

Chapter 13

HOW DOES ECONOMICS ADDRESS GENDER?

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13.1. Introduction

In some ways a chapter concerning the incorporation of gender into economics, both within mainstream economics and throughout the history of the subject, could be very short. Indeed, despite attempts at bringing gender into economic analysis, economics remains a long way from being a fully gendered discipline. Given the piecemeal nature of attempts at incorporating gender into economic analysis both historically and today, this chapter will focus on one particular area in which the issue of gender has repeatedly arisen. This is in relation to work: the chapter attempts to map how gender differences across the world of work and their consequences are understood across the history of economic thought and what particular solutions these different approaches give rise to. By focusing on the issue of gender and work, we are able to gain a rich comparative understanding of how different schools of thought have addressed the topic of gender and work, including regarding what methods and models have been applied and what gaps in understanding remain and why.

This chapter is organised as follows. The first section defines what we mean by gender and explores the importance of such a definition for the way in which economics might incorporate gender. Subsequent sections draw on this definitional discussion, highlighting how particularly truncated understandings of gender have, in turn, influenced methods, approaches to problems and subsequently the solutions that arise.

The next section discusses the ways in which gender has been addressed and incorporated into mainstream economics, focusing in particular on the topic of work. We trace the shift from Neoclassical economics to the New Home Economics and from there to New Institutional approaches to gender in the labour market.

While Neoclassical economics before the 1950s largely ignored gender, the New Home Economics heralded the application of Neoclassical methods and models to understanding behaviour and decision-making within households, thereby ostensibly addressing the gender gap in economics. As will be shown, however, a set of paradoxical developments, especially

in relation to labour market developments in industrialised countries, led to a shift towards the application of New Institutional concepts to issues of gender and work, as a way of gaining greater insight. While some of these attempts have proved useful in filling the obvious gaps of the New Home Economics, questions and concerns remain. Subsequent sections of this chapter therefore invite the reader to unpick the mainstream approach to gender further, by exploring alternative approaches to gender in the labour market, originating in other schools of economic thought.

Section 3 explores the alternative approach offered by Old Institutional economics to questions of gender and work, contrasting this with the New Institutional approaches integrated within mainstream economics today.

Section 4 refers back to Classical political economy to contemplate the inclusion of gender and discusses whether the androcentric bias of mainstream economics might be overcome by a return to Classical political economy topics, methods and approaches. An important contribution made by Classical political economists, and in particular Marx, to the treatment of gender and economics, relates to methodology, through their emphasis on social relationships and power dynamics.

Section 5 concludes the chapter by exploring the ways in which Feminist economists have made use of non-mainstream economics approaches, methods and ideas to demonstrate that a *better* economics is possible. The chapter highlights the importance of the history of economic thought to the development of this relatively new field of Feminist economics.

Feminist economists share a common dissatisfaction with mainstream, orthodox economics in that the latter fails sufficiently to incorporate questions of gender into the analysis.

Feminist economists have frequently drawn on alternative theories to criticise mainstream economics. This critique has spanned the spectrum of topics explored by mainstream economics as well as the methods and models it employs to explore these. For Feminist economists, the use of alternative methods and models, borrowed and extended from the history of economic thought, serves, on the one hand, to gain a richer understanding of existing issues and, on the other hand, to pose new questions as compared to orthodox economics.

13.2. How to bring gender into economics?

To establish what is problematic about the current orthodoxy's attempts to tackle gender, and to understand where the limits of previous attempts to incorporate gender lie, an important distinction needs to be made – that between sex and gender. This distinction goes to the heart

of why gendering economics matters. It matters not just because there is a need to apply existing accepted methods and models within mainstream economics to topics that bear on women's lives, but also because we need to scrutinise and question the way in which economics is based on a number of gendered assumptions, biases and values, resulting in a truncated understanding of society.

For most Feminist economists, the distinction between sex and gender is therefore a crucial starting point when assessing economics' gender credentials. Engaging with the sex–gender distinction highlights how current Neoclassical economics is masculine in the way it reflects gendered, societal beliefs about masculinity (Nelson, 1995). For economics as a subject to change, we must therefore first acknowledge that such gendered assumptions enter the subject via the questions we ask and the methods and models that we employ to answer those questions. Rather than assuming that economics as a subject is value-free, objective and impartial in the questions it asks and the methods it adopts, the masculine gender norms that have influenced the subject need to be revealed (Box 13.1).

Box 13.1: Sex versus gender in economics

An important distinction that needs to be made is that between “sex” and “gender”, and how these categories are understood and deployed in economics. While sex concerns biological characteristics associated with being female or male, gender is constructed by society itself on the basis of sex differences. World Health Organisation definitions highlight these definitional differences between sex and gender.

“Sex refers to the biological characteristics that define humans as female or male. While these sets of biological characteristics are not mutually exclusive, as there are individuals who possess both, they tend to differentiate humans as males and females” (World Health Organisation, 2006, p. 5)

However, “(g)ender refers to the economic, social and cultural attributes and opportunities associated with being male or female at a particular point in time” (World Health Organisation, 2001)

But why should these differences matter to economists? This crucial question can be answered by considering an example from the nineteenth century, when it was discovered that women's brains weighed, on average, less than men's brains. This sex difference remains undisputed. However, based on this finding a number of gendered conclusions were drawn. Women were perceived to be less rational, more likely to suffer from hysteria¹ and more driven by emotion than reason, as a result of their smaller brain size (Nelson, 1995; Barker, 2001; Barker and Feiner, 2004).

While we have come a long way towards dispelling such sex-based conclusions, this essentialist view of sex differences underpinning economic realities still inhabits a vast swathe of the economics profession. As this chapter highlights, across questions of gender and work, whether in current or past economic thinking, sex differences have been relied upon both to understand and rationalise

phenomena such as the gender pay gap, occupational segregation and the division of labour between men and women within the **home**.

By acknowledging how gender is embedded within economics two important steps forward can be made. First, questions of gender can be brought to the forefront of the analysis, rather than lie embedded but poorly understood as they currently are. Second, we might move away from associating judgments about value (what we consider to be worthwhile and valued in economics) from perceptions of gender (Nelson, 1995, 2008). By doing so, economic theorising may come to illuminate economic realities rather than overly abstract from them.

Box 13.2: Gross domestic product: a Feminist critique

Waring's (1988) Feminist critique of our main measures of economic activity and progress, summarised in the measure of a country's Gross Domestic Product (GDP), has shone a light on how such aggregate accounting measures are underpinned by patriarchal values and a reality that has been constructed to reflect a certain, and quite limited, human experience. Waring's work begs us to ask: What does and does not count towards GDP? Who is doing the counting? And, what are the data used for?

Posing such questions immediately clarifies the ways in which work traditionally done by women has been left out of our measures of economic progress. Traditionally, work has been defined as paid economic activity linked to the market. Therefore, on the one hand, work that may be harmful to society, the environment or our health, such as the production of tobacco and pollution from factories, does count in our main measure of economic progress. On the other hand, unpaid care-giving work, traditionally carried out by women, is not deemed to have monetary value and is excluded from GDP accounting. As well as unpaid care-giving, subsistence production, informal employment and voluntary work are also excluded from internationally comparable GDP measures. Each of these activities is notably imbued with gender considerations (Beneria, 2003).

Since Waring's criticisms of national accounting practices and measures, progress has been made to at least measure the contributions made by women to the economy via satellite accounts derived from time-use surveys. However, such surveys are far from universal and work remains to be done to fundamentally shift our definitions of what it is to do productive work and what therefore should count at the **aggregate level**.

13.3. From Homo Economicus to New Institutional economics: mainstream approaches to gender and work

Let us begin by investigating the gender credentials of mainstream economics today. The Marginal revolution of the late nineteenth century brought with it the advent of economics as

a scientific study of the optimisation of rational agents' choices under constraints (see Chapter 2). The unit of analysis was the individual or the firm. The behaviour of such entities could be predicated on the basis that they made decisions at the margin, to maximise their utility or profit, given constrained resources. The new economics limited its interest to marketed activities, or as Pigou (1920) put it: economics is concerned with "that part of social welfare which can be brought directly or indirectly into relation with the measuring rod of money" (Pigou, 1920, p. 11).

As such, Neoclassical economists very quickly drew a distinction between time spent in "productive" activities in the market sphere and time spent on any other activities outside the market sphere which could be counted as "unproductive" or "leisure" activities. Importantly this leaves out activities that cannot be brought in relation with the measuring rod of money, including unpaid domestic work, subsistence production and the labour involved in reproducing individuals doing market work, both daily and generationally (see Box 13.2). Such activities instead are classed as unproductive or fall outside of the market sphere and are therefore classed as "leisure" activities within the Neoclassical framing. The rational individual that lies at the heart of Neoclassical economics as it emerged in the late nineteenth century was most certainly male, making choices between work and leisure in an isolated social vacuum. As Nelson (1995, p. 135) succinctly summarises, "economic man interacts in society without being influenced by society; his mode of interaction is through an ideal market in which prices form the only, and only necessary, form of communication" (Nelson, 1995, p. 135). To some degree, such assumptions about economic man were influenced by the economic reality of the nineteenth and early twentieth century (or at least that observed by a certain class of men). For example, in 1900, less than 20 per cent of American women worked for pay, with the traditional male breadwinner household being the norm. Such norms, however, mask a contrasting story based on colour, race and class, particularly in the United States, where the rate of labour force participation for women of colour was more than double that of their white counterparts in the late 1800s and early 1900s (Costa, 2000). However, economic reality began to shift over the course of the twentieth century, driven in a large part by the two world wars, and women in the United States, as well as Europe, increasingly participated in the formal labour market (Mincer, 1962). By the end of the century, female labour force participation in the United States had risen to 60 percent (Costa, 2000). Within this changing reality, it is widely argued that Becker (1965, 1981), Schultz (1974, 1975) and Mincer (1962)

were the first to challenge the prevailing orthodoxy in economics, pointing out the problems with treating the household and synonymous with the individual.

Becker and Schultz, among others, advocated the application of existing Neoclassical methods and tools to understanding decision-making and behaviour *within* the household or family unit. This allowed them to analyse subjects such as marriage, divorce and motherhood by extending rational choice economics to the realm of the family and to explain certain gendered phenomenon and gendered roles. In order to derive such explanations, they based their analysis on a number of simplifying assumptions that derived from standard Neoclassical economics (see Box 13.3) (see also Chapter 5). As will be shown, however, the development of the New Home Economics did not sufficiently tackle the economic realities relating to gender and the labour market that begun to emerge over the second half of the twentieth century. Only once New Institutional economic approaches were incorporated by the mainstream economics profession were issues such as persistent gender pay gaps and labour market discrimination analysed. We will return to these.

Box 13.3: Assumptions about the family in New Home Economics:

- Households consume but also produce: each household or family is like a small firm, producing market and non-market outputs or services of value to the economy and to family members.
- Primary inputs into the family are the time of each family member.
- Household/family outputs include market goods and services (paid work outside the home) and non-market goods and services (unpaid work inside the home such as childcare, cleaning, cooking).
- Family members are rational utility-maximisers, maximising a joint household utility function.
- Resources (time and money) are scarce and choices are made under these resource constraints.
- Preferences are stable, interdependent and exogenous to the household.

Based on the assumptions in Box 13.3, the New Home Economists sought to answer questions such as why do couples marry and why do they divorce? Importantly, they also began to tackle questions in relation to work and labour markets. In particular, they sought to explain why women earned less than men in paid work and why women were more inclined to specialise in household work than men and why men specialised in higher-paying paid

work? Their reasoning relied heavily on the human capital approach, which was then linked to an application of Smith's division of labour to the household. The reasoning proceeded as follows (see Mincer, 1962; Schultz, 1974).

To begin with, men and women's earnings and productivity are a reflection of their individual investment in human capital. Over their lifetime, on average women choose not to invest in the same amount or type of human capital as men, and further interrupt such investments by leaving the labour market to raise children, which is in turn reflected in their lower productivity and therefore lower relative pay. Such a human capital analysis can therefore explain why women are paid less than men and why they choose to work in specific "lower-skilled" sectors, where their human capital is less likely to be depleted during their time out of the labour market, raising children.

The human capital approach is also used to explain the division of labour between paid and unpaid work within families (Becker, 1965). Based on the assumptions in Box 13.3, particularly that households are producers as well as consumers, individual household members should be allocated to activities according to their comparative or relative efficiencies so that ultimately joint household utility is maximised. This means that members of the household that are more efficient at market activities should specialise in these and household members more efficient at home production activities should specialise here. They can then pool the resources produced to maximise their joint household utility. How do we know which household member is more efficient at home or market production activities? The gender differences attributed to human capital investment discussed above and the outcomes of these in terms of differences in remuneration in market activities helps to explain why men end up specialising in market activities and women in home production activities. The causes of the gap in earnings between men and women in market production activities were, until recently, left unexplored among mainstream economists. What matters to the division of labour within the household is the reality that such a gap in earnings exists and is exploited to determine who should specialise in home and market activities. The differences between men and women's earnings might be quite small and crucially either one may be more efficient at both market and home production, but once their comparative advantages are taken into account, a gendered division of labour still prevails. As Becker (1981, p. 39) summarises:

biological differences in comparative advantage between the sexes explain not only why households typically have both sexes, but also why women have usually spent their time

bearing and rearing children and engaging in other household activities, whereas men have spent their time in market activities. This sexual division of labor has been found in virtually all human societies, and in most other biological species that fertilize eggs within the body of the female.

Within mainstream economics, New Institutional approaches have been increasingly incorporated over the second half of the twentieth century. Issues relating to gender and work have not been left untouched by such developments within economics. In particular, the unanswered concerns over gender pay gaps and the shifting tide over women's increased labour market participation begged researchers to look beyond the New Home Economics for answers. North's (1991) and Williamson's (1993) foundations of the New Institutional Economic (NIE) have heralded a new era of attention on the role of institutions in shaping the context in which individual- or firm-level decisions are made. NIE still relies on a Neoclassical framework, considering how and why institutions matter to efficiency or competitive outcomes.

Applying such a framework to gender concerns has resulted in works that seek primarily to answer two open questions. These are, first, to explain rising female labour force participation rates; and, second, to explain occupational segregation and related gendered pay gaps in paid work.

Turning to the first of these, the rising female labour force participation rate in the United States and Europe, it has become clear that the Neoclassical explanation arising from the human capital approach falls dramatically short. Goldin's (2014) research has repeatedly shown that we must look beyond increases in educational attainment and the training of women to understand why women have entered the labour market as never before over the second half of the twentieth century. Filling such a void, Oppenheimer (1970) turns to institutional factors to explain such gendered labour market changes. Oppenheimer's research, rather than relying solely on supply-side factors relating to education and training, also considers how changes on the demand side among firms and employers led to an increase in jobs specifically for women. She accepts the gendered segregation of jobs in the economy, seeing this as a result of societal institutions or norms that require a long time to change. Instead, her argument rests on the assumption that there has been a growing demand for female-specific jobs. One can see this as part of the wider shift towards the service-dominated economy in the United States and Europe and the movement away from manual work towards jobs requiring brain rather than brawn.

NEI-related work exploring the second question on labour market outcomes in relation to pay and occupation segregation is heavily influenced by the economics literature on discrimination in the context of asymmetric information (Goldin, 2014a, b). Bergmann's (1974) pioneering work in this area demonstrates that the underlying reason for the lower pay of women as compared to men does not result from rational choices to consume less human capital than men, but rather from discrimination among employers. Bergmann's overcrowding thesis takes the existence of discrimination between men and women (or for that matter discrimination based on race or ethnicity) as given and focuses on the consequences of such discrimination. Her work borrows concepts from Neoclassical economics, assuming that workers, whether male or female, are paid their marginal product of labour and that they are equally productive. Crucially, however, Bergmann drops the assumption of perfectly clearing, competitive labour markets, proposing instead that labour markets are segmented into female-dominated and male-dominated sectors.

Bergmann argues that, due to the existence of gender-based discrimination, women are restricted to a smaller pool of available jobs than men. As a result, women compete with each other over the small number of jobs available to them, pushing up the labour supply in these jobs and therefore causing the wage in these sectors to decrease. Men, unhampered by such discrimination, can "freely choose the job they want" and face less competition from women in male-dominated sectors. This results in reducing labour supply in male-dominated sectors, in turn pushing up wages in these sectors. Bergmann's work, by doing away with the assumption that labour markets are perfectly competitive as in the original Neoclassical model, but instead understanding labour markets as segmented, provides a link between occupational segregation and the gender pay gap.

13.4. Questioning the mainstream approach to gender and work

Scrutinising the mainstream approach to incorporating gender into labour markets analysis brings out a number of concerns. Such concerns have been the starting point for Feminist economists to explore alternative explanations, including by delving into the history of economic thought (see below).

What clearly emerges from the discussion of the mainstream economics approach to gender and work is that the outcomes we observe in the real world, including the gender divisions of labour between domestic and paid work, the gender earnings gap, and occupational segregation along gender lines, are all explained by choices of rational agents. The approach implies that these outcomes can be sufficiently understood on the basis of individual,

household or firm decision-making processes without the need to consider other factors that might bear on these outcomes. Yet there are a number of factors, including society's social and gender norms, that affect gendered decisions within the household and society at large (Folbre, 1997).

One persistent problem for the New Home Economics has been its inability to explain various paradoxical trends in relation to gender and the labour market. For example, the rise in female labour market participation over time is accounted for in the New Home Economics by assuming that there has been a redistribution of domestic work to other household members, most notably men, as well as technological advances within the home which have permitted women to take on additional paid work outside the home. However, Feminist economists have time and again shown that this has not occurred to the extent the theory would suggest. Instead we see rising double burdens of paid and unpaid work for women (England, 2005; Antonopoulos, 2009).

It is now apparent that the restrictive assumptions outlined in Box 13.2 concerning the way in which rational individuals and households make decisions are so abstracted from reality that ultimately they cannot explain very much at all (Kabeer, 1998). Indeed, the New Home Economics and its treatment of gender highlights how economics as a discipline has been open to the incorporation of gender in a very limited way. Precisely because of the weaknesses of the mainstream approach to understanding intra-household dynamics and broader structural features of the economy, a wide array of alternative household models have emerged within applied economics and Feminist economics. Those interested in reading further about such models should consult Agarwal's (1997) review as well as a recent overview by Himmelweit et al. (2013).

Despite such criticisms and the emergence of alternative household models, the New Home Economics remains a centrepiece of microeconomics, particularly in relation to the way in which it is taught at undergraduate level. Pollak (2003, p. 137) observes how:

Gary Becker's influence on the economics of the family has been pervasive. His ideas have dominated research in the economics of the family, shaping the tools we use, the questions we ask, and the answers we give.

Given the issues raised with the New Home Economics and its failure to grapple with deeper issues around gender and work, it is worth assessing the merits of NEI-influenced approaches to gender and work. Waller and Jennings (1990) highlight, that despite the availability of tools to incorporate gender into contemporary institutional analyses, Institutional economics

(or rather the New Institutional Economics) remains hampered by the tools of mainstream economics, instead of pursuing the broader perspective of its institutional forefathers, which will be discussed below.

One major shortcoming of the NEI approach has been its lack of a dynamic analysis, i.e. of changes over time, as well as its neglect of the role of power in accounting for how gendered outcomes, determined by institutional norms, in turn influence the development of the economy or society more broadly. This is exemplified in the influential contributions of Bergmann (1974) and Oppenheimer (1970), which are unable to explain where segmented labour markets originate from and take the existence of discrimination within the labour market as given, rather than attempting to unpick this. Nonetheless, both Bergmann and Oppenheimer's research opened the door for other Feminist economists to question the concept of discrimination more deeply, arguing that "labor market discrimination is a multi-dimensional interaction of economic, social, political, and cultural forces in both the workplace and the family, resulting in differential outcomes involving pay, employment, and status" (Figart, 1997, p. 7) As such, the NEI contributions did highlight the need for alternative policy prescriptions on the question of women and work. Instead of prescribing what women themselves could do to raise their human capital investment, the focus shifted to what companies and the state might need to do to address discrimination and gender-biases in the workplace.

A further issue with both the New Home Economics and NEI approach has been their limited ability to see the bigger picture. For example, understanding gender outcomes in the labour market also requires an understanding of the nature and role of the state. Similarly, viewing the labour market as segmented along gender lines misses some other important segmentations (and their intersections), including those of class and race. Some of the concerns raised above pertaining to the bigger societal questions have been central to the analysis of the Classical political economists of the eighteenth and nineteenth centuries. Let us now revisit what they had to say in relation to gender, by first considering the Old Institutional thinkers, and, subsequently, the Classical political economists.

13.5. An Old Institutional Economics contribution to our understanding of gender

Despite their name, the NIE perspective differs dramatically from the Old Institutional view of gender and work. In fact, the latter has more in common with sociology and anthropology than with the economists discussed above and proposes an understanding of gender that is much richer than that of their mainstream colleagues.

Veblen, the father of the Old Institutional Economics, addresses questions of gender implicitly, by considering economic realities as firmly rooted within social institutions and, not abstracting from these, as is the case with Neoclassical economics (both New Home Economics and the NEI). Decisions, behaviours and outcomes in relation to consumption, work and leisure do not emerge from individual rational choices, but are understood to be socially constructed (see Chapter 5). In Veblen's *Theory of the Leisure Class* (1899), patriarchy and societal gender norms are central in explaining how and what we consume (Gilman, 1999). Such gendered norms, for example, help to explain why "conspicuous consumption" is often gendered, with women acting as proxies for their husbands in consuming conspicuously so that women, and particularly middle-class women, must appear to be idle in order to be respectable ... They have to supply not only the means of living, but also the means of advertising the fiction that they live without any gainful occupation; and they have to do all this while encumbered with garments specially designed to hamper their movements and decrease their industrial efficiency. (Veblen, 1894, p. 204)

While Veblen's ideas regarding consumption were insightful (see Chapter 5), his analysis of women in the workplace was given less attention. However, it has since been picked up by a number of Feminist economists who have deployed elements of his more dynamic institutional approach to understanding gendered labour market outcomes. They specifically root their discussion in a deeper understanding of power, in relation to both capitalism and patriarchy, and apply this to an understanding of gendered societal norms and how these relate to the labour market. This is exemplified by approaches that view the labour market itself as a gendered institution (Elson, 1999), which continuously embodies and transmits gender inequalities in a multitude of ways. Such approaches argue that such an understanding of economic interactions must be the starting point for any analysis of gendered labour market outcomes and policy decisions (Odebode and van Staveren, 2014).

13.6. Classical political economy, gender and work

It will come as no surprise to readers that the Classical political economists, by which we mean the likes of Smith, Marx and Ricardo, did not consider gender a central object of their analysis. However, to discard their contribution to our understanding of gender within economics is perhaps premature.

The Classical political economists were concerned with distribution as much as they were with production. Unlike their Neoclassical descendants, these *political* economists were

concerned with very different questions than the optimisation of utility under constraints, including the nature and causes of the wealth of nations, its accumulation and distribution (Smith, 1776).

However, Smith had little to say about the role of women in fostering such wealth of nations. Indeed, his writings contributed to the division of spheres of interest among subsequent economists. As Pujol (1992, pp. 22–23) highlights: “As the divisions between the public and private sphere, between the market and the home, between production and reproduction, are perfected, economic writings come to focus exclusively upon the first elements of these dichotomies.” The result has been that very little can be found in the writings of Classical political economists and their Neoclassical descendants that focuses on women, the domestic sphere or the relationship between reproductive and productive activities.

Notwithstanding these general remarks, economic historians (Pujol, 1992; Dimand, Forget et al., 2004) now concede that Smith’s ideas on the “women’s question” was further developed than his official publications would suggest. A closer reading of his *Lectures on Jurisprudence* (Smith, 1762–64 [1978]) reveals the beginnings of a distinction between sex and gender, highlighting that there are innate differences between men and women but that “the social significance of these forms of human diversity depends on the material and cultural character of society” (Dimand, Forget et al., 2004, p. 231). The overall argument for Smith was that the development of commerce and industry would improve the lot of women by increasing the importance of brains over brawn. The outcome of this would be that the innate differences between men and women would become less significant in a society built on commerce than in a predominantly peasant society.

Smith’s ideas in relation to gender equality were not developed elsewhere in his economic writings and were halted by his death in 1790. It was therefore left to his students, such as Millar (1771 [2006]) and Mill (1869), to take these ideas forward. On the one hand, social conservatives such as Millar (Millar, 1771 [2006]) were concerned with the potential implications of Smith’s emancipatory view of economic development for the fairer sex, arguing that if women gained economic freedom they would begin to demand the sexual freedoms enjoyed by men and that this could potentially undermine paternity and destroy the Victorian family unit (Dimand, Forget et al., 2004). On the other hand, libertarians such as Mill (1869) took a different stance. Together with his wife, Harriet Taylor, they were deeply concerned by the subjugation of women in Victorian society (Mill, 1869). Harriet Taylor’s influence on her husband’s writing (even to the point of some questioning the sole authorship

of some of Mill's work (Pujol, 1992)) has been a subject of interest to a number of economic historians (Pujol, 1992; Bodkin, 1999). Mill and Taylor shared the view that the oppression of women was one of the few remaining relics from a previous period that severely impeded the progress of humanity:

the principle which regulates the existing social relations between the two sexes – the legal subordination of one sex to the other- is wrong in itself, and now one of the chief hindrances to human improvement; ... it ought to be replaced by a principle of perfect equality, admitting no power or privilege on the one side, nor disability on the other.

(Mill, 1869)

For Mill, three major aspects of women's lives prevented them from attaining full economic autonomy, namely the construction of society and its beliefs about gender; the level of education among women; and the institution of marriage. Mill and Taylor, in opposition to their Neoclassical offspring, for the first time expose the relationship between men and women for what it is – a power relationship in which women depend on men and are treated like children rather than autonomous beings. Such a treatment of women is seen within the home as much as within the labour force where women do not receive equal pay and where women's jobs are often overcrowded, leading to a further deterioration of pay (Mill, 1848; Mill, 1869).

Such an assessment of the situation of women in Victorian England was incredibly avant-garde for the nineteenth century. Despite these forthright views, when it came to recommendations for action, Mill and Taylor's ideas parted ways, with Mill's conclusions remaining embedded in his liberal Victorian and class bias. For Mill, marriage and employment remained incompatible for a woman. Instead he supported men receiving a family wage that in turn could support women to remain at home to take care of domestic duties. Taylor, however, argued that women should be permitted to enter the labour force with the same rights and responsibilities as men (for more on their differing views see Pujol, 1992).

Mill's assessment falls short because it is littered with contradictions on his ideas about women and the family unit. As Pujol (1992, p. 36) succinctly concludes:

The main weaknesses of Mill's liberalism in his parallel belief in the perfectability of the basic institutions of patriarchy (marriage and the family) and capitalism (private property) as evidenced by his declaration that none of these institutions have "had a fair

trial”. He fails to see that both systems rely on power relations, between classes and between the sexes, and are incompatible with equality.

Mill and Taylor’s liberation stance on the question of women within society also won the disapproval of a number of political economists following in the footsteps of Marx, most notably Luxemburg, who saw the fight for women’s suffrage, to which Mill and Taylor contributed, as a fight for bourgeois society women in opposition to working-class men. Luxemburg (1973) therefore viewed the bourgeois woman of her time as a “parasite of a parasite” without considering her commonality with the proletarian woman who is the slave of a slave (MacKinnon, 1982, pp. 521–522).

Turning now to Marx himself, it is evident that he had little to say on the question of gender and women. However, his schema for understanding the capitalist mode of production and his labour theory of value were subsequently developed further from a gender perspective, particularly by Engels (1902), Luxemburg (1973) and Bebel (1910). Nonetheless, their treatment of questions relating to gender has been critiqued for its class-reductionism, assuming that, like race, ethnicity and other arenas of power relations, gender can be viewed as derivative of class relations (Albelda, 2001).

Engels (1902) argued that women’s subordinate economic position derived from the social organisation of production rather than biology. In other words, the capitalist system was organised in such a way that it also fostered the subordination and exploitation of working-class women via their domestic work within the home. Engels and Bebel’s solution to women’s super-exploitation was the overthrowing of capitalism. This would result in women becoming full members of social reproduction, equal to men and “women’s equality would follow automatically when capitalist exploitation was removed” (Himmelweit, 1984, p. 169). For Bebel, the arrival of socialism had benefits for men and women equally: “The ‘golden age’ of which men have been dreaming, and for which they have been yearning for thousands of years, will come at last. Class rule will forever be at an end, and with it the rule of man over woman” (Bebel, 1910).

It is unfortunate that the mechanisms through which such an end to female exploitation within the home would occur were not fully developed by Engels or Bebel. As a result, they came under heavy criticism by feminists such as Hartmann (1979) who argued that such Marxist-rooted analysis is sex-blind by ignoring the importance of patriarchy and the dynamics that drive the “rule of man over woman” that operate separately from the capitalist

mode of production. Hence, the conclusion that the end of capitalism would also mark the liberation of women was one many feminists struggled to accept (Jefferson and King, 2001).

13.7. Feminist economists re-visit Marx

While Marx himself and those that directly followed his approach in the early twentieth century offered only a limited analysis of gender within the economic system and as a result failed to suggest fruitful solutions to persistent gender inequalities, Marx's approach was revisited by so-called Socialist feminists or Marxist feminists in the 1970s and 1980s and continues to be discussed today (Fraser, 2014). These feminists sought to revive and extend Marx's methodological approach, that of historical materialism, to shed light on women's oppression through their lived experiences.

Marxist feminists highlight that Marx's analysis of the exploitation of workers' labour power by capitalists, as the driving force of the capitalist mode of production, does not explain where such workers arise from and how they reproduce themselves. In other words, how are such workers able to survive daily (who cleans their homes and clothes while they are working? Who purchases food and cooks their meals?) and where does the next generation of workers emerge from? Clearly, the wage labour that the capitalist system relies on "could not exist in the absence of housework, child-raising, schooling, affective care and a host of other activities which help to produce new generations of workers and replenish existing ones, as well as to maintain social bonds and shared understandings." (Fraser, 2014, p. 61)

A number of notable debates arise from these observations of Marxist feminists. The first of these relates to how domestic labour is incorporated in to a Marxist schema. For Delphy (1980), domestic labour can be viewed as a distinct mode of production in its own right rather than such labour contributing and coexisting with other forms of production under capitalism (or other modes of production) (Hartmann, 1979). Delphy (1980) continues by highlighting that, while it is possible for almost all of a housewife's services to be marketised and therefore theoretically abolished, domestic labour continues to persist precisely because it is unpaid and because it is provided by women. Given women's exploitation by men via the unpaid domestic work they conduct, Delphy is able to treat women as a distinct "class" of their own, sharing in common their sex-based exploitation.

However, for many Marxist feminists such an analysis left more questions than answers, taking male power over women within the family unit as given, rather than questioning its origin and existence under different modes of production and social structures. The notion that housework could be viewed as a distinct mode of production with men and women as

separate classes was also quickly dismissed, given the inability of such a mode of production to recreate itself independently. In other words, such “housework” must coexist or be linked to some other mode of production, such as capitalism (Himmelweit, 1984).

A further important aspect of the debate originating from a Marxist tradition has centred on whether or not domestic labour can be viewed as being productive or whether it creates value and surplus value in the Marxist sense (Dalla Costa and James, 1975). Such questions led to debates beyond the academic realm including through campaigns such as the “Wages for Housework” protests of the 1970s. The campaign argued that housework and domestic labour, by being unpaid, had reinforced the common assumption that it was not real work, thus not permitting women to struggle against it (Federici, 1975). By giving women a wage for their domestic labour contribution, the productive nature of this work would become recognised and, in turn, those involved in such work would increase their bargaining power as a collective in a similar vein to waged workers.

However, the campaign had to confront a number of concerns. On the one hand, the nature of domestic work as creating surplus value in the Marxist sense remains disputed. On the other hand, concerns were voiced over the payment of wages for housework as entrenching the gender-based division of labour rather than helping to overcome it (Himmelweit and Mohun, 1977).

More generally, the debate on domestic labour of the 1970s and 1980s, in attempting to build on Marx’s framework, gave rise to further debate (Molyneux, 1979). For some, there was a disproportionate focus on women as housewives rather than acknowledging the increasing role of women as both waged labour and domestic workers (Coulson, Magas et al., 1975). For others, the role of the state was not sufficiently clarified, while the catch-all term of “domestic labour” was too general to allow for a thorough understanding of what aspects of care-giving and domestic work bear on women’s lives (Fine, 1992).

Despite some concerns over specific debates stemming from Marx’s writing, the contribution of Marxist broader thinking to Feminist economics needs to be emphasised. In particular, Marx’s historical materialist approach that emphasises real, socially and historically conditioned contexts and focuses on issues of the production and reproduction of everyday life, is a particular approach shared by Feminist political economists. While the focus for Marx was on class relations, such an approach also lends itself to an analysis of other power relations in society, including gendered social relationships. In the context of rapidly changing global and local conditions, understanding how such changes shape gender relations

and women's lived experiences remains strongly relevant and important. As such, Feminist political economists increasingly analyse other categories alongside gender and do not consider gender as the sole purpose or lens for their analysis.

The policy conclusions drawn from Feminist political economists, following Marx's political economy approach, in relation to gender and work, tend to be context-specific, focusing not only on gender dimensions but also on how these intersect with a number of other social categories, including class, race and ethnicity. They tend to demonstrate the importance of the state and public policies in playing a part in outcomes in relation to gender and work and bring unpaid caring work to the forefront of analysis, emphasising that these are currently left ignored or poorly understood by mainstream economic theories (Elson, 2008; De Henau, Meulders et al., 2010; Bargawi, Cozzi et al., 2017).

Marx's understanding of knowledge as historically and socially determined has been of particular importance to Feminist economists, who have shone a light on economics as an academic subject and raised concerns over the continued gender-blindness of mainstream economics. These methodological influences are perhaps the most important contribution of Classical political economy, and specifically Marx's analysis, to Feminist economics.

13.8. Conclusions

This chapter has concerned itself with the question of gender in the history of economic thought by focusing, in particular, on issues in relation to women and work, given the rich debates and discussion this subject has evoked among economists old and new.

The chapter began with establishing a clear distinction between sex and gender and demonstrated the need for economics to address gender. The chapter proceeded to outline the orthodox or mainstream incorporation of gender. It did so by tracing the shift from Neoclassical economics to the New Home Economics and from there to New Institutional approaches to gender in the labour market.

The subsequent section discussed some of the concerns with these standard approaches and invited us to consider whether alternative approaches from the history of economic thought would help address these shortcomings. The chapter therefore went on to discuss two broad strands of alternative approaches. The first was the Old Institutional perspective on issues of gender. Second, we turned to Classical political economy and strands of Marxist feminist scholarship that it gave rise to. In both cases we offered a critical discussion, demonstrating the importance these alternative methods play in fostering new ways of answering questions and proposing alternative policy solutions in relation to gender and work.

13.9. Discussion Questions and Seminar activities

“The Gender Pay gap only exists because women ‘choose’ professions that are less well paid.”

Evaluate this statement using the different theoretical approaches discussed in the chapter.

To what extent do you think that “Wages for Housework” would address contemporary gender issues?

Compare and contrast the Marxian and Neoclassical approaches to gender and the care economy

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