THE POWER OF THEORETICAL MODELS TO EXPLAIN
THE PRESENCE OF WOMEN IN THE LABOR MARKET BASED UPON
A SURVEY OF EASTERN HUNGARIAN WOMEN

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ABSTRACT

Over the past few years the career path of women has changed and there is a demand for a different and integrated life. The importance of family life and the desire to create harmony between work and family has increased. Today few women decide to totally dedicate their life to a maternal role and likewise to totally dedicate their life to a career in the labour market. Rather a preference to have both is typical even if it may be accompanied by economic loss, differences in norms over time but clearly may express their desire for greater self-fulfillment.

This article focuses on when women with young children return to the labor market after childcare leave, and what factors influence their decision. The topic is approached multidisciplinarily as it has legal, anthropological, biological, psychological, pedagogical, economical and sociological implications.

This paper introduces the most important results of the research. The main question of the study is if it is the sociological or the economic models/theories that can explain the return of women raising young children to the labour market. After introducing the sociological and economic theories related to the women’s labour market participation, the paper will focus on the question whether the economic or the sociological theories explain it in a more decisive way. This conclusion is based on the results of the empirical work of the author.

Introduction

After overviewing the relevant literature the previous research results the assumption was that the labour market integration of women raising young children (returning to and exiting from work) is formed by individual and social (institutional) impacts. In both cases there are factors that will encourage “return” while others will strengthen staying at home.

Individual influences are for example personal aspirations and individual income situations. Social impacts mean a complex motivation background where attitudes related to gender and social roles are embedded into social-historical roots associated to childbirth and work. They all form the family and employment policy of a given society at social level, which affects the labor market decisions of families at individual level (as well).

1 While many theoretical approaches could be provided the author has chosen to limit the scope to those that are critical and specific to the analysis of the data.
Research studies often investigate the motivation background of the labour-market decisions of women raising young children. They want to know what factors influence the decisions and acts of female employees raising young children. Economic sociology (Andorka 2006) suggests the economic and the sociological approaches, to analyse the decisions of the individual's labor market participation.

The distinction of economic sociology is that it combines the human image of these two disciplines, *homo oeconomicus* and *homo sociologicus*. Lindenberg’s (1990) *homo-socio-economic* way of thinking combines the economic rationalism typical of *homo oeconomicus* and the adherence to values and norms of *homo sociologicus*.

According to this, the individual decides rationally but within a defined framework in a decision situation. However, the limits of this framework, ie. the norms of the society, are not passed. The individuals will not take decisions against the norms and values just because they want to increase their profits.

Based upon results of an empirical study in Szabolcs-Szatmár-Bereg county this paper seeks to determine if sociological or economic theories accurately explain decisions by women to participate in the labour market following childbirth.

1. Empirical work

In the empirical research conducted in Szabolcs-Szatmár-Bereg county, 450 women raising children between the age of 0-7 were personally interviewed. The questionnaires and interviews were conducted in the health visitors’ regional districts. Two sub-groups of women raising little children were identified: in one group women were on child-care leave (child care allowance/maternity allowance) and in the other group women were surveyed who have already returned to the world of work (working mothers). Looking at these two groups the researchers were able to compare the background factors underlying the already realized and the planned return to the labour market of the mothers being on child care allowance or maternity allowance and the working mothers. This present study investigates a specific aspect of the above mentioned research results. In addition it concentrates on the presence of social capital in families, which was measured by the time spent with the children, the rate of concern relating to the return to the world of work and with the presence of the partner helping with the family tasks.

To analyse the database SPSS 20 statistical software package was used and univariate and multivariate analysis techniques were applied.

All results from this research study can be found in the monograph entitled *Egyensúlyban? A munkaerő-piaci karriertől a familiarizmusig. A kisgyermeket nevelő nők munkavállalási attitűdjei* (In Balance? From the labour market career to familiarism. Work attitude(s) of women raising little children) by Anita R. Fedor (2015).
2. Sociological approaches

According to the representatives of the sociological approach, in the individual’s economic activities not only rational judgment, but following norms also play an important role. The decision situation should be understood in a broader context, this view goes beyond the individual level. In contrast to the economic approach, sociology emphasizes the importance of individual and family environment. Sociologists point out that individual preferences have great importance as regards employment and child rearing decisions.

In addition, women’s work motivation is strongly determined by the possibility of creating balance between work and family life. It suggests that decisions, in addition to individual motives, are also formed by family environment and institutional impacts (Kohli 1993).

2.1. The role of value-preferences

A part of the values preferred by the individual is constant and is incorporated into the way of thinking. They serve as a compass of the actions (Zombori 1997) and can be defined as the guiding principle of the decisions (Rohan 2000). However, another part of them is modified depending on the age and the family life cycle. Priorities are formed according to what the individual thinks important in the given life situation. Later, these priorities are interchanged (Kohli 1993), or may run parallel to each other, leading to the plurality of the way of life (Somlai 1999, 2000). As a result, associated to the given life cycle, it is either the values related to work, or the values related to childbearing and care can be more influential.

Economists interpret labor market participation as a rational decision, where the available income determines the outcome of the decision. And although they do not deny the reason for the existence of preferences, they explain their significance with the achievement of financial goals. In contrast, according to sociologists preferences differ not only in time but also in space, as in different structural situations the content of preferences differs (Spéder 2001).

In addition to the opportunities associated with different positions or to the lack of them, the pressure for a decision increases irrespective of which choice is made – labour market or childbirth. (Hakim 2002). Thus, preferences can only partly explain how an individual behaves in certain situations. This can lead to an interesting situation where the action and preference are in opposite directions. (Rokeach 1969).

The quality of the preferred values largely dependent on socio-demographic factors like the age and the current family life cycle. The research results of the authors show that priorities change over time. Despite the fact that mothers belonging to both samples find it important to spend the possible longest time at home with their children, it is clear from the examples that the practice is different. In the third stage of the life cycle the employment-related values were intensified for mothers who wanted to return to the labour market, while for mothers staying at home on maternity allowance the decisive role of the values associated to childbearing and caring were observed. Thus the impact of family life cycle is clearly supported by the results of the authors.
In both sub-patterns it is Hakim’s (2000) preference theory that can explain the difference of the labour-market return pattern of mothers with different qualification.

According to it women do not form a unified group, their lifestyle preferences may differ. In addition to the opportunities or the lack of them (underschooling), associated with different positions determined by the educational level, the pressure for a decision is increasing both in labor market participation and childbearing respects. (The educational qualification as an explanatory variable will be introduced in details while explaining the economic model.)

The results of the authors support the sociologists’ point of view, which assumes that preferences show differences not only in time but also in space. For people who are in different structural situation the content of preferences may differ. It can justify why people with minimal work experience and career-starters return to work earlier. This is why the hypothesis of economic and social crisis and the theory of economic insecurity can be mentioned here, as according to them the continuous change in family subsidies, the unpredictability of paid work, the decline in household income lead to prolonging childbirth and the decrease in the number of children.

### 2.2. Social and gender roles

The sociological approach focuses on the connection between labor market and fertility, maps family and female roles in the modern society, and their changes. This theory examines how the transformation of the labor market violates or favors specific roles (Spéder 2001).

According to Cseh-Szombathy (1985), it is a fundamental issue how social relations determine the role of women and men in society and what role the society determines for them.

According to Spéder (Spéder 2001) the female role is highly complex. The proliferation of the two-breadwinner family model results in a “dual role” for women with one role being maternal (family) and the other worker (labour market).

*Dual role* is sometimes also referred as *dual burden*. It suggests that, in addition to the massive employment of women, the amount of the unpaid household work and the time spent on it have not reduced. Nevertheless, most women disagree with the long-term exclusivity of one or the other role, it is more likely that women consider more simultaneous roles important (Spéder 2001, 2006). The role of employment has become a part of female identity, and maternal role is almost a question of vital importance.

On the basis of the Hungarian and international research-results of focusing gender-related social thinking (between 1994 and 2011) it can be stated that the Hungarians’ attitudes to gender roles are very traditional in both Europe and in the former socialist countries, as they consider traditional roles desirable. The reason may be the family-centered Hungarian society, which is burdened by the conflict of how occupational activity and child rearing can be balanced. Although the acceptance of women’s paid work has strengthened in the last two decades, this can primarily be accepted only because of reasons of subsistence.

The affirmation of the traditional roles also implies that in the international comparison, Hungarian women carry out most household chores (Blaskó 2005, Pongráczné
and S. Molnár 2011). Between 2000 and 2009 the value system became a bit more modern, more work-oriented, and the strong child and family orientation became more moderate. The way of thinking has been homogenized due to demographic and structural characteristics. Most evidently it could be seen while examining the harmony between family and work. A strong traditional approach is still typical regarding traditional roles (Pongráczné and S. Molnár 2011).

The results of the author’s study conducted in Szabolcs-Szatmár-Bereg county support the national survey. As it has been mentioned above, according to the sociology of the women’s path of life and female roles, the overall feature of the female role set is that it is highly complex. It can be said that the presence in both the world of child rearing and in the world of paid work are important for the majority of women. It is supported by the fact that 80% of the respondents believe that work is a part of human life. Although this firm attitude to work is somewhat weakened by the fact that 62.1% of the respondents fully agreed with the following statement: “Part-time work for women with young children would be the most ideal.”

It is clear from the context that women intend to create a balance between family life and employment and a part time job is mentioned as one method to achieve this balance.

It is also clear that child rearing is the most important activity among the surveyed women and its exclusivity would be considered very important for the child in the first three years. However, only a very low percentage of women support to be exclusively with their children after the age of three. Eighty-seven percent of the female respondents agreed with this statement: “After the age of 3 children need to interact with other children of the same age”.

Sociological considerations focusing gender roles emphasize that the perception of male and female roles influences the decisions of those involved in childbirth and labor market participation. Overall, a fundamentally traditional attitude is reflected in the county survey data, although in some cases a kind of modern approach can be observed in commenting on some of the statements. In the research results the separation from the traditional gender roles was most commonly observed among women with university degree (though orienting towards traditional roles and their loosening were usually true to the way of thinking of the respondents).

It was clearly from the opinions that most mothers with a degree expect to share care responsibilities more equally. Additionally they considered working not only as a financial source, but also as a mean of self-realization. However, the high proportion of the agreement with the statements “It would be good if men were to earn enough to provide for the family,” “It is the husband’s task to provide financial security, the task of women is to ensure family life,” “Work for women with young children is important for money” means the confirmation of the traditional division of roles.

On the contrary, the significant proportion of those who accept the statement “Work is a part of people’s life” and “Family’s life must be adapted to work” shows the spreading of the modern attitude. However, in case of the latter two factors, a kind of economic dilemma may be presumed behind the opinions, and even mothers who think traditionally can identify with it and it reflects to the incapacity of the single-breadwinner family model.
3. Economic approaches


The rational decision is instrumental, which means the result of the action is important. To reach this goal the individual is looking for the best solution (Elster 1995).

According to Spéder (2001) people with higher incomes are more likely to feel that their children develop and grow in appropriate circumstances only as a result of higher expenses. This is strengthened by the impact of the educational expansion that keeps the child in dependent status longer and longer, thus increasing the amount of expenditure spent on the child. This is the so-called income effect. The income effect and the lost income associated with childbirth are considered to be cost by the economic theory dealing with the classical interpretation of labor market impacts.

As a result of the generalization of women's employment, another aspect of child-related expenditure stems from the fact that childbearing keeps women away from paid work, thus women do not receive salary for the childcare period. This is the so-called **opportunity cost model**. Accordingly, child raising has both direct and indirect expenses. Direct costs related to bringing up a child can be monetary and work-related costs that can be expressed in time (Spéder 2001). Indirect costs are **unrealized profits** (Spéder 2001) or **opportunity costs** (Gábos and Tóth 2000) due to the shorter or longer lack of presence of women (parents) in the labour market.

The higher the female employee’s labor market salary, the more opportunity cost it means for her to have a child. The longer the length of childcare leave is, the more the loss of benefit increases. As a consequence, the aim of a woman with a higher labor market salary is to limit her absence from the labor market for a relatively short time and after childbirth she tries to return to work as soon as possible (Bukodi and Róbert 1999). The economic approach also points out that the income effect does not affect women with young children uniformly.

According to **human capital theories** (Rosen 1998; Schultz 1998), the composition of the supply side in the labor market is mixed. The individuals have different educational qualification and they differ in their income from work as well. Thus, when they stay away from work as a result of childbirth, labor market income appears as the predictor of the opportunity cost. According to the opportunity cost model the higher the wage is the more loss it will mean when the mother with a young child steps out of the labour-market (Mincer and Polachek 1974).

Parcel (2006) adds that lower **human capital** does not only limit labor market chances, but partially reflects preferences and aspirations. Becker (1981), who considered households as economic units, found that the result of rational calculations was that while women invested more energy/capital into housework and childcare, husbands directed their energies toward paid work.

The results of the county research reflect to the aforementioned theories as follows. Economic theories interpret labor market presence as a rational decision, in which dif-
different salaries determine the outcome of the decisions. Assuming that higher education is likely to provide better income for mothers, then from among the results the focus should be directed on how different educational indicators affect the timing of women’s return to the labor market. In this connection, the re-directing effect of the investment into human capital to work should be mentioned.

According to the author’s results, labor market embedding did not affect the decision of mothers on maternity leave, while it did determine the decisions of working mothers decisively. Interestingly, however, the return behavior of people with little or no experience in the labor market is sharply separated from the other groups. Thus it can be concluded that the longer working experience before child care appears as a safety factor, which contributes to the longer period of childcare. The early return of mothers who have minimal experience to the labour market may be explained by the lack of labor market embeddedness as a safety factor.

The relationship between education and timing of their return to the labour market is that there appeared to be a sort of synchronization in their return to work being on childcare allowance and either having a degree or not. However, some differences between these two groups could also be seen in certain time periods concerning return to work.

The percentage of early return of women with degree is 10% higher than those without degree. Among working women with degree, the early return (0-12 months) and the later return (25-36 months) are the highest.

These results may seem to be somewhat contradictory, but there may be a logical explanation for this tendency. To explain it we should go back to human capital theories. According to these theories, a greater investment in human capital entails the earlier interruption of childcare leave, since for women with higher education to interrupt work results in a greater loss.

Nevertheless, the later return of highly qualified women can be explained by the fact that human capital investment before having a child guarantees that they can spend longer time at home (their employment is safer, their salaries, including cash benefits associated with childcare leave are more favorable.). That is, in this case, the duration of childcare leave can be considered as the yield of the higher education, which, as Rosen (1981) stated, can be interpreted as an exogenous or ancillary yield for education.

According to the economic approach childbearing appears as a kind of opportunity cost. Its reason is women’s temporary withdrawal from the labor market. According to this theory the more time is spent away from work, the more the financial loss is. That is, women with higher salaries have a share in limiting this period for a relatively short time. In the light of the results of the author’s survey, it can be stated that the salary of women with more favorable educational qualification is higher, thus attention should be paid to the return behavior of the more qualified mothers.

According to this explanation, however, the group of mothers with a degree does not follow a uniformed approach relating to this subject. It highlights the statement of the economic theories: income effect does not equally affect women with young children. It can be explained by the income replacement effect of the childcare allowance and the individual career ambitions.
In both sub-sample significant correlation was experienced between the school qualification and the returning to work ($p = 0.035$, $p = 0.000$). The data of the crosstable analysis reveals that there is a kind of synchronization between mothers without high school final exam and the behavior of mothers with a degree, at least it has been experienced in the group of women who returns to and who is willing to return to work before the age of three of their children. The biggest group of women with the highest and the lowest qualification went back to work when their children were three years old, while mothers with high school qualification returned or willing to return to work when their children were/are 2 years old. The later return to the labor market suggests that the opportunity cost due to childbearing and child care is less typical, thus it can withdraw women from work.

As the tendency that higher education is associated with more favorable employment opportunities and higher salaries is typical even today, the return to the labor market is less urgent from financial point of view for mothers with degree. Early return is characteristic to the 23% of working mothers with university degree, which can be explained by the higher human capital investment. According to this, higher education, longer labor market experience brings women back to work, as the return of their investment in human capital is primarily expected in the labor market. And the longer they stay away, the greater the benefit loss is, which involves the decrease of their knowledge (Bukodi 2005).

This argument is supported by the fact that 51.6% of the respondents returned to the labour market before their children turned to be two. In the case of 46% of women who returned to work when their children were between two and three and afterwards, cultural homogamy is prevalent. The similar status parameters of the couples and therefore stable labor market background will lead to longer staying at home. The financial motivation of the return is pushed into the background. For mothers with lower qualifications, the gap between the low wage and the cash benefit for the period of childcare leave is low, which has a counteracting effect on work, and its consequence is the prolongation of the length of time that the mothers spend away from work. Less educated women typically return to work earlier than others because a job opportunity suddenly was available.

This is the group that contains the significant part of women who did not have work before childbirth. The basic difference between the two sub-groups is while a kind of progression can be observed in the actual labor market return of working mothers, mothers on child care allowance will appear in labour market in a high number in a specific time interval according to their preliminary calculations.

Another approach argues that for inactive women, for women with low income the lost benefit is negligible. As a result mothers stay at home on childcare leave for longer time. In this study this statement is only partially proven, as women who have relatively short work experience and young women who have just started their careers will return to the labour market earlier. The reason is that the interruption of childcare leave for this group of women can be interpreted as a rational choice, since the acceptance of a job results in greater benefit than the low-value cash benefits (child-care allowance) for the period staying at home.

Theory suggests that the higher the education of the spouse the longer the woman will stay out of the labour market. The higher income of a highly qualified husband is
considered to be a security factor that allows the woman to stay on childcare leave for a longer period. According to the author’s results, the higher qualification of the partner shortens the time spent at home. This may be due to the fact that a qualified partner has a positive impact on the woman’s occupational career and mobility.

Summary

As a result of this empirical study 82% of working women and 91% of mothers on childcare leave agreed with the three-year long childcare leave. It can be seen that both sub-samples strongly support to stay at home for the maximum period of childcare leave provided by the law, however, working mothers are somewhat more permissive regarding their return to the labor market. The proportion of women who prefer staying at home for three years confirms the most recent Hungarian research experience (Blaskó 2011), according to which 76% of the respondents had the same opinion. Nevertheless, we saw that 71% of working mothers, 41.8% of mothers on childcare leave returned or plan to return to the labour market earlier than the maximum three-year period of childcare leave. However, 71% of mothers who already work and 41% of the mothers who are still on maternal leave went back or were planning to go back to work before the child turned three. This implies that mothers’ ideas on the planned date of returning to the labour market have limitations. These limitations are primarily financial and labour-market obstacles.

All this suggests that following childbirth the return of women to the labor market is the consequence of an economically rational decision, which supports economic theories One of the results of this study identified the importance of combining socio-logical and economic models as data suggested that decisions are complex and multi-faceted that vary over time (because the mothers on childcare leave have clearly predicted longer time to spend at home than the time that was actually spent at home by the working mothers, which suggests that the practical implementation of the opinion on optimum childcare leave changes with the aging of the child. (Its reason might be the influencing role of economic factors.) Based on the above results, by combining theories of economics and sociology, an own model has been developed which can be considered as an explanatory model of this empirical study introducing the working attitudes of women raising young children. Our suggestion was that while studying the behavior of women with young children, we have to count on the fact that the timing of returning to work and staying at home is not a matter of individual decision. Work related expectations of women raising young children are considerably influenced by the context in which they have to make the decision.

In this case child raising and work-related aspirations of women raising young children are assumed to be influenced by individuals belonging to their immediate environment (their certain parameters). Furthermore, the determining role of the wider environmental impacts (the range of benefits of social policy, their extent and the conditions of their access), as it can be seen in the causal model of women entering the labor market (Figure 1), are also important. Within the framework of the institutional impacts, the extent and availability of daytime care facilities and the accumulated human capital, or its lack should be highlighted.
The model identifies certain factors that determine entry into and exit from the labour market of mothers raising young children. Dotted lines indicate that the different variables change women’s work attitudes by influencing even each other.

REFERENCES


