This article explores the gender biases of recessions and policy responses they have entailed in France and Germany in the 2000s. During the Great Recession, France experienced a significant rise in both female and male unemployment. Germany apparently witnessed a gendered “employment miracle” and is thus cited as a model, especially for its structural labour market reforms, often presented as the reason for its current employment performance. In both countries, economic downturns have hit male-dominated sectors and men’s employment first, thereby leading to a reduction or a reversal of the unemployment gender gap and challenging the male (main) breadwinner model. If women did not withdraw from the labour market, they have not been spared economic hardship: their employment and social conditions were hit in the second stages of recessions and impaired by austerity measures and structural reforms, especially in Germany. While recovery plans and labour market policies have provided support for male-dominated sectors, structural labour market reforms and activation policies have deteriorated the quality of women’s employment.

Keywords: France, Germany, Recession, Labour market gender segregation, Gender regimes of work and care, Employment policies, Austerity, Structural reforms.

Comparing labour markets during the economic downturns of the 2000s from a gender perspective in France and Germany is interesting in a number of respects. First of all, these neighbouring countries have been hit very differently by the two downturns of 2001 and 2008. While in the early 2000s Germany went through a sharp economic recession, in terms of falling GDP and
employment, France only faced an economic slowdown.\(^1\) By contrast, after the 2008 crisis, both countries experienced the “Great Recession”.\(^2\) But employment losses have been important in France, whereas some sort of “employment miracle” seems to have occurred in Germany, especially for women. If men’s unemployment slightly and temporarily increased during the first stage of the recession, women’s unemployment apparently pursued its decline rather steadily. Second, as a consequence of this miracle (and its gender dimension), Germany is often perceived in many other European countries – and somehow perceives itself – as a model for Europe. By way of example, in a speech in Leipzig to mark the 250\(^{th}\) anniversary of the Social Democratic party (SPD) on 23 May 2013, the French President François Hollande praised the former Chancellor Schröder for his “courageous reforms to safeguard employment and anticipate social and cultural change”. European institutions, for their part, also tend to attribute the German employment miracle to the “structural reforms of the labour market” implemented after the crisis of the early 2000.\(^3\) They thus promote such reforms which consist of a mix of labour market deregulation and wage “moderation” (or labour cost reduction), as a way to stimulate employment growth in recession and to promote economic competitiveness (European Commission 2013). These interpretations of Germany’s employment miracle are however controversial (Lehndorff, 2012; Duval 2013; Knuth 2014), especially when examined from a gender perspective (Weinkopf, this special issue). Third, France and Germany are usually referred to as “continental” countries and Bismarckian welfare states, even if they differ it terms of gender patterns of work and care, which are more supportive towards mothers’ employment in France. In both countries, commitments towards gender

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1. The term “recession” is used here both in its broadest sense, referring to a general decline of economic activity, which negatively affects the levels of production, employment, income and demand, and in its widespread (but restrictive) more technical definition that a country is in recession when it experiences at least two consecutive quarters of negative economic growth. The term “crisis” refers here to an abrupt shift into recession, while “depression” refers solely to a long-term downturn in economic activity, which is more severe than recession.
2. The recession that began in 2007/2008 is often called the “Great Recession”. This term is used here to refer to the recession in the late 2000s in a broad sense, as the Great Recession in fact covers several falls in growth.
3. It is the case at least until the 13\(^{th}\) November 2013, when the European Commission launched a procedure to review the “excessive” German trade surplus.
equality seem to be challenged in recession, as public policies often respond by “reverting to type” (see Smith and Villa, this special issue): i.e. in line with the continental welfare state, policies tend to reinforce the traditional “male (main) breadwinner” model.

The article explores the gender biases of the recessions of the 2000s and their policy responses in France and Germany. In both countries, economic downturns have hit male-dominated sectors and men’s employment first, thereby leading to a reduction or to a reversal of the unemployment gender gap (men becoming over-represented in unemployment) and challenging the male-breadwinner model (Eydoux 2013a). Stimulus packages and labour market policies that developed in the earlier stage of the recessions provided support more to male-dominated sectors and to the male labour force. Women have however not been spared by economic hardship: their employment and social conditions have been hit in later stages of recessions (and even post-recession), impaired by austerity, “structural” employment reforms and activation measures.

The analyses here rely primarily on the economic literature about “women and recession” (Humphries, Rubery 1984, Milkman 1976, Rubery ed. 1988) or “women and austerity” (Karamessini, Rubery, 2013; Rubery, Rafferty 2013) as well as on comparative research regarding the French and German welfare states (Betzel et al. 2011, Lewis 1993; Lewis et al. 2008, Fagnani, Math 2010). The comparison between France and Germany is also based on Eurostat data about economic growth (National accounts), employment and unemployment (Labour force survey, LFS), childcare (Statistics on income and living conditions, Silc). Since the Labour market policy (LMP) database suffers severe limitations for our purpose (gender data are too scarce to be useful), national data from administrative sources are preferred here (Dares-Ministère du travail et de l’emploi for France and Bundesagentur für Arbeit for Germany).

The article begins by exploring the dynamics of female and male employment and unemployment in France and Germany, during the recessions of the 2000s (Section 1). It then analyses the way gender patterns of work and care that contribute to shape women’s labour supply in recession have changed over time, in each country (Section 2). Next, it examines how the labour market gender segregation shapes the demand for labour and remodels
gender inequalities in recessions (Section 3). Finally, it scrutinises public policies, especially labour market and social policies, in the context of recession and austerity, to question their gender patterns and their impacts on gender inequalities in the French and German labour markets (Section 4).

1. Economic downturns and the dynamics of women and men’s employment in France and Germany

France and Germany went through economic downturns of different magnitudes in the 2000s. In the early 2000s, France only experienced an economic slowdown while Germany underwent a recession (negative GDP growth in 2002Q1-Q2 and 2003Q1-Q3) and a severe drop in employment (negative employment growth from 2001Q4 to 2003Q4). Conversely, in the Great Recession of the late 2000s Germany fared better than France. After the 2008 crisis, both countries experienced their greatest recession since the early 1990s: GDP growth remained negative (when compared to the same period of the previous year) from 2008Q4 to 2009Q4, with a low point in 2009Q1 (Figure 1). In Germany, the drop in GDP growth was even sharper than in France (-6.8% versus -4.3% in 2009Q1). The decrease in employment growth (still compared to the same period of the previous year), reached its low point in 2009Q3, and was delayed and softer (-0.2% versus -1.5%). After the recession of 2008-2009, Germany recovered faster: its GDP growth reached a first peak of 4.4% in 2010Q3 and a second one of 5.3% in 2011Q1 (versus 2.1% and 2.8% respectively for France). Then from 2011Q2 to 2013Q1 both countries went through another economic slowdown, France even experiencing a short recession in 2012Q4-2013Q1. Again, the downturn in employment was less marked in Germany where the employment growth remained positive while it became negative in France from 2012Q3 to 2013Q3. Germany thus fared better than France after the crisis of 2008: despite a sharper drop in its GDP growth, its employment growth proved more resistant.

4. Gender segregation refers to the concentration of women’s jobs in a few labour market segments of specific economic sectors (services, the public sector) or occupations (secretarial work, caring occupations, etc.). It also refers to the over-representation of women in atypical forms of work (part-time, temporary employment, marginal jobs, etc.)
The good German employment performance in the Great Recession also reflects in a (quasi-) continuous decline in unemployment rates. It may partly be explained by demographic factors (Knuth 2014): the growth in the active population has been limited compared to France (Cochard et al. 2010), restricting in particular the influx of young people entering the labour market who are liable to fuel unemployment in recession. Examined from a gender perspective, this
good German employment performance however apparently owes much to the dynamics of women’s employment and unemployment.

The dynamics of employment and unemployment during recessions has been gendered in both countries. In Germany as well as in France, unemployment rates rose faster for men than for women, at least in the first stage of the recessions. This led to a reversal in the unemployment gender gap as early as 2001 (from 2001Q3 to 2006Q4 for the first time, and from 2009Q1 for the second time) in Germany; and only in 2013Q4 in France, after a slow narrowing of the gap. After 2008, unemployment rates tended to rise for both women and men in France, but increased only (and temporarily) for men and continued to decline for women in Germany, at a slower pace than before the recession (Figure 2). Meanwhile, the unemployment gender gap reversed in both countries: while women where over-exposed to unemployment in 2007, men were (more or less) over-exposed later, in 2013Q4. The unemployment rate gap between France and Germany also reversed: the German unemployment rates stood above those of France before the crisis, but soon dropped below French levels (the unemployment gap between the two countries was above 5 p.p. for both women and men in 2013Q4).

Figure 2. Women and men’s (aged 15-74) unemployment rates in France and Germany (2000Q1-2013Q4)

In %

Source: Eurostat, LFS, seasonally adjusted data [une_rt_q]. Gendered quarterly data for the period 2000Q1 to 2013Q4 are available only for persons aged 15-74 (instead of 15-64 years, which does not make much difference, since in France and Germany few people remain in the labour market above the age of 64).
Activity curves were quite unaffected in recessions in the 2000s. In France, they remained below those of Germany, partly reflecting higher rates of education and lower average retirement ages. Female activity rates continued to rise in both countries (but at a slower pace in France) while male activity rates stayed quite the same. The gender activity gap thus continued to decline slightly, still hovering at about 10 p.p. in both countries in 2013 (Figure 3). Similarly, the gender gap in employment rates was somewhat reduced during the Great Recession. In France, employment rates remained quite steady for women, but decreased for men. In contrast, they continued to rise at a sustained pace for both sexes in Germany, from 2005 onwards. As a consequence, the employment rate of women and men became much higher in Germany than in France.

The increase in female employment rates in Germany since 2005 has gone hand-in-hand with a sharp increase in the share of women working part-time. This is also partly the case for male employment (Figure 4). The increase in part-time employment is thus responsible for some of the increase in the German employment rates, after the crisis of 2008 as well as before. Temporary employment has adjusted more seasonally than cyclically in both countries. In France, women are significantly over-represented in these forms of contracts, but cyclical adjustments after the slowdown of 2001 and the crisis of 2008 affected men more deeply. In this country, the rebound of economic activity in 2013 essentially boosted temporary employment for both sexes.

The German “employment miracle” is partly a gender one: women in Germany have been largely spared from the increase in unemployment, even between 2009Q4 and 2010Q3, at a time when the unemployment rate was growing for both men and women in European countries. In the meanwhile, women’s employment and activity rates continued to rise, at a higher pace in Germany than in France, suggesting a faster change in women’s behaviour. However, the share of women in part-time employment remained above that of France, reflecting continuing differences in the French and German gender patterns of work and care.
Figure 3. Women and men’s (aged 15-64) activity and employment rates in France and Germany (2000Q1-2013Q3)

In %

Activity rates

Employment rates

Source: Eurostat, LFS, [lfsi_act_q] ; [lfsi_emp_q].
Figure 4. Women and men in part-time jobs and temporary contracts in France and Germany (2000Q1-2013Q3)

2. Recessions and changing gender patterns of work and care

The feminist literature has analysed the influence of gender patterns of work and care on women’s labour supply during recessions (Milkman 1976, Humphries and Rubery 1984). As women increasingly participate in employment and are supported in doing so by changes in consumption models as well as in social and family policies, they tend to consider themselves as “permanent workers” and to remain in employment in times of recession: contrary to the predictions of both Marxist and neoclassical theories.5 We will here examine the “relative autonomy” and “non-reversibility” hypotheses that express this phenomenon, before comparing the dynamics of the French and German gender regimes of work and care, prior to the 2008 crisis and during the recession.

2.1. The “relative autonomy” and “non-reversibility” hypotheses

The feminist literature has explored the changing gender patterns of women’s work in and out the labour market that shape their labour supply in recession.

In her seminal article on “Women’s work and economic crisis”, Ruth Milkman (1976) analysed women’s experience in the US during the Great Depression and compared it to their experience during the recession of the 1970s. She pointed to the role of women’s changing economic situation with regards to their role both in the labour market and within households. During the Great Depression, it was women’s contribution to unpaid household work that had to “take up the slack” more than their (still rather low) participation in the labour market. Women’s responsibilities in family maintenance increased, both materially (internalising the production of goods and services was a means of preserving the family standard of living or just to survive) and psychologically (they often had to support their unemployed disqualified male-breadwinner partner). When the mid-1970s

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5. For instance, Mincer (1962) predicted that women, less equipped with human capital and more specialised in housework than their male counterpart, tend to be discouraged and to withdraw when employment becomes scarce. This (traditional) neoclassical prediction is very close to the Marxist view of women making up a flexible reserve of the labour force.
crisis occurred, women’s participation in the labour market and the economic organisation of families had changed. During the post-war context (despite the revival of an ideology promoting their stay or return back home), women’s activity rates had grown, while households increasingly made use of market goods and services previously provided by domestic work. By the 1970s, dual-earner households were unexceptional and more frequently received unemployment benefits or other social provisions when hit by unemployment. Re-internalising the production of market goods and services was thus of less vital importance for households and less likely to occur because of women’s stronger resistance to the traditional gender role ideology. “Taking up the slack” by increasing their contribution to domestic work was therefore no longer an option for many working women.

Relying on a critical review of the economic literature, Jane Humphries and Jill Rubery (1984, p. 332) and Jill Rubery (ed. 1988) assumed a “relative autonomy” between the productive sphere and the family sphere of “social reproduction”: changes in the one sphere influence changes in the other, but hardly in a predictable way, depending upon the historical context. The authors inferred that there is a “non-reversibility” of changes in women’s patterns of work in and out the labour market. In her introduction to the collective book on Women and Recession, Jill Rubery (ed., 1988, p. ix), questioned the changes in women’s employment after the 1973 crisis, which interrupted a long period of economic expansion and opened up a period of recession or slower economic growth in the 1980s in the UK, the US, Italy and France. According to her, the increase in women’s employment rates observed in these countries during the expansion period became permanent when sustained by structural changes “in both the system of production and in the social and family system”. She emphasised the “non-reversibility” of changes that have occurred in the family economy during the previous period of expansion: women’s increasing participation in the labour market, supported (sometimes in an ambivalent way) by the expansion of the welfare state, made their wage income more necessary. The recession and the resulting unemployment boom did not break this dynamic:

6. The authors refer here to the social reproduction of the labour force.
as their employment rate increased, women came to consider themselves as “permanent workers” (rather than as “additional” ones), thus remaining in the labour market instead of “discouraging” themselves. Similarly, contradictions arising in several countries in the objectives of government policies concerning the economic situation of women on the one hand, as well as between public policies (still relying on a male-breadwinner model of the family) and changing family organisations on the other hand did not reverse women’s higher participation rates.

2.2. The dynamics of French and German gender patterns of work and care

Comparative research on welfare states that developed in the 1990s after Esping-Andersen’ seminal book (1990) offer in-depth analyses of gender patterns of work and care in their relationship to welfare state regimes. According to existing typologies (Lewis 1993, Orloff 1993, Sainsbury 1994), France and Germany have Bismarckian welfare state regimes, but differ in their gender regimes of work and care. Whereas women’s employment was encouraged through the early development of nursery schools (écoles maternelles) and childcare provisions in France, Germany stands out with its long prevalence of a traditional family model, at least in the old Länder. In both countries however, childcare services and parental leave have developed, providing an increasing (but equivocal) support for women’s employment. This may have sustained women’s participation in employment during the recession of 2008-2009.

In the French and German Bismarckian welfare states, social entitlements (primarily financed through employees’ and employer’s contributions) are linked to employment and based on a male (main) breadwinner model of the family which broadly protects traditional gender roles. In addition to direct individual entitlements gained from work experience and social contributions, derived rights linked to family status (social entitlements for children, dependant spouses or care-givers) and universal rights

7. This support is equivocal because on the one hand childcare services tend rather to facilitate the work-life balance for mothers and fathers, but on the other hand parental leaves encourage parents and actually mostly mothers to withdraw temporarily from the labour market.
linked to citizenship (means-tested income support schemes) are granted to those who do not (or not fully) participate in the labour market. The Bismarckian regime thereby values both paid work, which is the main pillar of social entitlements, and traditional family solidarities based on a male (main) breadwinner and female (main) care-giver model. When compared with the Northern social-democratic welfare state (Denmark, Sweden) that refers to an individual model of social entitlements (based on citizenship) and promotes a dual-breadwinner model of the family, the Bismarckian welfare-state is less supportive for women’s employment (Lewis 1993, Sainsbury 1996).

The French and German welfare states clearly differ by their gender regimes of work and care. The regime is more conservative in Germany, due to the prevailing “maternalist” conception of childcare, favouring a traditional model of the family, at least in the old Länder.8 The picture is a bit different in the new Länder because women’s employment was high and supported by childcare services in the former German Democratic Republic (Lewis et al. 2008; Fagnani, Math 2010). Family policies largely developed childcare in East Germany, while they relied more on families in West Germany where parents mostly considered that it is best for children to be cared for by their mother at home, full-time before school age and part-time when at school. In France, nursery schools are common for children aged 2/3 to 6 years. Family policies have also developed childcare services together with parental leaves and temporary childcare allowances, in the name of an ambivalent principle regarding parental “free-choice”. French family policies, favouring both women’s participation in employment and withdrawal from the labour market, have nevertheless contributed to bolstering fertility and, in a way, women’s employment through the widespread use of subsidized childcare services.

In accordance with these variations in care regimes, women’s employment patterns are different in the two countries. The employment rate of mothers of young children (0-6) is lower in Germany where working mothers mainly work part-time while the norm for their French counterparts is to work full-time (Fagnani,
Math 2010). The overall women’s employment rate is higher in Germany, but smaller in its full-time equivalent, because of a higher share of women working part-time (Salles 2012). Women's fertility rate is also much lower in Germany where motherhood more often implies abandoning a career, so that many women, especially when graduates, renounce having children.

Gender regimes of work and care are however changing over time. In Germany, the reunification context has favoured the development of nursery schools (Kindergarten) in the old Länder, beginning in the 1990s (for 600,000 children aged 3-6). The European targets regarding childcare provisions contributed to encouraging further changes in the 2000s. This was also a time when the national concerns about the low fertility rate, together with the fear of labour shortages, became a deciding argument for a political consensus on the necessity of developing formal childcare. In the early 2000s, the red-green coalition decided to extend formal childcare to children below the age of three. Parental leave was meanwhile made more flexible to allow parents (mothers) to keep a part-time job (Fagnani and Math 2010). In France, where pre-school and childcare services were more widespread, parental leaves were also made more flexible in the 2000s (to allow for shorter and part-time withdrawal) while childcare services continued to develop, though this has occurred at the expense of nursery schools.

Eurostat data (EU-Silc) show that changes in family policies have favoured an increase in the share of children in formal childcare in both countries, since 2005. Nearly all children aged between three and the compulsory school age are in formal childcare, nursery school or school (Figure 5). In Germany, the school-rate of children aged 3-6 has increased. While 14% were not in formal childcare in 2003, they were only 10% in 2011 – which is still twice as much as in France (5%). Country differences are also significant for children aged 0-3. Progress has been rather slow in Germany: 76% of these children were still not in formal childcare in 2011, versus 56% in France, only 14% were in informal childcare (cared for by professional childminders or by other persons except

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9. The Barcelona Summit set a target of 33% of children (below the age of 3) to have formal childcare provision, in order to reduce the barriers hampering women’s employment.
parents) **versus** 25% in France. It should also be noted that the EU-Silc database has some limitations as to the information it provides on childcare, especially for analysing trends. First, samples are small, making some figures “unreliable”, and since some children combine formal and informal childcare, percentages cannot be added. Second, the organisation of childcare is not described in much detail, whether formal (school or nurseries, public or private) or informal (childminders, non-professional or relative), so that it gives little information on the quality of care and none on its cost for the parents. In France for instance, the observed reduction (by 12 p.p.) in the share of children aged 0-3 outside formal childcare should have been offset by the considerable decrease in the school-rate of children aged 2 in the 2000s: costly childcare services have increased at the expense of cost-free nursery schools.

![Figure 5. Children (0-3 and 3-6) in formal childcare](image)

Source: Eurostat, Silc [ilc_caindformal].

The increase in formal childcare provisions may have contributed to bolstering the employment of mothers with young children (0-6) in the most recent period. This is especially so in Germany, and the employment gap between mothers of young children in the two countries has fallen visibly: by 2012, nearly 10.

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10. As confirmed by an in-depth analysis of national surveys, such as the *Enquêtes Modes de garde* in France.

11. This trend has been reversed since the election of François Hollande in 2012: the Minister of Education Vincent Peillon has planned to increase by 75,000 the number of children aged 2-3 in nursery schools.
60% of mothers were employed in Germany versus 65% in France (Figure 6). Their employment patterns have nevertheless remained different: about two thirds (65%) were working part-time in Germany versus one third (35%) in France. All-in-all, significant changes have affected women’s patterns of employment in both countries since the early 1990s. Women’s employment rate increased sharply in Germany after 2005 and in 2012 was significantly higher (68%) than in France (60%). This increase is however mainly due to a rise in part-time employment so that women display a much higher rate of part-time work in Germany than in France.

The rise in women and mothers’ employment rates shows that they have kept their jobs during recessions in France and Germany, corroborating the “relative autonomy” and “non-reversibility” hypotheses. A closer look however reveals that during the economic downturn of the early 2000s, women’s employment stagnated in Germany while it was still increasing in France. In contrast, during the Great Recession, women’s employment was static in France while it continued to rise in Germany together with the share of part-time work.

12. For mothers with children aged 3-6: data are available only from 2005 onwards.
3. The dynamics of women and men’s employment and unemployment in recession

The employment and unemployment of women and men have recorded contrasting evolutions since the 2008 crisis in France and Germany. One of the striking changes is the significant narrowing or even the reversal of the gender unemployment gap. The over-representation of women in unemployment used to be one of the main features of gender inequalities in the French and German labour markets until the end of the 1990s. But it tended to vanish during the recessions of the 2000s. The literature regarding the demand for men and women’s labour in recessions underlines the role of the labour market gender segregation. The “gender segregation” hypothesis turns out to be relevant still in analysing the dynamics of female and male employment in France and Germany, during the economic downturns of the 2000s.

3.1. The “gender segregation” hypothesis

According to many feminist economists, the labour market is “segmented” and “gender segregated”. It confines women to segments, sectors or occupations offering poorer employment conditions or opportunities but that are eventually less exposed to the consequences of recessions in terms of employment losses.

Ruth Milkman (1976) has shown that the labour market gender segregation helps to understand better the evolution of women and men’s employment and unemployment during the Great Depression of the 1930s in the United States. She already noticed a reversal of the unemployment gender gap (men instead of women becoming overexposed to unemployment) suggesting that women had been relatively spared from the recession. Despite an ideology accusing them of taking men’s jobs and exhorting them to return to the home, women remained in employment. According to Ruth Milkman, such behaviour defied economic theories that readily considered women as a flexible labour force, attracted into the labour market when needed and expelled from it in times of recession. It did however correspond to the predictions of the labour market segmentation theory: at the beginning of the 20th century, women’s employment developed mainly in administrative, trade or service activities that were less (or later) affected by the Great Depression than (predominantly male) activities in manufac-
turing. Observing that in the 1970s working women stayed mainly in the same sectors and occupations that were relatively protected from the negative impacts of the recession, Ruth Milkman concluded that the labour market segmentation theory was still relevant for analysing the evolution of women’s employment and unemployment in the 1970s. For her, “it is clear that labor market segmentation provides the key to understanding a great amount of the effect of an economic contraction on sex differences in rates of employment and unemployment as much today as forty years ago, and that women will not simply be ejected from the labor market” (Milkman, 1976, p. 92).

Jill Rubery (ed., 1988) reviewed the three main hypotheses regarding the demand for women’s labour in times of recession. The “gender segregation” hypothesis links women’s employment and unemployment variations during economic cycles to employment adjustments in labour market segments (or economic sectors) in which women work or look for a job. The “buffer” hypothesis considers women as a slack labour force, with procyclical variations absorbing the impact of the economic cycle on employment.13 The “substitution” hypothesis for its part predicts the contra-cyclical evolution of women’s employment, due to employers’ preferences for low-wage workers (in the name of cost-cutting), among whom women are over-represented. According to Jill Rubery, these hypotheses are complementary rather than competing. The gender segregation hypothesis dealing with women’s position in the employment structure tends to encompass the two others that have to do with labour force flows. Women work in labour market segments (or in economic sectors) that may be more or less protected from (or exposed to) the negative impact of economic downturns. When concentrated in precarious employment, women may act as a “buffer” labour-force; when working as low-wage earners, they may “benefit” from employers’ search for costs-cutting and the latter’s efforts to maintain women in such (low-wage) jobs.

Several studies have shown that the gendered lines of the labour market segmentation still yield a ‘silver lining’ which tends to

13. In the Marxist feminist tradition, the female labour-force is part of a flexible reserve, liable to be dismissed as soon as the demand for labour becomes scarce (Benston 1969).
Women during recessions in France and Germany

protect women’s employment in Europe during recessions. But, such protection is weaker over time since employment losses tend to be more evenly shared between men and women (Smith and Villa, 2013 and this special issue). The gender segregation hypothesis helps to understand the dynamics of female and male employment and unemployment in France and Germany during the economic slowdowns or the recessions of the 2000s.

3.2. Gender segregation and employment during recessions in France and Germany

As seen above (Section 1), the downturns of the 2000s had some similar gender implications on employment and unemployment. In France and Germany, they eventually hampered the long-term increase in women’s employment but did not reverse it. Since men first suffered from employment losses and unemployment, the recessions resulted in a reduction or a reversal of the unemployment gender gap, on several occasions.

Labour market gender segregation plays a significant role in this contrasted dynamic of female and male employment in recessions. For instance, activity and employment in the industrial sector react more strongly and faster to business cycles than in the service sectors. Women and men who are unevenly distributed across these sectors are thus diversely affected by employment losses. In both downturns (2001 and 2008), the growth of employment dropped more in industry, where it has been declining in the long run, than in the service sector (Figure 9). In both countries, employment losses were much more significant in the male-dominated industrial sector, affecting more men than women. In addition, men constitute a majority of interim workers who have been particularly hit by the economic downturns in France, thereby acting as a “buffer” labour force. This does not mean that women have been spared in recessions. In the first stage of the Great Recession, those working in the industrial sector were exposed to employment losses more quickly and more deeply than their male counterparts (while men where first hit by employment losses in the service sector). But their employment recovery was also faster (Figure 7). Such contrasting evolutions suggest that – within sectors – men and women are concentrated in activities, firms or occupations that are diversely exposed to the business
cycle. They may also reflect something else than the segregation effect, such as a “buffer” or a “substitution” effect. The share of women working in the industrial sector has thus diminished while increasing in the service sector in both countries. The same evolution is observed for men.

These trends in turn have had an influence on labour market gender segregation. From 1997 to 2007, France and Germany displayed a relatively stable an intermediate level of gender segre-

14. In 2007, industry counted for 13.2% of female employment in Germany and 9.6% in France, but only 12.2% and 8.6% respectively in 2012. Women were already concentrated in the service sector in 2007 (85.7% in Germany and 88.5% in France) and even more in 2012 (86.7% and 89.6% respectively) (Eurostat, LFS [lfis_grt_a].

15. In 2007, industry still counted for 36.3% and 29.4% of male employment in Germany and France respectively. These shares decreased slightly in 2012, down to 36.0% and 28.1% respectively. Meanwhile, the service sector counted for an increasing share of male employment: up from 61.6% to 62.0% in Germany and up from 66.4% to 68.1% in France.
gation by sectors and by occupations (Karmel and MacLachlan index) when compared with other European countries (Bettio, Veraschchagina, 2009). In both countries in 2007, 26% of workers should have changed their occupation and 18% their economic sector to balance the share of men and women.16 In 2011, the occupational segregation index decreased slightly (24% in France and 25% in Germany), but segregation by sectors increased somewhat, up to 19% in both countries.17

These similarities in the aggregated gender employment structures however cover important differences, reflected in the differing gender pay gaps: in 2012, the gender pay gap (detrimental to women) was 22.4% in Germany, while it was “only” 14.8% in France.18 This gap had in fact fallen slightly during the Great Recession, but more markedly in France than in Germany (in 2007 the pay gap had been 22.8% in Germany and 17.3% in France).

The gender segregation hypothesis may help us understand why employment losses hit men first, because male-dominated sectors or jobs are more immediately exposed to the negative impacts of economic shocks. But it does not explain why the employment resisted so well, or why the gender pay gap is so high in Germany. What lies behind the “employment miracle” of German (female) workers? Public policies in recession are part of the explanation.

4. The gender biases of public policies in recession and austerity

As shown in the literature, public policies are gender biased in times of recession and austerity. While recovery plans tend more to target male-dominated industrial sectors, austerity policies mainly affect women who are more concentrated in public sector employment and are more dependent on social protection (Annesley and Scheele 2011, Bettio et al. 2013, Leschke and Jepsen 2011,

16. The share of predominantly female occupations (the Hakim index) increased notably in France between 1997 and 2007, while in Germany it was the share of predominantly male occupations that increased.
17. Eurostat, LFS, Isco and Nace classifications.
18. In the industrial, construction and service sectors: excluding public administration, defence, and compulsory social security (Eurostat, Earn, [earn_gr_gpgr2]).
France and Germany have not escaped these biases. In 2009-2010, both countries implemented stimulus plans targeted at sectors that were first hit in recession. In Germany, €100 billion were aimed to promote investment by local authorities in the construction industry and to support consumption in the car industry, through a scrappage premium (Knuth 2014). In France, the €34 billion stimulus package included not only measures supporting investment in the construction sector (social housing) and consumption in the car industry (again a scrappage premium), but also measures supporting more female-dominated sectors (public facilities and public services) and providing support to firms (tax credits, social insurance contribution exemptions). Both countries, however, had implemented structural/austerity measures weakening the situation of women’s employment before the Great Recession. This was done not solely in response to the economic downturn of 2001, but also in the broader European context of the Stability Pact in the euro area (Eydoux 2013b). When it comes to public policies, recessions and counter-cyclical policies may overlap with austerity or structural measures. In France, austerity measures in the public sector, such as the decision to replace only one out of every two retiring civil servants, were implemented as early as in 2007. In Germany, austerity was mainly achieved in the 2000s through “wage moderation” (and drop in real wages in the absence of a legal minimum wage) especially in the (female-dominated) service and public sectors (Lehndorff, 2012) and through structural reforms of the labour markets aimed at boosting employment after the 2001 crisis.

We will here focus on labour market and activation policies because these policies are deemed to support employment in recession. In conservative welfare states, policies to boost employment and encourage all adults – women and men – to work may in principle constitute an opportunity to reduce gender inequalities in the

19. The term “austerity” is used here in its broader sense, referring not only to fiscal austerity aimed at reducing budget deficits (which may lead to cuts in the public sector or to social cuts), but also to wage (or labour-cost) cuts aimed at boosting cost-competitiveness and limiting domestic demand (consumption), so as to reduce trade deficits (or increase trade surpluses). Such policies have been implemented in both France and Germany (mostly as part of the so-called “structural measures” in the latter).
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labour market and in the social security system (Betzelt et al. 2011). However, they have turned out to reproduce and to reinforce gender inequalities in France, and even more so in Germany. In Germany, they have contributed both to deteriorating significantly the quality of women’s employment and to weakening their entitlements to social protection. This constitutes the other side of the coin of the job miracle.

4.1. Labour market and activation policies: bolstering gender segregation

In Germany, the Hartz reforms (2002-2004) date back to the recession of the early 2000s. Its marked impact on employment and unemployment favoured the implementation of major labour market structural reforms in a country that considered itself at the time as the “sick man of Europe” in need for strong remedies. These reforms brought transformations that both reshaped and deteriorated the situation of women in the labour market.

Such labour market reforms have first accelerated the “de-standardisation” of employment in Germany (Betzelt, Bothfeld 2011), through a considerable increase in atypical jobs (part-time jobs, marginal employment, fixed-term jobs and temporary agency work). These reforms have had a negative impact on the job quality of both sexes, but especially for women who are over-represented in all of these atypical jobs (except interim work). Part-time jobs above 20 hours per week are for them a sort of employment standard, whereas employees working less than 20 hours a week as well as those in marginal “mini-jobs” (temporary, part-time, low paid jobs exempted from mandatory social insurance) are also mainly women. Mini-jobs in particular have developed considerably, and in 2012 they represented 7.5 million jobs, paying less than €400 per month (see Weinkopf, this special issue). Mini-jobs as an institution originated in the 1960s to encourage housewives to take a small job, in the context of a labour market experiencing shortages at the time. Since mini-jobbers are excluded from the social security system and benefit from tax and social security contribution exemptions, such jobs are addressed

20. Mini-jobs now provide incentives to keep monthly earnings below €450 (the threshold was increased in January 2013).
essentially to women as second earners (thus reinforcing the reference to the male-breadwinner model of the family), or to both women and men who already hold a main job. The boom of mini-jobs has led to a deterioration of job quality, especially for women. Women in Germany are now highly concentrated in low-wage employment: according to Eurostat data in 2010, among women employed in firms of 10 employees or more, 28% were considered low-wage earners, which is much more than their male counterparts (17%) and considerably more than women (8%) and men (5%) in France.  

Labour market reforms have also restricted women’s access to active labour market programmes (ALMP’s). Germany is one of the few countries that had set equal opportunity targets in its activation programmes, as early as in 1998. These targets, often considered by frontline workers as being of minor relevance, were met less and less in the early 2000s (Betzelt et al. 2011). The Hartz reforms put an end to the measures targeting vulnerable groups such as women returning to work, lone parents, low-skilled or migrant women. The eligibility to labour market measures also became more selective, especially for women, due to the transformation of the income maintenance system (see Section 4.2 below). Since the eligibility to ALMPs is not determined according to needs but depends on the income maintenance status of the unemployed, different conditions apply to the insured unemployed (Arbeitslosengeld I, Social code SC III), and to recipients of the means-tested job-search allowance (Arbeitslosengeld II, Social code SC II) among whom women are over-represented. As a result, people who were excluded from unemployment benefits and considered as “not needy” – mainly women – became unlikely to be included in ALMPs or in other integration programmes. All-in-all, women have thus significantly less favourable integration perspectives in the German labour market than their male counterparts when unemployed. Far from being an effective target of ALMPs (within SC III), they usually represent a minority of the participants in these programmes and have lower chances of

21. Eurostat Earn, [earn_ses_pub1s].
22. Active labour market programmes refer to programmes that aim to help the unemployed finding a job. They notably included public employment services providing job-search support, employment subsidies and training schemes.
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getting a “normal” job afterwards. For many of those who are recipients of the means-tested job-search allowance (in SC II), job opportunities essentially lie in mini-jobs that hardly get them out of social assistance (Betzelt et al. 2011). While the most recent recession has led to a slight increase in ALMPs, men still represent a large majority of participants.

In France, where the economic slowdown of the early 2000s was comparatively weaker, wages continued to increase at a slow pace while structural reforms did not deregulate the labour market nor deteriorate the quality of women’s jobs as much as in Germany. Some sector reforms have witnessed attempts to boost atypical jobs. The 2006 Plan for developing personal services to individuals aimed at stimulating, through income tax deductions, individual private demand for personal services essentially provided by female workers (cleaning, childcare, etc.). It has actually promoted, with disappointing results (Devetter et al. 2009) the creation of market services delivered by precarious or vulnerable low-skilled women (working few hours, on short-term contracts) rather than quality services provided by skilled workers. An important feature of French labour market policies is the development of exemptions to employers’ social insurance contributions for low-wage workers (the so-called “general measures”) implemented in 1993 (after the 1992 crisis). Since 2003, these exemptions (now called the “Fillon exemptions”) apply to wages up to 160% of the minimum wage. They were expected to boost employment for low and medium wage workers without diminishing pay levels. Existing evaluations, however, show disappointing results in terms of employment creations (Heyer, Plane 2012), especially as regards the cost of these exemptions (Math 2013). These measures are also found to exert a negative impact on the wage mobility of low and medium wage workers (creating a “low-wage trap”), due to the incentives for employers to offer wage levels that guarantee the eligibility to contribution exemptions (Lhommeau, Rémy 2009). The gender impact of these measures remains undocumented, but they may contribute to further impeding women’s wage mobility because women represent a majority of low-wage workers. Social contribution exemptions were also dedicated to stimulating the creation of part-time jobs – dominated by women – from 1992 to 2002. These measures have been removed to avoid encouraging precarious
work, while a more gender-balanced policy consisting of encouraging (the so-called “Robien Law” of 1996) and subsequently imposing a collective reduction of working time of firms (the “Aubry I” and “Aubry II” laws implementing the 35-hour working week, enacted in 1998 and 2000). Nevertheless, part-time work still constitutes a way for employers to hire a cheap flexible labour, because overtime hours cost less for part-timers than for full-time workers. A labour market reform (law n°2013-504 of 14 June 2013 regarding the “security of employment”) provides for new regulations to improve the quality of jobs for part-timers (mainly women), but in an ambivalent way. For instance, a minimum of 24 hours per week has been set as a reference for future negotiations, and an increase in the remuneration of part-timers’ overtime hours has been decided. But this remuneration remains below that of overtime hours for full-time workers and many exceptions have been set to the 24-hour rule so as to reduce considerably the scope of the reform. Meanwhile, the additional flexibility introduced in employment contracts (working time can be renegotiated several times a year) is liable to increase the attractiveness of part-time labour for employers.

ALMPs have remained gender blind in France, not targeted on women but focusing on other groups whose over-exposure to (long-term) unemployment is widely recognised (low-skilled, young or senior workers). But even though they are gender blind, such ALMPs are not gender neutral and tend to reproduce (if not to reinforce) existing gender inequalities in the labour market. Faced with the recession, an increase in subsidized contracts was observed in 2009 and 2010: it has contributed to supporting women’s employment but also to develop situations that depart from (stable, full-time) employment standards. In contrast with the German situation, women are usually over-represented among participants in subsidised jobs (“contrats aidés”). But their distribution across these measures is uneven: they count for a minority of new contracts in the market sector (44% in 2009 and 42% in 2010) and a majority (62% in 2009 and 63% in 2010) in the non-market sector, offering lower quality jobs in terms of duration and

23. The implementation of the 35-hour working week laws has however had differentiated gender effects (Estrade et al. 2001).
working time (Bahu 2011a & b). The most widespread measure, the “Support in work” contract (Contrat d’accompagnement dans l’emploi, CAE), is for non-market, female-dominated employment that combines a short-term contract (9 months on average) with part-time work (24 hours a week on average). By comparison, the “Employment initiative” contract (Contrat initiative emploi, CIE) that also expanded in 2009 and 2010 is for market-based, male-dominated, mainly permanent jobs (71% are permanent contracts, with subsidies lasting 11 months on average), with quite standard working time (33 hours a week on average).

By 2008, women were particularly exposed to atypical forms of employment in both countries and the Great Recession did not improve their situation: they remained more exposed to external flexibility and job precariousness than their male counterparts, even with crisis ALMP’s measures. During the Great Recession men benefitted more from internal flexibility. In Germany, internal flexibility is even seen as having been one of the main reasons for the effective resistance of employment in recession (Lehndorff 2012, Knuth 2014). It was achieved through a negotiated reduction of working time, especially in the (male-dominated) export-oriented sector: many companies in this sector that were most hit during the recession developed a system of long-term working-time accounts, based on collective bargaining agreements. In 2009, after three years of economic growth, workers had hours in credit that they used to diminish their working time during the recession, while companies had financial reserves to compensate for these hours.

All-in-all, in France as well as in Germany, the labour market reforms and/or ALMP’s have remained gender-blind and have tended to reinforce gender inequalities, as well as labour market gender segregation.

4.2. Income maintenance: back to the male-breadwinner

Labour market reforms and activation strategies also reshaped income maintenance schemes supporting the income of unemployed (or short-time) workers during recession. In both countries, the social protection of women in the income maintenance system worsened, especially in Germany where the reforms have significantly eroded their entitlements to unemployment benefits. Crisis
measures have instead rather focused on supporting workers' incomes and employment through short-time working schemes that have flourished in the industrial male-dominated sectors most affected in recession. The reference to the male (main) breadwinner has thereby been reinforced in the income maintenance system of both countries.

In Germany, the deterioration of women and men's income maintenance situations began in the early 2000s, in the wake of the Hartz reforms that merged the former unemployment assistance (Arbeitslosenhilfe) with the income support scheme (Sozialhilfe) into a single means-tested job-seeker's allowance (Arbeitslosengeld II regulated in SC II). The access to the new insurance scheme (insurance benefits financed by social contributions Arbeitslosengeld I regulated in SC III) became more difficult, especially for (predominantly female) workers with discontinuous employment careers. As a result, the standard unemployment compensation scheme ceased to be the insurance benefit and became the new means-tested job-search allowance. Since the amount of this job-seeker's allowance is means-tested according to a household's income and implies reinforced mutual obligations within households, women have been penalised twice. On the one hand, they represent a majority of “atypical” workers who are the first to be expelled from unemployment insurance. On the other hand, when living in couples, women have lost their entitlement to the job-search allowance twice as much as men living in couples (Betzelt et al. 2011). By increasingly conditioning unemployment benefits to household resources (rather than to an individual reference wage) and by giving more room to family solidarity, the Hartz reforms have reinforced the conservative male-breadwinner character of the system. The activation strategy referring to the norm of the individual adult worker thus combines paradoxically with the reference to the male-breadwinner model. For instance, an unemployed (or inactive) woman whose partner has lost his job and qualifies for the job-seeker’s allowance (Arbeitslosengeld II within SC II) has the obligation to look for a job because of her partner's status in the income maintenance system; otherwise, if for instance her partner gets a job, she could remain inactive.

In France, the reforms of the income maintenance system have not been of such magnitude. Since the 1980s, the system has been
split into two unemployment compensation schemes: the insurance scheme providing standard insurance benefits (Allocation de retour à l'emploi, ARE) and the “solidarity” scheme serving as a job-seeker’s allowance (Allocation spécifique de solidarité, ASS) that was already means-tested at the household level. Many women living in couples (and “saved” from poverty by their partner's income) were already excluded from the French solidarity scheme. In 2010, women represented almost half (49.7%) of the insured unemployed, but they constituted a minority (44.9%) of the solidarity allowance recipients and a majority (54.5%) of persons without any unemployment allowance (Fontaine, Rochut 2012a&b). The main income support scheme providing poor households with a means-tested allowance (Revenu de solidarité active, RSA) has remained separated from these two unemployment compensation schemes. However, income support recipients are now increasingly encouraged to work through economic incentives and extended job-search support. As in Germany, the activation of income support recipients is paradoxical from a gender perspective, since women in couples tend rather to escape from the obligation to work in the labour market (Périvier 2010). Despite the fact that the RSA allowance and associated incentives to work are focused on households, the obligation to look for a job applies in principle to all adults individually. But when an adult living in couple finds a job whose income is sufficient to bring the household's resources above the administrative threshold, the other adult (a woman in most cases) ceases to qualify for dedicated integration measures, even when still out of work (Eydoux 2012).

In France and Germany as in many European countries (Erhel 2011), crisis measures have focused on short-time working schemes that aim at favouring internal flexibility and preventing unemployment or at supporting workers who are exposed to restructuring. Yet these schemes mainly developed in the industrial sector and have essentially concerned men. Workers in short-time work schemes considerably increased between 2008 and 2009. In Germany, short-time working (Kurzarbeit) that already represented a significant measure in the face of declining industrial employment became a key feature of employment policies during the recession. While in 2008 only about 90,000 workers were concerned, this rose to a peak of nearly to 1.5 million workers
in May 2009. In France, the use of short-time working schemes (mainly the Activité partielle de longue durée) has been less intensive, but it also increased during recession (though not as much as in Germany). Short-term work concerned nearly 300,000 workers at its peak in June 2009, versus about 35,000 in 2008 (Fréhaut, 2012). In both countries, short-time working schemes have essentially concerned men: in Germany, 78% of participants were men in June 2009 (Bundesagentur für Arbeit, 2009). In France, men too have been over-represented, even more than before the crisis: they counted for 75% of the participants during the autumn of 2009 versus 66% in “normal” times (Calavrezo, Lodin 2012).

All-in-all, the structural reforms of the labour market implemented in Germany sharply increased the poverty rate of employed and unemployed persons of both sexes. Since poverty rates refer to the households’ income, they do not fully reflect gender inequalities in the labour market. However, according to Eurostat data (Figure 8), employed women in Germany were much more exposed to poverty in 2012 (8.8%) than in 2005 (5.6%) and over-exposed when compared to their male counterparts (6.8%). But it is for the unemployed of both sexes that the increase in poverty has been the most spectacular: the poverty rate had risen by more than 20 p.p. since 2005 and was up to 72.4% for women and 66.4% for men in 2012 (it is therefore more than 20 p.p. above that of the unemployed in France).

If the Hartz reforms played a role in the German Great Recession, it has not been by boosting female employment but rather by preparing employees to make wage concessions (or others), in order to avoid unemployment (Knuth, 2014). Labour market deregulation is not the explanation for the good performance of employment in this country. Rather, prevailing regulations and the behaviour of social partners in the export-oriented sectors most affected in recession played a major role. The time buffer system allowed by working time accounts gave an “unprecedented” level of flexibility to working hours, in the male-dominated export-oriented sector. This, combined with the development of short-time work, have contributed to support employment in recessions (Lehndorff 2012, Knuth 2014).
Activation policies and labour market reforms did not reduce gender inequalities in France and Germany during the Great Recession. Instead, active measures and employment (de-)regulations tended to reproduce, if not to accentuate, gender inequalities in the labour markets. The reforms of the income maintenance system and crisis measures focusing on short-time working schemes reinforced the reference to the conservative male-breadwinner model. Despite their increasing employment rate, women in Germany have thus been particularly affected by these reforms in terms of employment quality and precariousness.

5. Conclusion

The contrasted effects of economic recessions on the employment and unemployment of men and women in France and Germany during the 2000s may be diversely interpreted. At first glance, the better resistance of women’s employment and the vanishing of the unemployment gender gap could appear as a sign that a major feature of gender inequalities in labour markets has been eliminated, thus challenging the prevailing male (main) breadwinner model. A look back at the economic literature helps to qualify this view. Two hypotheses are particularly relevant for our purpose. The first one is about women's labour supply and assumes a “relative autonomy” between the “productive sphere” and the sphere of “social reproduction” (Humphries, Rubery 1984)
so that the change in women’s patterns of work in and out the labour market would tend to become permanent. The second hypothesis deals with the demand for labour and the way it is structured by the “gender segregation” in the labour market (Rubery, ed. 1988): women are employed in economic sectors or occupations that offer poorer employment conditions or career opportunities but remain relatively spared from job destructions, at least in the first phase of a recession.

In France and Germany, the gender impact of recent crises has been shaped by the long-term change in gender regimes of work and care that influences women’s labour supply, and by the persisting labour market gender segregation that structures the cyclical variations of the demand for labour. Women’s employment has resisted rather well to recent recessions in the context of a long-term increase in their employment rates, supported (but in an ambivalent way) by family policies and by the development of nursery schools and formal childcare. In the meantime, women’s concentration in the service sector, which is less exposed to job destructions than the declining male-dominated industrial sector, has rather protected them from unemployment when compared with men. A closer look at the German employment and unemployment curves even suggests some sort of employment “miracle” for women: women experienced a continuous increase in their employment rate and decrease in their unemployment rate.

An analysis of the German activation policies and labour market reforms during the 2000s indicates that increasing gender inequalities, women’s precariousness, low-wage and in-work poverty are the flip side of the coin of this apparent miracle. Instead of reducing gender inequalities by supporting women’s employment, labour market reforms have deteriorated both their employment and unemployment situations, and cemented the gender labour market segregation (Betzelt et al., 2011). Meanwhile, income maintenance measures have focused on short-time working schemes and mainly concerned male workers in the industrial sector, whereas the situation of women has deteriorated in the income maintenance system. In France, activation policies displayed the same gendered bias but in a less marked way. ALMPs have remained gender blind so that they tended to reproduce gender inequalities, while the development of short-time working schemes, mainly in the industry, has
also focused on male workers. All-in-all, these activation policies have strengthened the existing labour market segmentation and the reference to the male (main) breadwinner model, thereby contradicting the long term development of women’s employment. As in many other countries, policy responses to the recessions did not improve gender equality in the labour market or in society as a whole (Maier 2011). It is even possible to speak of French and especially German public policies as “reverting to type” (Smith and Villa, this special issue) i.e. to the male (main) breadwinner model, reproducing or bolstering existing inequalities. If German public policies and regulations to protect employment in recession may represent a model for France, it is clearly not for deregulating (mainly) female employment, but for organising internal flexibility in (predominantly) male-dominated sectors.

References


