# Interaction between Public Policy and Social Capital: Child-care Policy and Birth Rate

Masayuki Kanai Senshu University, Japan mkanai@isc.senshu-u.ac.jp

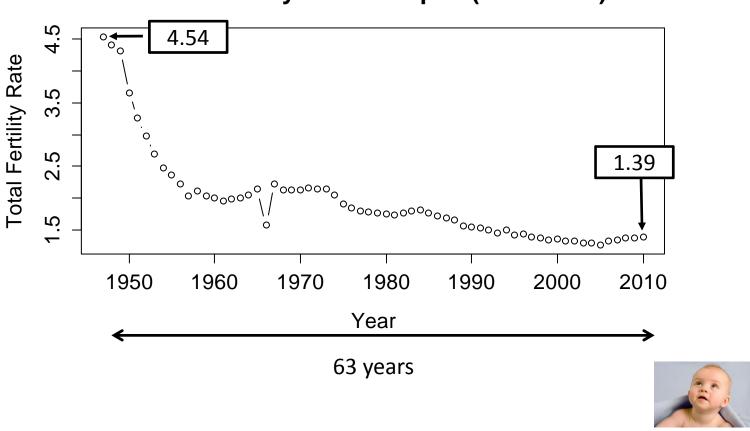
RC45.D4: Social Capital: Current Research on Bases and Outcomes,
The Second ISA Forum of Sociology,
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## Organization of the Presentation

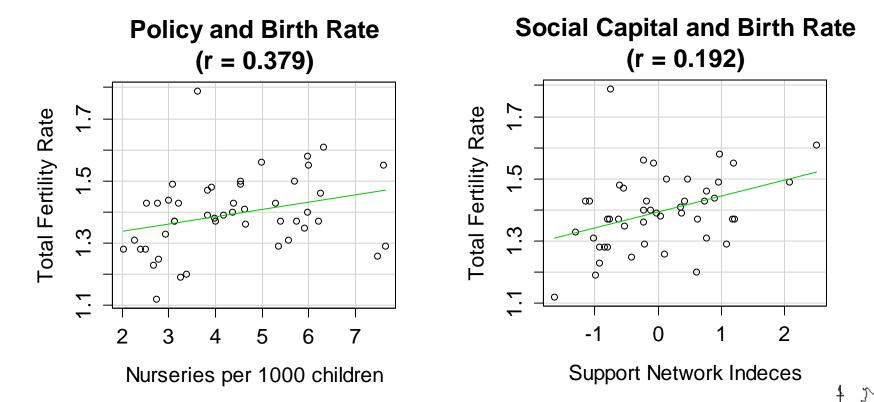
- Puzzle: Effects of policy and social capital on fertility rate
- Possible answer: Only one of them, both, or interact
- Data and methods
- Findings: Policy and social capital interact with each other
- Conclusions

## Problem: Decline in Fertility Rate

#### **Total Fertility Rate in Japan (1947-2010)**



## Policy, Social Capital, and Birth Rate (Macro-level correlations)



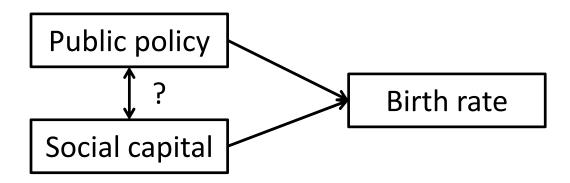
Note: Unit is a prefecture. There are 47 prefectures in Japan.

## A Puzzle: Policy or Social Capital?

- Child-care policies (by municipal governments)
  - Equal availability for all citizens
  - Fiscal disparity among municipalities
- Social capital (personal support network)
  - Complement to the shortage of policies
  - Unequal availability among individuals

#### Possible Answers

- 1. Either of policy or social capital is effective for raising fertility rate.
- 2. Both of them are effective.
- 3. They interact each other (policies complement social capital, and vice versa).



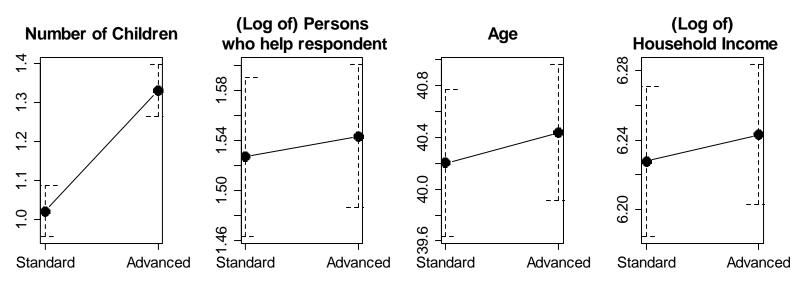
#### Data

- Questionnaire Survey on Experimental Design
  - Population: Nagano prefecture
  - Purposively selected 2 municipalities which have advanced child-care policies.
  - For the contrast group, randomly selected 6 municipalities (= Standard municipalities).
  - Randomly select the same number of individuals from each group (600+600=1200).
  - Reliable responses were 631 (52.6%).
  - Mail survey conducted in 2010.

#### Variables and Methods

- Dependent Variable: Number of children
- Independent Variables:
  - Policy: Advanced municipality dummy
  - Social capital: Number of relatives, acquaintances, etc.
     who help respondent's child-care usually (log transformed)
- Control Variables:
  - Age
  - Household income (log transformed)
- Method
  - Poisson GLM (generalized linear model) with interaction between policy and social capital

## **Descriptive Statistics**



Note: Error bars represent standard errors.

- The mean of children in Advanced municipalities is significantly larger than Standard municipalities.
- None of other variables has significant difference.

#### **Correlation Coefficient Matrix**

	Children	SC	Age	Income
Children	1	.207**	.400**	.097
Social capital	029	1	.084	.088
Age	.428**	115*	1	063
Income	.120*	.160**	.031	1

Note: Numbers in bold are for **Advanced** municipalities, while those in italic are for *Standard* municipalities. \* < .05, \*\* < .01.

 Children and Social capital are significantly correlated in *Standard* municipalities, but not significant in **Advanced** municipalities

#### Poisson GLM

	No In	teraction	With Interaction			
	Coef.	S.E.	Coef.	S.E.		
Policy	0.226	0.079 **	0.479	0.150 **		
Social capital	0.085	0.038 *	0.173	0.058 **		
Policy * Social capital			-0.154	0.077 *		
Age	0.049	0.005 ***	0.049	0.005 ***		
Income	0.147	0.147 *	0.150	0.059 *		
Constant	-3.106	0.430 ***	-3.247	0.437 ***		
AIC	1494.0		1492.0			

Note: Dependent variable is Children. N = 547

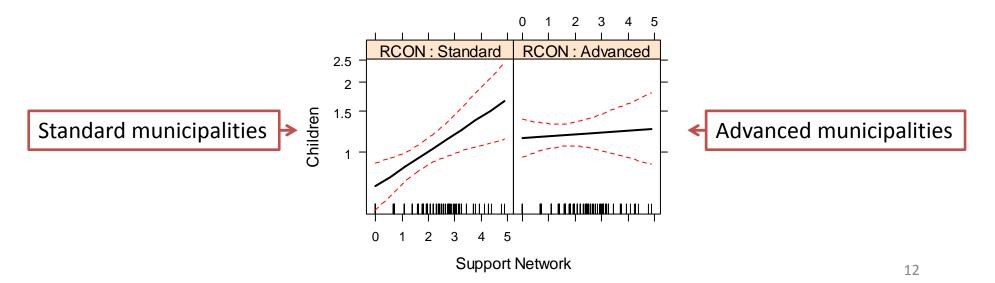
"Policy" means Advanced municipalities dummy.

\* < .05, \*\* < .01, \*\*\* < .001.

Negative interaction!

## **Findings**

- Steep slope in Standard municipalities
  - Social capital (support network) is valuable for child-rearing.
- Gentle slope in Advanced municipalities
  - Social capital is not always necessary.



#### Conclusions

- Social capital complements public policy.
  - It could overcome the inequality of life chance caused by a fiscal deficiency of the municipal government.
- Another puzzle: Public policy has spoiled social capital?
  - Public policy should cultivate the civil society (?)
  - Which came first, the chicken or the egg?

## Sampling Design

Advanced Municipalities		Standard Municipalities			
Municipality	Responses	Municipality	Responses		
lida city	157	Shiojiri city	52		
		Saku city	49		
		Komoro city	48		
Shimojo village	164	Chowa town	51		
		Kogi village	53		
		Aoki village	57		
Total responses	321		310		
Sample size	600		600		
Response rate	53.6%		51.7%		

Note: All respondents are 20 - 54 years old.

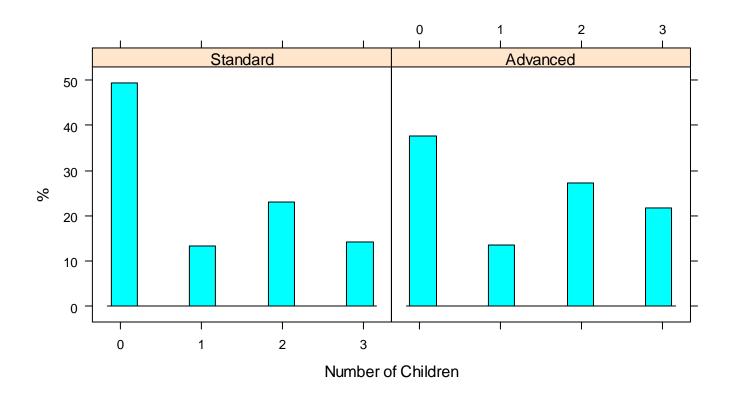
Mail survey conducted on November to December 2010.

## **Descriptive Statistics**

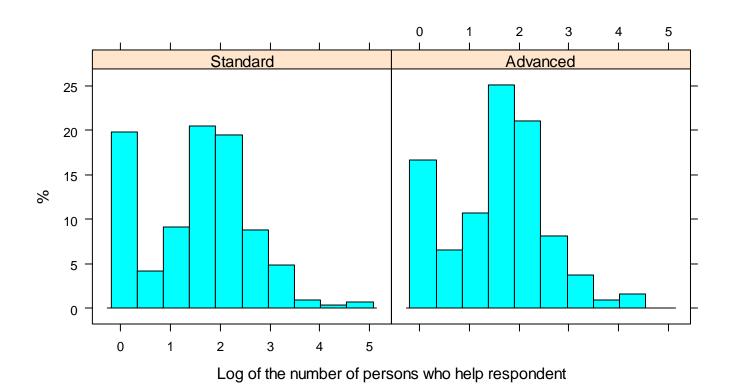
		Advanced		Standard		
		municipalities		Municipalities		_
Variables	Values	Mean	Ν	Mean	N	Diff.
Number of children	0 - 3	1.329	319	1.023	308	**
Number of persons	0 - 130	6.834	319	7.128	273	
who help respondent						
(Log of above)	0 - 4.88	1.543	301	1.527	273	
Age	20 - 54	40.43	319	40.20	308	
Household income	0 - 2000	628.4	299	612.4	283	
(Log of above)	0 - 7.60	6.243	299	6.228	283	

<sup>\*\* &</sup>lt; .01.

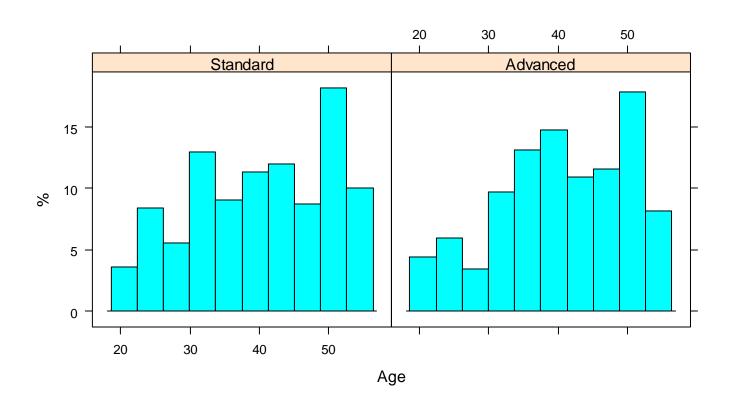
## Number of Children



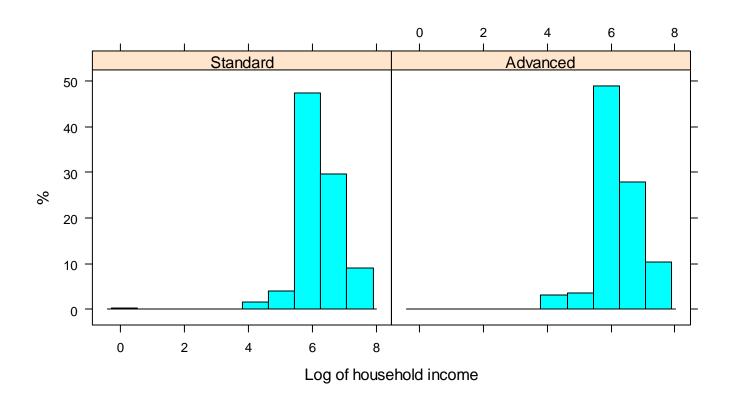
## Social Capital (Support Network)



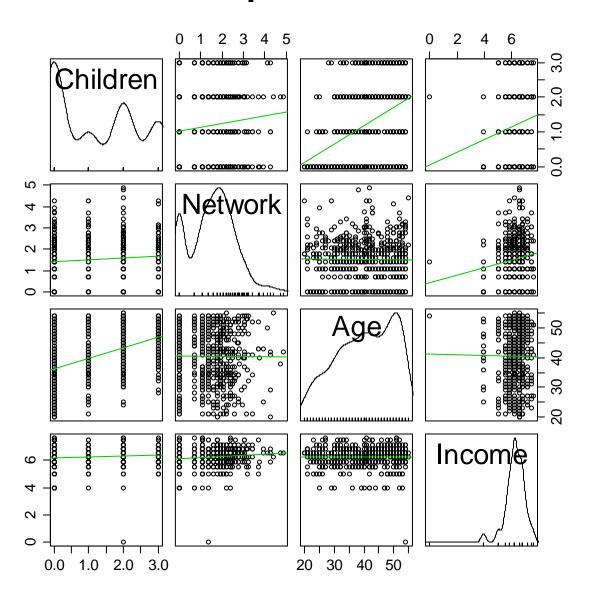
## Age



## Household Income



## Scatterplot Matrix



## Policies by Advanced Municipalities

#### **lida city**

- Promotions for immigrants from outside the city
  - For company employees
  - For prospective entrepreneur
  - For intending farmer
- Internet web site with information on child-rearing inside the city

#### Shimojo village

- Promotions for immigrants from outside
  - Especially for young people
  - Rental houses at a moderate rent
  - A low nursery fee
- Fruit
  - Total fertility rate has reached to 2.12 (year 2003-2005)

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#### **Descriptive Statistics**

		Advanced municipalities		Standard municipalities		Significance of
Variables	Values	Mean	N	Mean	N	difference
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#### **Regression Analysis (Poisson GLM)**

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