

Katrine Marçal, *Who Cooked Adam Smith's Dinner? A Story About Women and Economics*, New York, London, Pegasus Books, 2016.

“Who Cooked Adam Smith’s Dinner?” seems like a humorous, trivial question. But Katrine Marçal uses it as the gateway to challenge the underlying, hidden assumptions of economics as a science and the functioning of our global economy.

The question refers to Adam Smith’s eloquent, one-sentence statement of economic liberalism and the spontaneous operation of the market in coordinating economic activity. In Chapter 2 of the *Wealth of Nations*, he states that, “[i]t 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 interest”. Smith, who lived much of his life with his mother Margaret Douglas (1694-1784), ignores the fact that she (or other women) surely cooked his dinner. By doing this, Smith also ignores entirely the vital contribution of women’s non-paid work which underpins the market and without which society cannot exist.

Following Smith, and the vast majority of (male) economists have actually created a false science. This science may indeed partially explain certain forms of market and capitalistic behavior. But it draws on a view of human beings which is one-sided and normative. Specifically, economics is based on the concept of “economic man” who “possesses every quality that our culture traditionally attributes to masculinity. He is rational, distant, objective, alone, independent, selfish, driven by common sense and in the process of conquering the world”. Conversely, “[e]verything that he isn’t – feeling, body, dependence, kinship, self-sacrifice, tenderness, nature, unpredictability, connection – is what has traditionally been associated with women” (p40).

Smith and his successors have used this division of qualities to establish and justify a division of labour in which man’s work is remunerated in the market and is visible. By contrast, women’s historically imposed contributions to society have not been paid for, and hence they were – and still are – largely invisible in the economy. For women to exist as autonomous, independent, economic individuals, and to “have it all”, they must adopt these male qualities: they do not have the freedom “just to be” (pp 66-7).

The book goes on to examine how the normative, stylized behaviour of economic man has been used by neoliberal economists (of the Chicago school in particular) to analyze a wide range of social behaviours. Beginning with the work of Gary Becker, the logic of utility maximization and market-based relationships (transactions) has been applied to analyzing the functioning of families, learning, as well as many other social situations and forms of human behaviour.

Significantly, despite the fact that behavioural economics has long demonstrated that we are all not particularly good at making rational decisions, despite the extremely diverse forms of social organization which have existed across countries and over time, and despite the massive failure financial markets and public policies in preventing the cycle of financial crises which ultimately led to the melt-down of 2007-2008, etc. mainstream economics as a science has clung to this simplified, normative view of human nature.

Marçal asks why this belief in economic man is so strong, in the face of all the contradicting evidence about how individuals actually behave in all their diversity, within society, in the face of market failures, and in the face of an economic system which meets consumer wants yet so badly fails to

meet so many human needs. She specifically asks why a company's search for profit dominates all other ambitions in the economy and within the firm, including justice, equality, care, the environment, trust, physical and mental health. Her answer is because there is an economic theory that can justify this domination, "[e]ven though deep down we know it's madness" (p182). And this theory, which has an almost religious adherence to a limited – and destructive - vision of human beings persists because "[e]conomic man is the most seductive man on earth because he can take us away from all that frightens us. The body, emotion, dependency, insecurity and vulnerability. These don't exist in his world. Our bodies become human capital, dependency ceases to exist, and the world becomes predictable". Economic man "helps us escape our fears" (p 165).

In particular, economic man allows economists and men to ignore their being dependent, a quality which has historically been shameful: "something that slaves and women were" (p 185). Economic man ignores his dependency "on women to take care of the home", just as Smith ignored who cooked his dinner. Economists may state there is no such thing as a free lunch, but their science and society pretend there is free care, which is false. Marçal quotes Canadian statistics indicating that unpaid work was equal to between 30.6% and 41.4% of GDP (the first figure calculating how much it would cost to replace unpaid work with paid work, the second figure assuming that people – women – are earning while doing housework; p 61).

Marçal ends by stating that "[e]conomists should help us understand who we are by creating tools and methods for organizing a society with room for the entire human experience", and "[e]conomics should help us rise above fear and greed. It should not exploit these feelings" (p 187).

Some of the ground covered by Katrine Marçal is not new. In the Introduction to the *Grundrisse* (1857) Marx, for example, directly begins by criticizing the portrayal of men as economic individuals acting in isolation. He specifically challenges the images of such atomized men coming together as Robinson Crusoes – hunters and fishermen – to form a society, or establish a social contract as suggested by Rousseau: "[t]he more deeply we go back in history, the more does the individual, and hence the producing individual, appear as dependent, as belonging to a greater whole...". But tellingly, Marx too was talking about men, while being looked after by his a wife and a housekeeper.

In other areas, Marçal also draws on what we now believe to be the founding myths of economics. This is most obviously so in her short treatment of money, which arose out of the need to overcome barter. Ironically, the image of barter also comes from Chapter 2 of the *Wealth of Nations*, in which Smith puts forward man's "propensity to truck, barter and exchange one thing for another". In this view of exchange between hunters, shepherds, and hut-builders, money comes into existence as a mere numeraire in the market economy, rather than being a key founding institution of society with the major role it plays in mediating power relationships. Today, anthropological and historical research suggests this age of innocent barter almost certainly never existed.¹

Such caveats however in no way detract from Marçal's central arguments. These challenge profoundly mainstream economics as a science, and so its huge influence in guiding public policy.

¹ See for example David Graeber, *Debt: The First 5,000 Years*, Brooklyn, Melville, p 21-42, or Felix Martin, *Money: The Unauthorised Biography*, London, Vintage Books, (2013) 2014, p10.