

MODES OF DEVELOPMENT, FAMILY AND WELFARE

Bringing back demography into régulation theory

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*Prepared for Capital and welfare workshop, Kyoto,
November 30th - December 1st 2017.*

INTRODUCTION

1. Past researches have investigated the **role of welfare** in the various **brands of capitalism** (Théret, Palier, Boyer, Lechevalier).
2. Nevertheless **demography** has not been investigated as an integral component of any **development mode**: this presentation proposes some paths in this direction.

3. Some regulationist authors have proposed that **family** could become **one of the institutional forms** (Billaudot): is it legitimate to extend the theory in this direction?
4. The **Nordic social democratic welfare capitalisms** are frequently taken as benchmark for reforming the welfare of other brands of capitalism: what about the **path dependent** nature of any national economy?
5. Taking seriously **the co-evolution of development modes, welfares and families**: importing successful foreign institutions is quite difficult indeed.

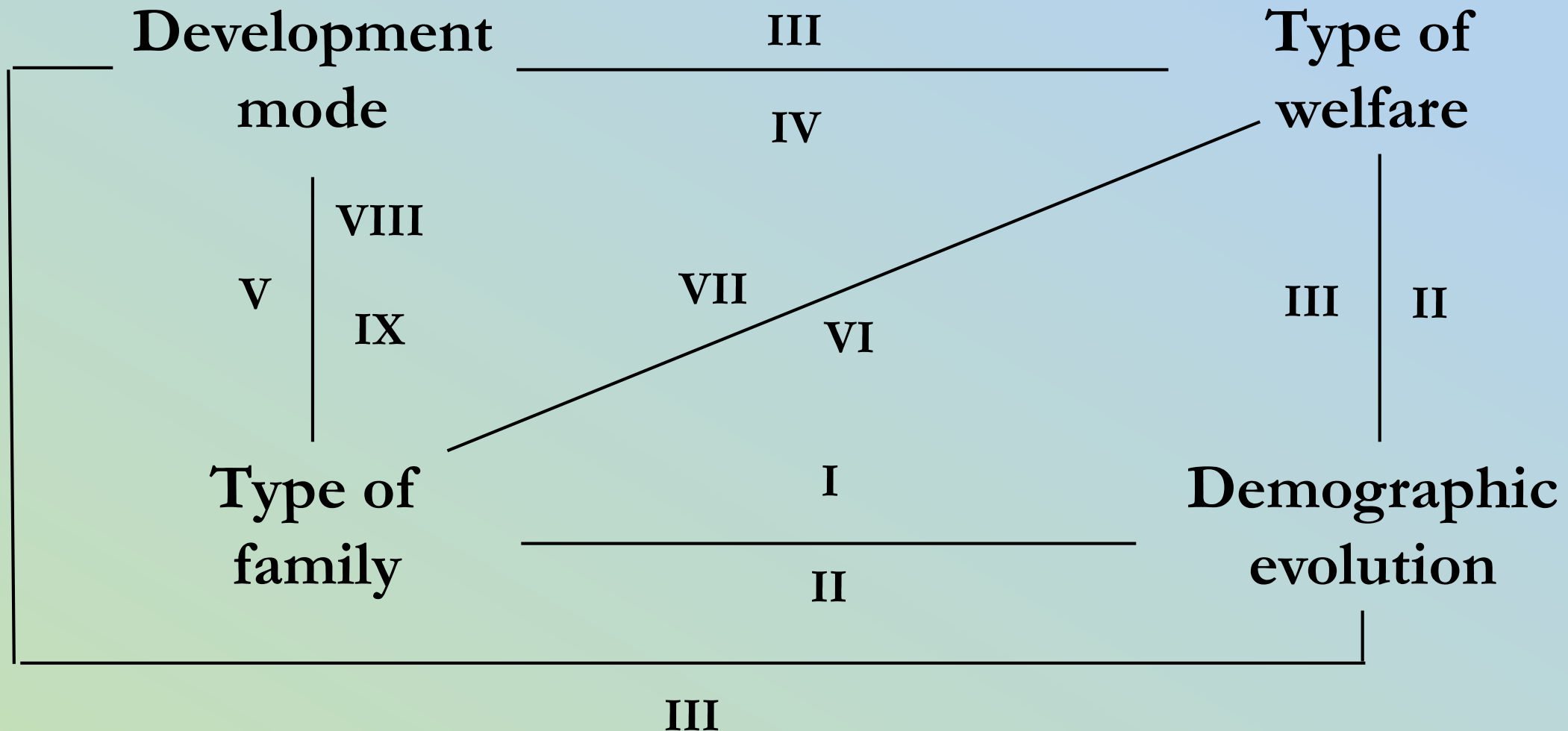
SYNOPSIS

- I. Bringing the **family** back into the analysis of capitalism
- II. Development and **demography**: some key links
- III. How does **welfare** affect the development and demography?
- IV. Do we observe a **co-evolution** between capitalisms, modes of development and welfare?
- V. The **Nordic countries** experience

SYNOPSIS

- VI. The family structure in welfare capitalism
- VII. The Nordic family: the outcome of an idiosyncratic trajectory
- VIII. The heterogeneity of family forms within a given development mode
- IX. Emerging modes of development and the future of the family

A bird's view of the presentation

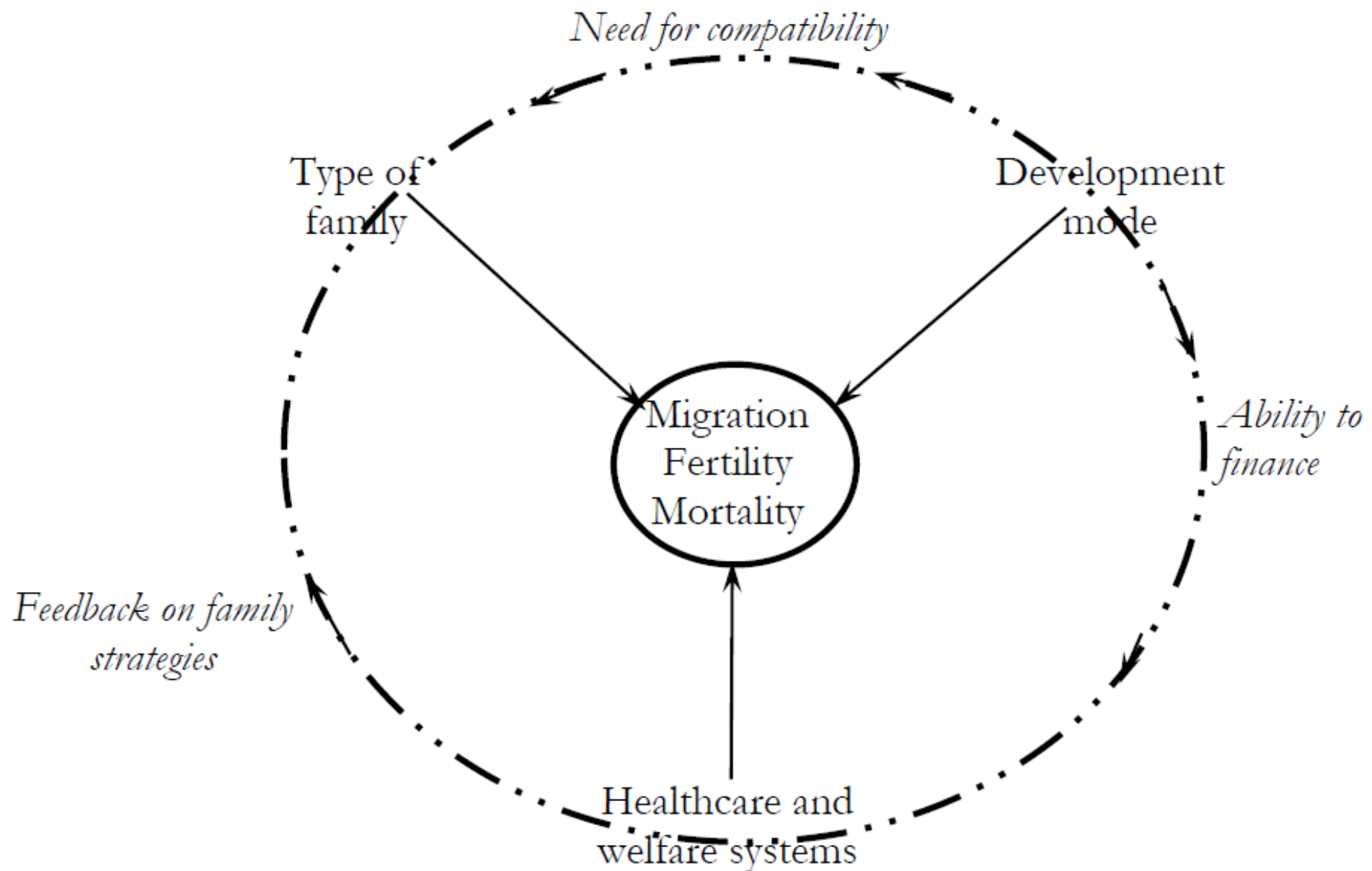


I - BRINGING THE FAMILY BACK INTO THE ANALYSIS OF CAPITALISM

<div> <div>Table 1 – Role and conception of the family</div> </div>	Role	Typical Example	Presence in the History	Contemporary Presence
	1. Demographic reproduction	Universal	Permanent	Dominant but emerging alternatives
	2. Productive Unit	Peasant Craft men shopkeeper	In many non-capital societies	Self-entrepreneur
	3. Insurance Solidarity	Clan and extended family	Rural / Mediterranean societies	Rural family in poor countries
	4. Socialization of children	Middle class	Nuclear family	Declining, replaced by school
	5. Intergenerational solidarity	Traditional family	All pre-Welfare societies	Declining in welfare capitalisms
	6. Intergenerational transmission	Bourgeois / Capitalists	Dynasty in the US	Rich families
	7. Basic institution of society	Pre-industrial	Familialism of Vichy regime	Amish

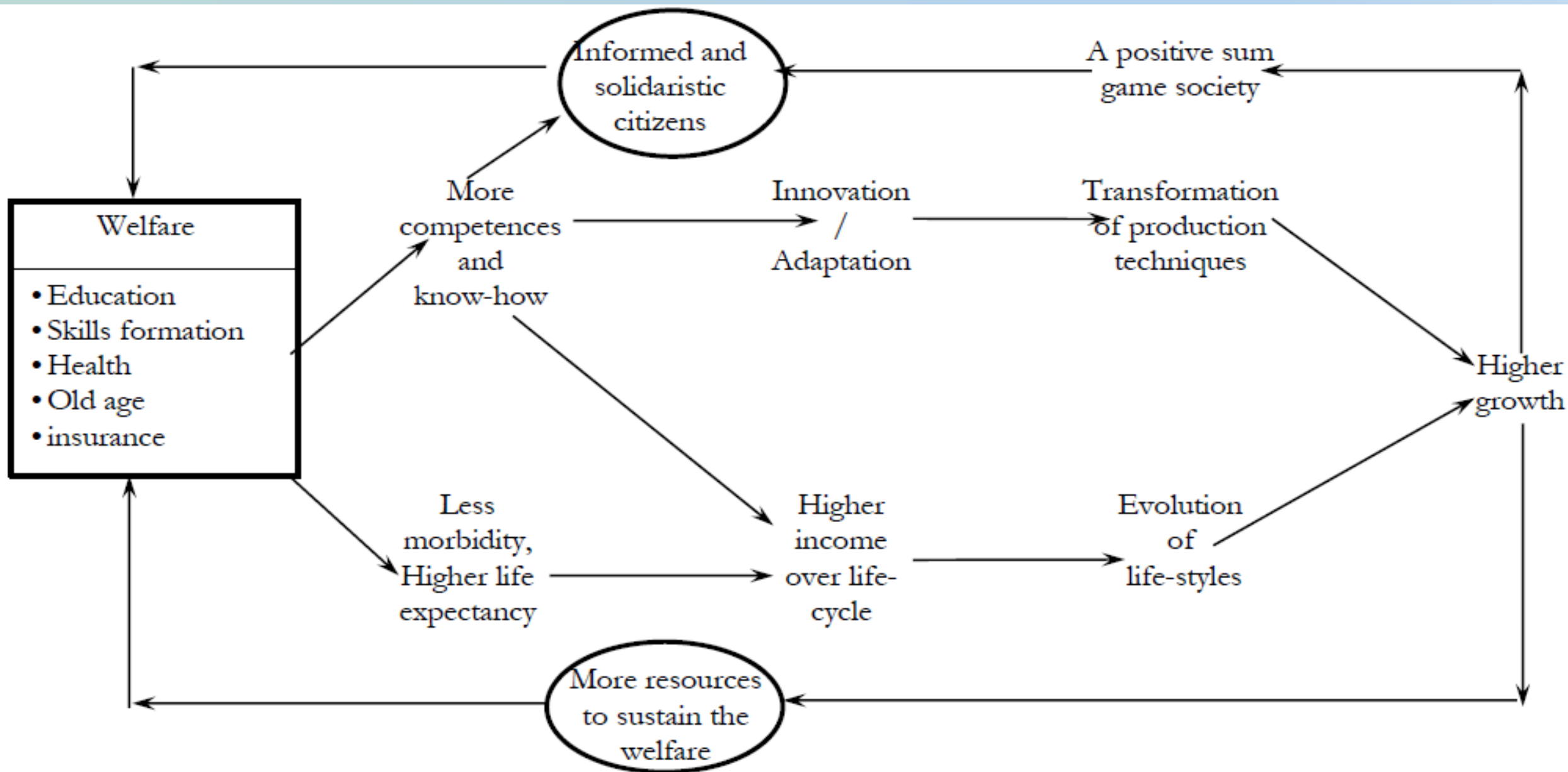
II - DEVELOPMENT AND DEMOGRAPHY: SOME KEY LINKS

Figure 1 – From the family to demography



III - HOW DOES WELFARE AFFECT THE DEVELOPMENT AND DEMOGRAPHY?

Figure 2 – Away from the Malthusian model: welfare capitalism



IV - DO WE OBSERVE A CO-EVOLUTION BETWEEN CAPITALISMS, MODES OF DEVELOPMENT AND WELFARE?

Table 2 – A synoptic and simplified view

CAPITALISM	MODE OF DEVELOPMENT	EXAMPLE	NATURE OF WELFARE	TYPE OF FAMILY	DEMOGRAPHY
Liberal XX th Century	Fordism	USA 1945-1971	Company-ist + minimalist public	Male Bread winner	Demographic revolution
Social-democratic	Innovation/ Export-led	Sweden, Denmark 1950-1990	Universalist, public, Beveridge	Nuclear / Gender equality	Middle range fertility
State-led	State intermediated	France 1954-1973	Universalist, Bismarck	Nuclear paternalist	Middle range fertility
Meso-corporatists	Innovation/ Export-led	Japan 1950-1985	Industrial, family and firm based	Bi-generational, gender inequality	Declining fertility
Family based	Consumption led	Italy 1950-1990	Between State and family	Bi-generational,	Low fertility
Liberal XXI th Century	Finance-led	USA 1986-2017	Private insurance	Emergence of new forms	Average / different fertility rates across communities

V - THE NORDIC COUNTRIES EXPERIENCE

Table 3: Domestic evolutions in the geopolitical and technological context of Nordic capitalisms

1.Long surges	2.Internationalization	3.Political system	4.Type of Nordic capitalism	5.Institutions	6.Aggregated	7.Dynamics
Preconditions	Mercantilist structuring of the world economy	Authoritarian absolutist		Family farms, church, state and dominant export sectors		
1.Textiles 1780s–	Napoleonic wars (protection, blockade, then opening)	Predemocratic	Transitional, agrarian	Educational and other institutions of skill formation	Liberal	Peasants
2. Railways 1830s–	British hegemony Pax Britannica		Agrarian, peasant mobilization	Institutions of local governance		
3. Heavy engineering 1870s–	Weaker British hegemony; international gold standard	Emerging mass politics	Paternalist	Paternalist institutions at the firm level; early social protection	Corporate	Workers
3/4. War/ inter-war period 1910s–	International fragmentation, collapse of world trade	Turbulent mass politics	Capitalism with fragile democracy	Institutions of social partnership. Social protection institutions revised		
4. Mass consumption 1945–	Pax Americana; peak of US hegemony; open for trade, tight regulation of financial flows	Routinized democratic mass politics	Embedded	Institutions of social protection and social partnership generalized; institutions of expert knowledge	Interventionist	New middle classes
5. ICT 1975–	US weakening – coping with financial openness		Internationalized welfare	Regulatory institutions mitigating global/ national processes		

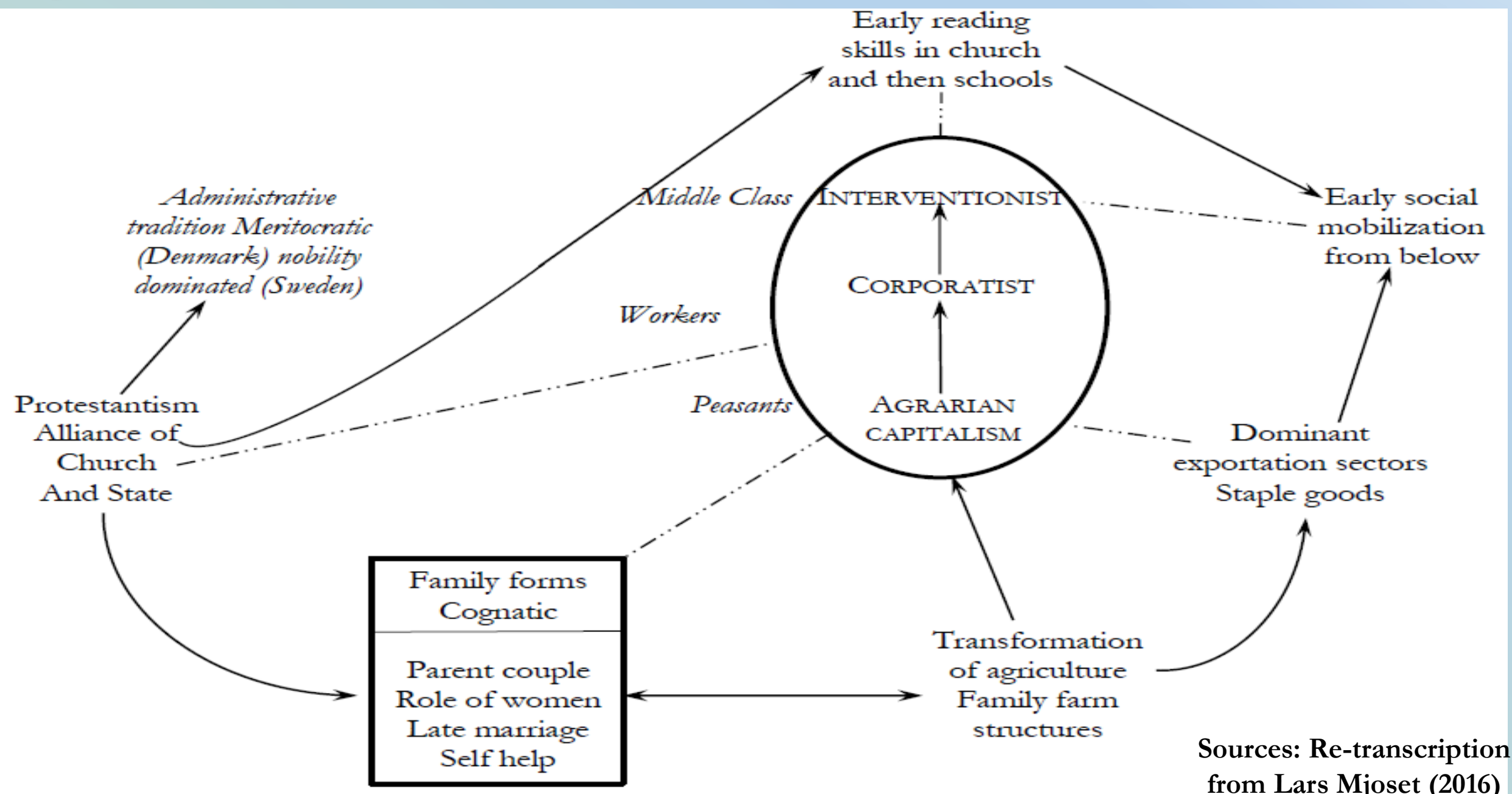
Notes:

Long surges (techno-economic paradigms) follow Perez (2002).

'7. Dynamics' indicates elite/movement dynamic.

VI - THE FAMILY STRUCTURE IN WELFARE CAPITALISM

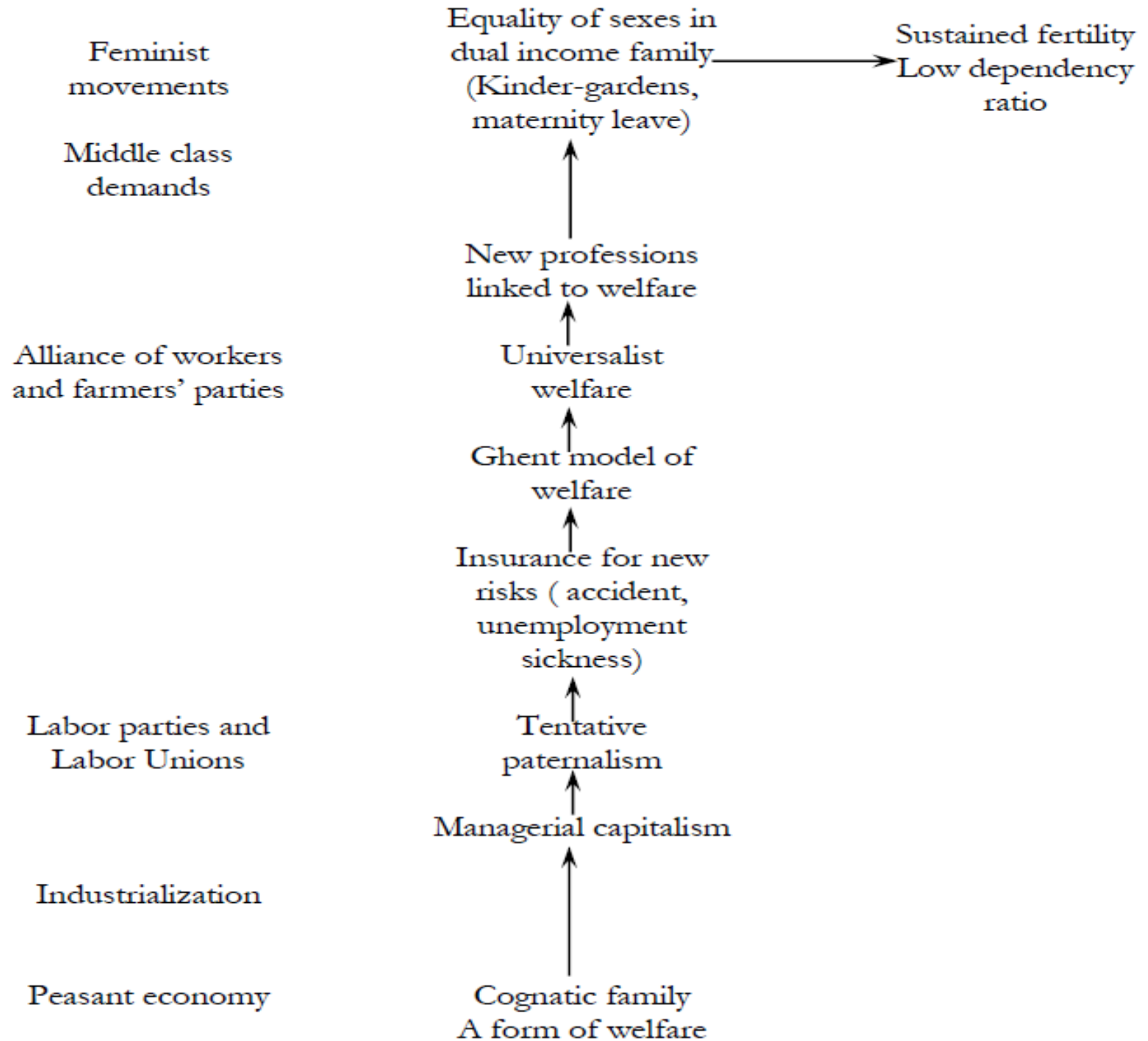
Figure 3 – Preconditions for Nordic model and its successive transformations



VII - THE NORDIC FAMILY: THE OUTCOME OF AN IDIOSYNCRATIC TRAJECTORY

Table 4: Nordic family and welfare: a layering of social struggles and institutions

Sources: Partial re-transcription from Lars Mjoset (2016)



VIII - THE HETEROGENEITY OF FAMILY FORMS WITHIN A GIVEN DEVELOPMENT MODE

Table 5 – How family types and social transformations interact and may imply the coexistence of several family forms			
	Cognatic family (Denmark)	Patri-linear family (France)	
Feudalism	Defense of family independence	Patrimonial strategy for land owners	Survival for tenants and popular classes
XIXth Century capitalism	Adoption by workers and other groups	Adoption of patrimonial strategy by bourgeois	Industry dependent Nuclear family for working classes
Post-WWII capitalism	Solidarity shifts from the family to the collective level	Less patrimonial families via tax redistributive system	Male bread winner mode, gendered labor division, wage-earners, domestic, rise of welfare
Post-1989 capitalism	Extension of social services in response to feminist demands	Shareholder value brings back the patrimonial family for the rich	Tentative rationalization of welfare but popular resistance. New family forms (single parent, recomposed, homo-parental)

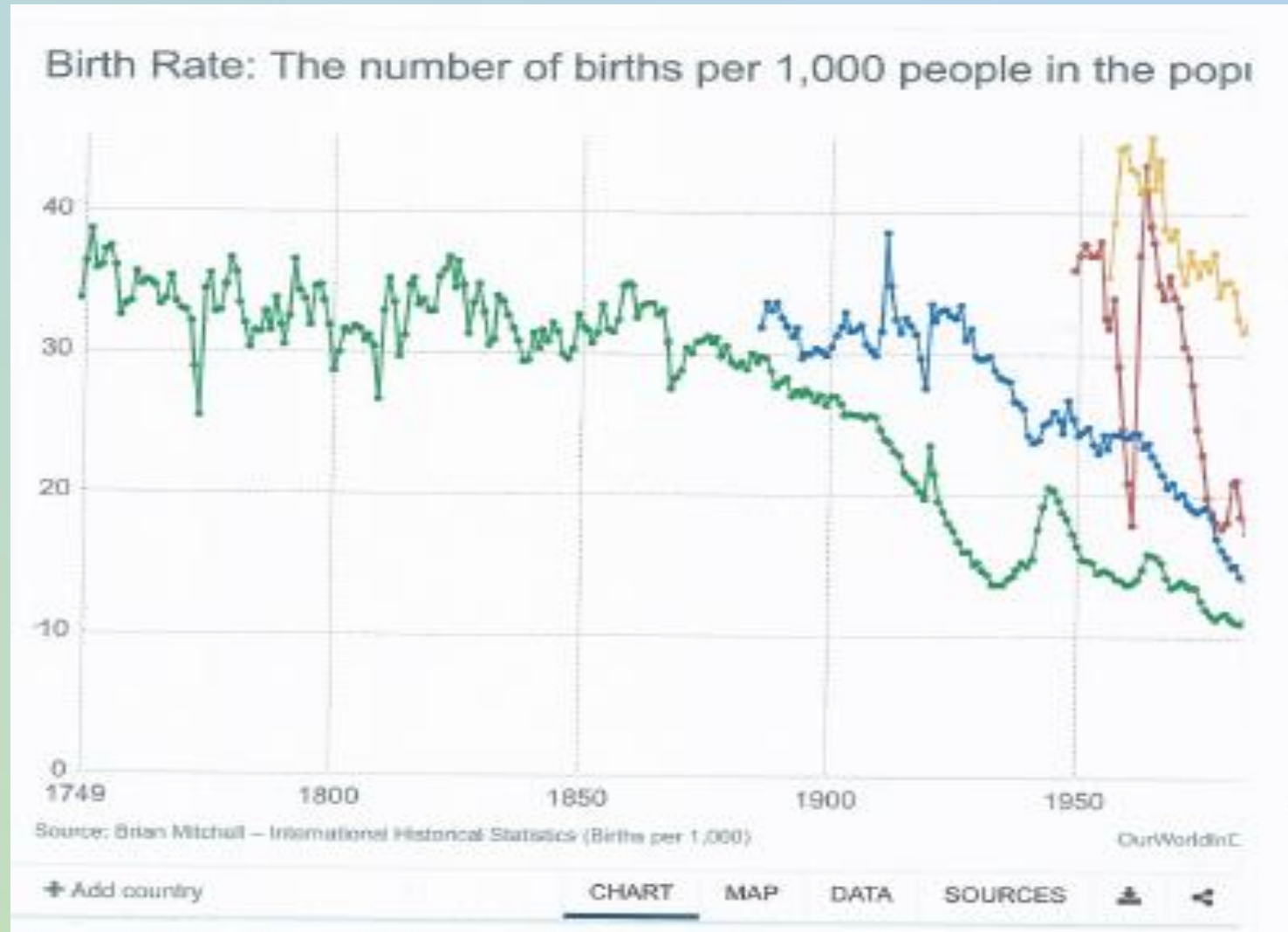
IX - EMERGING MODES OF DEVELOPMENT AND THE FUTURE OF THE FAMILY

Table 6 – Two contrasted variants about the future of family for an anthropogenetic mode of development

ROLE	LIBERAL MARKET-LED	SOCIO-DEMOCRATIC
1. Demographic reproduction	Via technology with or without a family	Collective control of genetic technology use
2. Productive unit	No, entrepreneur of the self	Tempered individualism
3. Solidarity among members	Individual insurance	Still universal welfare
4. Socialization of children	Mediated by servants / or Artificial Intelligence	Mix of family and collective organization (Kinder-garden, school, association)
5. Intergenerational solidarity	Only if personal link	A mix of private insurance and society wide solidarity
6. Intergenerational transmission	Via heritage tax exempted	Monitored by inheritance tax
7. Basic institution of society	A new transhumanist form	A reconfiguration of two centuries history

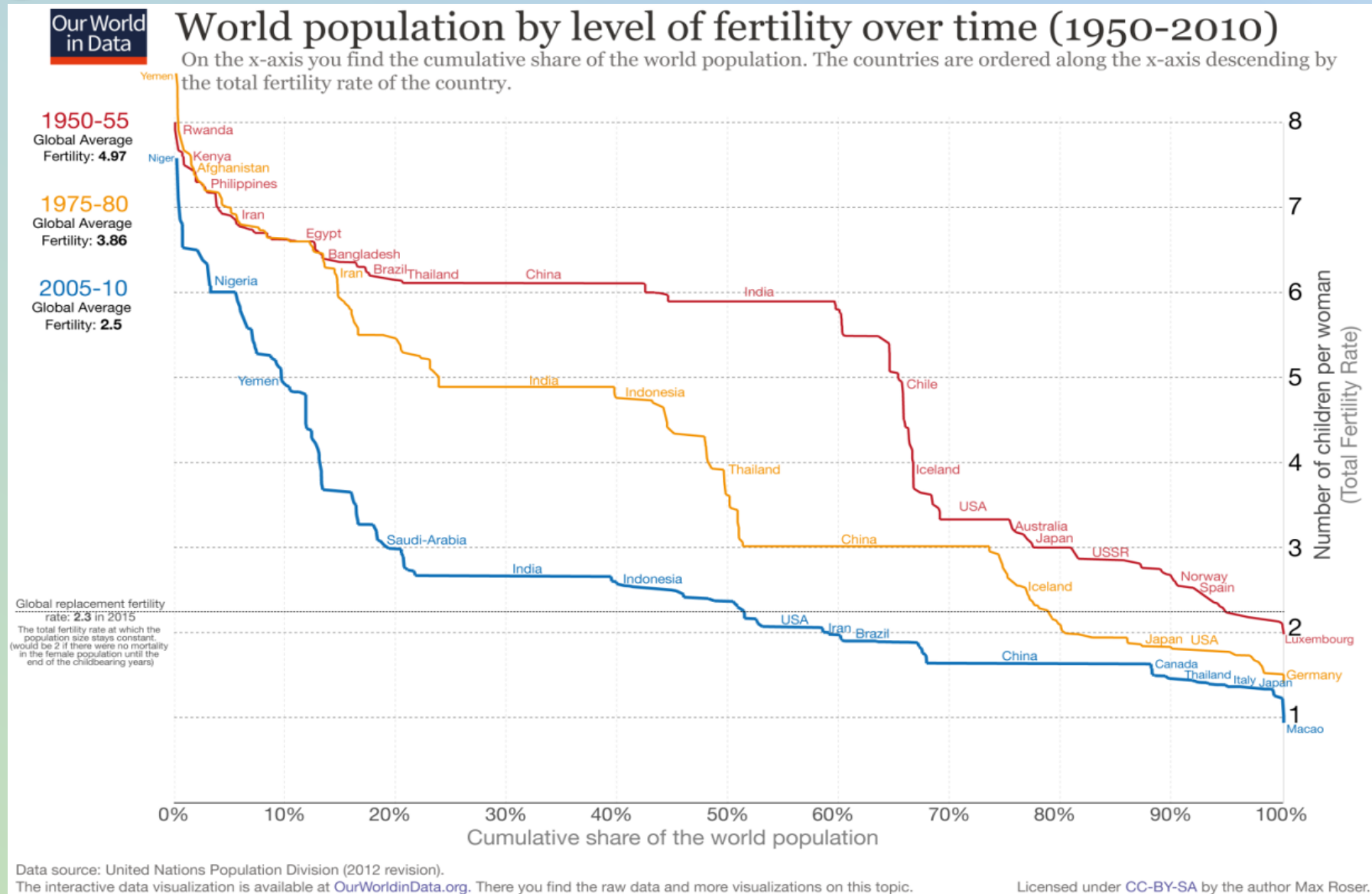
SOME STYLIZED FACTS AND STATISTICS

1. The Nordic countries (Sweden) at the forefront of fertility decline



Source : Roser Max (2017), fertility, <https://ourworldindata.org/fertility/>

2. The general decline of fertility ...

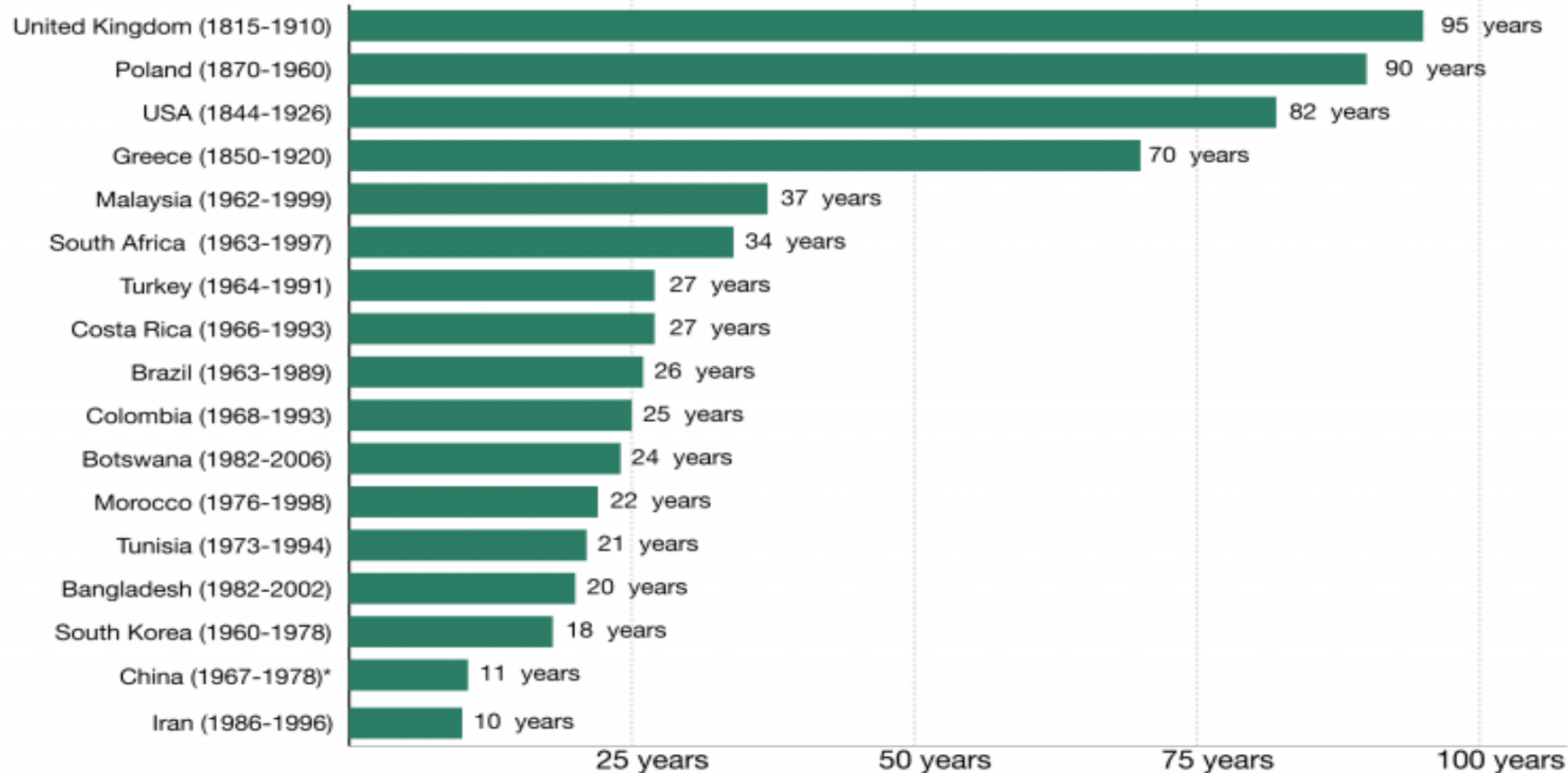


Source: Roser Max (2017), fertility , <https://ourworldindata.org/fertility/>

...But the decline in fertility tend to be faster today than yesterday

How long did it take for fertility to fall from more than 6 children per woman to fewer than 3 children per woman?

Our World
in Data



* The one-child-policy in China was introduced after the decline of the total fertility rate below 3. It was introduced between 1978 and 1980.

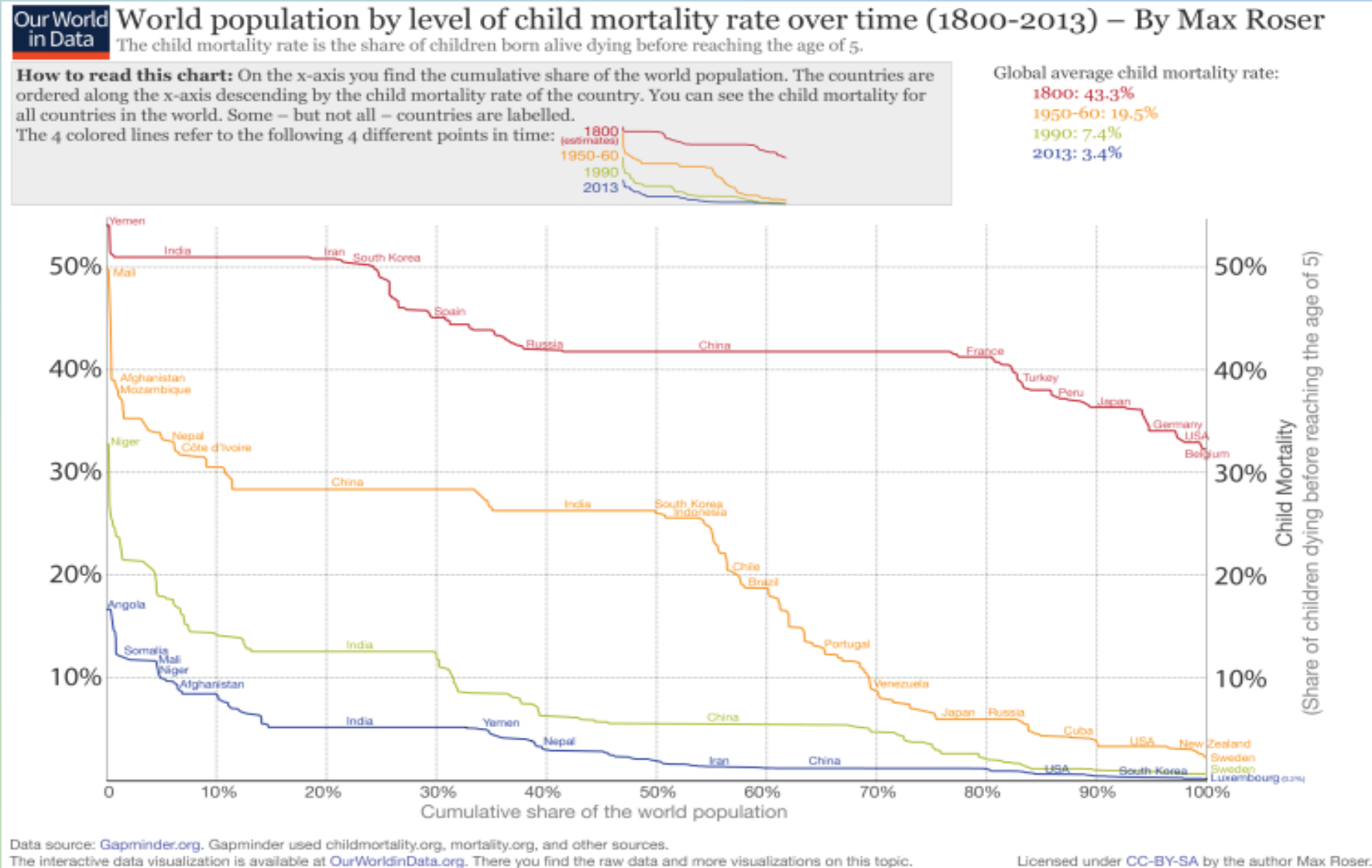
Data source: The data on the total fertility rate is taken from the Gapminder fertility dataset (version 6) and the World Bank World Development Indicators.

The interactive data visualization is available at [OurWorldinData.org](https://ourworldindata.org). There you find the raw data and more visualizations on this topic.

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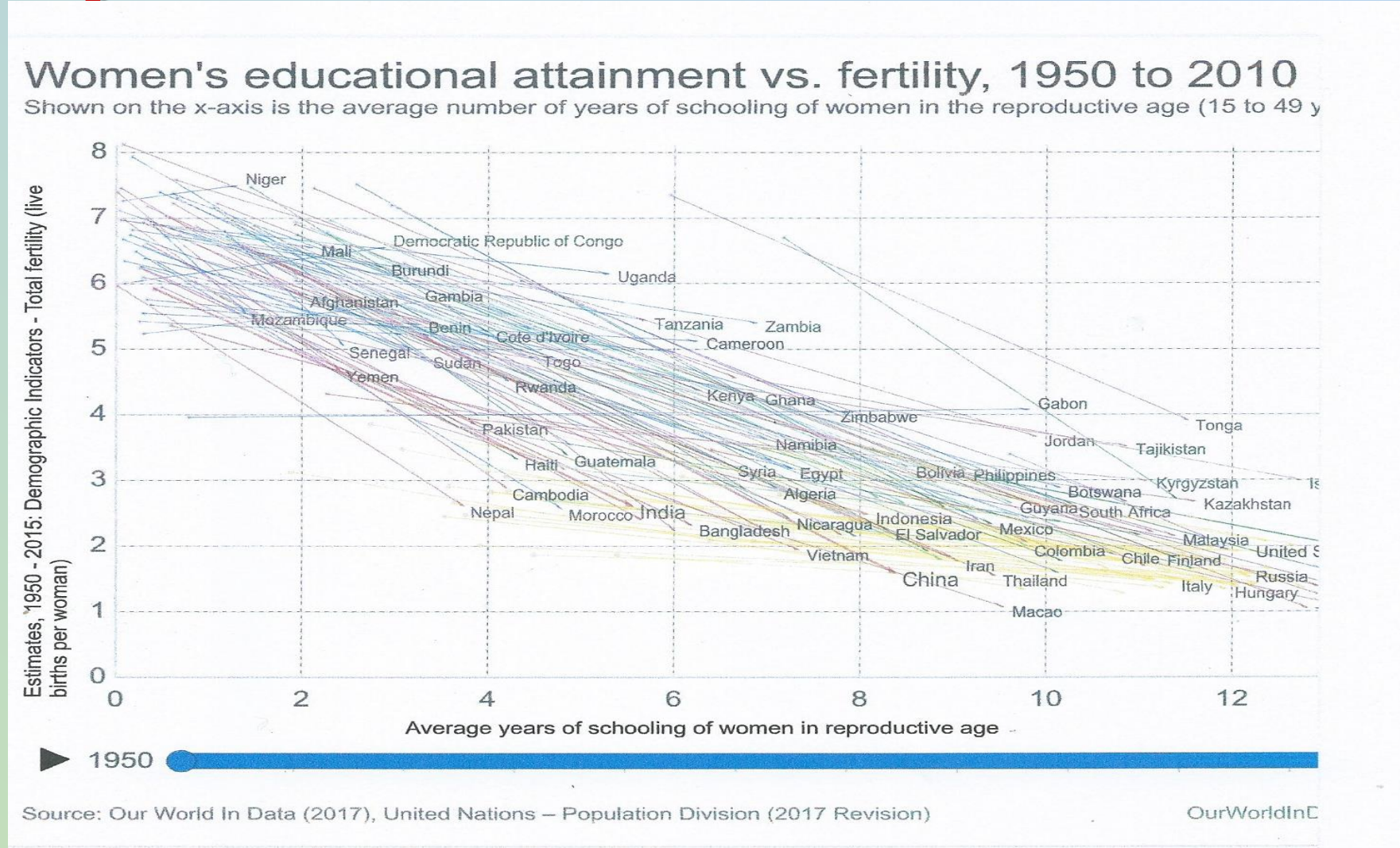
Source: Roser Max (2017), fertility , <https://ourworldindata.org/fertility/>

3. The decline of child mortality: long run trends at the world level



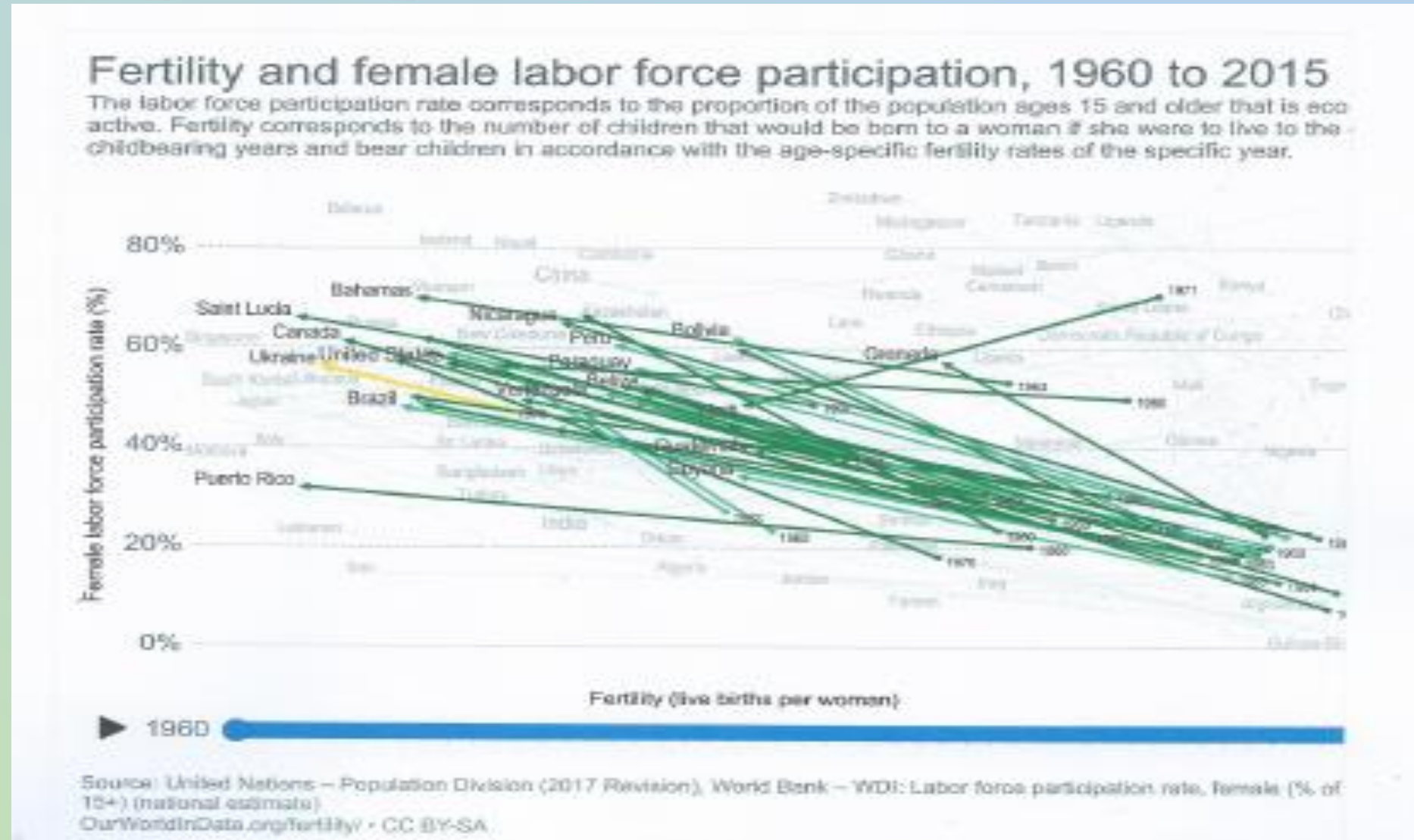
Source: Roser Max (2017), fertility , <https://ourworldindata.org/fertility/>

4. The role of education and the evolution of fertility



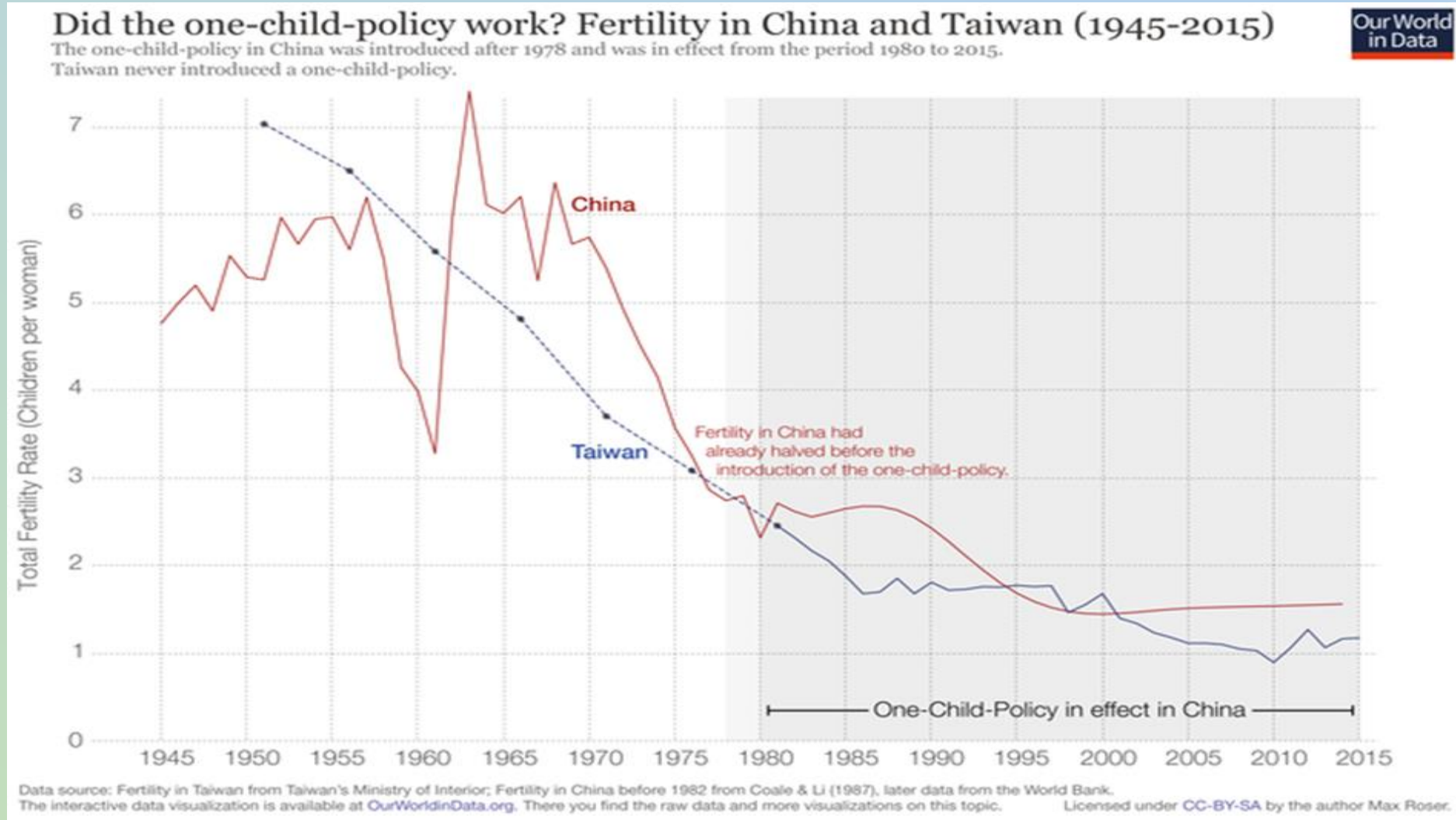
Source: Roser Max (2017), fertility, <https://ourworldindata.org/fertility/>

5. The co-evolution of fertility and female labor force participation



Source: Roser Max (2017), fertility, <https://ourworldindata.org/fertility/>

6. Does the demographic policy matter or do society wide factors explain the general decline of fertility rate?



Source: Roser Max (2017), fertility, <https://ourworldindata.org/fertility/>

CONCLUSION

- C1 – The contribution of **the family** to economic development is **multifaceted**: key in human **reproduction**, possible economic **entity**, implicit **insurance** against life long risks, **transmission** of social values, and for some theories **founding block** of any society. Consequently, **many forms of family** have been observed in history.
- C2 – The rise of various **welfare state configurations** has had direct and indirect impact upon **family structures**, concerning consumption norms, fertility, and more generally the demographic profile of any society. Therefore this is another source of **diversity** in family configurations.

C3 – The progressive extension of welfare benefits sets into motion a breakthrough out of the **Malthusian trap**, that used to be monitored by demographic and economic scarcity crises. By contrast, after WWII, **welfare capitalisms** had a new engine of growth based upon the reaping of the **increasing returns to scale** associated to education, competence formation, research and innovation. **Nordic countries** have been at the forefront of this structural change.

C4 – Briefly reviewing long run economic history suggests the **co-evolution** between family, welfare, demography, and development. With varying degrees, this was the evolution observed for quite all **mature economies**, at odds with the inability of other “**underdeveloped**” countries to engineer such a virtuous circle.

C5 – Successive **social and political struggles** led first by peasants, then by workers, middle classes and finally feminist movements have shaped Nordic capitalisms. A century long **sedimentation of institutions**, social values, and organizations makes **difficult the import** by other society of this successful contemporary configuration, because each of them has experienced a quite different trajectory.

C6 – The issue of **heterogeneity** calls for an important caveat to this analytical framework. Within the same general type of family (cognatic or patrilinear for instance) and even the same development mode, different socially embedded family types coexist (patrimonial versus survival type) along with distinct insurance mechanisms against life long risks (private insurance versus collectively organized and financed welfare). This calls for an evolutionary analysis of **the distribution of different family types** in the context of different development modes.

C7 – Converging evidences suggest that the 21th century development mode, both for advanced and emerging countries could well be **anthropo-genetic**, i.e. built upon education, health and culture. Nevertheless no technological determinism will prevail: a totally **liberal market led** capitalism may exacerbate inequalities among families according to their wealth whereas a **socio-democratic compromise** may combine social justice and political inclusion with economic dynamic efficiency.

Economy is important but **polity is determinant**.

SOME READINGS

Boyer Robert (2000), The French Welfare: An institutional and historical analysis in European perspective, *Couverture Orange CEPREMAP* n° 2000-07.
http://www.cepremap.fr/depot/couv_orange/co0007.pdf

Boyer Robert (2006), *La flexicurité danoise : quels enseignements pour la France?*, Opuscule CEPREMAP, n° 2, Mai, Editions de l'ENS, Paris.
<http://www.cepremap.fr/depot/opus/OPUS02.pdf>.

Boyer Robert (2012), “How has institutional competitiveness emerged out of the complementarity between Nordic welfare and innovation systems”, in Susana Borrás and Leonard Seebrooke (Eds), *Sources of National Institutional Competitiveness. Sense-making and institutional change*.

Boyer Robert (2016), “L'essor du secteur de la santé annonce-t-il un modèle de développement anthropogénétique ?», *Revue de la régulation*, 17 | 1er semestre / Spring 2015 : Économie politique de la santé. Un exemple exemplaire, <https://regulation.revues.org/11159>

Thanks for your attention and patience

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