

# Course 11:

Women and Economics

# Class outline

- Introduction: #metoo – invisibility – inequality
- *Who Cooked Adam Smith's Dinner?*
- A brief overview of unpaid labour
- A brief introduction to Feminist Economics
- **Elinor Ostrom – Common pool resources**
- **Esther Duflo – A different approach to poverty alleviation**

# Introduction

#metoo – invisibility – inequality

# Christiane Taubira (Garde des Sceaux, 2012-2016)



Source: « On n'est pas couché »,  
le 10 juin 2018

[https://youtu.be/ERLcb33C\\_YY](https://youtu.be/ERLcb33C_YY)

Vers 16 minutes.

"Quelle est la source profonde des inégalités et des injustices, Il m'apparaît que, dans le monde, la matrice de l'inégalité est le sexisme. C'est d'avoir inventé que, sur un fait de nature, **plus de la moitié de la population est exclue de l'accès au pouvoir**, à tout un tas de métiers, à l'éducation etc. C'est un problème majeur des sociétés."

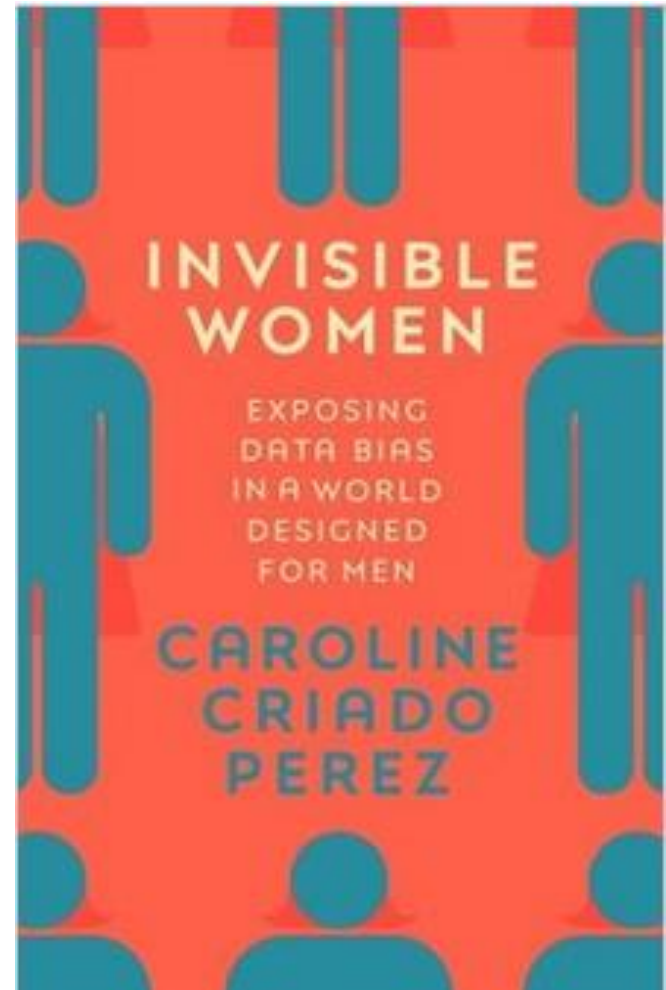
# Caroline Criado Perez: *Invisible Women*, 2019.

*The Default Male* – in the history of humanity (incl. *Sapiens*, Harari)

*Man the Hunter*

WEF: Gender-inflected languages > strong ideas of masculine & feminine

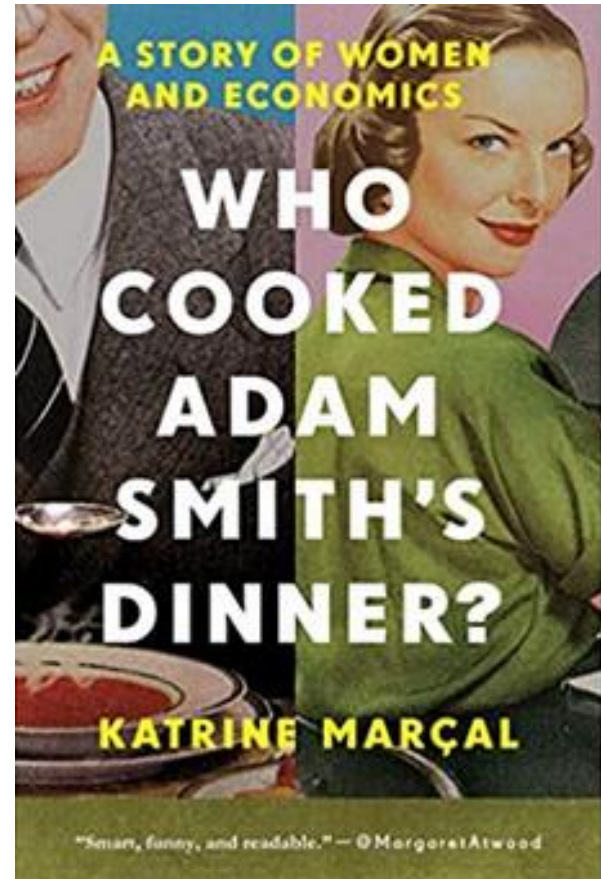
The male experience is universal – women's experience a "niche"



*Who Cooked Adam Smith's  
Dinner?*

Katrine Marçal, “Who Cooked Adam Smith’s Dinner?”, 2016

**“It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own self-interest. We address ourselves not to their humanity but to their self-love, and never talk to them of our own necessities, but of their advantages”**



Katrine Marçal – Ted Talk, 2015

<https://www.youtube.com/watch?v=SnBEXUSNgQ8>

## **Katrine Marçal, *Who Cooked Adam Smith's Dinner?*, 2016**

- The benevolence of the butcher, brewer and baker – ignores the work of preparing the dinner.
- Economics and capitalism generally ignores non-paid work by women: 30.6% to 41.4% of GDP in Canada
- *Homo economicus*: rational, distant, objective, alone, independent, selfish, driven by common sense and in the process of conquering the world.

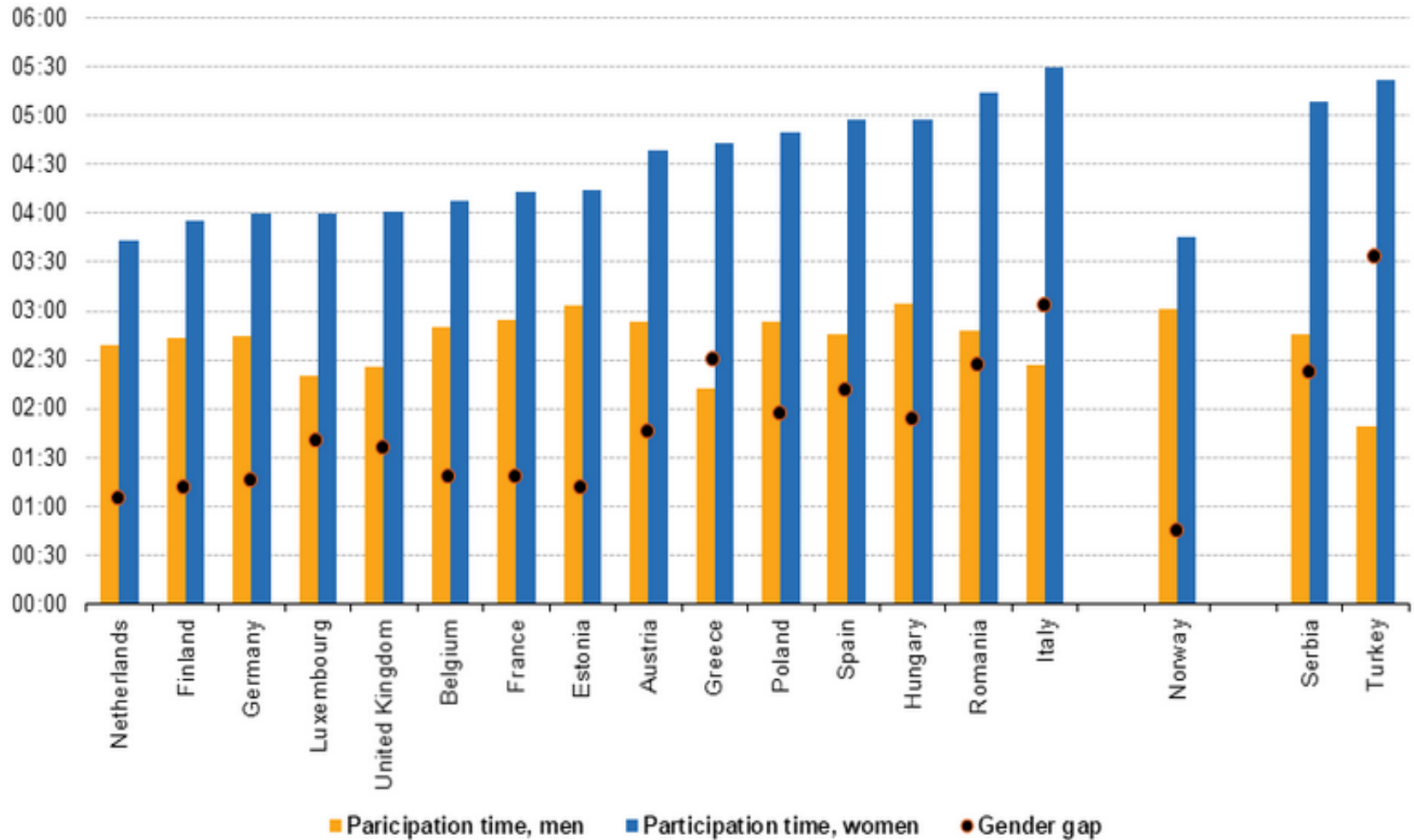


# Katrine Marçal: 2

- Women: “feeling, body, dependence, kinship, self-sacrifice, tenderness, nature, unpredictability, connection”
- Women must adopt male qualities to “have it all”: they do not have the freedom “just to be”
- Gary Becker – stylised behaviour in families
- Why does the search for profit dominate all other concerns in companies?
- Because economic theory justifies this/economic man “helps us escape our fears” of dependence.

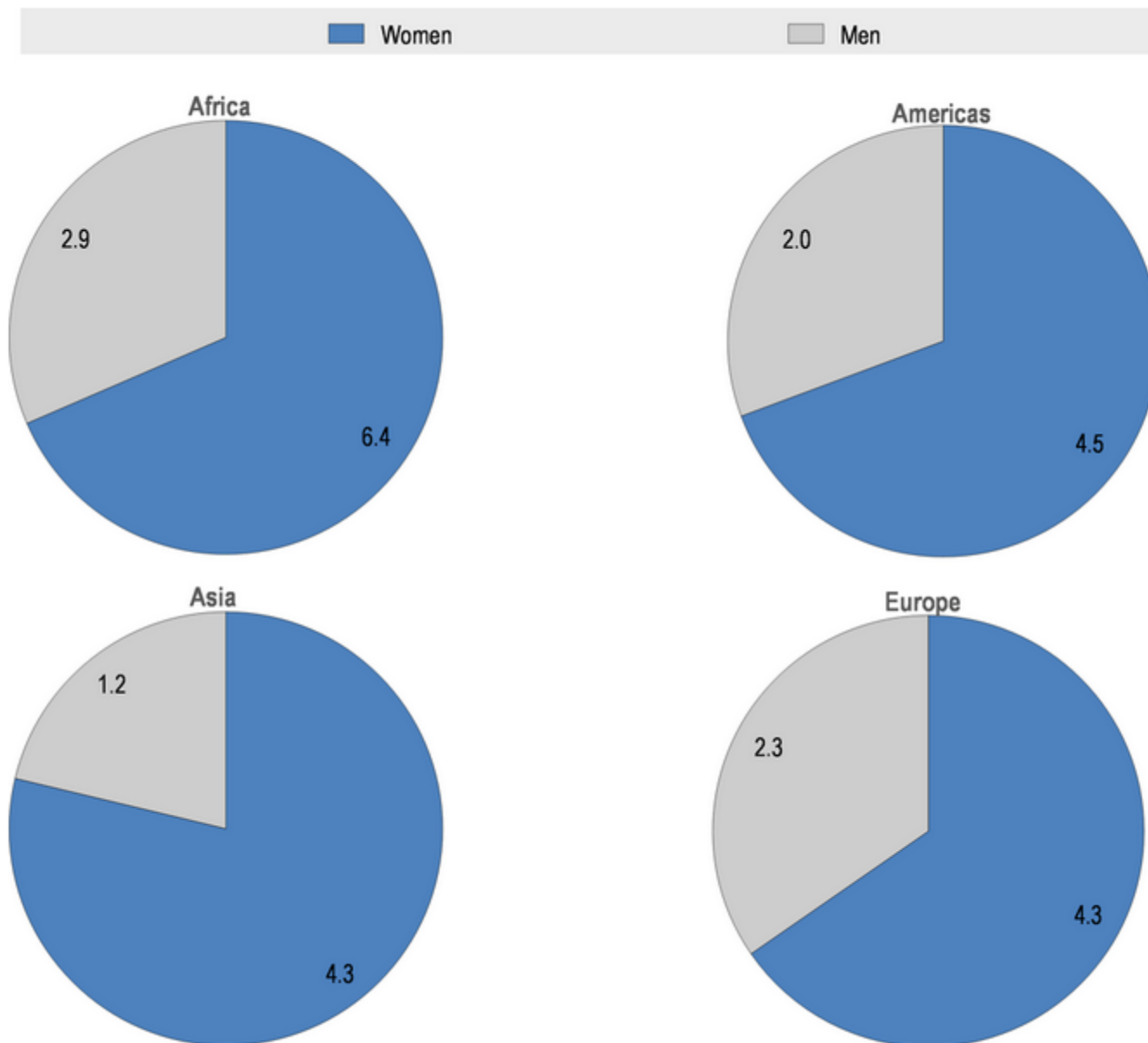
# A brief overview of unpaid labour

# Participation time per day in unpaid work (main activity), by gender (hh:mm; 2008 to 2015)



Source: Eurostat ([tus\\_00npaywork](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1))

Figure 3.4. **Distribution of unpaid domestic and care work between women and men**



*Note:* Number of hours that women and men spend on unpaid domestic and care work during 24 hours.

*Source:* OECD (2019), *Gender, Institutions and Development Database*, <https://oe.cd/ds/GIDDB2019>.

Betsy Warrior, *“Housework: Slavery or a Labor of Love”* , 1969.



Women’s labor is the foundation of economic life:

- 1/ reproductive labor – creates the first commodity, namely female and male laborers;
- 2/ environmentally necessary cleaning and cooking to make raw materials consumable;
- 3/ negotiating to maintain social stability and nurturing, preparing each laborer for the market.

Violence and social control of women Jalna Hanmer

Violence and the fear of violence shapes behaviour

*(experiences of violence, accounts by friends and in the media)*

Society values masculine activities like hunting and warfare

The State defends the family and the place of men

Men use violence to exclude women from certain situations

And to take care of household tasks

A continuum of violence from the home to the public space

(e.g. see video by [Shoshan Roberts walking in New York](#))

# A brief introduction to Feminist Economics

Myra H. Strober, “Rethinking Economics Through a Feminist Lens”, *The American Economic Review* , May, 1994, Vol. 84, No. 2, 143-147.

- Feminist economics > improve women’s condition and improve economic theory & policy
- It challenges objectivity of economics > reopens questions of value, well-being & power
- It challenges key assumptions of efficiency, scarcity, omnipresence of selfishness, independence of utility functions, impossibility of interpersonal utility comparisons.
- Basic assumption is that the oppression of women exists and ought to be eliminated.



# Strober cont. 1: critique of theory

- Pigou – keeping women's wages lower than men's was welfare maximising
- Challenge of quantitative approach which excludes information from interviews
- Women as academics experience sexism
- Women more involved in child care
- Feminist economics is not monolithic: mainstream, institutional and Marxist – and separatist

## Strober cont.2:

- From 1890s to 1920s – equal pay
- 1960s – labour force participation, pay, feminisation of poverty, child care
- 1980s – challenge to structure of economics (as value-free), and then as sexist construct (scarcity, self-interest, rationality, exogenous preference formation)

**Strober personally refutes a male/female dichotomy of values (like selfishness/altruism)**

# Strober cont.3: scarcity vs abundance

- Scarcity engendered by economic actors – advertising, expectations
- Economics assumes that any one individual's wants are independent of others.
- Smith's interpretation of the world was universal.
- Why does economics say so little about cooperation? Which is fundamental to welfare.

# **Elinor Ostrom – Common pool resources**

## Elinor Ostrom (1st Woman Nobel Laureate, 2009)

- Common-pool resource problems
- Challenges a number of key assumptions in mainstream economics – complex institutions.
- About goods:

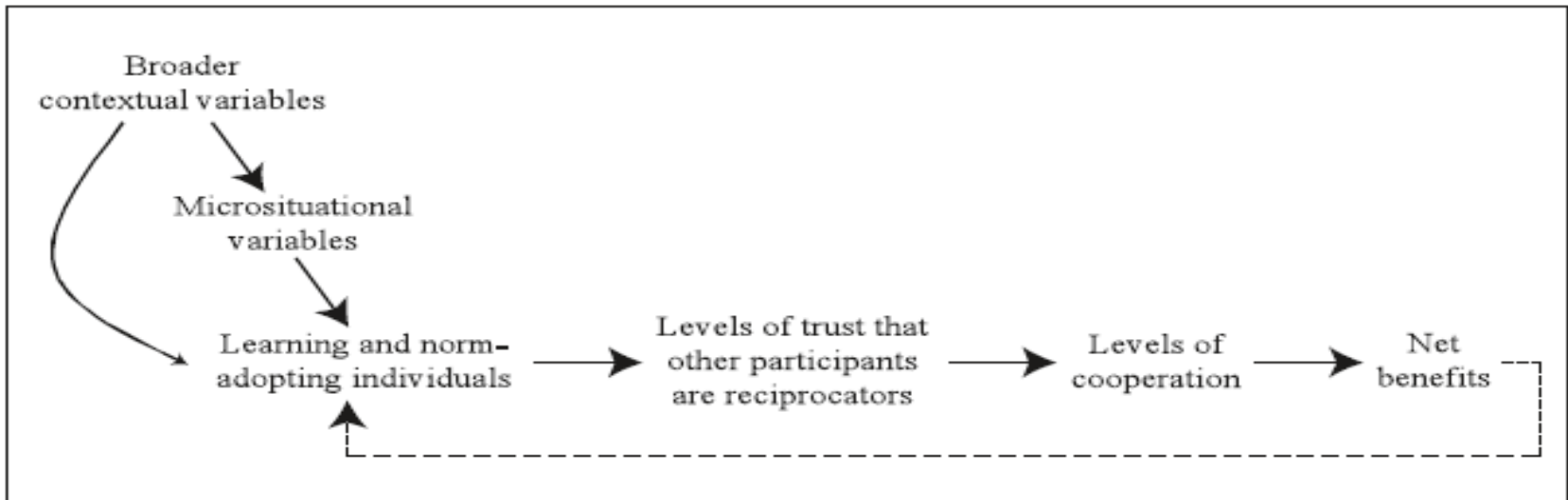
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		Subtractability of Use	
		High	Low
Difficulty of Excluding Potential Beneficiaries	High	Common-pool resources: groundwater basins, lakes, irrigation systems, fisheries, forests, etc.	Public goods: peace and security of a community, national defense, knowledge, fire protection, weather forecasts, etc.
	Low	Private goods: food, clothing, automobiles, etc.	Toll goods: theaters, private clubs, daycare centers

*Figure 1.* Four types of goods. Source: Adapted from E. Ostrom, 2005: 24.

# Elinor Ostrom: 2

- **Mutiple, diverse organisations** are not less efficient in managing municiple public services (complex systems analysis)
- The prisoner's dilemma – **no communication > no trust**



*Figure 5.* Microsituational and broader contexts of social dilemmas affect levels of trust and cooperation. Source: Poteete, Janssen, and Ostrom, 2010: 227. © Princeton University Press 2010. Republished by permission of Princeton University Press.

## **Elinor Ostrom: 3 – general principles for pools**

1. Clear (local) boundaries between legitimate users and non-users. Boundaries separating pool.
2. Congurance with local (social and environmental conditions)...
3. Collective choice agreements (everyone decides)
4. Monitoring users – monitoring resources
5. Graduated sanctions
6. Conflict resolution mechanisms
7. Minimal recognition of (local) rights by governments
8. Nested enterprises – governance connecting to social-ecological system

**An alternative to markets and government**

# **Esther Duflo – A different approach to poverty alleviation**



# Esther Duflo 2019 Noble Prize (with Abhijit Banerjee and Michael Kremer)

Development economics and  
especially poverty alleviation

What works? Use of small-scale  
experiments to further  
development.

People are rational

Randomised control trials to  
test policies (health, education,  
entrepreneurship creation, etc.)

No big theory (criticised  
Deaton)



[Abhijit V. Banerjee and Esther Duflo](#), “How Poverty Ends: The Many Paths to Progress—and Why They Might Not Continue”, *Foreign Affairs*, [January/February 2020](#)

- Up to Covid fall in “extreme poverty” (\$1.90 a day: 2 billion people in 1990 to 700 million) – much in China and India.
- “the uncomfortable truth is that the field still doesn’t have a good sense of why some economies expand and others don’t”
- William Easterly: Growth rates can change drastically from decade to decade for same country
- Causes hard to find, as every variable is partly the product of something else.
- Transitions are important – misallocation saps growth
- But the era of breathtaking growth is likely to end
- Little is known about the “middle-income trap”
- Improvements to welfare are possible – focusing on “clearly defined interventions”