

# Feminist Economics

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*Feminist economists argue for the primary importance of unpaid work in sustaining the activities of the paid economy. This paper argues that orthodox economics fails to capture the costs and values attached to unpaid productive and reproductive work, much of which is undertaken by women. Where women enter the paid economy as workers, this devaluation of their skills is reflected in their low wages and low bargaining power. When conventional analysis informs policy-making, impacts on the unpaid, reproductive sphere are ignored. The paper gives several examples of how, by failing to recognise this, economic policies may exacerbate poverty and conflict within households – ultimately undermining both gender equity and development. The challenge is to develop and mainstream analytical tools that reflect the different economic contributions that men and women make. This depends in turn on wider efforts to recognise gender equity as a key instrument in economic development, as well as an intrinsic good.*

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Feminist economists criticise their more orthodox colleagues for confining themselves to studying the 'paid economy' of markets, prices and buying and selling. By so doing, they ignore differences between the work which women and men do, and the contribution that each type of work makes to society. The fact that women and men do different kinds of work springs from a combination of natural difference (women give birth and breastfeed!) and social norms and institutions. Feminist economists highlight the different value attributed by society to the work of women and men, and argue that this is both an outcome and a driver of systematic bias against women in society. This bias is transmitted through a variety of institutions, such as the family, markets (labour, finance) and the state.

How good is orthodox economics at representing these concerns? Not very. Homo Economicus is nominally asexual, but inhabits a very male world of paid work and priced leisure. He resembles Oscar Wilde's definition of a cynic as 'a man who knows the price of everything and the value of nothing'.

Feminist economic analysis starts by arguing that unpaid work does, in fact, carry a price – in terms of women's time and energy. Unpaid work goes unrecognised in national accounts, yet subsidises the formal paid work which gets counted. The unpaid work that women traditionally do includes work which takes place within the home – including activities such as childcare, fetching fuel wood and water, and preparing food. All this work has to be done each day if the formal economy is to continue running – women literally 'reproduce' the human race. In addition, women also have a massive – and once again uncounted – role in unpaid 'productive' work – cultivating the food their families eat, and contributing to cottage industries where the earnings go to their menfolk. None of these activities show up in conventional economic analyses; hence, the value of the work, and the workers, is ignored. Amartya Sen pointed out that women's contribution to the family livelihood is perceived to be smaller than it actually is, due to stereotypes of men as the chief or sole breadwinner<sup>1</sup>. This gap between real and perceived contribution perpetuates inequality between women and men, because it fundamentally weakens women's bargaining power in marriage and the family.

All this has huge implications for international development policy, as well as women's rights. During the 'lost decade' of the 1980s, feminist economists argued that the blindness of conventional economists to women's unpaid work was very convenient. It enabled the international institutions that imposed structural adjustment policies on developing countries to ignore the true suffering of women, men and families due to cutbacks in state provision of essential services. Backs to the wall, women struggled – and just about succeeded – in replacing these services and keeping families afloat.<sup>2</sup>

Another issue that mainstream economists appear to be conveniently blind to is the way in which gender stereotypes about work maximise the profits of the companies, which employ women as their workforce of choice. In the family, women are primarily seen as carers, while men are seen as economic providers. These stereotypes lead to women who go out to offices or factories typically being paid less than men do for work demanding an equivalent level of skills. Women are to be found predominantly doing jobs that draw on the skills needed for tasks in the home and do not challenge gender stereotypes about their roles in the family. Examples of women's work include teaching, nursing, cookery, sewing, and 'looking after' male bosses as administrators and secretaries.

Feminist economists charge conventional economic thought with underpinning late capitalism by ignoring these facts. Employers of female workforces benefit hugely from manipulating gender stereotypes about women's work and men's work. The occupations associated with caring are notoriously underpaid, but this is only the start. Since much housework and childcare is, by definition, repetitive, women have to develop high levels of tolerance for this. Hence, women are a perfect workforce for employment on assembly lines in new industries. While assembly line work in industries like electronics may be repetitive, it also demands high levels of manual dexterity and concentration. Economists Diane Elson and Ruth Pearson have argued that, for this type of work, women workers in Mexican maquiladoras draw on skills, which they learned as little girls at home.

The fact that they come into factories apparently already trained for such work leads to employers dismissing the skills needed as 'natural' to women. And this provides a very convenient excuse for employers to keep wages low.<sup>3</sup>

Employers also benefit from gender stereotypes about women and work in another way. Women's low wages, and insecure and exploitative working conditions, attract less public concern than they would do for men, because of the widespread belief that women's work is not really needed by their families. Women, the belief goes, only work outside the home for 'pin money'. The public reasons that perhaps they are bored by being at home all the time; whatever the reason for a woman seeking a 'little job', it is not desperate financial necessity. Women's real work, after all, is in the home, and any wages they earn outside do not need to cover the costs of family life. Surely all women have fathers, husbands and sons, who earn 'family wages', to support them?

The reality is that an increasing number of households are completely reliant on women's earnings. Heavy industries that typically employed men are in the decline, while there is a boom in light industries and services. With this shift has come widespread male unemployment and an increasing number of women are responsible for earning the main wage – or the only wage – in their household. In many ways, this is very positive for women, both as individuals, and collectively, as it challenges assumptions about what they can contribute to families – and, ultimately, to wider society.<sup>4</sup> Yet the conditions of this work are often appalling. Employers can afford to be complacent about women challenging them on this, too. Research suggests that the reliance of whole families on women's wages, coupled with their primary role as carers, turns many women into a singularly biddable workforce. Women cannot afford to risk family livelihoods by embarking on union activity.

Feminist economists point to the costs to human wellbeing of ignoring all these dynamics. In the short term, the crisis caused by changes in the roles of women and men often creates a backlash against individual women. Men's inability to find alternative employment which fulfills their vision of themselves as 'real men' often leads to increased violence against women and children within the home. Conventional economics fails to make the links between the 'economic' and the 'social'. Hence, the relationship between high returns to business on the one hand, and poverty and violence at household level on the other, remains invisible in the economic debate.

Feminist economic analysis has serious implications for all interested in development with equality. It highlights the need for women – and men – to become aware that their beliefs about women, men, and gender relations are often not consistent with reality. Individuals who can no longer conform to the norms they have grown up with about gender relations are placed under huge stress – both economically and socially. A desire to conform in the face of changes in the labour market harms people's ability to survive by limiting the ways in which they respond. If women can suddenly get waged employment then men might take on more caring work at home – if they are free from fears about losing status and what the neighbours might say. In reality, women often end up doing a double shift while men become depressed and violent.

Feminist economists have also shown the importance of recognising differences between women and men in terms of what they consume and in terms of family well being. Compared to men, women choose to spend a higher proportion of their income on goods such as education and health care that enhance the well being and capabilities of their children. Research from many different contexts in both the developing and the 'developed' world shows a correlation between women controlling money and improved child health.<sup>5</sup> In comparison, men are likely to spend a higher proportion of income on themselves – for example, on beer. However, men are also more likely than women to choose to invest money in longer-term enterprises including small businesses, which do not bring immediate benefits to the family. Stereotypes about different male and female roles and responsibilities allow men to be more detached than women from the challenge of putting food on the table each night.

These responsibilities also present challenges to economic analysis, which eulogises small-scale loans to women as a magic bullet against poverty. It is argued that experience shows women to be efficient in repaying loans that are invested in successful small enterprises. Yet social pressure on women is often behind the loan repayments and the money is often scraped together at the expense of family food and school fees, rather than taken from profits from thriving businesses.<sup>6</sup> The vast majority of women choose business activities, which resemble caring work within the home – so as not to threaten men – and which can be done alongside childcare. Their businesses also typically require few resources at the start, and lack sophisticated marketing chains.<sup>7</sup> Women entrepreneurs are much less likely to be successful, partly because of the businesses they choose, but also partly because women seem to be more risk averse than men. This is likely to be because of their role as primary carers for families.<sup>8</sup>

The fact that conventional economists appear to be blind to all these issues is, at the very least, a problem for women and for society at large. As illustrated above, gender inequality is both unacceptable in itself, and is a driver of poverty and inequality.

More women than men are poor, illiterate, and otherwise disadvantaged, and by ignoring gender issues, economists may exacerbate problems, increasing pressure on the state. Policies blind to gender issues inadvertently increase conflict in families by forcing women and men to challenge profoundly important norms about who and what they are. These take a toll not only on the individuals concerned, but also on the public purse. Violence against women perpetuates and increases poverty, presenting governments and international development agencies with greater numbers of people to support through welfare and associated services. For example, domestic violence or the fear of it prevents women from taking up livelihood opportunities ranging from factory work to beer brewing in the informal sector. It also affects women's involvement in development initiatives.<sup>9</sup> It puts pressure on health services by increasing the number of women presenting with injuries caused by violence. Domestic violence also decreases the likelihood that couples will accept family planning.<sup>10</sup> Wife abuse has also been linked to decreased nutritional status in children,<sup>11</sup> due to women's decreased chances of controlling income. This sets up a range of challenges for the health and education of future generations.

On the other hand, understanding gender differences can lead to decreased demand on services. It also leads better policy design, and provides solutions. Three examples are described.

## **Agriculture**

In many sub-Saharan African countries, trade liberalisation has stimulated the production of cash crops, while increasing import competition for producers of food crops. Women have generally been adversely affected since they are usually small farmers engaged in the production of food crops, with little control over cash crops. In general, women are slower than men to take advantage of new opportunities that emerge because of their relative disadvantages in gaining access to credit, new technologies and marketing networks, for example.<sup>12</sup> In households in which women's bargaining power is weak, men may decide to use their power to force women to increase time spent in cash crop production, while retaining control over the higher income that results. This potentially has a very bad effect on family nutrition, since women have less time available to grow food crops. Even if husbands let them take some cash crops for household use, families cannot live on the sugar, coffee or chocolate grown for export. Ultimately, the only way around this is for women to cut back on sleep and essential tasks. Women have challenged this chain of events by deliberately working inefficiently on male-controlled fields, calling into question assumptions on the part of international institutions that smallholders are more efficient than large-scale agricultural enterprises because of using family labour.<sup>13</sup>

## Taxation

Shifting the burden of taxes from income taxes to sales taxes, which is currently the trend in many developing countries shifts the tax burden from men to women for several reasons. First, this is because most wage earners that pay taxes are male, while most consumers of essential items are female.<sup>14</sup> Secondly, sales tax shifts the tax burden from the rich to the poor – the majority of whom are women. There are also gender issues in relation to income tax, and blindness to these leads to policy failure. For example, tax allowances for families are often channeled via men, as household heads – yet the benefits do not necessarily get passed on to women consumers. And local taxes which impact on people working informally – for example, rental paid to councils on market stalls – impact disproportionately on women since they are the majority of workers in the informal sector.<sup>15</sup>

## Public Spending

Cuts in government spending on health and education are likely to create hidden costs to the economy in other areas, such as increasing the burden on women in looking after sick relatives, or in undermining girls' education when families react to the introduction of 'user fees' by withdrawing daughters from school. These policies affect national economies in that they affect both the amount of time women can spend earning income, and the quality of all the work they do, both at home and at work, while suffering from chronic fatigue. They also militate against women in poverty taking up positions of political leadership, and hence set up a vicious circle of policy formulation, which is blind to gender issues.

### The gender impact of trade promotion in Lesotho

Trade liberalisation has led to the rapid growth of the garment industry in Lesotho, opening up new employment opportunities for young women in this extremely poor country. Women in the country have taken up these opportunities with alacrity due to mass male retrenchment from unskilled minework in South Africa, which began in the mid-1980s and gathered pace as apartheid ended. A study of women workers in these factories looked at the relationship between the working conditions and their capacity to care for their children. The major obstacle mothers faced were long and inflexible work hours, between 10 and 12 hours a day during the week and up to 10 hours a day at weekends. During periods when hours were even longer, women reported never seeing their children awake. They were allowed no time off to care for, or get medical care for, their children. They were required to produce a medical certificate when getting care for themselves, although their wages were deducted for the time. Some women therefore avoided both pre-natal and post-natal clinics, putting their own health as well as that of their children at risk. Economic need and low wages meant that most mothers had returned to work one week after giving birth, thus limiting or stopping breastfeeding. They also had difficulty in meeting the new expenses related to motherhood. Infant formula is expensive, so often their infants received severely diluted milk and/or sugar solutions. Their low wages also limited their choice of paid caregivers, relying on unpaid relatives, who were usually very young or much older.<sup>16</sup>

### What needs to change

The tools of economics need to be changed so that they reflect gender differences. That means either replacing or complementing conventional indicators like GDP with others that capture both paid and unpaid activities. However, counting the 'hidden economy' poses significant technical, measurement and valuation problems.<sup>17</sup> John Ralston Saul has argued: 'We are in desperate need of a reformulation of the idea of growth... It is difficult to imagine how we might escape our ongoing economic crisis unless we can reconsider [its] nature... By reconsideration, I mean that we must attempt to draw back far enough to see where value lies in society'<sup>18</sup>

Progress has been made in developing indicators, which give a picture of the impact of policy on social equality, and on gender equality in particular. The UN Human Development Index (HDI) and Gender Empowerment Measure (GEM) together paint a picture of gender relations at national level.

However one key indicator is missing, which feminists require for any analysis of the impact of national development strategies: time-use.<sup>19</sup>

In many countries, political pressure has resulted in more priority being given to assessing the gender impact of any likely policy reforms on, for example, women's income or the burden of unpaid work.

In many countries, civil society groups and governments have developed 'gender budget monitoring' as a way to assess and influence the gender impact of government spending.<sup>20</sup>

Whether such efforts prosper will depend on the power of combining the instrumental arguments for gender equity, (i.e. that it produces a more efficient and prosperous economy) with the intrinsic arguments for equal rights for women. In many countries and communities, they confront deep-seated resistance in attitudes and beliefs about women's 'proper role' in society. However, the global spread of women's rights and universal suffrage show just how fast social attitudes are changing, transforming political and economic structures as they do so.

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## Notes

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<sup>18</sup> Op. cit.

<sup>19</sup> Op. cit.

<sup>20</sup> See <http://www.idrc.ca/gender-budgets/>.