

Families and Family Policies in Finland: A Future Scenario

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Abstract

Promoting the welfare of citizens has become an important topic of discussion in modern Western societies. The goal of this paper is to concentrate on the well-being of families, changes in family life and family forms, and the challenges of future family policy in Finland. Thus, the paper represents a scenario effort. Although the focus is on Finnish families and family policies, the Finnish example could have wider applications as well. First, I introduce contemporary European family policies and the challenges these policies are facing. Second, I treat the Nordic welfare model and specifically the Finnish family policy as an example of such. Third, I examine certain major trends and challenges in Finnish family policy, such as emerging care needs, changes in gender equality, and a generational contract. Finally, I discuss what types of family policies are needed in order to ensure the well-being of Finnish families.

Keywords: well-being of families, gender equality, care needs, the Nordic welfare model, family policy

Introduction: Families in the European Union

With people and nations facing numerous challenges in their personal and family lives, the promotion of the welfare of citizens has become a topic of discussion in modern Western societies. In this article I will concentrate on the well-being of families, changes in family life and form, and the challenges faced by family policy, especially in the near future. This means that the paper represents a certain type of a scenario work. While the focus is on Finnish families and family policies and the scope is limited, the Finnish example could

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also have wider applications.

Why have families recently become interested in Finland and in the European Union? What are the reasons underlying this process of strengthening family-related policy issues in EU countries? The first reason relates to the profound changes in family life that have occurred over the previous few decades. It is a documented fact that since the 1960s and 1970s family structures and family life have undergone profound changes in most European societies. These changes are in one way or another connected to declining fertility rates and the aging of populations. Contemporary families take on a range of different forms, resulting in a growing need to forge new definitions of the family and ask novel questions about family life (Jokinen and Kuronen 2011, 25-6).

These changes have involved, among other factors, increases in the rates of divorce and separation; adjustments in gender roles; and a growing proportion of cohabiting couples, out-of-wedlock births and non-conventional or non-traditional family forms, especially rainbow families and so-called “LATs”, couples that are living apart together. At the same time, decisions regarding marriage and having children have been postponed to ever-later ages. As life expectancy has risen, Europe is also facing an increase in the number of living generations, i.e. there are more and more four- or even five- generation family structures in place. At the same time, there has been a decline in the number of living relatives within each generation (OECD 2011, 19-28).

However, huge cross-national differences can be found among European Union Member States regarding both the structure of families and practices in family life. It is also possible to note that Europe is rich in differences in terms of families and family relations (Jokinen and Kuronen 2011, 13). Therefore, it is overly simplistic to state that a single model of “the European family” exists. The Nordic countries, Finland, Sweden, Norway, Denmark and Iceland, have probably, statistically speaking, moved the farthest from the traditional family model, while the southern European countries such as Italy, Spain and Greece represent the other, more traditional end of the scale, since family patterns in these countries fall much more in line with that very model.

The second reason is the acute and vivid political discussion about families – or even controversy surrounding them, such as debate over abortion or same-sex couples and their right to a church wedding and adoption. At times these discussions have increased motivations towards reconsidering family policies as well (Smart and Neale 1999, 4-5). Thirdly, although there is no unique, broadly accepted method for measuring well-being, many researchers consider families to be a primary source of so-called non-material well-being. It is a well-known fact that material indicators for measuring well-being are insufficient. Therefore, a more-than-material aspect has been identified. Among these indicators are, for example, family relationships, environment, time, trust, self-confidence, happiness, quality of school life, friends, and education. That is to say, family is an

elementary source for human well-being (Kapella, de Liedekerke and de Bergeyck 2011, 245-8; OECD 2009, 23).

Fourthly, families have also become the subject greater interest from a variety of disciplines, in particular from the social sciences, and family research has grown more popular than it once had been. The investigation of families played an important role in mainstream sociology following the Second World War, particularly in the 1950s and 1960s. Especially in functionalism, there was a great interest in family life. The famous American sociologist Talcott Parsons (1955) even claimed that the family is the best institution for taking responsibility for the primary socialization of children and the stabilization of adult personalities. A nuclear family was a powerful ideological construction not only in the Western world, but in the social sciences as well.

However, families lost their significance in sociological thinking after the 1960s with the decline of functionalism and the rise of Marxism. It was considered that there was no place for the family in modern social theory. However, since the 1990s universities have been experiencing a renewal in family studies (Smart and Neale 1999, 2-3, 6). The family was no longer seen simply as an institution which represents the surrounding society or an institution which reacts passively to greater societal changes. On the contrary, family researchers have once again begun to view the family as giving rise to other processes and family relations as guaranteeing the well-being of children, adolescents and adults (Jallinoja, Hurme and Jokinen 2014, 245).

Nordic Countries as Forerunners?

European welfare systems and family policies, such as family forms or structures, are diverse. Existing family research provides a heterogeneous picture of European families and family policies. There are variations within country typologies, nations, regions and welfare systems. At present there are 27 member states in the European Union (and not all countries in Europe are EU members), and differences are legion. Even within the Nordic states and their family policies, although they are seen as representative of the Nordic welfare model, there are numerous differences and “exceptions”. Still, some generalizations and major trends can be drawn.

In family research it is widely agreed that the major differences in family structures and family policies can be found between the southern and northern portions of Europe (see section 1 above), with the remaining countries placed somewhere in-between. It is also often pondered whether it could be possible to identify welfare regimes or other larger country clusters beyond the Southern/Northern division. There is no clear answer to this question, but to some extent it is possible to respond “yes”. A division into three regimes is used most often, i.e. liberal, conservative, and social-democratic, as identified by Göran Esping-

Andersen (1990).

A more nuanced version includes five regions: The Nordic (social-democratic) model; Southern countries and a residual welfare state model; Continental countries and a conservative model; the UK and liberal model; and Central and Eastern European countries in which welfare systems are currently in process and include elements from diverse other models. Of course there are still exceptions and “however’s” within these classifications, but in terms of families and family policies, at least some similarities and major trends can be identified in the northern portions of Europe (Jokinen and Kuronen 2011, 94).

The Nordic countries, when compared to other European nations, show certain distinctive features in their family life and family policy. It has sometimes been claimed that these countries can be seen as pioneers or forerunners in both family policy and in changes in family formation and family structure. Be this as it may, perhaps the terms pioneers or forerunners are not useful here. The shifts in family structures and family policies are likely not linear, and European countries are not moving in a unified direction. However, it is reasonable to say that the Northern countries represent something “new” and modern in their family formation and family policy.

A highly typical feature of Nordic families is that marriage and family formation have become decoupled. For example, the proportion of out-of-wedlock births and cohabiting couples is high. In Finland – and Finland is not an exception – more than half of couples cohabit before they have children, and usually they marry only after the arrival of their firstborn. About one-fifth of families with children are families in which the parents are not married. At the same time, the presence of young people within their family of origin has been prolonged, and there is a noticeable postponement of first childbirth and first marriage within young people’s lives (Jokinen and Kuronen 2011, 16-8).

The number of single-parent families is quite high and in the rise, as is the number of couples without children; “LATS” (living apart together, i.e. couples that do not wish to share a residence); reconstituted families; rainbow families, in which the adults/parents are of the same sex; and singles. This also indicates that divorce and separation rates are high. There is a considerable move away from the traditional family model, such as SNAF, the standard North American family (Smith 1993), a very strong ideological code according to which a proper family is considered to consist of a married heterosexual couple with children, or in other words a husband and wife and their biological or legally adopted children. It can also be stated that there has been a shift away from a normal biographical supposition, or an erosion of the normal biography. This indicates that the traditional family forms, traditional ways of life and precise boundaries between the age-categories (childhood, youth, and adulthood) will be slowly eroded away. The normative strength of marriage and the normative strength of age are declining and becoming individualized (Jokinen and Kuronen 2011, 18-26).

The ongoing changes in family formation and family structure are not strictly related to fertility rates. During the past two decades, fertility rates in Finland and Sweden have been higher than in many other European countries, in Finland reaching between 1.8–1.9 over the last few years. The population is indeed aging as well in the Nordic countries, but because fertility rates are rather high and there have not been any dramatic changes in this regard, it is an open question as to whether aging is a serious problem or only a “minor” issue without any dramatic potential consequences. Finland and Sweden are among the top five “high fertility” countries in the EU, along with the UK, France and Ireland. Reviewing the country list, it becomes clear that the relationship between fertility, religion and welfare model is not straightforward, either. Finland and Sweden are Protestant, the UK Anglican, and Ireland Catholic, while France features a blend of Catholicism and Protestantism. In addition, welfare state models and the structure of the economy vary among these countries (OECD 2011, 18-20).

One distinctive feature of the Nordic welfare model is that these countries have less-explicit family policies, but feature strong cooperation between the state and NGOs. Nordic countries have not commonly had maintained dedicated family ministries that organize family policy. Generally, it is the Ministry of Social Affairs and Health (or a corresponding institution) that takes responsibility for this type of policy among its other tasks. Some NGOs play a highly central role in family policy. These are large organizations that can at times have an important and nearly-governmental status. On the other hand, the established Protestant Church has played a minor part in family policy compared, for example, to the role of the Catholic Church in Southern European countries. However, the Protestant Church is also engaging in family work, and its support for family counseling and organizing children’s play groups has recently grown in importance (Jokinen and Kuronen 2011, 70-75).

Female labour market participation has for decades been high. It is much higher here than in other European countries: around 75% compared to 58% in the EU27. In the Nordic countries policy support for female employment is at a high level. In addition, social norms favor less-traditional gender roles which allow women as “working mothers” to combine family with paid work and motherhood with a career. Family and parenthood have an important role, especially as an arena of nurturing and care, but in public policy individual rights and social citizenship are also highly appreciated (OECD 2011, 30-40).

Public childcare, and especially childcare for under three-year-olds, are particularly developed, and public schools, usually including free school meals, are of high quality (private schools are neither common nor popular). A family model based on dual breadwinners does not automatically lead to gender equality, however. Men’s cooperation in domestic labour, including childrearing, is higher than in other European countries. Parental leaves are quite extended and gender-neutral, the aim being to activate fathers to

share with mothers the responsibility for childcare. However, it is a well-known fact that the division of domestic work has remained gendered and the gender gap has only slightly narrowed (Eydal and Kröger 2011; Kuronen, Kröger and Jokinen 2011).

Of special importance are low poverty rates. Social equality and solidarity have been and remain major values in Northern Europe. Social inequality is growing in many parts of Europe, and the social fabric of the continent is becoming more complex. Families play an important role here, since they contain, reproduce and reflect social inequalities. Unfortunately, polarization in contemporary European families has become significant; there are indeed winners and losers. Already roughly 15–20% of Europeans are at risk of poverty, and in particular child poverty is a crucial issue. However, the Nordic countries are still considered the most equal countries in the world. The distinction between higher-income and lower-income families has deepened in the Nordic countries as well, but poverty rates are not yet high due to the welfare state and social benefits (Jokinen and Kuronen 2011, 50-54).

Finland - a Country Profile

Finland is a small country in Northern Europe with a population of slightly more than five million people. Most Finns share a homogeneous cultural background since only around five per cent are immigrants. Geographically, Finland shares stretches of borderline with Sweden, Norway and Russia, and to the south, beyond the Baltic Sea, lays Estonia. Finland achieved its independence in 1917. Prior to that, it belonged to Sweden until the beginning of the 19th century and then to Russia. Swedish culture has had a profound influence on Finnish culture, and Swedish remains an official language in Finland, together with Finnish (most Finns speak Finnish, but Swedish-speaking Finns are an important minority). Culturally, Finland is part of the West, in particular of the Nordic Countries (Jokinen and Saaristo 2006).

The Nordic states, Denmark, Finland, Iceland, Norway and Sweden, may be described as highly developed societies combining an advanced welfare state with a modern information society. Therefore, when we speak of the Finnish welfare policy and welfare state, we often at the same time speak of the Nordic welfare model. It has also been noted that Finland falls mentally, culturally and geographically somewhere between the East and West, but when it comes to the question of family policies, its reference points are the other Nordic countries in particular, and then European Union.

Finland has been described as a highly developed, industrialized, and equal society with per capita output roughly that of Austria, France, Germany, the Netherlands, and Sweden. Before the Second World War, the Finnish economy was predominantly agrarian and at beginning of the 1960s, about half of the population and output were still in the primary

sector. Finland industrialized rapidly in the late 1960s and early 1970s. Today, the country is deeply integrated into the European and global economy. The largest sector of the economy is services, followed by manufacturing and refining. The major industries are electronics (for example Nokia), machinery and other metal products, forest industry and chemicals. Finland has one of the largest knowledge-intensive economies in Europe (Jokinen and Saaristo 2006, 87-112).

Finland joined the European Union in 1995 and has been one of the best-performing economies within EU-countries. However, a deep economic reversal took place at the beginning of the 1990s. A new recession, linked to the global crisis in the banking and financial sector and the turmoil in the economies of the Southern European nations, started a few years ago. Since then economic growth has been modest – which poses a challenge for welfare services and family policies due to depressed markets and slow growth as well as demands for savings and cuts in the public sector.

A Woman-Friendly Welfare State

The so-called Nordic welfare model, considered a social-democratic regime and a woman-friendly welfare state, is well-known all over the world. In the Nordic model, welfare policy is implemented by the state and municipalities, i.e. local authorities. In addition, cooperation between the state and NGOs is robust in terms of welfare policy. The principle of universality is an elementary component of the Nordic welfare regime. This means that everyone pays, because such a manner of organizing welfare is only possible given a high rate of taxation, and taxes are indeed high. On the other hand, everyone also receives without any means test, for example the parental leave system is for the benefit of all parents and well-developed and public schools are free and of a high quality (Julkunen 1992).

The principle of universality underlines individuality, solidarity is an institutionalized value, as is equality between the sexes and social groups. The fact that social security benefits are not based on the family or the husband's earnings, or even on paid work, but that they are individual and universal, guarantees the independence and equality of all. In other words, every citizen has an equal right to education, social services and health care provided by the public sector, either through the state or local authorities. Maternity clinics, children's daycares, public schools, health care centers, and senior homes are intended for all citizens, although there are also services organized by the markets that can sometimes be quite expensive, such as private clinics and nursing homes. In addition, some public services are subject to a charge; not all of them are free.

In Finland, the creation of this new welfare system began in the 1960s, although some of the reforms took place in a previous decade. All in all, the Nordic countries are considered the most equal countries in the world. As an example, Finnish women won the

right to vote earlier than did women in any other country in Europe. One of the past Presidents of the Republic was a woman, as well as one of the Prime Ministers. Since the 1960s, extensive public daycare provision for children under school age has allowed women the possibility to exit certain family responsibilities, such as taking care of young children. The expansion of public services has offered new jobs to women, for example in social services, health care, and education. Combining family life and paid work became easier at the same time (Jokinen and Saaristo 2006, 114-142).

Step by step, a family model based on dual breadwinners was built into the Finnish family and labour market system. (On the other hand, in agrarian Finland both members of a couple were commonly working.) Thus, Finnish women have been described overall as working mothers. However, it is easy to make excessively positive, uncritical interpretations of the “woman-friendliness” of the Finnish welfare state. It is true that the Nordic welfare model has released women from certain domestic responsibilities and provided them with a new space to combine motherhood with career, but the division of domestic work has remained gendered and in the labour market there are also numerous, often robust, gendered practices.

However, two deep economic recessions, the first in the 1990s and the second that began a handful of years ago and is still continuing, have strongly impacted the employment rate and increased poverty risks. Recessions have also sparked new challenges in maintaining the level of welfare services. There have been, for example, cuts to family benefits. Despite widespread support from the citizenry, the welfare state has faced increasing pressures to change. Problems such as the aging of the population, growing unemployment rates, increasing rates of poverty, and more complex issues facing families have triggered new challenges in developing the service system.

The financing of the welfare state has become a crucial and difficult concern. By now it seems obvious that there will be, at least in the near future, greater reliance on families and individuals, the third sector and NGOs, and market-based services. A key concept here is “welfare mix” (Jokinen and Kuronen 2011, 85-86). It goes without saying that the role of the welfare state will remain important in organizing the welfare services through the foreseeable future, but other sources for well-being will additionally be required. This means that the role of local and national NGOs and networks of other diverse local and national actors, such as neighbors and the Church, will probably be increasing, as well as the role of the markets (private large companies in particular) and families themselves.

New Opening in Care: Negotiations on Gender

Childcare issues have for years been among the most important family policy issues in Finland. These issues include parental leave schemes, cash benefits, and daycare services.

There are many reasons underlying the popularity of this topic. First, childcare has been perceived as an issue of gender equality. Secondly, the high employment rate among Finnish women and gender equality in working life has been an important political aim in Finland, which has in turn fueled the strengthening of the role of public childcare. This is of special importance because Finnish women are highly educated and therefore needed in the labour market. Due to the fact that the population is aging, care issues of older people have also recently gained prominence, for example the situation of family caregivers of older people, how to support them, and the role of public institutions such as old people's homes.

Childcare services, in particular services for children that are under three years of age, have been particularly well developed in Finland and other Nordic countries. As described above, Finland is well-known as a positive example of a woman-friendly welfare state in which public daycare provision for children below school age is well-organized and guarantees a wide range of possibilities for women to exit domestic work, participate in the labour market, and reconcile work and family. Especially in the 1970s and 1980s, Finnish women began working full-time, including mothers with young children. What has been typical in Finland is that the employment rate for women has been among the highest in Europe, the dual-earner family model has been strong, and in particular the employment rate of lone mothers has been remarkable, reaching as high as 90%. Because about 20% of families with children are lone-parent families, and most lone-parent households are headed by a woman, it is not easy to overestimate the role of lone mothers in the labour market and the importance of public daycare for their children.

However, since the beginning of the 1990s, this situation has shifted dramatically. As late as in the 1980s around 70% of women participated in the labour market. This percentage was among the highest in Europe. Since then, full-time motherhood has grown more popular. Most of the youngest children are today cared for at home by their mothers. Less than one-third of women with children under three years old are engaged in paid work, and more than two-thirds stay at home with their children. This employment rate is very low and the "full-time motherhood rate" remains elevated compared to the average Nordic level. The maternal employment rate when children are over three year old is much higher, almost similar to that found in other Nordic countries (Kuronen, Kröger and Jokinen 2011; Repo 2010).

The reasons behind this "return" are twofold. In care policy there have been contradictory trends in child care policy; first the strengthening of public care; and second, the home care allowance and a new familialism (Jallinoja 2006). Gradual expansion of public daycare provision has been at a high level. Over the preceding two or three decades, there has been increasing interest and investment in care. A good example of this is the subjective right to daycare. If there are young children in a family, it is guaranteed that they will "have a

place” in a daycare centre, whether the parents are working or not. Another option is child daycare in private families, and of course parents can decide to take care of their children at home. In other words, the welfare state provides universal financial support for parents and children. Also, the parental leave system has advanced, and there are investments in so-called family work as well, such as support for parenting.

At the same time, however, financial support for home care has gained significantly greater importance. In practice, this means that if parents wish to stay at home with their under-three-year-old children, they will be financially supported by the state and local municipalities. Nowadays, the take-up rate of publicly financed daycare for children is much lower in Finland than, for example, it is in Denmark and Sweden. Finnish parents are eager to avail themselves of the home care allowance schemes, and about two-thirds of children under three years old are in home care. Commonly, it is the mothers who stay at home, and perform the caring work. It has been suggested that the deep economic recession of the early 1990s in particular impacted the female employment rate. It is better to take care of your child at home and be paid for it than to be unemployed (Repo 2010).

This influence has been dramatic among lone mothers. Their poverty risk has risen since the 1990s due to growing unemployment rates. For many women this new care option could be a possibility that they at least consider. If these women are poorly paid and under the threat of unemployment, and if their career has been fragmented and insecure, full-time motherhood could offer a more positive way of life (Kuronen and Lahtinen 2011). On the other side of the coin is, of course, problems with finding work after the child enters school. Closely accompanying the popularity of the home care allowance are changes in attitudes. Family researchers talk about a new familialism, or a return of traditional family values according to which the best interests of a child are considered being taken care of at home by the mother. The attitudes towards paid work of mothers with young children are more negative than previously, and more and more people favour family life over career, hobbies and self-fulfillment.

Activating fathers has been the subject of vivid discussion over the last two decades. The first paternity and parental leave schemes were introduced as Finland was actively building the welfare state. Under this system, the maternity leave starts first. A maternity allowance is paid by the state and mothers can commence this leave approximately one to two months before the estimated date of delivery. Also, fathers may stay at home for a week or two during the maternity leave and help the mother with child care (a so-called paternity leave). After maternity leave, it is possible for the parents to take parental leave and receive a parental allowance. Parental leave is for either the mother or father, i.e. the leave can be shared between the mother and father, but they cannot take it at the same time. Altogether, maternity leave and parental leave total roughly 250 days.

The aim of paternity leave is to provide fathers the opportunity to build a connection to

the newborn child, allow them to help mothers, and also to promote gender equality in the sharing of childcare duties and strengthen women's position in labour markets. It has also been claimed that activating fathers makes families more flexible, since both spouses participate in care work and other domestic work, while at the same time a career orientation is possible for the both of them. In addition, the reconciliation of family and work becomes easier if the division of labour between the spouses is equal. After these leave periods, it is possible to use the home care allowance till the child is three.

Finnish fathers are very active in using this paternity leave, but they do not keenly share the parental leave period. When it comes to the home care allowance, parental choice generally means that mothers are at home and fathers are in the labour market. This indicates that changes in attitudes are slow, and old traditions, in particular the notions regarding motherhood and parenting, are strong. Negotiating family responsibilities takes time. However, new representations of parenthood and new models of fatherhood are slowly emerging, and the role of the father is likely to become more important in the near future, although gender equality remains far off (Lammi-Taskula and Salmi 2014, 78-87).

Another Opening in Care: Generational Contract

Population aging is a common and challenging subject in almost every Western nation. Finland is not an exception, although the fertility rates have recently been quite high (surpassing 1.8, as mentioned above). Life expectancy in Finland has risen, the consequence of which is an increase in the number of surviving family generations. At the same time, due to falling or mid-range fertility rates, there has been a decrease in the number of living relatives within each generation. In other words, families in Finland are often multigenerational, spanning sometimes four or even five family generations (which are, of course, usually not residing together), but slim.

In Finland new family forms and trajectories have become almost the norm, and the more family generations there are, the more family transitions take place as well. Finnish families are more fragile than they once were, and there can be separations and divorces in many of the family generations. For example it could be that children's grandparents have divorced and are living alone after the divorce or with new partners and parents have divorced and remarried and are therefore living with their children in reconstituted families. This creates uncertainty in intergenerational relations. Family usually plays an important role in these transitions, such as becoming a mother or father, divorcing, becoming a grandparent, and retirement, and guides transitions in role and status positions across the lifespan. Family transitions thus pose a challenge for family policy (Jokinen 2013).

Filial responsibility is a social norm that reflects the generalized expectation that family members should be central in each other's lives and help each other. However, in the Nordic

countries and in social-democratic welfare states, weaker filial behavior between adult generations has been evidenced compared to in the residualist welfare states of Southern Europe. For example the high number of women in the paid labour force has meant that there have been fewer family members available to care for family dependents such as the very young or the very old. Compounding this, the smaller size of the generations and fewer children mean reduced family resources for aging parents. Divorces complicate the situation even further. Therefore, the welfare state has played an exceptionally important role both in childcare and in the care of seniors.

Because of the economic recession, it seems clear that the welfare state and the related institutionalized care will no longer be automatically the answer for the care of older people and other emerging challenges stemming from population aging. Municipalities are still responsible for arranging the social and health services that older people require. Institutional care, such as senior living facilities, provides round-the-clock treatment in an institution for older people who would not be able to manage at home using other services. Family care is provided as a means to enable older persons in need of assistance and support to be cared for at home. In spite of such services, the focus is now turning to NGOs, volunteerism, civic engagement, the Church, and family contributions.

There is a doubt as to whether adult children will continue to serve as resources for their aging parents. Reconciliation of work and family life has become more difficult, and along with career and care for children there are many other time-consuming activities in their lives, such as travelling, maintaining summer houses (most Finns keep a summer house of their own), hobbies, life-long education, and other forms of self-actualization. It is also common for these two family generations, older people and their adult children, to live in different regions of the country.

In the near future the situation facing older people will probably become even more challenging. Family will remain important, but today's adults who will retire in the 2020s to 2030s will likely have different support systems than the older people of today. There will be more childless seniors, as well as seniors who have never married or even cohabited and as such do not have a partner to help them if help is needed. Because family size has become smaller, there will also be fewer adult children and therefore fewer resources available to aging people. In addition, more and more people have fewer siblings than was once common. Kin support for older, retired people is no longer a guarantee. If fertility rates remain low and do not rise sufficiently, there will be fewer workers for the field of care and fewer taxpayers as well. Again, along with increasingly fragile family contributions, NGOs and the Church and volunteerism could be an answer. We should also bear in mind that a welfare state will still be needed in the future and will not fade away, although there could be new cuts and reorganizations of the services (Lowenstein 2005; Silverstein and Ciarrusso 2011).

One item that should not be forgotten is that support from older people to their adult children and grandchildren is not without meaning. Older people are currently aging with fewer limitations and are not usually in need of care from their adult children until they fall into poor health. Therefore, they provide a useful resource for their adult children and grandchildren. The trend is certainly moving in that direction, i.e. the role of grandparents has become more important. The members of the oldest family generation typically offer more support than they receive until they begin to lose their health in their 80s and 90s. The types of assistance that grandparents provide to the families of their adult children vary, including assistance with childcare, helping with housekeeping, providing other routine support, and extending financial support (Jokinen and Kuronen 2011, 38-41).

Be that as it may, perhaps a generational contract and new forms of intergenerational support are worth considering. What kind of a contract could be reasonable? Here is one example: Firstly, wealthy and healthy grandparents help their adult children and their families, and then, secondly, when they are no longer able to render assistance, perhaps from ages 75–80 and up, grandchildren provide them with care, at minimum help with housekeeping. These kinds of negotiations may open a space for new possibilities in organizing care. However, even when the question of how to help older people is treated from different angles, identifying a solution to these issues is not easy. It goes without saying that negotiations regarding new responsibilities between family generations will not be enough, but a generational contract may be one facet that is needed as a major contribution to a new model of welfare mix.

Immigrants in Care Work

Immigration is a field of vivid public debate in contemporary Europe. Immigration is visible in most European countries, and these international flows are currently one of the major sources of social change in Europe. The demographic impacts of immigration are obvious. The inputs resulting from immigrants and their offspring have enabled increases in total population. Family-related immigration in particular could offer an answer to the decline and aging of the European population, and to labour shortages as well. On the other hand, it is a common phenomenon among immigrants' offspring that the fertility rates of the second generation tend to lower to the level of the host country. Members of the second generation personally favor a smaller number of children and are not willing to have a big family. Immigration is also a challenge for family policy. Migrant families are often vulnerable due to unemployment, poverty, and weak family networks, and their unique cultural and religious background could be a cause of new challenges (Jokinen and Kuronen 2011, 61-63).

At the beginning of the 1980s, less than one percent (0.5%) of the Finnish population

was composed of immigrants. In contemporary Finland, although this proportion (5%) is still not very high, this amount is tenfold. Thus, the labour participation rate of the foreign-born population is relatively low as well. On the other hand, it could be highly probable that Finland will face a daunting labour shortage due to population aging. In many future scenarios envisioned by welfare experts, it is clearly demonstrated that a greater labour force, both skilled and cheap labour, is needed, for example in institutionalized care (nurses and nursing assistants in hospitals and helpers in senior homes) and perhaps also in homes (childcare, care of grandparents) in the near future or in the 2020s and in the 2030s at the latest. Immigration could be a solution for these needs, but there are politicians and others who believe that at the same time immigration will spark new problems, such as racism, unemployment among native Finns, and increasing poverty. The question of whether or not more immigrants are needed in Finland remains open.

Inequalities between Families

Social inequalities and families are closely connected. Families both reflect and reproduce inequalities. Unequal distribution of resources (salaries, social security benefits, etc.) and opportunities (possibilities of choices in schooling and work, etc.) affect the circumstances within which families live. Family background, lifestyles of family members, material resources, and cultural and social capital all impact children's lives, choices and chances. Families are perhaps the most important mechanism for the transmission of well-being and unequal life chances.

Inequality has increased in a number of countries in Europe over the last decades. Although Finland and the other Nordic countries are amongst the most equal countries in the world, the economic condition of Finnish families has worsened and inequalities between families have grown deeper. Reasons underlying this development are the economic recession of the early 1990s and the new economic crisis connected to global turmoil in the banking and financial sector and budget issues in the European Union, in particular in the Southern European nations. Economic growth is presently modest, unemployment rates, including long-term unemployment and youth unemployment, are on the rise, and there have been cutbacks in financial support and services for families with children.

A few years ago, around 17% of EU households had a disposable income less than 60% of respective national median income. These households and the people living in them are considered to be at risk of poverty. Actually, we speak of relative poverty. However, poverty can be measured in different manners, and estimated poverty rates thus vary considerably from one research effort to another. The types of households at greater risk of poverty than others are single-person households, in particular elderly widows,

households with at least three or four children, households with unemployed adults, immigrant families, and single-parent households. There is a broad consensus among researchers and policy-makers that a lone-parent family with multiple young children, headed by an uneducated and unemployed woman, is most vulnerable to poverty (Jokinen and Kuronen 2011, 50-54).

Poverty rates in Finland have traditionally been low. Cash benefits, work-family policies such as public childcare that encourage women to participate in the labour market, the free, high quality public education system, employment stability, and the large number of families with two earners have helped to build an equal society. It is a well-known fact that poverty rates are usually low in countries employing an earner-carer strategy, which emphasizes policy approaches meant to balance care and employment for both men and women. For example, in the early 1990s, only around 3–4% of Finnish children were at a risk of poverty (OECD 2011, 38-44). Since then, however, poverty rates have been on a sustained rise. Today the proportion of children at a risk of poverty is much higher at around 7–8%. Some researchers have even claimed that it could already have surpassed 10%.

Why have poverty rates in Finland risen? There are multiple reasons, all of them already described above. The number of single-parent families has increased, and these families are at particular risk of poverty. At the same time, unemployment rates of lone mothers and young adults, many of whom are mothers and fathers, have been rising as well. There have also been cuts in family benefits, consequences of the economic recessions and contemporary modest economic growth. The Nordic welfare model has reduced the level of persistent and recurrent poverty in Finland, but some researchers have already ventured to state that perhaps Finland is no longer an appropriate representative of this welfare model. If they are correct, it means that Finns will be living in a more unequal society in the future.

If we define the at-risk-of-poverty rate as the proportion of children living in households with an income below 60% of the median national income, rates vary from 11% in Denmark to 31% in Romania. In Finland the rate is almost 13%, and the EU average is about 20%. In a recent report issued by Eurochild in 2012, it is estimated that around 27% of Europeans under the age 18 are at risk of poverty or social exclusion. Finland is not among the most serious cases. In the conclusion of the Eurochild report it is stated that the current economic crisis has had a damaging impact on children and families across the EU. Some countries, for example Sweden, Denmark, the Netherlands and Finland, are exceptions due to the influence of social transfers remaining effective in these countries. On the other hand, in Finland there have been cuts expressly in these social transfers since the early 1990s, and the Finnish position may therefore not be stable. Whatever the truth, for the time being, Finland performs quite well (Eurochild 2012; OECD 2009, 31-46).

Although the material condition of families with children is not yet especially negative

in Finland, at least when compared to many other European countries, the development prospect is alarming. The cause for worry in this regard is that rates have taken a wrong turn. Another alarming aspect in this development is that neither the state nor politicians have suggested any ideas for how to reduce child poverty. This is known as “structural indifference”: everyone is worried about child poverty, but nothing is being done to improve the material position of poor families with children.

Policy-makers have generally preferred economic indicators of well-being. Measures of non-material or subjective well-being, such as happiness, have not yet been widely applied in measuring human welfare. UNICEF, OECD and the EU have now started to use new indicators of well-being in comparative research, such as life satisfaction, clean and comfortable environments, trust in fellow citizens, safety, agency and participation, and family relationships, but comparisons remain rare and not without problems (OECD 2009; UNICEF 2007). Besides, enough is not known about how material and subjective well-being may be interconnected.

It seems that a relationship between income inequality and subjective welfare does in fact exist. Societies with high income inequality tend to report both worse objective indicators, such as life expectancy and health, and subjective indicators, such as happiness and trust. In brief, life satisfaction seems to be related to economic factors so that life satisfaction is usually higher in more affluent societies.

In comparative research on welfare, including both material and non-material well-being, the strongest performers are the Netherlands, Sweden, Iceland, and Denmark – and a high level of child well-being is achieved also by Finland. It is noteworthy that the country coverage and indicators used vary in different welfare studies, and so also do the results. Finland does well in many dimensions, especially in material well-being, housing and environment, educational well-being, health and safety. Once again, the results indicate that child poverty cannot be considered a serious problem in Finland. On the other hand, Finland does worse in family and peer relationships (family meals, being alone), subjective well-being (feeling happy), quality of school life (bullying), and risk behavior (smoking, drunkenness). On the whole, however, Finland performs well (OECD 2009; UNICEF 2007).

Trends and Challenges in Family Relationships and Family Policies in Finland

It is no easy task to look ahead and attempt to foresee how families and family policies might change in the near future, for example over the coming two decades, which would mean that the time horizon extends to 2030–2035. According to existing research on families, there have been certain major trends in family forms and family relations over

the preceding few decades. We can use our knowledge of these trends in developing future scenarios of family life over the forthcoming decades and open some new policy issues as well.

Perhaps the most striking features of family formation and family structure in the near future will be the postponement of the transition to adulthood, first childbirth and first marriage. Closely connected to this is a decline in the average size of households, rise in cohabiting couples, one-person households, especially young singles, couples without children, one-parent families and reconstituted families, and an aging population, which in practice also means more widowed people and, again, more one-person households composed of older citizens. How to organize care is a question of grave importance.

Marriage and fertility rates are likely to remain quite high because so-called familism – family values and children are highly appreciated – appears to be and is projected to remain strong in Finland, in particular among the educated middle class. However, separation and divorce rates will also remain high, since the importance of marriage as a social institution has declined and will continue to do so. Research demonstrates that individuals and couples in contemporary Finland organize family life in plural ways and with greater freedom from tradition. This explains the contradictory trends, i.e. familism and the power of tradition on one side and individualization and erosion of normal biography on the other. Families are in transition, and there are increasing numbers of family transitions.

An emerging problem in Finland is growing inequalities between families and increasing child poverty. If these two trends continue, Finland can no longer be considered a positive example of an equal country. This is a challenge for family policy, all the more so as the financing of the welfare state is not currently guaranteed. Finland still represents the so-called Nordic welfare model, a women-friendly welfare state characterized by the principle of universality, but many critics claim that this will not be the case in the near future due to ongoing cuts. On the other hand, it is a well-known fact that public welfare services, and the Nordic welfare model in particular, are effective means to promote equality and general welfare.

Due to the major trends mentioned above, e.g. postponements, rise of non-conventional family forms, individualization, and new familism, a flexible family policy is probably needed. At the same time the cuts in family benefits have been remarkable, and these cuts are of course a threat to a flexible policy. In any case, a strong public sector and public welfare services are needed, if possible, but this is insufficient. One answer could be a “welfare mix”, in which the public sector cooperates with the markets, the third sector and NGOs, perhaps the Church, and families themselves. New kinds of negotiations are needed inside families and between family generations, i.e. negotiations on gender and a generational contract. A crucial endeavor will be how to activate fathers to participate in domestic and care work. It is important to note that family relationships are an important

source of well-being and this is the reason why both genders and all generations must be activated. In addition, more immigrants are needed, but it is not clear whether or not the political atmosphere and public opinion will favour this. Also, to be quite frank, much depends on the economy of the European Union as a whole.

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