1. “Economics,” She Wrote

It is the best of times; it is the worst of times. Today, women’s contribution to economic well-being is more than matched by the injustices that accompany their work. Virtually all international organizations agree that gender equity is necessary for economic growth and prosperity, yet inequality and exploitation haunt the lives of women and girls everywhere. Today, many women do “men’s” work, but the invisible, devalued, and poorly paid work remains “women’s” work. In the poor nations women and girls suffer disproportionately from malnutrition and disease, and even in the most prosperous nations women encounter glass ceilings and sticky floors. Women, regardless of geographic location, are especially prone to hardship and poverty.¹

Unpaid household labor is now recognized as crucial to every economy, yet all over the world unpaid domestic work is still the province of women. Women and men now engage in paid labor in nearly the same proportions, but the responsibility for child and dependent care still falls mainly to women. Women add more to household income than ever before, so women’s total work time exceeds men’s by at least two hours per day. The unprecedented growth in career opportunities for educated, privileged women is accompanied by rapidly increasing numbers of poor women employed as domestics, caring for the children of the privileged. Globally, women-owned businesses are increasing at a rapid rate; female entrepreneurs are, however, disproportionately located in the informal sector, beyond the reach of labor organizations that could mitigate the harsh exploitation of the poorest of the poor. The formal, political power of women has reached an historic high, and still 70 percent of the world’s 1.3 billion poor living on less than one U.S. dollar per day are women. It is a season of hope; it is a season of despair.

Feminist economists explain these facts without romanticizing the existing unequal distribution of resources between women and men, with-
out assuming the naturalness of women’s subordinate social status, and
without rationalizing the oppression and exploitation of the world’s least
privileged peoples. Reigning interpretations of economic inequality—by
gender, race, ethnicity, religion, and nation—trace social inequalities back
to different individual choices, abilities, and resources. Analyses that fol-
low this logic are, in our view, thinly disguised apologies for the existing
social hierarchies of gender, class, privilege, and power. Feminist econo-
mists reject such essentialist justifications and instead root economic
inequality in social processes of inclusion, valorization, and representa-
tion.

Our feminist perspective allows us to reframe the criteria for evaluating
economic performance. Five criteria are especially important. First, partic-
icipants in an economic system should insist on a system that is fair. Fairness
as we see it is a question that goes beyond opportunity to consider out-
comes. For example, when people follow the economic rules—work
responsibly at their jobs and contribute to the community through tax
payments and volunteer work—will they reap the benefits or will race,
class, and gender block their full participation in the economy? Likewise,
will people who do not have access to market incomes be able to enjoy a
socially acceptable standard of living? Second, we ask whether an economic
system is likely to provide an improved quality of life over time. Here we
explicitly include in our vision of the quality of life such criteria as leisure,
health, education, and the conditions of work so that this metric goes far
beyond the traditional market basket of goods and services as a measure of
well-being.

A third and closely connected dimension of the economic system
involves economic security. Can participants in the economy expect to be
able to support themselves and their families? Or, as is the case in the
United States today, will the economic security of the many be sacrificed
by policies that benefit the few? A fourth concern recognizes the potential
wastefulness of economic activity. We can no longer ignore the extent to
which production and consumption may waste human and nonhuman
resources. Our last question is perhaps the most contentious: To what
extent does the economy provide opportunities for work that are meaning-
ful? Is it written in stone that most jobs must involve hateful activities that
drain the creativity and humanity out of the people who do them? Or can
we envision an economy where work validates the inherent dignity of every
human being?

These are not new questions in economics or in any other inquiry into
social conditions. This book does not set out answers to these questions
but, rather, shows how feminist economists frame them. In so doing, this book demonstrates how a feminist analysis liberates economics.

What Is Economics?

Wait a minute, feminism and economics? Isn’t a price just a price? A market just a market? Don’t men and women feel the ups and downs of economic activity equally, whether they are black or white, straight or gay? Won’t a change in interest rates affect everyone the same way, regardless of gender? To all these questions feminist economists answer, “no.” Gender, like race, ethnicity, class, nation, and other markers of social location, is central to our understanding of economics and economic systems. The categories of economic analysis do not express timeless truths. Economic categories and concepts, like the categories and concepts of every knowledge project, are embedded in social contexts and connected to processes of social differentiation.

But what is economics? Let us begin to explain this by asking a simple question: How do we get our daily bread? As individuals we only produce a tiny fraction of the commodities we consume each day. We buy the rest. How is it that ordinary goods and services like bread, soap, and electricity are available for us to purchase, providing we have the cash? A humble loaf of bread, like a bar of soap or a kilowatt of electricity, requires the coordinated activities of thousands of people, in dozens of occupations, scattered around the globe. Farmers grow wheat expecting to sell to millers. Millers process flour to sell to bakers. Bakers produce bread to fill orders from large supermarket chains. And grocers sell us bread so we can make sandwiches for ourselves, our families, and our friends.

Our daily bread depends upon all of these activities, plus those involved in manufacturing farm equipment, transportation, newspaper advertising, and supermarket hiring. Each of these must take place at approximately the right time, in roughly the correct sequence, and in sufficient quantity to keep grocery store shelves stocked. As we widen the scope of our vision to encompass the enormous array of commodities available today—education and health; DVDs and cell phones; art and music; childcare and eldercare; Barbies, books, and bombs—the complexity of modern industrial economies becomes apparent.

The activities necessary to maintain human life take place over and over and over again. What motivates individuals and institutions to undertake these activities? As Adam Smith so famously observed, the farmer, the
miller, and the grocer do not act out of altruism or interest in your well-being. In market economies many goods and services are produced in anticipation of profits that may be realized when commodities are sold. The focus on commodity production, sales, and profits has been central to economics since its inception. But what happens to all those loaves of bread once they are sold? Economists since Adam Smith have ignored this question.

Adam Smith, writing in the late eighteenth century, saw that the processes of market exchange worked to coordinate the diverse activities of people who neither knew each other nor knew what the others wanted. Smith argued that self-interest would ensure that individuals would produce the goods society wanted. These insights continue to be valid. Farmers won’t grow wheat, automakers won’t produce cars, and accounting firms won’t hire accountants unless they have a reasonable expectation that they can sell what they’ve produced. This is what Smith meant when he imagined that the economy was guided “as though by an invisible hand” to serve the social good. The idea that the division of labor works in concert with a self-adjusting market was Smith’s brilliant insight. What Smith was unable to see was that much of what happens in markets relies on the vast amount of unpaid labor that takes place in the home.

We agree with feminist economist Julie Nelson that economics is the study of provisioning.2 This points us to the importance of the production and redistribution that take place in families. Families share their resources with each other, including those members of the family who do not work for pay. Thus, feminist economists extend the economic horizon to analyze the economic activities that take place in households and families without assuming that these activities parallel behaviors found in markets.

Although mainstream economics has evolved since Smith’s day, his focus on markets and the mutually beneficial nature of voluntary exchange remains a cornerstone of what is known today as neoclassical economics. For most economists, neoclassical economics is the standard against which all other schools are compared. Neoclassical economists start from premises about the state of nature and the nature of human beings. Nature is parsimonious, so resources are scarce. Human wants, in contrast, are unlimited. These assumptions about the human and nonhuman world allow neoclassical economists to define economics as the science of choice: the study of how societies allocate scarce resources among alternative uses. In this view economics is an objective, gender-neutral, and value-free science that articulates the laws of economics in the same way that physics articulates the laws of physical phenomena.

Liberating Economics
Neoclassical economics is defined by its reliance on rational choice theory. By rational choice economists mean that individuals can (and do) arrange their preferences (their likes and dislikes) logically and consistently. Then, given their preferences, and the constraints of time and income, individuals make choices that maximize their self-interest (utility). Given this specification of rational choice, the mathematics of constrained optimization can be used to solve many problems, all of which take the same logical form: economic agents maximize their well-being by engaging in activities up to the point where marginal benefits just equal marginal costs. The economics literature is rife with examples: childbearing, marriage, surrogacy, prostitution, drug addiction, and even suicide are said to result from utility-maximizing behavior.

Aside from being simplistic, this framework assumes away personal, familial, and communitarian responsibilities. Individuals exist solely in the sphere of exchange where they contractually interact if and when such interactions promote their self-interest. This rational economic agent is commonly referred to as Homo economicus, or Economic Man. For mainstream economists, Homo economicus is defined absent gender, race, class, or any other markers of social location. Indeed, neoclassical economists see the universality of rational economic agents as the triumph of their paradigm.

Feminist economists, applying the insights of feminist criticism in literature, psychology, and philosophy of science, argue that just as there is no universal human subject, there is no universal economic agent. Assuming universal economic rationality erases the deep differences among upper-class Egyptian housewives, homeless women in U.S. urban centers, women in refugee camps, and preteen sex workers in South Asia. Neoclassical economics insists on seeing each as essentially the same: they are all rational economic agents seeking to maximize their utility within the dual constraints of time and income. The feminist alternative holds that gender, race, ethnicity, and nation are analytical categories, not mere descriptors attached to rational agents who are in all other regards identical.

Feminists in economics ask questions about the production of individuals: Where do these so-called rational agents come from? Do they spring from the ground like Hobbesian mushroom men? Is all economic activity, absent a gun to the head, or a state commissar’s directive, voluntary and mutually advantageous? If so, conflict, power, and exploitation are ruled out a priori. In contrast, feminist economics interrogates these questions.

The two major alternatives to the neoclassical tradition are Marxian and
institutional economics. One of the remarkable similarities of these paradigms is that their founders (Karl Marx and Friedrich Engels on the one hand and Thorstein Veblen on the other) did initially frame issues central to women's social status in ways that are surprisingly consistent with contemporary feminist analysis. In the 1884 monograph *The Origins of the Family, Private Property, and the State*, Engels argued that women's subordinate economic position derived from the social organization of production rather than biology. Veblen's classic 1899 work, *The Theory of the Leisure Class*, offered similar arguments concerning women's social and economic status. But the feminist insights of the founders of these two heterodox economic traditions were pushed aside as economics became an academic discipline and as the mathematical, promarket ideology of neoclassicism pushed out other practitioners. It was not until the 1960s and 1970s, with the rise of second-wave feminism, that Marxist and institutionalist economists began to rediscover the relevance of gender.

**Feminism and Economics**

One might suppose that when social science research—whether in economics, history, sociology, or psychology—focuses on issues relating to women, it is feminist. But this is not the case. Social analyses that are distinctively feminist are not only, and not necessarily, about women. Feminist social science questions existing relationships between women and men and among diverse groups of women. Feminists do not assume that these relationships are in any sense essential, optimal, or natural. Rejecting traditional views of women and men shifts our perspective, and from this angle of vision social relations can be seen in new ways. Producing this perspective is the central objective of the feminist economics project.

The foundation for feminist economics was built during the 1970s by scholars working in three different theoretical traditions: neoclassical economics, institutionalist economics, and Marxist political economy. Feminist work in the neoclassical and institutionalist traditions focused on questions about women’s labor force participation, the gender wage gap, and occupational segregation. This scholarship took the position that women’s participation in the paid labor force, on equal footing with men, was the key to women’s emancipation and empowerment.

Feminist work in the Marxist political economy tradition criticized traditional Marxist analyses of women and noted that under patriarchy
women faced gender oppression regardless of their class status (although, of course, wealth and income accorded some women more privilege than others) or the dominant mode of production (socialist, capitalist, or feudal). Gender oppression was a result of the sexual division of labor—which under capitalism meant the division between paid and unpaid, productive and reproductive, and domestic and paid labor.

With few exceptions, women’s access to resources and opportunities is less than men’s, and gender inequality is ubiquitous. We recognize, however, that differences among women arise from hierarchies of race, class, ethnicity, nationality, and heterosexism. These differences create systems of privilege that are antithetical to feminist aspirations for social justice. The tension between talking about the interests of women as a group and recognizing important differences among them is as acute in feminist economics as it is in all other branches of feminism. Women occupy multiple and often contradictory social locations that challenge simple notions of common interest. Indeed, this book explores the many different ways that economic privileges are distributed and analyzes the significance of gender in the distribution of and access to resources.

Gender refers to the social organization of sexual difference. Social roles, responsibilities, privileges, and opportunities are allocated according to gender. The traditional view of women and men divides the world into male and female realms and accords the traits associated with masculinity greater value. The resulting dualisms—reason and emotion, strong and weak, active and passive, knowledge and intuition—are assumed to be given by biology so that women’s nature suits them to lives of domesticity and the care of others, while men’s nature suits them to competitive achievement in politics, business, and the professions. As a consequence some types of work get coded as masculine, while others are coded as feminine. The former are almost always accorded more status than the latter.

This gender coding is then projected forward and backward in time (remember the Flintstones and the Jetsons?), with the effect that gender roles are seen as unchanging and unchangeable. Feminist scholarship has, however, demonstrated the enormous variation in how societies have organized sexual difference. Recognizing this, gender analysis always needs to be historically grounded. As we show, this masculine-feminine coding also varies by class, race, ethnicity, and nation so that what is appropriate for women or men in one group may not be appropriate for women or men in other groups. For example, the view of women as passive, weak, and lack-
ing sexual appetite only characterized elite, privileged white women. Working-class women and women of color were, in contrast, depicted as aggressive, strong, and sexually voracious.

Feminists argue that the behaviors, attributes, strengths, and weaknesses of women and men are not determined biologically, nor do they follow some overarching design. With other feminists we take Simone de Beauvoir's famous remark “One is not born, one becomes a woman” as a bedrock commitment of feminist scholarship. When gender and sex are social, not natural categories, one must look to social relations to understand both the causes and consequences of women's subordinate economic status.

For centuries, male superiority and female subordination were taken for granted. The resulting asymmetries in, for example, political power, wealth, education, artistic achievement, and religious authority went largely unchallenged. Few women (and even fewer men) recognized or spoke out against the enforced inferiority of women. In consequence, the resulting masculine monopoly on reason, rationality, and wisdom gave considerable support to laws, customs, and day-to-day practices that excluded women from the spheres of life that were seen as important and thus worthy of study.6 Scientific understanding and scholarly erudition, long assumed to be masculine prerogatives, secured men's historically privileged access to government, commerce, the military, and, of course, the institutions where knowledge was produced.

Feminist scholarship casts a critical eye on these received knowledge projects. A “hermeneutics of suspicion” informs the feminist reappraisal of accepted paths of causality, as well as a reassessment of the forces that play significant roles in social processes. This phrase is widely used in feminist religious studies, a field that employs the interpretive methods traditionally associated with the study of sacred texts (hermeneutics). Feminist theologians and Bible scholars speak of a hermeneutics of suspicion to name their emancipatory project of imagining and reconstructing the stories of the women who are marginalized, devalued, or absent in the Scriptures. The parallel with economics is striking.

Feminist economists read economic texts to discover, name, and valorize the many productive economic activities performed by women and other subordinated peoples. Economic analyses informed by such suspicions are able to uncover what dominant economic narratives repress. Even when women are confined to the household, they still perform the lioness's share of the world's work; the activities of reproduction (both biological and
social) and provisioning are incredibly valuable yet are consistently devalued. Conflict is as likely to characterize economic processes as are harmony and mutually beneficial voluntary exchange, while power, class position, and status—not the workings of the invisible hand—are key determinants of who gets what.

Insofar as economists construct theories, analyze data, and produce policies within a paradigm that takes existing relationships between women and men as natural, universal, and mutually advantageous, then such scholarship runs counter to feminist economics, especially when the topic of that research is woman. Indeed, much of the early work of feminist economics was the discovery of the many implicit assumptions about gender embedded in the discipline. At the most basic level, this critical stance changes the activities considered relevant to economics and shifts the gaze of economists away from the public spheres of the market to the private sphere of the home. This is a dramatic change in perspective, as revolutionary in economics as was the cinematic shift to the “upward gaze” in sex scenes. But this new focus did not automatically challenge business as usual in economics.

Traditional economists also analyze issues that are central to feminist economics today: male-female wage gaps, valuing unpaid household labor, and women’s role in development. When such work does not question the gender division of labor or use gender as a category of analysis, it is not feminist. This approach has significant limitations since it studies women within the given normative Western conception of gender roles. In contrast, when gender is a category of analysis and not just a descriptor, features of social life that had been invisible are thrown into sharp relief. Our feminist approach to economics builds on the idea that the visions of masculinity and femininity that circulate in a specific sociohistorical context shape the way people describe and understand their world. Today, high-prestige economists continue to offer explanations of differences in economic outcomes that rest on assumptions about race and gender that are not noticeably different from those that circulated in the nineteenth century.

During the Victorian era, in the emerging capitalist industrial societies, women were increasingly defined as subservient to men. Women’s subordination rested on the belief that insurmountable differences separated the masculine from the feminine. As a result, radically different imperatives were imagined to govern the lives of women and men. Men were to be the breadwinners and rule makers, while white women were instructed to devote all their energies to hearth and home, kith and kin. Laws, editori-
als, sermons, and scientific research endorsed the view that any woman whose behavior even hinted at autonomous action in the worlds of commerce, politics, religion, or education risked her sanity, her femininity, her fertility, and her very life.9

An equally important, self-evident truth of the nineteenth century was encapsulated in the racist euphemism “the white man’s burden.” This expression rationalized the ruthless exploitation of the peoples of Asia, Africa, and the Americas that took place during the colonial era.10 Ideas of racial inferiority came to be an integral element of the ideology of the Victorian era, and race was seen to be as determining as biological sex.11 Today, many scholars, men as well as women, realize that when views such as these are at the foundation of a discipline’s approach to its field of study, the knowledge that results is likely to be one-sided and biased against gender equity and social justice.

Feminist economists, following this idea through the labyrinth of two hundred years of economic scholarship, have discovered that gender and race bias, misogyny and racism, are woven through the theories, empirical investigations, and policy prescriptions put forward by economists who, not coincidentally, have been almost exclusively white men.12 The homogeneity of the economics profession is not without consequence. As feminist philosophers of science have shown, science is not produced by isolated individuals; it is produced in science communities. Theories, hypotheses, and patterns of reasoning—paradigms—are shaped and modified within such communities. To the extent that implicit assumptions and values are shared among the members of a community, they will not be questioned.13 This is a persistent problem in the economics profession, composed as it is of mainly white, affluent, men.14 Moreover, graduate training socializes economists to accept the overarching values and norms of the profession.15

Economics became a formal, academic discipline, complete with professional societies and journals, in the last decades of the nineteenth century. The men who conducted economic research, measured economic activity, and formulated economic policy were all thoroughly wedded to the Victorian ideology that defined women solely in terms of their childbearing, domestic capacities. This, of course, shaped their views regarding women’s proper economic roles, the features of the economy worth studying, and the correct direction of economic policies aimed at women.

Men (but not women or people of color) were viewed as autonomous, self-acting human beings. White women were seen as passive and economically dependent: wives, mothers, and daughters.16 Because the culturally
and ideologically accepted view of woman equated “female” with “dependent” and “mother-homemaker” and since the realm of the home was deemed to be “not the economy” (neither monetary exchange nor commodity production took place there), economists developed their theories without taking women’s productive but unpaid roles into account. For the most part economics went forward as if women played no significant economic role despite the millions of women (and children) who worked in factories, mines, agriculture, and domestic service. The view that women’s proper place was in the home led economists to advocate restrictive workplace legislation, unequal and lesser wages for women, and outright prohibitions on women’s employment. One of the practical effects of this was to mask the very real and adverse conditions facing women and children in the labor force.

A Methodology for Feminist Economics

Traditional scholars insist that the knowing mind can and should be held rigorously separate from the objects of inquiry. But the comforting idea that knowledge progresses through the efforts of scholars untainted by any influences emanating from the society in which they live and think has been thoroughly debunked. Work in the history and philosophy of science has established the impossibility of a “view from nowhere.” Every view is a point of view, and every point is somewhere. There is always a there there. Claims about disinterested, and value-free science are as outmoded and inappropriate in economics as they are in all other disciplines. As every view is located, each has a perspective. Our perspective views society as a whole, and we take the position that all people, regardless of social location, are fully human.

Despite the Enlightenment ideal that all human beings are created equal, many societies that claim allegiance to such an ideal continue to resist the political, economic, and cultural changes that are preconditions for gender equity and social justice. As we write, social location—race, gender, ethnicity, sexual orientation, nation, and religion—functions to isolate, divide, and deprive. Consider this ironic definition of feminism: “Feminism is the radical idea that women are human beings.” This means that women are not objects, commodities, or the “other.” Such a view of women, however, rejects notions of biological essentialism and contradicts the view that gender roles follow from nature.

We can use a simple heuristic to illustrate these different understand-
ings of the category women. In figure 1.1 the feminist view that women are fully human actors whose gender traits are determined socially is placed at the top, while the traditional view of women as biologically destined to lives of domesticity is placed at the bottom.

It will be helpful to understand the relationship between these dichotomous views of women, on the one hand, and similarly dichotomous views of society, on the other. One might suppose that the social sciences—economics, anthropology, sociology, history, and political science—begin with the idea that all aspects of society are interrelated. After all, isn’t the very concept of society a reference to a whole and not to its component parts—the schools, governments, families, firms, and other institutions that comprise society? Not necessarily. Some concepts of society are predicated on an “atomistic” worldview, while others are predicated on a “holistic” worldview. In our view, holism is the appropriate approach to feminist economics.22

An important difference between atomism and holism concerns agency, that is, the extent to which individuals can shape their existence
by exercising control over the circumstances of their lives. In the atomistic view individuals are assumed to be the authors of their beliefs (about society, religion, politics, art, the economy, and, of course, gender). Each person has ultimate responsibility for her or his standard of living since the material conditions of one’s life reflects one’s choices. People who make good choices will succeed, while people who do not succeed must have made bad choices. Absent political tyranny, dictatorship, or direct coercion, every able-bodied person is assumed to be “free” to live life in conditions of her or his own choosing. Poet William Ernest Henley ably expresses these sentiments, “[I] am the master of my fate, I am the captain of my soul.”

Our view builds from very different premises. Individuals do not preexist social relations. Instead, all aspects of individual experience are mediated by society. Individuals gain their beliefs about religion, the economy, and gender roles, for example, through their interactions with the culture. Parents, teachers, television, and popular music all play a role in socializing individuals to the views and behaviors appropriate to their social characteristics of sex, class, nationality, and race. Individuals, their consciousness, their likes and dislikes, are constituted through the social relationships in which they live. Paraphrasing John Donne, no one is an island; everyone is a piece of the Continent, a part of the main.

Although we believe that people are influenced by social processes that are invisible to them, and that they do not control, we are not saying that people are mere automatons, programmed by society to live just this way, think exactly these particular thoughts, and believe precisely these specific ideas. Instead, we believe that individual agency operates within the constraints of culture, politics, and economics. Individuals, in very idiosyncratic ways, often come to recognize the influence of society on their views and beliefs, and in response they often change them. Recognizing that people are shaped by their circumstances does not mean that they have no ability to shape their world. This is in contrast to the atomistic view.

The differences between atomistic and holistic visions of society are of interest not least because these alternative views lead to diametrically opposed political agendas. Many influential political arguments rest on the idea that society is just so many individual parts. Former British prime minister Margaret Thatcher’s remark “[T]here is no such thing as society: there are individual men and women, and there are families” expresses the atomistic perspective. Our argument, in contrast, rests on the idea that

"Economics," She Wrote
Liberating Economics

society is a whole not reducible to its component parts. We agree with the Reverend Martin Luther King Jr., “[I]njustice anywhere is a threat to justice everywhere. We are caught in an inescapable network of mutuality, tied in a single garment of destiny.”

Figure 1.2 is another simple heuristic that represents these approaches to social theory.

Combining figures 1.1 and 1.2 allows us to bring understandings of gender into relation with understandings of social causation. Figure 1.3 has four quadrants. The two on the top are aligned with the feminist concept of women as human beings with traits that are socially determined, while the two on the bottom are aligned with the nonfeminist (or antifeminist) position that women are defined by biology. The two quadrants on the right are aligned with holistic views of social relations, while the two on the left are associated with atomism. The upper-right quadrant is the only space for economic analysis that is both feminist and holist.

The theoretical positions defined by the upper-left-hand quadrant and the lower-right-hand quadrant are plagued by deep internal contradictions. In the upper-left-hand quadrant, gender is a social construct. At the same time, society is seen as driven by the actions of individuals for whom race, class, and gender don’t fundamentally matter since these agents are all essentially the same. It is very difficult, if not impossible, to reconcile these two positions. In the lower-right-hand quadrant, societies are seen as structured by the interaction of the whole. Yet the social totality is viewed with concepts and categories that do not take gender into account. The logic here is just as untenable as it is with respect to the upper-left-hand quadrant.

The quadrant on the bottom left is the space where neoclassical economic analysis is located. Here we find analyses of the family, the male-female wage gap, black-white differences in income, and the uneven impacts of globalization in which the ultimate causes of these outcomes are
differences in choices, abilities, and resources. Mainstream economics admits no difference between the decision making associated with housework, child rearing, or caring for others and the decision making associated with digging ditches, managing corporations, or deploying armies.

In mainstream economics, discussions of processes as diverse as globalization, environmental protection, nuclear proliferation, and population growth are explained in terms of the rational choices of self-interested actors. When economists observe huge disparities in living standards between rich and poor nations, for example, they argue that these reflect either different choices or different endowments of skills, technologies, and resources. Limiting the analysis of globalization or other complex social processes to rational choice, the nature of constraints, and the mutually advantageous effects of all exchanges equates the behavior of huge, transnational corporations with the behavior of children selling lemonade on a hot day.

From our perspective vast differences in economic outcomes are not only a matter of individual choice. Of course, people make choices, and those choices have consequences for better or worse. But not all choices are equally important, and not everything in life is a choice. Poor people, who are disproportionately women and children, do not choose to be poor. In
our view, social processes structure the economy in ways that produce and reproduce the persistent correlation between poverty and femaleness.

Mapping the Terrain

The potential scope of feminist economics is enormous. In writing this book we had to establish priorities and set some boundaries. It was important to go beyond topic areas that were simply “about women.” But at the same time, we needed to retain the relevance of gender as a key category. To accomplish this, we decided to focus on topic areas where the economic consequences of the gender division of labor are of particular salience.

We begin in chapter 2 with an examination of the history of the Western family to show the economic, political, and cultural effects of the male breadwinner–female homemaker model of domestic life. In the nineteenth century, feminist economists like Charlotte Perkins Gilman, Harriet Martineau, and Josephine Butler recognized the many ways that the increasingly rigid gender division of labor disadvantaged women. In the twentieth century feminists began to make a direct connection between the subordinate status of women and the assumption of a gendered split in the economy. On the one hand there was the male sphere of public (outside the home) production, and on the other there was the female sphere of private (in the household) consumption. Standard economic theories take the production-consumption divide as a given, and in so doing they reproduce and reinforce the gendered dualisms that shape our understanding of social relationships.

In contrast, our discussion in chapter 3 of the history of gender division of labor lays the foundation for an analysis of the work done in contemporary households. Clean homes and healthy, well-fed children are often attributed to feminine altruism. This view sees caring work as both unskilled and natural. Caring labor does not, therefore, require monetary compensation. Upon closer inspection, we find that this view is antithetical to gender inequality, hides the painful realities faced by low-wage domestic workers, and obscures real differences in interests related to class or privilege. A feminist analysis of caring labor challenges many long-held views about women’s work by recognizing its importance on the one hand and its socially devalued status on the other.

In chapter 4 we turn to a discussion of paid employment in the industrialized countries and note that in the United States, as in most other
nations, the majority of occupations continue to be segregated by gender. That female workers tend to be concentrated in just a handful of occupations helps to explain persistent disparities in women’s earnings, wealth, and career achievements. Many nations have programs and policies aimed at reducing gender segregation in paid employment. But few policy regimes recognize that caregiving and wage earning are equally important dimensions of life. Women’s caregiving obligations impinge on their labor market opportunities because earning and caring impose different demands on employees and employers. Until these competing demands are reconciled, and caring labor becomes as much the work of men as it is of women, women will not achieve income-earning parity with men.

As we discuss in chapter 5, the feminization of poverty is a sad reality of contemporary life. Unfortunately, female poverty is more prevalent today than in the recent past. It is important for feminists to be able to explain this turn of events without resorting to myths that either malign the economic contributions of women or romanticize the poor. In our discussion of the gendered aspects of poverty in the industrial nations, we confront directly today’s version of “the culture of poverty” hypothesis to demonstrate that the behavior of single mothers is not the cause of their poverty.

Chapter 6 explores the uneven impacts of globalization. Over the past fifty years the willingness of many nation-states to seek market-based solutions to human problems has risen and the pressure for global economic integration has increased. There is a direct connection between the expanding volume of international activity in terms highly favorable to corporations that stand outside or above the laws of all nation-states and the increasing disparity between the rich and poor of the world. The already rich industrial nations have prospered, while the poorer nations of the Global South have seen standards of living fall as their participation in the global economy has grown. Women and men experience these economic changes differently, with a disproportionate share of dislocation and suffering borne by women. They are the preferred workforce for transnational corporations, and structural adjustment policies force them to increase their unpaid labor time. Today, women are the poorest of the poor because these women and their advocates are excluded from the supranational bodies that make global economic policy.

As women’s access to traditional sources of livelihood has declined, their participation in the informal economy has increased. This is the focus of chapter 7. Over much of the world, poor women, children, and men eke
Liberating Economics

out an existence on the fringes of the economy. They are street vendors, homeworkers, servants, gardeners, and sex workers working in unorganized and unregulated industries. The rise of the informal sector evokes the worst excesses of nineteenth-century industrialization.

To conclude, chapter 8 shows how representation, discourse, and ideology connect feminist economics and social policy. A feminist economic agenda must begin by acknowledging difference and diversity and must explicitly address questions relating to fairness, quality of life, economic security, wastefulness, and the meaning of work. Shared interests rather than shared oppressions, aspirations rather than fears, and visions of the future rather than calls to the past ground our approach to feminist economics.

Feminists seek to liberate economics from the ideologies that have justified the social relations of domination and subordination central to Western hegemony. We do not simply identify and measure the economic differences associated with different social locations. For feminist economists, differences are analytical as well as descriptive. That is, feminist economists examine the many ways that socially constructed differences affect and are affected by the division of labor, the distribution of resources, and the exercise of power. So armed, feminist economists can uncover and expose the atavistic social values that have shaped economic knowledge. Feminist economists offer an alternative, socially progressive understanding of the economy.