

THE LONG TAIL OF THE GREAT RECESSION

FOREGONE EMPLOYMENT AND FOREGONE POLICIES

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The Great Recession furnishes a significant field of research for the analysis of trends in employment and national policies from a gender perspective. We argue that it is necessary to take a holistic view of the consequences of the recession both on the labour market and on labour market policies. In the context of widespread rises in female employment rates prior to the crisis, we highlight foregone employment growth, as well as the differing responses of women's and men's activity patterns. Furthermore, our review of European Union and national policies shows how advances based upon previous policy gains were also foregone. The position of gender equality in policy-making was challenged as governments responded to the crisis by "reverting to type" and weakening gender equality commitments.

Keywords: Recession, Gender, Employment, Labour market policy.

The crisis that officially began in Europe in 2008 is still ongoing at the time of writing.¹ It is the deepest, most synchronous downturn across countries, and the most widespread since the Great Depression of the 1930s. Because of this unprecedented collapse in world economic activity, many have dubbed this the "Great Recession".

1. Most Member States entered the recession in the second quarter of 2008 (Leschke and Jepsen, 2012: 290).

The European Union (EU) recorded the sharpest contraction of real GDP (-4% in 2009) in its history. The EU's response to the downturn was the launch, in December 2008, of the European Economic Recovery Plan (EERP), a massive and coordinated policy action based on financial rescue policies, fiscal stimulus measures and structural reforms. Rescue packages for national banking sectors were set up in several Member States, though with considerable differences in terms of the size of the financial support programmes among countries.² Aside from interventions in the banking sector, the EU urged Member States to restore confidence and sustain demand to reduce the impact of the downturn. The overall fiscal stimulus amounted to 2% of GDP over 2009-2010 (EC, 2009a: 67), produced by an unprecedented array of anti-crisis measures implemented at the national level (Smith and Villa, 2013). The financial rescue of banks, the fall in tax revenues, the rise in expenditure on unemployment benefits and the implementation of fiscal stimulus plans resulted in substantial overall support to the economy (in 2009 and 2010), as measured by the deterioration in government balances that amounted to five percentage points of GDP in the EU (EC 2009a: 64-65). By 2010, the public finances in many Member States were destabilised and the policy responses quickly changed course: austerity measures were adopted to reduce debt and deficits. Thus, a second dip was experienced by the majority of European countries.

For women, the 2008-09 recession exhibits a pattern somewhat different from that observed in previous downturns. Empirical results from both sides of the Atlantic show that female employment was hit earlier and more severely than in previous recessions (Karamessini and Rubery eds., 2013). Moreover, in the EU the crisis was preceded by strong growth in female employment and a decade during which women had been called upon to play a key role in the success of the so-called European Employment Strategy (EES) (Villa and Smith 2013). In this context, policy responses were adopted by national governments first to bail out their ailing banks and to support demand (i.e. to counter the adverse effects of the crisis), and then to restore public finances. Thus, the period

2. Ireland committed by far the most resources to bank rescues, followed by the UK, and the Benelux countries (see tab. III.21 in EC 2009a, p. 63).

provides an important research field for the analysis of both trends in employment and national policies from a gender perspective.

We propose a holistic analysis that considers the interaction between the impact of the recession on men and women's labour market patterns and the gendered impact of the policy responses adopted. As pointed out in the literature, labour market indicators do not necessarily behave in the same way for women and men in response to a recession (Bettio and Verashchagina, 2013). Furthermore, given the previous trajectory of women's employment, foregone increases resulting from the crisis are likely to differ between women and men. Consideration of the policies implemented as a result of the crisis completes the picture. Anti-crisis "gender-blind" measures were implemented to address the dramatic fall in demand. The low visibility of gender in these policies in fact reveals a trend observable in policies over the years prior to the crisis. Subsequent budget cuts in public-sector spending threatened services and employment, as well as previous progress in policy to support women and men working more equally (Karamessini and Rubery eds., 2013; Rubery, 2013b; Leschke and Jepsen, 2012; EWL, 2012). Both foregone employment and foregone policies highlight the need to take a medium-term perspective when considering the full gendered impact of a downturn.

We suggest that the full gender impact of the economic downturn is only visible with a comprehensive, broad-based analysis and consideration of both changes in employment levels and changes in employment policies. Our paper is structured around four sections. In Section 1 we underline the importance of context in interpreting labour market and policy responses to the crisis. Section 2 explores the impact of the recession on the employment patterns of women and men. In particular, we consider the foregone employment lost on the labour market due to the recession. In Section 3 we investigate the gendered nature of policy responses, at the level of the EU and among its Member States. The final section reflects on the risks of policy changes at a time of crisis and the potential benefits of a more coherent, gender-sensitive response to the economic situation.

1. Employment and policy in recession from a gender equality perspective

Various hypotheses have been put forward to explain the differential impacts of an economic downturn on women and men in the labour market. Three main approaches can be identified: the *job segregation hypothesis*, the *buffer hypothesis*, and the *substitution hypothesis* (Rubery, 1988; Miller, 1990).

According to the *job segregation hypothesis*, the rigid sex-typing of jobs in industries and occupations makes demand for female labour dependent on demand in female-dominated sectors; hence, employment trends are related more to secular trends in sectoral and occupational structures than to cyclical fluctuations. The *buffer hypothesis* assumes that women occupy a weaker position in the labour market, where they act as a flexible reserve – a buffer – to be drawn into the market in upturns and expelled in downturns (Galli and Kucera, 2008). The *substitution hypothesis* also emphasises women’s weaker position, but it suggests that during recessions there is a greater demand by employers for cheap labour; hence female workers may be preferred to male workers, leading to a substitution effect. Although these explanations appear to be at odds with each other, there is evidence in the literature analysing previous recessions to suggest that they can occur simultaneously among different groups of women, across sub-sectors of the economy, as well as across countries (Rubery ed., 1988: 4; Humphries, 1988: 14).

In previous recessions, the apparent “silver lining” of a segmented labour market seems to have offered some protection to women’s employment. A number of studies demonstrate the continued expansion of female employment in previous downturns, including the USA (Humphries, 1988; Goodman, Antczak and Freeman, 1993) and Europe (Bouillaguet-Bernard and Gauvin, 1988; Rubery and Tarling, 1988; Rubery *et al.*, 1999).³

The position of women as relatively protected workers is, however, not immutable and not necessarily homogeneous across groups of women within the same institutional space. Humphries

3. In fact, some of this apparent advantage may have been based on the continuation of women’s disadvantage, so that they were attractive labour supply vis-à-vis men, even if direct substitution was less evident (Rubery and Tarling, 1988).

(1988: 15-17) showed the diversity of experiences of women workers across subsectors and employment categories during the same recession. This suggests that these differences stem from the gender segregation of work. Furthermore, there is evidence that the differential impact of recessions on the employment of men and women may have diminished over time. Goodman *et al.* (1993) showed that, in each of the five recessionary periods in the USA during 1969-92, the discrepancy between men and women in terms of net job loss decreased. Similarly, Mishel *et al.*'s (2003) analysis of six US recessions also showed that the impact of each recession on women's employment rate increased progressively. In 1990-92 and 2000-02, the gender difference in percentage point terms was less than 2 compared with 6.1 (1979-82), 3.5 (1973-75) and 2.5 (1969-71). Analysis of the US data for 2008-09 shows that the female employment rate declined to a greater extent than in any of the previous recessions analysed by Mishel *et al.*⁴ For Italy, Bettio (1988b: 192) highlighted changes over time in the gendered impact of recessions; in particular, she argued that the changes in female participation reflected the interplay of segregation, the economy of the family (which sets the priorities for married women), and the welfare state (because it acts as a mediating agent by coordinating the reproduction of labour and its participation in production).

The older literature on women and economic recessions (Rubery ed., 1988), as well as the more recent literature on women and austerity (Karamessini and Rubery, eds., 2013) both highlight that the various theoretical perspectives on the impact of recessions on women's labour market participation interact with the different ways in which male and female employment has developed in different national contexts. This implies that the way in which workers and employers respond to recessionary conditions will vary with the socio-economic context – including the productive system, the family model, the welfare regime, the system of

4. An update of Mishel *et al.*'s analysis with recent BLS data confirms the pattern of male employment rates falling more sharply than those of women, but also a pattern of the increasingly severe impact of each successive recession on women's employment: between March 2007 and February 2009 the female employment rate in the US declined by 1.5 percentage points, more than in any of the previous recessions analysed by Mishel *et al.* (BLS 2007; BLS 2009).

industrial relations, and public policy (Humphries and Rubery, 1984; Rubery, 2013a). Thus, the influences of recessionary/austerity conditions are shaped by the segregation of male and female employment, as well as the policy and welfare environment. The extent to which women are regarded as either legitimate economic actors or a potential buffer varies among policy regimes. Furthermore, different groups of women within the same economic space may be regarded as more or less secure participants in the labour market. Milkman (1976) argued that the distribution of employment opportunities meant that it is not always possible to enforce the *reserve army* approach, or the buffer hypothesis, of women's employment and encourage them to leave the labour market in times of recession. As argued by Humphries and Rubery (1984), neither the family (social reproduction) nor the economy (production) can be seen as autonomous spheres of society, because they are historically and dialectically related. This implies that the impact of the recession on women and men should be analysed by considering the institutional context, because employers' and workers' responses to recessionary conditions vary with the prevailing institutional configuration.

Consideration of the context of a recession and stakeholder responses requires a perspective that takes account of the extended impact on the labour market and also changes in policy-making across the cycle. Analysis of the response by women's employment to an economic crisis cannot be limited to the initial impact of the downturn, since it would fail to capture the medium-to-long term effects on participation patterns long after aggregate unemployment rates have entered a downward trend. Moreover, the segmented nature of the labour market means that a broad-based analysis is required to capture the gender effects on employment of policy responses to the recession.

During the Great Recession, efforts to support the economy amid the financial and economic crisis involved changes in government spending which were not gender neutral. Subsequently, the debt crisis led to downward pressure on some public policy areas with negative implications for women. Given the segregation of women into public sector jobs – in public administration, education and health – this may have provided initial protection, but it then exposed women to the impact of cuts in

public spending (Rubery, 2013b). Such cuts may have not only direct negative results on the quantity and quality of jobs in female-dominated public sector jobs, but also indirect effects on gender inequalities in the household. Because austerity measures reduce the availability and affordability of services, they have inevitable repercussions on unpaid work.

Finally, changes in policy direction also have potential employment-related effects for women and men: these outcomes are inevitably gendered. The de-prioritisation of policies to support working women – for example, childcare policies – implicitly treats women as a *reserve army* on the labour market, and it may result in reduced female participation in the context of low demand. Analysis of the impact of the early 1990s recession on women’s labour market behaviour in Finland demonstrated that enhanced leave schemes had the effect of reducing the female labour supply (Haatja, 2005). In Section 3 we highlight more recent examples of this type of policy response. A longer-term perspective of trends in policy-making permits both the identification of gendered policy shifts and the multiple gendered “aftershocks”. In the context of the apparent decline in protection from the “silver lining” of segmentation, these recessionary policy aftershocks may represent an additional loss of earlier policy advances.

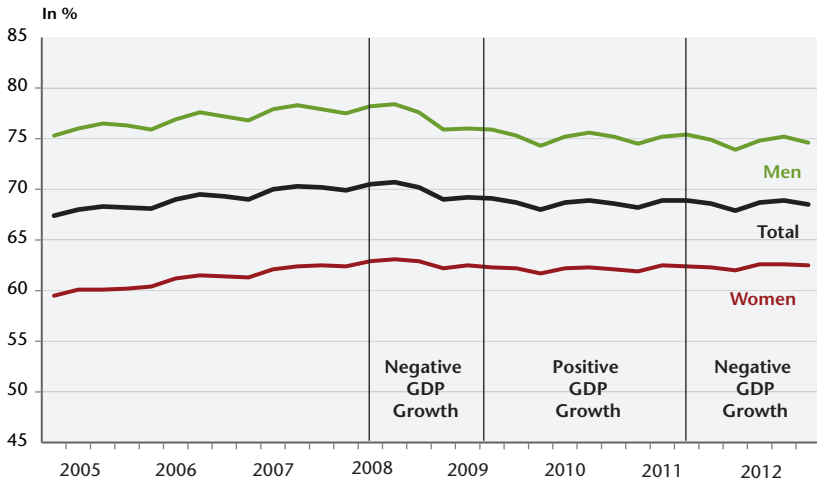
2. Women and men during recession and austerity 2008-12

The impact of the economic downturn on the EU labour market is most evident in falling employment rates and rising unemployment rates. This is true for the EU, but with significant differences between countries. Since the inception of the economic crisis, labour markets have shown increasing divergence between the Southern and peripheral European countries, that recorded the largest falls in the employment rates and the largest increases in unemployment rates, while most of Northern and Central Europe have shown greater resilience (EC 2013: 17-22). This growing divergence is driven by how the economies have performed overall and how labour markets and social systems reacted to the Great Recession. Looking at trends in the employment and unemployment rates in EU countries from 2008 and 2012 (annual averages) the effect of the downturn was very pronounced: the employment

rate (for 15-64 yrs.) fell in all but seven countries (Germany, Malta, Luxemburg, Austria, Hungary, Poland and Romania), while the unemployment rate rose in all, with the only exception of Germany. The situation has worsened significantly in Spain, Greece, Portugal and Ireland, for both men and women, and remains worrying in the Baltic States (Lithuania, Latvia and Estonia), despite recent improvements.

Figure 1 shows how employment rates in the EU followed a downward trajectory after Europe entered recession, lagged by two quarters from the first recorded negative GDP growth. This pattern was repeated in the competitor economies of the USA and Japan, with the exception of Japanese women.⁵ Between the second quarter of 2008 and the end of 2012, the EU27 employment rate lost two percentage points on average: 3.6 for men and 0.4 for women.

Figure 1. Employment rates (20-64) by sex in the European Union (EU27), 2005q1-2012q4



Source: Eurostat database, EU-LFS (online data code: lfsi_emp_q) and National accounts (online data code: namq_gdp_k, extracted on September 2013).

These quarterly data show that the turning points were somewhat different between the sexes. The male employment rate

5. In Japan the impact on men started to be felt in 2008, although overall it has been milder, while for women the crisis has slowed progress in employment rates (Suzuki, 2010), rather than reversing previous gains, as has happened in the EU and the US.

lost 4.3 percentage points between the third quarter of 2008 and the first quarter of 2012, when it recorded the lowest rate for the period (73.9%). By contrast, the female rate lost 1.2 percentage points between the fourth quarter of 2008 and first quarter of 2011 (from 63.1% to 61.9%). Both male and female employment rates showed a slight rise in 2011 before slipping back again in 2012, when a politically induced second recessionary dip was experienced in the EU, mainly due to the negative growth of the Euro area (Karamessini, 2013: 9-13).

The segregation of male and female employment into different sectors of the economy is particularly important in explaining the nature and timing of these employment effects (Bettio and Verashchagina, 2013: 65-69). The differential employment impact on women and men varies across countries. In the developed countries – the US and the majority of EU Member States – men are employed mostly in construction and manufacturing (particularly in durable goods industries); these are the subsectors of the economy that have been hardest hit by the dramatic fall in demand, with net job losses hurting men more than women (OECD, 2012: 217, fig. 19.2). Thus, the greater loss of male employment during the early phases of the recession is consistent with the job segregation hypothesis.

These falls in male employment were widely recognised, and they overshadowed significant falls in female employment rates (Rake 2009). To place these job losses in context, it is useful to consider job loss against the previous trends in employment. These trends provide the benchmarks against which to judge the impact of the downturn – foregone employment rate gains (EC, 2010: 54-58; OECD, 1974). Here we follow Engemann and Wall (2009) who analyse the gap between the simulated employment level in 2009, based on extrapolated growth rates, and its actual value in 2009 (EC, 2010a: 54). The difference between the actual and the simulated employment is used to describe the effect of the crisis. The difference between the employment loss due to the crisis and what would have been observed had the past trends remained unchanged is called “foregone employment”.⁶ In the European

6. This approach was initially inspired by discussion, in 2009, between the authors of this article and Jill Rubery on the “opportunity cost” of the recession for women.

context, this approach is particularly important, given the long-term goals established by the EES and translated in 2000 into the so-called *Lisbon targets* which set goals for the overall employment rate and the female employment rate to be reached in 2010 (70% and 60% for the 15-64 age group, respectively).⁷

Figure 2 shows the impact of the recession on EU employment rates for women and men using the quarterly data from the labour force survey. The solid black line simulates the employment rate had the crisis not occurred, on the basis of the trend increase.⁸ The difference between the actual and the simulated employment rate describes the effect of the crisis, which we interpret as foregone employment rate gains. The data show that the fall against the simulated employment rate is much greater than that in the actual employment rate for the EU27, but with notable differences between men and women. In the case of men, the actual employment rate declined between 2008q3 and the low point 2012q1 by 4.5 percentage points (from 78.4% to 73.9%), while the fall against trend has been estimated at 7.3 percentage points. Similarly, in the case of women, the actual employment rate declined by 1.2 percentage points, while the fall against trend is estimated at 4.7 percentage points (calculated at the low point for the female employment rate).

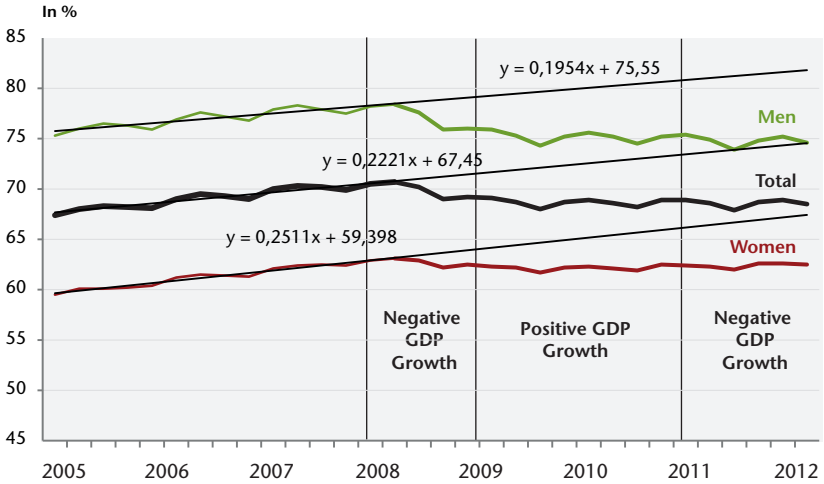
It is important to point out that the gender differential in the loss in employment rates is significantly reduced when measured against the foregone employment gains resulting from the crisis. That is, at the EU level, when we compare the actual decline in employment rates during the crisis, women record a loss of less than a third of the male loss in percentage point terms; this rises to over half when we factor in the foregone employment against previous trends in employment rates. The foregone employment continues to rise for women during the debt crisis, and the second

7. Prior to the recession, employment rates for women in the EU27 were making significant progress towards the Lisbon target of 60%. However, the long-term patterns of women's integration into paid employment show significant variation among countries. In 2008, the female employment rate was already above 70% in most of the Nordic countries (Denmark, Sweden and the Netherlands), but below 50% in the Southern countries (Malta, Italy and Greece).

8. Engemann and Wall (2010) use employment growth between 2000 and 2008 as the basis for their extrapolation, whereas here the period 2005-08 has been chosen since it was a sufficiently long time span for calculation of trends in employment rates, while avoiding unreliable employment rate data for some of the newer Member States in the early part of the decade.

period of negative growth, so that the female employment rate had foregone 4.9 percentage points by the end of 2012. For men the foregone employment loss had fallen back to 7.2 percentage points as a result of later gains in employment and reflecting the lower overall rate of predicted growth.

Figure 2. Actual and simulated employment rates (15-64) by sex in the European Union (EU27), 2005q1-2012q4



Source: Eurostat database, EU-LFS (online datacode: lfsi_emp_q, extracted on September 2013); authors' own calculations.

The changes in quarterly employment rates presented in Figure 2 for the EU27, although dramatic, are averaged from a common starting point (for all Member States), of the third quarter of 2008. This is done to facilitate the comparison between men and women over time. However, there are gender and country-specific differences in starting points for the recessionary effects on employment. For example, in Ireland employment rates began falling from the fourth quarter of 2007 for both women and men. Similarly in Latvia, male employment rates fell by two percentage points between the fourth quarter of 2007 and first quarter of 2008, while for women there was a 0.7 percentage point fall. At the same time in other countries, female employment rates continued to rise, though more slowly, until the first quarter of 2009 in the Netherlands and until the last quarter of 2011 in Germany.

Table 1 presents a more nuanced analysis of male and female employment rates with respect to gender and country-specific maxima and minima. These data illustrate the variety of experiences for women and men across countries. Indeed, in some cases where the downturn has been prolonged, the country-specific minima are at the end of the period for which we have data (2012q4): Greece, Spain, and Portugal for women and men; Latvia, Slovakia and Slovenia for women; Cyprus and Italy for men.

Using these gender and country-specific maxima and minima we find that male losses exceed female losses in the initial phase of the recession, with the exception of Romania. However, across countries we see quite stark differences. Male losses in Estonia, Ireland, Latvia, Lithuania, Spain and Greece dwarf losses elsewhere for both women and men. On the other hand, female losses in a number of countries – namely Bulgaria, Estonia, Greece, Latvia, and Lithuania – exceed those for men at the EU27 level and in half of Member States.

Table 1 also presents an analysis of the foregone employment of the recession for the 27 Member States – the loss compared to trend for men and women based on the gender/country-specific employment trends.⁹ The foregone employment analysis shows that employment rate falls compared to trend tend to be much greater than the actual recorded falls, particularly for women (see Tab. 1, sections *a* and *b*). At the EU level (EU27 average), this approach doubles the loss for women and increases by a third the loss for men. Across Member States we find that in Belgium, Spain, Italy, Cyprus, Latvia, Poland and Slovakia the effect of measuring the foregone employment is more than double the negative impact of the recession on women's employment. For men, a similar impact is limited to two countries – Poland and Germany – where the employment rate growth was strong prior to the recession, raising the cost of the recession in terms of employment. Across Member States, as at the EU level, the differential by gender in the loss in employment rates is significantly reduced when measured by this foregone employment approach.

9. Here the long period 2001-08 was chosen to calculate trends in employment rates where reliable data were available. The analysis for the newer Member States and Germany is still based on trends from 2005 and for Luxembourg and France from 2003.

Table 1. Actual and foregone loss in employment rates (15-64), by sex in the member states of the EU27 during the great recession, based on country- and gender-specific maxima and minima

Percentage points

	a) Actual loss to country/gender specific (CGS) minima		b) Foregone loss at CGS minima		c) Actual loss to 2012q4 from CGS maxima		d) Foregone loss at 2012q4 from CGS maxima	
	Women	Men	Women	Men	Women	Men	Women	Men
EU27	-1.4	-4.5	-2.9	-7.0	-0.6	-3.8	-4.8	-6.9
Belgium	-1.0	-3.2	-2.1	-3.2	+0.8	-3.2	-2.5	-3.2
Bulgaria	-7.9	-13.6	-14.8	-24.0	-6.1	-10.5	-17.9	-23.2
Czech Republic	0.0	-3.8	-0.5	-4.7	+0.2	-1.8	-1.5	-4.6
Denmark	-4.2	-7.2	-4.2	-6.1	-4.5	-6.1	-5.1	-5.7
Germany	+4.6	-2.0	-0.8	-4.1	+4.6	+1.1	+3.1	-5.4
Estonia	-8.9	-20.3	-10.3	-24.4	-5.3	-6.7	-8.9	-16.7
Ireland	-5.9	-15.9	-8.7	-15.2	-5.3	-14.6	-9.3	-13.9
Greece	-8.7	-17.3	-13.1	-18.6	-8.7	-17.3	-13.1	-18.6
Spain	-5.3	-17.6	-14.9	-19.0	-5.3	-17.6	-14.9	-19.0
France	-1.4	-2.9	-1.7	-1.3	-0.7	-2.2	-1.8	-0.5
Italy	-1.8	-5.1	-3.9	-6.4	-0.4	-5.1	-5.3	-6.4
Cyprus	-5.0	-11.5	-10.9	-10.5	-4.8	-11.5	-11.0	-10.5
Latvia	-9.4	-21.3	-19.8	-23.5	-5.3	-11.4	-15.7	-19.1
Lithuania	-6.0	-17.1	-6.8	-15.9	-3.1	-7.7	-5.9	-7.5
Luxembourg	-1.4	-3.5	-3.8	-0.2	+2.0	-2.0	-2.2	1.6
Hungary	-1.6	-6.1	-0.4	-5.1	+1.0	-2.0	+2.6	-1.1
Malta	-2.1	-4.0	-2.1	-3.3	+7.7	-1.9	+0.9	-0.5
Netherlands	-2.8	-3.6	-3.5	-1.9	-1.0	-3.6	-2.6	-2.0
Austria	-0.5	-4.4	-0.8	-3.2	+0.2	-1.8	-0.8	-1.4
Poland	-1.1	-3.6	-3.8	-7.2	-0.3	-1.6	-8.5	-12.8
Portugal	-5.8	-11.2	-5.5	-7.7	-5.8	-11.2	-5.5	-7.7
Romania	-5.6	-3.4	-4.0	-3.0	-4.1	-0.8	-2.6	-1.3
Slovenia	-5.2	-7.5	-6.4	-9.3	-5.2	-5.7	-6.4	-7.9
Slovakia	-4.4	-7.0	-8.9	-8.9	-4.4	-5.7	-8.9	-12.0
Finland	-2.9	-7.0	-3.2	-5.7	-2.0	-4.5	-3.2	-4.4
Sweden	-4.3	-4.8	-2.8	-4.1	-1.7	-2.4	-0.5	-3.0
UK	-1.0	-4.0	-1.5	-3.9	+0.3	-1.9	-0.7	-2.0

Notes: a) percentage point loss in employment rates for women and men between gender/country-specific maxima and minima; b) foregone loss is the percentage point loss in employment rates against trend for men and women based on the gender/country-specific employment trends and between gender/country-specific maxima and minima to define start and end points; c) percentage point loss in employment rates for women and men between gender/country-specific maxima and 2012q4; and d) foregone loss is the percentage point loss in employment rates against trend for men and women based on the gender/country-specific employment trends and between gender/country-specific maxima and 2012q4. See text for more details of analyses.

Source: Eurostat database, EU-LFS (online data code: lfsi_emp_q; extracted on September 2013). Authors' own calculations.

In order to capture the on-going effects of the crisis after the initial downturn, Table 1 (section *c*) also presents the loss in employment to the end of the period for which we have data from each country/gender specific maxima. In some cases these results capture a return to long-term structural increases in female participation, for example Belgium, Hungary, Luxembourg and Malta. In the case of Germany, the crisis had little noticeable impact upon the aggregate female employment rate although the structure of employment did change.¹⁰ However, in the majority of countries the initial losses of the early phase of the crisis are far from regained in the subsequent phases. Furthermore, the particularly dramatic effects of the on-going debt crisis and austerity measures on male employment in Greece, Ireland and Spain stand out. Cyprus, Bulgaria, Latvia and Portugal also experienced double digit losses in male employment rates over the period from each male country-specific maximum. For women the losses are not so marked, but Bulgaria, Estonia, Greece, Ireland, Latvia, Spain and Portugal experience falls of at least five percentage points against the female country-specific maxima.

The foregone loss in employment for this extended period (to the end of 2012) complements the analysis and shows a further increase in the percentage point loss in male and female employment rates, when measured against trend (see Tab. 1, section *d*). Here we observe a greater convergence of women's and men's experiences, illustrating the long-term cost of the recession when set in the context of previously strong female labour market performance. In four countries – France, Romania, Netherlands and Cyprus – foregone losses for women exceed those for men: in a further eight countries foregone female employment growth is 80-90% that of men. On the other hand, the limited underlying increase in employment prior to the crisis in a few countries – notably Sweden, Malta and Hungary – produced flat predicted

10. In the case of Germany, long-term employment growth has been mainly due to a redistribution of working time, based largely on the expansion of female part-timers. Full-time positions have been replaced by a rising number of part-time jobs, which include an increasing share of the so-called “mini jobs” (with monthly earnings below ?400, and thus excluded from the social insurance system). While the number of employees has increased substantially (by 2 million since 2000), the volume of hours worked in 2012 was almost the same as in 2000 (Weinkopf 2013).

trajectories for employment rates and thus small predicted foregone losses or slight positive results at the end of the data period.

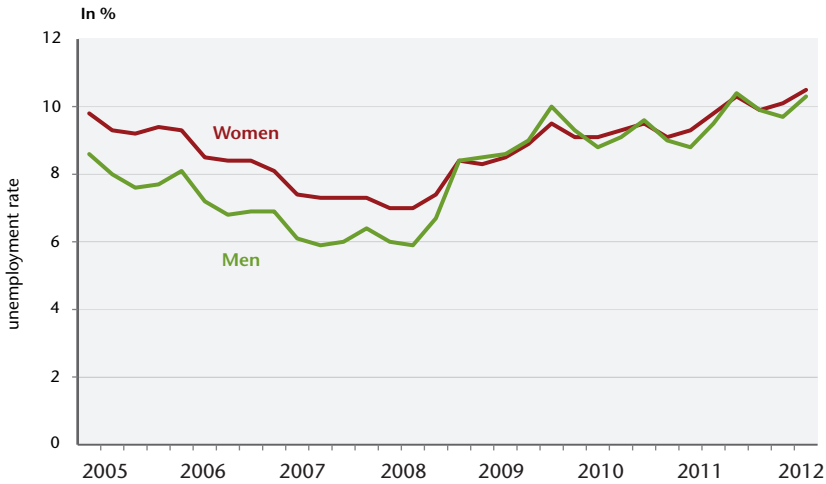
The prolonged effect of the downturn in some countries is clear if we look at the number of quarters with negative change in the employment rate. For men, six countries experienced negative employment rate growth in at least two thirds of the 20 quarters between the initial downturn and the end of 2012: Greece, Spain, Portugal, Italy, Ireland and Cyprus. These countries – with the exception of Cyprus – also had the same experience for women.

Changes in employment rates are only part of the story of the crisis. Changes in the unemployment rates of women and men provide another part of the picture. The buffer hypothesis suggests that women would be more likely to lose their jobs in a downturn because seniority rules and a weaker labour market position mean that they experience greater precariousness. A sharper rise in unemployment would be concordant with such a trend. However, we find, at least in terms of unemployment rates, that the initial impact of the crisis had a greater impact on men across the EU (as also in the US and Japan). In line with the historical experience of post-war recessions, the unemployment situation deteriorated much less for women than for men in the Great Recession. This was to be expected, given previous studies on the impact of recessions on men and women in developed countries: in other parts of the world, however, the opposite has tended to be the case (ILO, 2009; Seguino, 2009).

Across the EU, rapidly rising male unemployment rates were a common feature of the Great Recession, and often made headlines in the press. However, once again a broader analysis sheds some additional light on these trends. While male unemployment rates did rise more sharply than female ones, the result was actually a convergence of the male unemployment rate to the female one at the EU27 level (Figure 3). The male unemployment rate for the EU overtook that of women in the first quarter of 2010 (10% compared to 9.5%). Across countries, female unemployment rates were already higher than male ones in 22 of the 27 Member States before the crisis, and in those countries where male rates rose more quickly, men have often simply been catching up. Since this convergence at the EU level, the two rates remained remarkably similar for the following two years. Across the 21 quarters to

the first quarter of 2010, the average gap between male and female unemployment rates was 1.3 percentage points, and for the 11 subsequent quarters the gap was just 0.3 of a percentage point.¹¹

Figure 3. Unemployment rate by sex in the EU-27, 2005q1-2012q4



Source: Eurostat, LFS (online data code: une-rt_q).

Table 2 analyses the impact of the crisis on the gender gaps in unemployment rates in EU countries (plus the US for comparison). It shows how during the course of the crisis the within-country gender gaps have been reversed in many cases. Here we use the country-specific gender gap at low point before unemployment rates started rising as a measure for the start of the crisis effects and the high point as the turning point for labour market effects. The results show that women's disadvantage with higher levels of unemployment persisted in seven EU countries, while 11 of the countries that had higher rates for women at the start of the crisis moved to a situation in which male rates overtook female rates (Cyprus and Finland) or of more equal rates (Belgium, Denmark, France, Slovenia, Hungary, Portugal, Netherlands, Slovakia and Austria plus the EU27 average). On the other hand, Latvia, Estonia,

11. This pattern of convergence and then the common trend of the male and female unemployment rates has been repeated in many countries, although a number of notable exceptions stand out: Bulgaria, Germany, Ireland, Latvia, Sweden, Finland, and the UK. These countries have traditionally had a higher unemployment rate for men than for women (also, Latvia and Lithuanian have witnessed a particularly large impact of the recession on men).

Lithuania and Bulgaria (together with the US) all moved from a situation of having relatively equal unemployment rates to one in which men were at a greater disadvantage. There were no Member States where there was a reversal in favour of men. Finally, for three countries (the UK, Ireland and Romania) men have had their disadvantage in measured unemployment confirmed, with their higher unemployment rates before the crisis remaining so at the national-specific high point.

Table 2. Trends in gender gaps in monthly unemployment rates by country, crisis to 2012

	<i>Crisis Max</i>	Male unemployment rates higher than female unemployment rates: Country-Specific Maxima	Equal Country-Specific Maxima (within 0.5 pp)	Male unemployment rates lower than female unemployment rates: Country-Specific Maxima
Pre Crisis	Male unemployment rates higher than female unemployment rates: Country-Specific Minima	UK, IE, RO		
	Equal Country-Specific Minima (within 0.5 ppt)	LV, EE, LT, BG, (US)	DE, SE	
	Male unemployment rates lower than female unemployment rates: Country-Specific Minima	CY, FI,	BE, DK, FR, SI, HU, PT, NL, SK, AT (EU27)	PL, LU, CZ, IT, ES, GR, MT

Note: The table compares gender gaps in unemployment rates at the country-specific maxima and minima for total unemployment rate. See text for more details.

Source: Eurostat database, EU-LFS (online datacode: une_rt_m, extracted on September 2013); authors' own calculations.

The picture is further complicated by evidence that the relationship between unemployment and employment for women differs from that of men: unemployment does not always capture the full extent of the female labour supply because women who lose their jobs or want work may not always appear in the measure (Berthoud, 2009). The unemployment rate is an imperfect measure of the impact of recession, because employment and unemployment may be simultaneously changing in the same direction, but also because unemployment does not capture the full extent of the unused supply of female labour. In certain socio-economic contexts, women may declare themselves inactive rather than unemployed, thus causing underestimation of the female labour supply, as is evident in the high proportion of transitions from inactivity directly into employment, and vice-versa, for women

(Rubery, Smith and Fagan, 1999). But the opposite is also possible: with some groups of women entering paid work in recessions (this has been observed in three Member States: Greece, Spain and Cyprus), and some groups of men entering inactivity as a result of falling employment opportunities (this is the case of the growing number of young men not in employment, education or training – NEET – in Italy: Villa and Smith, 2010). However imperfect, trends in male and female unemployment rates show that to assess the gendered outcome of the recession it is important to consider the differential timing of recessionary effects upon women and men. Men entered unemployment in greater numbers and more rapidly compared with women; male unemployment stabilised earlier, while female unemployment continued on a slight upward trajectory. The critical point, to be assessed in future research, concerns the transition from unemployment back to employment: the risk for women is that a large number may become trapped in long-term unemployment or inactivity.

3. Gendered policy responses

At the European Union level, the response to the financial and economic crisis of 2008-09 led to the close coordination of EU Member States in the development of the *European Economic Recovery Plan* – an unprecedented level of coordination among the 27 countries that led to a € 200 billion agreement (around 1.5% of EU GDP). The main EU response to the specific labour market challenges of the crisis came in the conclusions of a summit held in Prague in May 2009 (EC, 2009b: 13-15) and a Communication entitled *A Shared Commitment for Employment* (EC, 2009c). The focus of these developments was on measures to address the collapse in labour demand. However, in spite of European guidance on the gender mainstreaming of policy, anti-crisis measures were planned and implemented with the absence of an integrated gender dimension. It is worth noting that the European Commission had spent much of the previous decade promoting gender mainstreaming in employment policy machinery (Villa and Smith 2013).

At the Fourth World Conference on Women in Beijing 1995 a Global Platform for Action was adopted that required governments

to mainstream a gender perspective into all policies and programmes, so that, before decisions are taken, an analysis is made of the effects on women and men respectively. European institutions were active in adopting these tools, and in February 1996 the European Commission adopted a Communication on gender mainstreaming. As a result of this wave of action, gender mainstreaming had a prominent place in the early formulation of the European Employment Strategy (EES). The 1997 Treaty of Amsterdam formalised this commitment by explicitly mentioning the elimination of inequalities and the promotion of equality between women and men among the tasks and objectives of the Community.

Gender mainstreaming is the integration of the gender perspective into every stage of policy processes – design, implementation, monitoring and evaluation – with a view to promoting equality between women and men. It means assessing how policies impact on the lives and positions of both women and men – and taking responsibility to re-address them if necessary. This is the way to make gender equality a concrete reality in the lives of women and men by creating space for everyone within organisations as well as in communities – to contribute to the process of articulating a shared vision of sustainable human development and translating it into reality.

Unfortunately, the commitment to, and the implementation of, mainstreaming waned over the period 2000 to 2010 – a point clearly revealed in policies developed and implemented in response to the recession (Smith and Villa, 2010). One feature shared by the EU initiatives during the first wave of the crisis was the low visibility of gender in the analysis and policy proposals for labour markets – even to the extent of recognising that men were hit hard. Across the ten key points of the 2009 Communication in response to the crisis (EC 2009c), the position of gender in the concrete measures was very limited. In terms of a gender-sensitive analysis, the EU level approach did recognise the role of gender in the segmentation of precarious contracts. But there was no mention of how men had been disproportionately affected or the likely gendered effects of constrained public finances.

In the spring of 2010, the Greek sovereign debt crisis erupted, followed by a debt crisis in much of the eurozone. In the absence of

any coordination, all Member States drastically changed their policy response: from mid-2010, austerity measures were adopted to reduce debt and deficits (Lehndorff, ed., 2012). By the end of 2010, most countries had reversed their stimulus packages and replaced them with spending cuts, increased taxation and structural reforms (Leschke and Jepsen, 2012). In the second wave of the crisis, EU institutions (Commission and Council) focused on devising a reinforced system of economic governance that ensured eurozone Members honoured their debt and deficit commitments. In this scenario, gender mainstreaming was set aside at both the EU and the national level.

The increased policy activity at the Member State level, in both the first and the second waves of the crisis, produced policies that were even less likely to be gender mainstreamed than policies developed in preceding years of the EES. Here we draw upon a series of detailed analyses of the national reporting mechanisms conducted by a European Expert Group on Gender and Employment and their gender-sensitive analyses of Member States' labour market policies during the crisis.¹² These national-level analyses were based on a common methodology for analysing employment policies in terms of gender impact assessment and the extent of gender mainstreaming (Villa and Smith, 2010; 2011; 2012).

In Table 3 we present a synthetic analysis of these policy evaluations covering the period 2008 to 2011, based on a sample of one thousand four hundred policy measures. The period considered covers the first wave of the crisis (when stimulus packages were adopted) and the early part of the second wave of the crisis (when austerity measures started to be announced or implemented). The table includes all employment policies identified at the national level while highlighting as "crisis-specific policies" those

12. The following experts produced national reports: Ingrid Mairhuber (Austria); Olga Rastrigina (Latvia); Danièle Meulders (Belgium); Ruta Braziene (Lithuania); Iskra Beleva (Bulgaria); Robert Plasman (Luxembourg); Alena Křížková (Czech Republic); Frances Camilleri Cassar (Malta); Chrystalla Ellina (Cyprus); Janneke Plantenga & Chantal Remery (the Netherlands); Ruth Emerék (Denmark); Ania Plomien (Poland); Marre Karu (Estonia); Virginia Ferreira (Portugal); Hanna Sutela (Finland); Lucian-Liviu Albu (Romania); Rachel Silvera (France); Anita Nyberg (Sweden); Friederike Maier & Andrea-Hilla Carl (Germany); Aleksandra Kanjuo Mrcela (Slovenia); Maria Karamessini (Greece); Magdalena Piscova & Miloslav Bahna (Slovakia); Maria Frey (Hungary); Elvira González Gago (Spain); Ursula Barry (Ireland); Colette Fagan & Helen Norman (UK); Paola Villa (Italy)

measures introduced by governments either to reduce the impact of the crisis in the first wave or to restore public finances in the second wave of the crisis. All measures considered have some effects on the position of women and men in the labour market. Therefore, they should have been gender mainstreamed according to previous EC commitments.

We find that very few crisis-specific policies were regarded as being adequately gender mainstreamed. Moreover, they were even less likely to be adequately gender mainstreamed than all employment policies. Even though the number of policies declined as the crisis progressed, there is considerable consistency in the relatively poor assessment in terms of gender mainstreaming.

Table 3. Gender mainstreaming and gender impact assessment of employment policies and crisis-specific measures in 2008-2011 in EU-27

% distribution

	Total policies (%)			Crisis specific (%)		
	2008-09	2009-10	2010-11	2008-09	2009-10	2010-11
Adequate	22	23	16	8	3	9
Partly adequate	17	22	22	12	15	9
None	60	55	63	80	82	77
Total	100	100	100	100	100	100
Number policies/ measures	n=505	n=480	n=414	n=180	n=118	n=106

Source: Villa and Smith (2010; 2011; 2012). See text for methodology.

Our analyses of policy measures produce evidence of segmentation- buffer and substitution-based policies responding to the impact of the recession and in the policy approaches adopted at the national level by Member States. Furthermore, in the context of the previous decade of policy measures to promote gender equality, the policy responses to the crisis represent a lost opportunity for further progress towards a more gender-equal labour market.

Sex segregation by industry has provided some protection against the impact of this economic crisis on female employment, though to a lesser extent than in previous downturns. The sectors more heavily hit were manufacturing (in particular, the automobile industry) and construction, both of which are male dominated. Thus, anti-crisis measures were to a large extent planned to counteract the impact of the economic crisis on those same male-

dominated sectors. Our analysis of crisis-related policy responses shows that segregation has led to the exclusion of women from the benefits of various policy measures. We might call this effect the “dark cloud” of segregation juxtaposed with the so-called “silver lining”. This dark cloud can also be seen in the gendered impacts of cuts to the public sector, particularly in services but also pensions and pay, which have a disproportionate impact upon women.

Box 1. Evidence of segregation excluding women from the benefits of crisis-related policies

Demand promotion and tax breaks for male-dominated sectors

In **Denmark** a renovation pool for investment in private houses was aimed at preventing or easing the effects of crisis in the building and construction sector.

In **Spain** the State Fund for Local Development financed new public works to absorb idle labour in the construction sector.

In **Estonia** financial support to companies was aimed at relieving the problems for exporting companies in manufacturing, construction, transport and communication.

In **Finland** public investments were brought forward in construction and renovation to help the construction sector.

In **Portugal** financial support was introduced for enterprises in exporting sectors, including the cork sector where the gender pay gap has remained persistent.

In **Sweden** tax-reductions for repairs, maintenance, rebuilding and extensions were introduced to support construction as were public investments in infrastructure.

Working time measures focused on male-dominated sectors

In **Luxembourg** few of the 16 thousand workers affected by short-time working were women, since it was mainly used in the manufacturing sector.

In the **Netherlands** the part-time unemployment compensation scheme was geared towards full-time employees in industry and construction; only one in six employees on part-time unemployment was female.

In **Germany** just less than a fifth of short-time employed workers were women and most companies applying such measures were in male-dominated sectors and less likely to employ part-timers.

In **Spain** the social security benefits to maintain employment for workers affected by adjustment plans primarily benefited men: between January to June 2009 men accounted for four fifths of participants.

Source: Villa and Smith (2010; 2011; 2012). See text for methodology.

Much of the policy effort to promote consumer demand and protect jobs in the recession was focused on a narrow range of sectors, particularly construction and automobiles. Around half of Member States introduced car scrappage schemes to bolster demand in a hard-hit, male-dominated sector – often under the banner of the efficiency gains associated with reduced emissions by new cars. Similarly, the financial support for exporting companies tended to benefit male-dominated export-related sectors (ILO, 2009). Moreover, the widespread use of capital works programmes to promote demand in the construction sector tended to favour the first-affected male-dominated sectors. Examples of policies of this type are presented in Box 1.

On the other hand, assistance to service sectors – such as tax relief on restaurants – was less widespread. Yet it was an example of policy aimed at a more mixed gender sector. In a few Member States, support for the construction sector did help build capacity for what we might call “social infrastructure” (Box 1). However, the extent to which these policies have “win-win” outcomes for both sexes depends on the availability of public funding to support such services.

The promotion of short-time working arrangements has been a key part of the European strategy to limit rises in unemployment and maintain contact between workers and jobs (EC 2009c). However, the segregation of employment opportunities has an important impact on the proportions of women and men benefiting from short-time working models (see Box 1). Such schemes create a group of part-timers who are effectively compensated for working part-time by virtue of their employer or sector applying such a scheme while others are not: compensated involuntary part-timers (mostly men in sectors affected by the crisis) and uncompensated involuntary part-timers who could not find full-time work (mostly women).¹³

These anti-crisis measures were by and large concerned with the direct impact of the economic crisis on employment. Since the fall in employment and the increase in unemployment were initially larger for men than for women, most of the measures were focused on support for either male employment or income. However, such

13. See Fagan and O'Reilly (1998) for a parallel in partial retirement schemes in the 1990s.

an approach ignores the impact on the household and misses the opportunity to adopt a “win-win” strategy – supporting male employment, in the short run, but also taking the opportunity to re-address some structural weaknesses (social infrastructure).

Policies implicitly treating the female labour supply as a buffer might be expected to promote a reduction in female participation or reduce terms and conditions because the employment of women is regarded as secondary to that of male breadwinners. Examples of policies of this type are presented in Box 2. As seen in the case of Finland in the 1990s (Haatja, 2005), evidence of a buffer approach is provided by policies to encourage women to spend more time out of the labour market. While expanded leave schemes may help parents, particularly mothers, balance work and family life, where these take place in the absence of measures to promote women’s return to the labour market, the result is greater detachment from the latter. The promotion of leave schemes, in the absence of measures intended to increase the take-up rate among fathers, also runs the risk of reinforcing the gender division of labour in the home and further reducing mothers’ attachment to the labour market. In addition, for women in low-paid segments of the labour market, paid leave schemes may create additional incentives to leave the labour market (see Box 2).

Box 2. Evidence of women’s employment being treated as a buffer in crisis-related policies

Changes to Leave Arrangements

In **Austria** home care payments were increased for family carers working in private households reinforcing gender divisions and “privatisation” of long-term care.

In **Poland** maternity leave was extended to encourage higher fertility rates rather than the improvement of the labour market position of women.

In **Slovakia** benefits for paid parental leave were increased to the level of minimum wage which may have a positive effect on men’s participation, but negatively affected women’s participation since many of them work at the minimum wage.

In **Latvia** working parents, employees or self-employed, had their eligibility for parental benefit removed, decreasing women’s incentive to enter the labour market after child birth.

In **Estonia** paid paternity leave was abolished undermining the previous significant increase in the take-up of by fathers with negative consequences for gender equality in the division of care.

In **Cyprus** amendments to parental leave included an extension of the period from 6 to 8 years and increased transferability of leave allocations from men to women, reinforcing women's separation from the labour market and their responsibility for care.

Cuts to women's employment

In **Estonia** state budgets have been heavily cut with no gender impact analysis of the effect or gender budgeting. The largest cuts were in the area of Ministry of Social Affairs which will have a stronger impact on women than men.

In **Ireland** reductions in public sector pay have been an important component of macroeconomic policy and have included severe pay and pension cuts, even for the low paid. The cuts included -5% on the first €30,000, -7.5% on the next €40,000 and -10% on the next €55,000. In addition, changes to pensions will have negative consequences for women who have taken time out for children.

In **Hungary** restructuring of the public sector budgets has included a wage freeze disproportionately impacting upon women as the majority of employees in the public sector.

In **Latvia**, as a result of the public cuts and the crisis, there were significant reforms in education and health sectors, both female-dominated sectors. The reforms included wage cuts for teachers and the closure of schools.

In **Spain** the 2010 plan for reducing the fiscal deficit included cuts to the wages of public servants. This measure affected around 2.5 million of workers, 53% of which were women.

In the **Czech Republic** crisis-specific employment and social policies have focused on cuts in public spending and tightening of the support for families with small children. Policies have not been gender mainstreamed and reduce support for the most vulnerable groups of the population.

The promotion of flexible employment for women

In the **Czech Republic** the plan for a new Labour Code focused on greater flexibility of the employment relations and towards higher motivation of the employers to create new jobs. The introduction changes to temporary contracts had a negative impact on gender equality since women are employed more often than men on this basis.

In **Slovenia** new regulation on non-standard employment was not gender mainstreamed and, based on experiences elsewhere in Europe, risks the feminization of non-standard employment and resulting negative effects on gender equality.

In Italy the further expansion in the array of non-standard contracts include the re-introduction of the job-on call, relaxation of some rules on fixed-term contracts and the introduction of prepaid vouchers for many types of temporary work. Women are over-represented in these precarious positions, with lower earnings and no income protection.

Source: Villa and Smith (2010; 2011; 2012). See text for methodology.

For some crisis-specific measures (i.e. stimulus packages), the gender implications may be hard to unravel. However, with changes in public expenditures, it is somewhat easier to anticipate or even view the effects on women and men of cuts in jobs and/or services (EWL 2012; Karamessini and Rubery eds., 2013). The segregation of women into the public sector means that changes in conditions there can affect women's overall employment opportunities directly and often negatively in the context of cuts to services (see Box 2). There are four reasons why the radical changes in public-sector spending impact negatively upon women (WBG 2010). Firstly, the majority of public-sector workers are women and thus subject to pay freezes, job cuts and reduced pension entitlement. Secondly, women use public services more intensely than men to meet their own needs and to help manage care responsibilities. Thirdly, women are more likely than men to pick up the extra unpaid work resulting from cuts in public services. Finally, women have a higher dependency on benefits due to their higher participation in unpaid care work and their lower earnings.

In addition to reductions in public spending on services, cutbacks to policies designed to promote equality can also be viewed through the lens of women as a buffer to labour market trends. Such an approach might include cuts to equality budgets or even the political downgrading of equality goals (see Box 3). Austerity policies have had a drastic impact on national gender equality bodies and institutions: in some countries this has implied severe budget cuts, in others equality institutions have been merged with other departments or institutions, resulting also in loss of visibility and focus (EWL, 2012: 13; Karamessini and Rubery eds., 2013). There is also evidence of migrants being seen as a buffer labour supply, with many Member States having explicit and implicit policies to shift these groups out of the labour market and even out of the country – what might be regarded as “prioritising” jobs for

nationals in the context of an oversupply of labour. Schemes for the voluntary return of migrants may have negative effects on women since they have been focused on the repatriation of men (see Box 2).

In the context of the need to raise employment rates in much of Europe, reduction of the female labour supply may not necessarily be viable. Furthermore, as Milkman (1976) pointed out, it is not easy to reduce the participation of women with established attachment to the labour market. At the political level, demographic challenges, falling tax bases and shortages in female-dominated sectors mean that the female labour supply is important even for governments not prioritising equality *per se*. However, policies to promote women's employment at low cost, without addressing gender inequalities, can be regarded as a substitution approach when the security associated with male jobs is left largely untouched.

Policies based on treating the female labour supply as a substitution might be expected to promote women's participation in flexible jobs or promote an increased number of women in work at the expense of quality. In a number of countries we see the promotion of mini jobs (short-hours, part-time work) and flexible jobs aimed at women as being central to government policies to promote employment, with an implicit focus on the female labour supply (see Box 3). These policies continued during the recession and austerity phases of the crisis, while measures to maintain existing levels of employment in male-dominated sectors have been used, for example short-time working.

A wide range of labour market policies in Europe have been packaged under a "flexicurity" label promoted by the European Commission for a number of years (Lewis and Plomien, 2009).¹⁴ The aim of such policies should be to increase flexibility while also promoting security, based on labour market models of Denmark and the Netherlands (Wilthagan and Tros 2004). However, most of the labour market reforms carried out in Member States over the last decade, and accelerated as a result of the crisis, have focused on further increasing the flexibility of workers, with little effort made

14. "Flexicurity" is a portmanteau of "flexibility" and "security" used to denote policies that promote security for individuals while providing flexibility for the labour market.

to increase security. These policies have often had a detrimental impact upon women, who are identified as “beneficiaries” of flexible jobs, in order to reconcile work and family life (see Box 3).

Box 3. Evidence of cuts to equality related measures

In **Ireland** the body with responsibility for monitoring legislation and promoting equality related to gender and eight other grounds of discrimination had its budget cut by 43%.

In **Greece** the revised national recovery plan dropped previous targets relating to women’s employment rate.

In **Latvia** the majority of the activities and measures included in the “Program for the Implementation of Gender Equality 2007-2010” were suspended.

In **Romania**, gender equality bodies were directly affected by the economic recession since financial resources made available for their day-to-day operations and wider activities were drastically reduced.

In the **Netherlands** cutbacks in the public expenditure on childcare facilities lead to higher prices for childcare facilities and negative impacts upon women, particularly those on lower incomes.

In the **Czech Republic** a new Government took office in 2010 and quickly abolished the position of the Government Commissioner for Human Rights. The dissolution of the position meant that there was no concrete policy agenda for gender equality and a risk of stalling advances in women’s rights.

In the **United Kingdom** budget cuts to the gender equality infrastructure included the body that oversees equality in various domains, including gender, the Equality and Human Rights Commission.

Source: Villa and Smith (2010; 2011; 2012). See text for methodology.

4. Concluding remarks

This paper has explored the gendered impact of the unfolding effects of the 2008-12 financial, economic and debt crises in the European Union. Our analysis has shown that taking a more comprehensive, broad-based perspective, which considers both changes in employment levels and changes in employment policies, enhances our understanding of the gendered impact of an economic downturn. In particular, the long-term perspective helps identify foregone employment gains resulting from the crisis (as trends in positive employment growth were disrupted) and fore-

gone policy opportunities (as previous policy priorities were changed, postponed or cancelled). Such an approach weakens the notion that men are more affected by recessions, and that women are somehow protected by gendered lines of segmentation.

The protection previously afforded to women by the so-called “silver lining” of segmentation appears to have been weaker, with women’s employment rates falling further than in previous downturns: both the nature of the financial and economic crisis and the greater proportion of women in the labour market are potential explanations. While the segregation of European labour markets has been rather resistant to change (Bettio and Verashchagina, 2009), the presence of women in greater numbers and in more sectors of the labour market means that they were more exposed to the impact of the recession. Furthermore, feminised employment areas subsequently faced bleak prospects because cuts in public spending impacted upon them as employees and users of public services.

The analysis of foregone employment gains demonstrates the negative impact of the crisis on previous trends in employment for both women and men. As the subsequent effects of austerity continue to bite, these prolonged effects of the crisis, particularly on women, also become clear. Finally, after a brief period when male unemployment rates were higher than women’s, at the EU level unemployment rates have returned to parity, since rises in unemployment for women are continuing, while male rates are levelling off or even falling.

Most of the responses to the crisis aimed at protecting employment (i.e. stimulus packages) were focused on the initial sharp rises in male unemployment, while subsequent austerity-led cutbacks had effects – not yet fully visible – in female-dominated employment areas in the public sector. The almost complete absence of a gender perspective in European and Member State employment policies responding to the crisis illustrates the limited progress in institutionalising gender mainstreaming structures and capabilities in policy-making architecture. Unfortunately, the low level of gender mainstreaming and all-round gender blindness mean that the opportunity to integrate gender into an array of new policies has been foregone.

The downgrading of gender equality policies extends the negative consequences of the loss in measured labour-market participation. Women are more likely to be affected by changes in standards of living that create a greater burden of unpaid work. Typically, women “pick up slack” as a result of the withdrawal of public services that previously helped women with caring responsibilities, or because of the reduced consumption of private services which induces a return to household production (i.e. cooking at home in lieu of eating out, reduced reliance on domestic services, etc.: Milkman, 1976).

Some had argued that the fallout from the crisis was an opportunity to create a fairer distribution of resources between rich and poor (Jolly, 2010; Vos, 2010) and that it was a transformative moment for more gender equal societies (Seguino, 2009). In the European context, an opportunity for major transformation would have required an explicit strategy to integrate gender equality into responses to the crisis, fiscal consolidation measures, as well as into the exit strategies, with the goal of pushing forward to a more gender-equal labour market. The reality turned out by and large to be more of a threat to gender equality priorities. The threat came from policy-makers “reverting to type” and paying little attention to gender in the urgency of their responses to the crisis. Implicit and explicit priority given to male breadwinners may induce moves towards policies that do not reflect the realities of dual earning for many households on European labour markets.

The foregone policy advances are further illustrated by the loss of focus beyond the crisis on longer-run gender equality goals. Only a minority of countries showed any evidence of considering the longer-term challenges of ageing, care deficits, and raising employment rates. The wave of new policies addressing labour market issues resulting from the crisis should have been considered a significant opportunity to address long-standing problems of inequality, segmentation and segregation of employment opportunities while also dealing with the short-term effects of the economic downturn.

Even if a downturn does offer the scope for change, numerous barriers in society reinforce gendered roles. As Legerski and Cornwall (2010) stress, the scope for “de-gendering” labour market and non-labour market work is constrained by institutions,

the household division of labour, norms in the labour market, and structural factors. Women's concentration in poor quality, lower-paid job areas means that their opportunities to become breadwinners are limited, particularly in working-class households experiencing male job loss. In this context, the need for strong policy leadership to promote change is vital. As Horrel (2000) shows with her long-term perspective on women's gains over the 20th century, advances in gender equality are not immutable. Change in women's and men's labour-market behaviour will continue, but the opportunity to promote more gender-equal change in a European context was passed by due to incoherent labour market policies and lack of policy leadership.

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