changes of public spending between a certain year and its previous year).

Finally, to deal with the contemporaneous heteroscedasticity of residuals across countries, this study's regression models use panel-corrected standard errors (Beck & Katz 1995). In addition, all independent variables except macroeconomic indicators are lagged by one-year because a typical budgeting process occurs in the year previous

to the current fiscal year, and political factors influence the budgeting politics in the previous year.

RESULTS

This section starts with a very simple analysis: cross-tabulation. Table 3 shows the average scores of annual growth rates of public spending on benefits in kind for family, tabulated by four government types. This table illuminates that left–liberal governments generate the most favorable political conditions for the expansion of public childcare spending among these four types. Although it is anomalous that right–conservative governments increase public childcare expenditures more than left–conservative, the table suggests, on average, that redistributive left governments expand public childcare expenditures more than redistributive right while social-value liberal governments do so more than social-value conservative ones. Overall, this plain and straightforward analysis supports this study's hypothesis.

[Table 3 around here]

Since the analysis of cross-tabulation does not control for the effects of demographic, socioeconomic, and other political factors, this section conducts multivariate regression analysis as well. Table 4 presents the results of regression models. Among socioeconomic factors, first, per capita GDP and the percentage of service sector employment do not show statistically significant effects on the dependent variable. Although modernization, without a doubt, results in individual prosperity and the tertiarization and feminization of employment and leads to a growing demand for

childcare services, the levels of material affluence and tertiarization do not necessarily induce a government to raise its involvement in childcare services immediately.   It seems that some other factors intervene between postindustrialization and public spending on childcare programs.   Second, the variable of divorce rate does not indicate statistically significant effects either.   Third, contrary to this study's expectations, the percentage of the population under 15 years of age consistently indicates negative effects in all models.   Welfare states currently respond to declining birthrate by increasing their efforts in the area of childcare services.

[Table 4 around here]

The interpretation of political variables requires cautious consideration.   This article's theoretical section claims that the expansion of public childcare expenditure requires a 'redistributive-left' and 'social-liberal' government in the two-dimensional policy space; therefore, it follows that a government policy position in the redistributive left–right dimension should interact with that in the social liberal–conservative dimension.   To test the interaction effects, regression models include into their equation Government Left–Right Policy Position, Government Liberal–Conservative Policy Position, and their interaction term.   The coefficient of the interaction term in Model 1—a full model—indicates the interactive effects between the left–right policy position and the liberal–conservative policy position with statistical significance.

Since interaction effects cannot be interpreted solely based on a regression table (cf. Kam & Franzese 2007), the interaction effects between the Government Left–Right Policy Position and Government Liberal–Conservative Policy Position are calculated

using Model 1's variance-covariance matrix and presented in Figure 5. This figure

clearly demonstrates that the effects of a government's left–right policy position on the

dependent variable rely on its liberal–conservative policy position. As long as a

government's policy position is located on the social-liberal side (i.e., negative on the

horizontal axis), the coefficient of the Government Left–Right Policy Position remains

negative, which means that a left government increases public spending for childcare

programs. However, the coefficient of the Government Left–Right Policy Position

becomes statistically indistinguishable from zero when the Government

Liberal–Conservative Policy Position approaches zero. A left–conservative

government has no positive effects on the dependent variable. This result matches this

study's theoretical expectation.

[Figure 5 around here]

Models 2 to 4 test the robustness of the findings in Model 1. Model 2 omits the

variable of divorce rate from its regression equation, because this variable has no data

prior to 1999 or 2000 in Australia, Canada, and Ireland. The model with more

observations hardly changes the directions or significance levels of political variables'

coefficients (Model 2). Furthermore, when Model 3 replaces country dummies with

the dummy variables of welfare regime types (cf. Esping-Andersen 1990),[6] it does not

alter the main findings of Model 1. Although the coefficients of the variables for a

percentage of population under 15 years old and minority government lose their

statistical significance, the variables of government partisanship basically keep the

direction of their coefficients and their interaction effects. A figure similar to Figure 4

can confirm this result (not shown). Finally, even though it excludes country dummy

27

variables from its equation, Model 4 indicates that the coefficients of political variables maintain their effects.   These results, presented in Models 2 to 4, suggest that the significant effects of government policy position variables are robust.

In sum, the results of this study's quantitative analysis demonstrate that government partisanship is an important determinant of public spending for childcare programs. As the cross-tabulation illuminates, the growth rates of public expenditures for childcare programs vary according to a government's position in the two-dimensional party competition space.   That is, a 'redistributive-left' and 'social-liberal' government increases its spending for childcare programs more than other three types of governments.   This finding is confirmed in more sophisticated multivariate regression models.   Even after controlling for the effects of various socio-demographic and other political variables and country specific factors, we can see that a left–liberal government has positive effects on the public expenditures for benefits in kind for family with statistical significance while a left–conservative one does not.   These results verify the hypothesis that a government's policy position in the social-value dimension as well as the redistributive dimension influences childcare policy.

CONCLUSION

This study took childcare policy as a representative example of new social risk policies and explored whether partisan differences have had an impact on the recent changes of public childcare expenditure.   It argued that political parties contend with each other over human capital investment strategies and female labor force participation in the

social-value dimension as well as the redistributive dimension, and that each political party has different policy preferences and strategies for women's employment and childcare policy according to its position in the two-dimensional party competition space. Assuming that different party policies have a distinct impact on public childcare policy, this article hypothesized that a government policy position affect the changes in public spending for childcare programs. By analyzing the pooled time-series-and-cross-section data of 18 OECD countries from 1980 until 2005 using multivariate regression methods, this article revealed that a government's redistributive left–right policy position interacts with its social liberal–conservative policy position, and that left–liberal governments generate more favorable conditions for the expansion of public childcare spending than other types of political partisanship.

This study has several implications for the literature of comparative politics. First, it reveals that the politics of new social risks is structured not in a one-dimensional left–right policy space, but in a two-dimensional party competition space in postindustrial democracies. While a number of party system researchers have discussed the emergence of the social-value cleavage and its impact on party systems in Western European countries, few scholars have explored the effects of party system transformations on public policy in the welfare state literature.[7] This study creates a new dataset, measuring each political party's policy position not just in the redistributive dimension but also in the social-value dimension, and empirically demonstrates that political competition over childcare policy is conducted in the two-dimensional policy space. The empirical approach and results defy the conventional left–right perspective prevalent in the welfare state research.

Second, this article exemplifies the idea that redistribution-oriented parties need to be differentiated according to their policy position in the social liberal–conservative dimension. While Rueda (2005, 2006) argues that current social democratic parties are owned by the interests of protected workers, this study suggests that whether a leftist party defends less-protected workers depends on its policy position in the social-value dimension. This article's empirical results show that, although a government's 'left' position does not necessarily help female employees to reconcile their paid work with unpaid care work, a 'left–liberal' government proves beneficial to the public good of young female workers, at least in the area of childcare. This study's two-dimensional party competition model can deepen the understanding of insider–outsider politics.

Finally, this study possibly contributes also to gender sensitive social policy studies. As Orloff (2009: 330) points out, feminist welfare state scholars have heavily relied on the concept of policy regime and incorporated gender relations to welfare regime typologies since 1990 (see also Leira 1992; Lewis 1992, 1997; Orloff 1993). The regime concept has become prevalent, probably because it is able to lump together a number of related but different factors—such as class alliances, the dominance of particular political clouts, state structure and capacities, and the organization of welfare provision between families, markets and the state—and to simplify them so as to be presented as "regimes." Gendered analyses of welfare states and social provision have been associated with the welfare regime typologies. However, the regime concept is intrinsically static and then has difficulties with accounting for changes within each regime type, even though many gender sensitive researchers find quite a few changes in

childcare and work-family reconciliation policies (e.g., Lewis 2002; Lewis et al. 2008a). This article offers a framework to disaggregate the regime concept and analyze the relationship between policy changes and altering gendered social relations through partisan politics, beyond mere description of policy changes.

Notes

[1] Several scholars (Jenson 2009; Jenson & Saint-Martin 2006; Knijn & Smit 2009) maintain that European countries now converge upon the social investment approach; they have embarked on reforming their passive welfare programs oriented toward the retired population and reorienting state resources toward children and younger citizens in order to make social investment in human capital. Without a doubt, childcare policy is located in the center of the social investment approach, and this study challenges the "convergence hypothesis" since it observes the cross-national variation of policy responses to growing societal demands for social investment.

[2] Although it is true that several works discuss the effects of partisan politics on childcare and family policies—beyond plain class politics—by focusing on party strategies in the elite level (Morgan & Zippel 2003; Seeleib-Kaiser et al. 2008; Wilensky 2002), these works do not reveal on what dimensions political parties compete with each other over childcare policy. For instance, Wilensky (2002, Chap. 7) classifies political parties into left, Catholic, and other ones, and shows that left parties foster the government efforts towards parental leave schemes and childcare programs while Catholic ones are ambivalent about them. But Wilensky does not explain why left and Catholic parties have different policy preferences for family policies, even though both of them favor state intervention and larger welfare state. For another example, Morgan and Zippel (2003) reveals that generous and lengthy parental leave schemes tend to be enacted under "center-right" governments. However, they do not clarify on what policy dimension these governments are located as "center-right."

[3] Morgan and Zippel (2003) is a notable exception in this respect among the feminist welfare state literature.

[4] The social-value dimension is referred to by many names, including "materialist/post-materialist" (e.g., Inglehart 1990), "libertarian/authoritarian" (e.g., Kitschelt 1994), "Green-Alternative-Libertarian/Traditional-Authoritarian-Nationalist" (GAL/TAN) (e.g., Hooghe et al. 2002), and so forth.   This study uses liberal/conservative to label the social-value dimension.

[5] These 18 countries are composed of Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, and the United States.

[6] While Denmark, Finland, Norway and Sweden are classified as social democratic regime, Austria, Belgium, France, Germany, Italy, The Netherlands, and Switzerland are categorized as conservative regime.

[7] Häusermann's works (2006, 2010a, 2010b) are exceptional in this respect.

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Tables
Table 1. Subtractive Measures of Redistributive Left–Right and Social Libertarian–Authoritarian Policy Positions

Redistributive categories			Social categories		
Left		Right	Libertarian		Authoritarian
302 Centralization: pro	301	Decentralization	602 National way of life: con	601	National way of life: pro
403 Market regulation	401	Free enterprise	604 Traditional morality: con	603	Traditional morality: pro
404 Economic planning	407	Protectionism: con	607 Multiculturalism: pro	608	Multiculturalism: con
405 Corporatism	410	Productivity	705 Minority groups: pro	605	Law and order
406 Protectionism: pro	411	Infrastructure	706 Non-economic groups	606	Social harmony
409 Keynesian economics	414	Economic orthodoxy			
412 Controlled economy	505	Welfare: con			
413 Nationalization	507	Education: con			
415 Marxism	702	Labour groups: con			
503 Social Justice					
504 Welfare: pro					
506 Education: pro					
701 Labour groups: pro					

Note: Numbering corresponds to CMP.

Source: McDonald and Mendes (2001:108–111).

Table 2. Descriptive Statistics of Dependent and Independent Variables

Variable	N	Min	Mean	Max	Overall S.D.	b/w S.D.	within S.D.
Dependent Variable							
ΔPublic spending for childcare services (% of GDP)	432	-0.405	0.017	0.693	0.089	0.015	0.088
Independent Variables							
Natural log. of GDP per capita (PPP US$)	468	8.736	9.870	10.764	0.376	0.121	0.357
Growth rate of real GDP	468	-6.244	2.535	11.495	2.029	0.764	1.887
Consumer price index	468	-11.316	3.905	21.800	3.746	1.385	3.496
% of population under 15 years old	468	13.700	19.349	30.400	2.921	2.571	1.508
% of service sector employment	468	47.800	65.740	78.600	6.786	5.174	4.551
% of female labor force participation	467	32.300	57.713	79.300	10.938	9.600	5.702
Number of divorces per 100,000 population	386	0.200	2.294	5.300	0.858	0.858	0.276
% of female legislators in parliaments	468	1.400	18.622	45.300	11.703	10.202	6.201
Minority dummy	468	0.000	0.268	1.000	0.432	0.358	0.256
Oversize coalition dummy	468	0.000	0.240	1.000	0.414	0.343	0.246
Left–Right policy position	452	-0.381	-0.052	0.326	0.132	0.076	0.110
Libertarian–Authoritarian policy position	452	-0.268	0.018	0.276	0.068	0.029	0.062

Note: S.D. = Standard Deviation

Source: See *Data Section*

Table 3. Average Growth Rates of Public Spending for Childcare Services, by Government Types

	Left	Right	Ave.
Authoritarian	2.65	3.21	3.00
	(N = 66)	(N = 112)	(N = 178)
Libertarian	7.40	4.14	6.02
	(N = 127)	(N = 93)	(N = 220)
Ave.	5.77	3.63	4.67
	(N = 193)	(N = 205)	(N = 398)

Note:

1. The country-year observations are categorized into four categories, by the means of government left–right policy position and government libertarian–authoritarian policy position. "N" refers to the number of country-year observations in each category.

2. Each cell indicates the average score of annual growth rates (%) of public spending for childcare services across government types.

$$\text{Annual growth rate} = \frac{\frac{\text{Public spending for family in-kind benefits}_{(t+1)}}{GDP_{(t+1)}} - \frac{\text{Public spending for family in-kind benefits}_{(t)}}{GDP_{(t)}}}{\frac{\text{Public spending for family in-kind benefits}_{(t)}}{GDP_{(t)}}} \times 100.$$

The data for 1998 are dropped due to OECD's definitional changes (see in text).

Source: See the *Data and Variables* section.

Table 4. Regression of Public Spending for Childcare Services on Explanatory Variables in 18 OECD Countries, 1980–2005

	(Model 1)	(Model 2)	(Model 3)	(Model 4)
Natural Log of GDP per capita (PPP)	0.024	0.018	0.017	0.019
	(0.039)	(0.031)	(0.018)	(0.016)
Real GDP Growth Rate	-0.002	-0.002	-0.002	-0.002
	(0.002)	(0.002)	(0.002)	(0.002)
Consumer Price Index	0.002	0.001	0.001	0.001
	(0.002)	(0.001)	(0.001)	(0.001)
% of Population under 15 Years of Age (t-1)	-0.011**	-0.008*	-0.001	-0.002
	(0.003)	(0.003)	(0.002)	(0.002)
% of Service Employment (t-1)	-0.005	-0.003	-0.002+	-0.002
	(0.003)	(0.003)	(0.001)	(0.001)
Divorce Rates (t-1)	-0.001	-	0.003	0.002
	(0.010)	-	(0.004)	(0.004)
% of Female Legislators in Parliaments (t-1)	0.000	0.000	0.000	0.000
	(0.001)	(0.001)	(0.001)	(0.000)
Minority Government Dummy (t-1)	0.034*	0.029*	0.017	0.013
	(0.017)	(0.013)	(0.011)	(0.010)
Oversize Government Dummy (t-1)	-0.015	-0.012	-0.010	-0.011
	(0.015)	(0.014)	(0.008)	(0.008)
Left–Right Policy Position (t-1)	-0.096*	-0.095*	-0.116**	-0.116**
	(0.044)	(0.037)	(0.039)	(0.040)
Libertarian–Authoritarian Policy Range (t-1)	0.113+	0.065	0.040	0.029
	(0.065)	(0.052)	(0.049)	(0.049)
Left–Right Policy Position (t-1) X	0.882*	0.698*	0.606+	0.554+
Libertarian–Authoritarian Policy Position (t-1)	(0.362)	(0.312)	(0.329)	(0.307)
Social Democratic Regime Dummy	-	-	-0.004	-
	-	-	(0.020)	-
Conservative Regime Dummy	-	-	0.007	-
	-	-	(0.014)	-
Constant	0.285	0.221	-0.031	-0.038
	(0.344)	(0.288)	(0.178)	(0.147)
N	359	423	359	359
Number of Countries	18	18	18	18
R^2	0.573	0.561	0.549	0.548
Wooldridge test for autocorrelation (H_0: No first-order autocorrelation among residuals)				
$F(1, 17)$	1.352	1.456	1.352	1.352
p-value	0.261	0.244	0.261	0.261

Note:
1. + significant at 10%; * significant at 5%; ** significant at 1% (two-tailed tests).
2. Panel-corrected standard errors are in parentheses.
3. The coefficients and standard errors of country dummies and period dummies for year 1998 are not shown to save space.
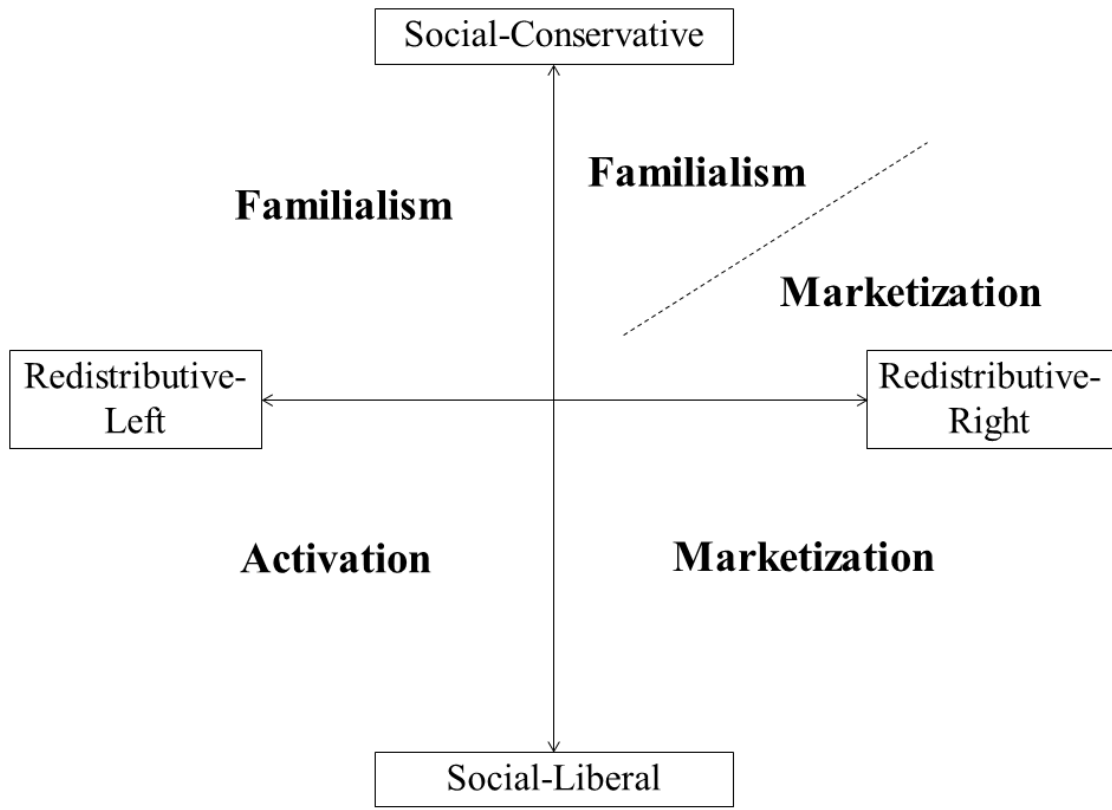
Figures

Figure 1. Partisan differences on two-dimensional policy space.
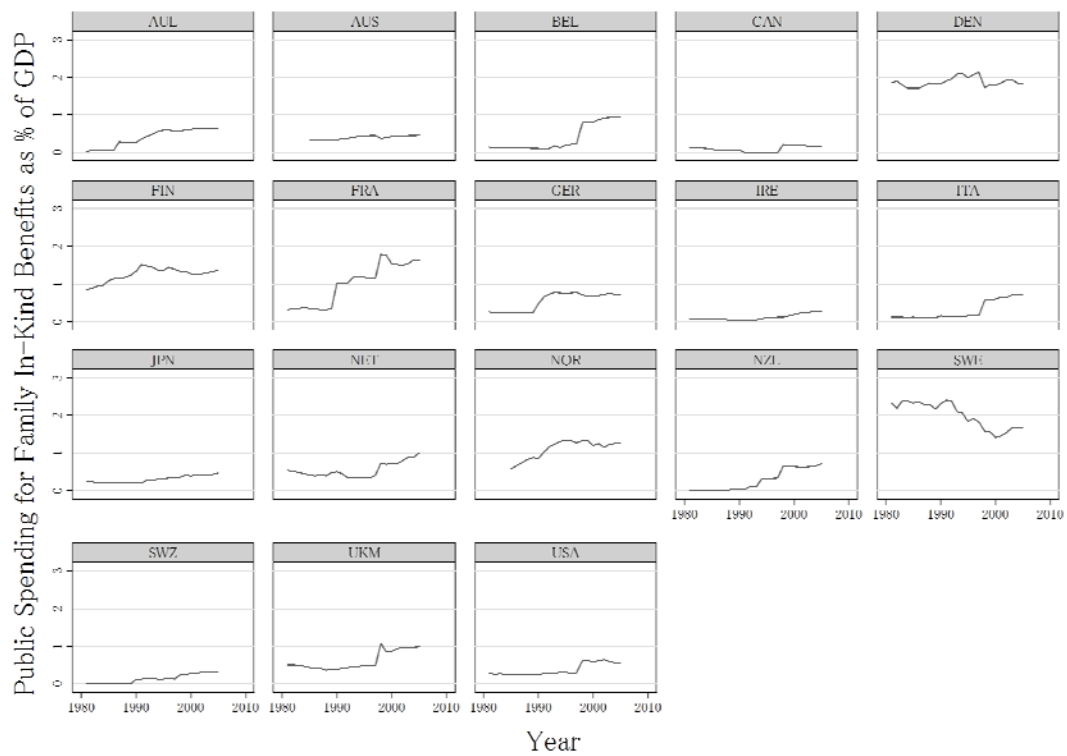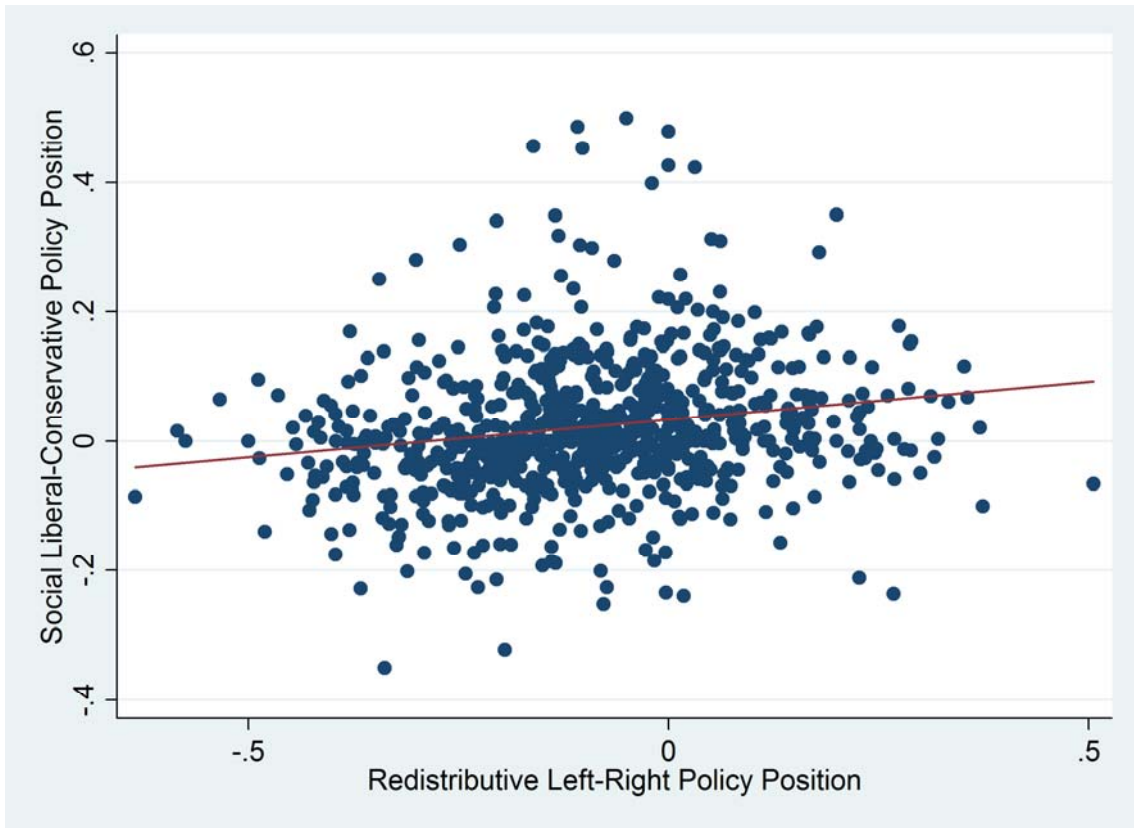Source: Created by the author.

Figure 2. Public spending for childcare services as a percentage of GDP, 1980–2005.
Source: OECD (2009d).

Figure 3. Scatterplot between redistributive and social-value policy positions, for all parties, 1980–2010.

Note: Many of the data for the late 2000s are missing.

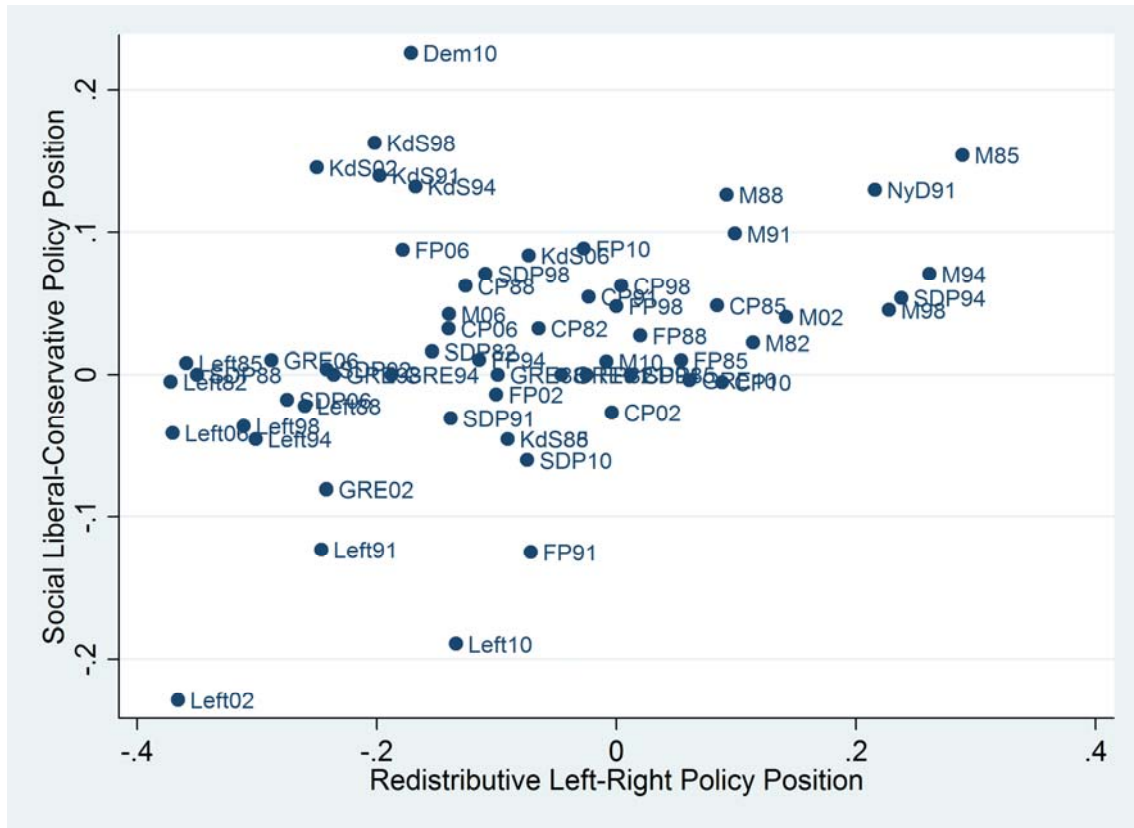Source: See the **Data and variables** section in the main text.

Figure 4. Scatterplot between redistributive and social-value policy positions, in Sweden, 1980–2010.

Notes: GRE = Green Party; Left = Left Party; SDP = Social Democratic Party; FP = Liberal People's Party; Kds = Christian Democratic Community; M = Moderate Coalition Party; Dem = Swedish Democrats; CP = Centre Party; and NyD = New Democracy. The two-digit number indicates the election year in which a relevant party issued its manifesto.

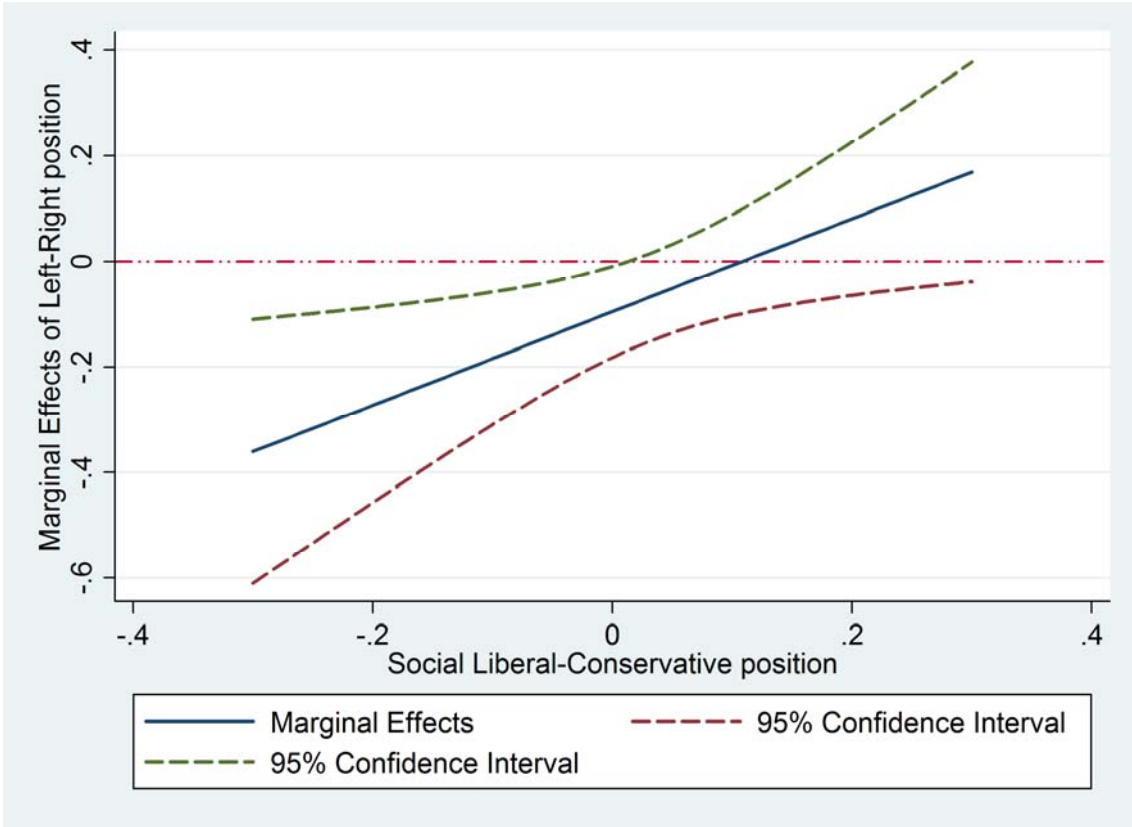Source: See the **Data and variables** section in the main text.

51

Figure 5. Estimated interaction effects between government left–right policy position and government liberal–conservative policy position in model 1.
Source: Created by the author.