

THE MAINSTREAM CONCEPT OF ECONOMICS IS A BARRIER TO PROGRESS IN GENDER EQUALITY.

ZUZANA UHDE AND ALENA KŘÍŽKOVÁ

TALK TO EWA RUMIŃSKA-ZIMNY

Dr. Ewa Rumińska-Zimny is a lecturer in Gender Studies at the Polish Academy of Science and the President of the International Forum of Women in Academia and Business at the Warsaw School of Economics. She combined academic work with work for the United Nations. Her work included writing and coordination of UN reports, e.g., Human Development Reports, analyses of the transition process in Eastern and Central Europe and reviews of progress in gender equality within the framework of the Beijing process at the UN Economic Commission for Europe in Geneva. She is a member of the International Association of Feminist Economists (IAFFE) and the initiator of GEM Europe, a part of the global network of researchers on Gender and Macroeconomics.

Zuzana Uhde and Alena Křížková: Feminist economics offers a framework very different from the mainstream economic paradigm. Its starting point is reproduction rather than production or finances, and it puts emphasis on care and social sustainability. Could you explain the main ideas of feminist economics?

Ewa Rumińska-Zimny: Feminist economics challenges the mainstream paradigm on several grounds. Its key argument is that mainstream economics is not (as it claims) a gender neutral science in content and methodology. In reality it has a gender bias, or rather biases, which discriminate against women in economic and social life.

Feminist economics focuses on innovative research to overcome these biases. It could be defined as a set of new perspectives within a heterodox approach to economics. Feminist economics is rooted in diverse streams of economic thought including classical economists like Adam Smith (social justice), John Keynes (role of the state) along with others such as Karl Marx (distribution of income by class, injustice) and Amartya Sen (capabilities approach, human development). However, feminist economics has its own distinct features and approaches.

The gender perspective is central to the feminist economics analysis –together with race, ethnicity, class – as compared to the concept of a gender neutral “economic man” (homo economicus): a central figure of the mainstream paradigm. The analysis is not limited to markets and the finance sector but also incorporates non-market activities and social reproduction. It investigates who (men or women) benefit from growth and how wealth is distributed. And it takes into

consideration power relations at micro (households), meso (community) and macro levels (national and macroregional economy).

Feminist economics is holistic, interdisciplinary and has a specific context, be it a household, a country, a macroregion (like the European Union) or the whole world. The latter implies a diversity of policy advice which is contextual. This differs from the mainstream approach which is based on a “one size fits all” model of economic analysis and policy advice (e.g. known as the so called Washington consensus. This model was applied in Latin America to advise countries during the crisis in the 1980s but also to a very different group of countries in Eastern and central Europe in the 1990s to guide the transition process). Feminist economics is also about values and distribution (not only about GDP growth). Research approaches range from introducing a gender perspective to the existing mainstream models to developing alternative feminist models. However, feminist economics is not (yet) a fully-fledged paradigm, and should be looked at as one of the heterodox approaches to economics contesting the mainstream way of thinking about economics.

Zuzana Uhde and Alena Křížková: Could you explain the gender bias or biases in the mainstream economics?

Ewa Rumińska-Zimny: Gender biases are rooted in the very concept of mainstream economics which define economics as a study of choices made on markets by rational and autonomous agents. Work performed outside the market (mostly by women) is not included, has no price and remains unpaid. The economic man, say feminist economists, has in reality male characteristics typical of western societies: always in control, guided by self-interest, without any responsibilities and functioning outside society (a sort of Robinson Crusoe). Some add that, more precisely, this person represents behaviours and preferences of a single, white, middle-class male.

Mainstream models, mechanisms and policies are thus one-sided and address concerns of only half of the population that is men. Women’s behaviours, preferences and choices, especially those related to reproduction and caring, are invisible to economists. On market (and within the neoliberal framework) women compete with men on uneven playing grounds with the burden of the unpaid work on their shoulders.

These systemic biases of the neoliberal policy framework were defined by Elson and Cagatay (2000) as: 1) “deflationary bias”, which refers to the priority given to low inflation and fiscal restraint which hurts women more than men due to family responsibilities and weaker position on the labour market; 2) “male bread-winner bias” which means that the costs of social reproduction are paid through a wage paid to a male breadwinner; 3) “commodification bias” when a macroeconomic policy is designed to minimize public provisions of goods and services as a way to reduce budget deficit (instead of raising taxes).

Zuzana Uhde and Alena Křížková: Feminist economics is an established academic discipline with its own peer-reviewed journal. However, it might be a challenge for scholars in this discipline to gain academic recognition. Can you tell us more about the history and origins of feminist economics?

Ewa Rumińska-Zimny: Feminist economics, as we understand it today, started in the late 1970s when women massively entered the labour market in Western Europe and the US. This gave a boost to new research on labour and household economics. In the past, gender issues were like a “black box”. Economists assumed that “women do not work” and activities within the household were classified as “leisure”. The household was also analysed as a single unit (a single utility level represented by its male “head”).

The development of the New Household Economics, including Gary Becker’s work, played an important role in introducing a gender perspective to the micro and meso level economic analysis. This approach was trapped, however, within the constraints of the neoclassical model. It served to rationalize rather than explore key issues from the feminist/gender perspective such as the secondary status of women on labour market, their financial dependency on men and asymmetric power relations within the household.

During the 1980s feminist economists began to challenge the definition, tools and methodologies of mainstream economics including the “homo economicus”. They introduced a key distinction between sex (biological differences) and gender (social roles). And they argued that smooth functioning of the market depends on social reproduction and non-market activities so these should be included in economics. These views were summarized in a volume of essays “Beyond Economic Man: Feminist Theory and Economics” (Ferber and Nelson eds. 1993).

Similarly, though a bit later, a gender perspective was introduced to macroeconomics and development economics. In the late 1980s and 1990s the results of structural adjustment programmes in Latin America and other developing countries left no doubts that austerity policies embedded a gender bias. Women took over a disproportionately high share of adjustment costs as compared to men in terms of cuts in employment and in public spending, which increased

female unpaid work. Empirical studies were accompanied by theoretical inquiries. The latter contested the neoliberal paradigm and drew attention to the role of gender-sensitive analysis at macro level to ensure growth and sustainable development (Beneria 1995; Benería, Feldman eds. 1992; Elson 1993; Cagatay, Elson, Grown eds. 1995).

In the early 1990s with the publication of a number of books and articles as well as debates at conferences, feminist economics emerged as an organized field. The International Association for Feminist Economics (IAFFE) was formed in 1992 and its journal *Feminist Economics* in 1995 (Strassmann 1995). The field was first described in a *Journal of The American Economic Association* in 1995 (Nelson 1995), an encyclopaedia of feminist economics was published in 1999 (Peterson, Lewis 1999). Progress in feminist economics was presented in many studies including a recent book which summarizes policy recommendations based on what feminist economics tells us: “Harvesting Feminist Knowledge for Public Policy” (Jain, Elson eds. 2011).

That feminist economics is acknowledged today as part of economics is reflected in *The New Palgrave Dictionary of Economics* (Nelson 2005, entry “Feminist Economics”). It covers a broad range of subjects, including microeconomics, macroeconomics, history and philosophy and other concerns (interaction of gender with race, class or sexual orientation) in national and international context. Key areas of research include labour, households, care and unpaid work; development, globalization, macroeconomics and national budgets. From these studies a new perspective has emerged on the concept of development and its measures, which shifts the focus from GDP growth alone to growth in human well-being, choices and capabilities and the importance of investments in social/care infrastructure for sustainable development.

Zuzana Uhde and Alena Křížková: You have worked in various positions and programs in the United Nations and as an expert advisor for international agencies. Can you tell us about your experience in trying to mainstream gender issues in the UN or other supranational political bodies?

Ewa Rumińska-Zimny: The UN has an impressive record in promoting progress in gender equality worldwide. This is in fact its core value, as defined within the human rights framework, similar to many other organizations such as the European Union. The Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), ratified by most countries worldwide (187 out of 194), made a huge difference in achieving progress (only seven countries including the US have not ratified it; the others are Sudan, South Sudan, Somalia, Iran, and two small Pacific Island nations: Palau and Tonga).

It should be, however, clear that the UN does not have a supranational power towards member countries. It is an inter-governmental organization which serves as a plat-

form for a dialogue and reaching consensus. Decisions are taken by individual countries and progressive solutions are not always adopted. This is often frustrating to many feminist activists.

The UN role consists primarily in raising awareness, initiating policy oriented research and analysis, policy development and advocacy, monitoring progress and providing technical support at the request of member countries.

Economic issues are high on the UN agenda across all its activities. Since the very beginning there has been a very close cooperation between feminist economists and the United Nations. Many UN programmes draw on feminist economics expertise in such areas as women's role in development, feminization of the labour force in the context of vertical and horizontal segregation, impact of globalization and liberalization, wage gap, the value of unpaid work or access to social benefits. The UN and feminist economists work together towards achieving the same goal – gender equality in all spheres of life. The 2009 World Survey on the Role of Women in Development focused on women's access to economic resources including land, property and financial resources.¹ It made a timely contribution to the analysis of the current financial and economic crisis.

Zuzana Uhde and Alena Křížková: The current economic crisis is one of the most pressing political issues in the European Union. How can we analyse this crisis from the feminist economics' perspective? And what do you think is an adequate response to the current situation from this perspective?

Ewa Rumińska-Zimny: The impact of the crisis on women has to be analysed in terms of negative effects of austerity policies. A recent EU report on the impact of the economic crisis on the situation of women and men and on gender equality policies (European Commission 2013) points out that women's losses are through cuts in public expenditure on child care and other benefits (like maternity and family benefits), through cuts or freezing employment in the public sector where many women work, and pension reforms (postponing the retirement age). In terms of employment, female jobs in a number of EU countries seemed more protected than male jobs at least in the first phase of the crisis due to a strong negative impact on male dominated industries such as cars or construction while the female dominated service sector was less affected. This is changing now as the crisis continues.

From a women's perspective, most worrisome is that anti-crisis policies, guided by decisions and measures at the EU level, are based on austerity policies and expenditure cuts. The pressure on public finance is expected to continue even if countries return to economic growth.

This is why feminist economists urge to change the concept of anti-crisis policies away from cuts in public expenditure toward investments in the social infrastructure

(including child care) as a way to create new jobs and stimulate demand. They call for engendering recovery for Europe modelling an alternative to austerity. And set a gender-sensitive policy framework and development agenda which will redefine economic priorities.

Ipek Illkaracan, a feminist economist from Turkey, formulated key features of the new order which should internalize the costs of (unpaid) care in the economy; eliminate inequalities by gender and other characteristics and re-define priorities from consumption to nurture (non-market). The four pillars of the so called "Purple economy" (a parallel to "Green Economy") should be: 1) social infrastructure for universal care provisioning, 2) labour regulations to enable work-life balance; 3) public policies for special needs of rural communities and 4) regulations for the macroeconomic environment (Illkaracan2013).

Zuzana Uhde and Alena Křížková: The economic crisis has different impact in different geopolitical regions. At the same time there are gender specific consequences of the economic crisis and of the austerity measures adopted to deal with the economic recession. Living and working in Poland, you have a close insight into the development in the former Eastern bloc countries. The region of Central Europe is now part of the EU but there are significant inequalities in the EU. Do you see any specific challenges of the crisis for Central European countries and how these translate in challenges for gender equality in this region?

Ewa Rumińska-Zimny: The impact of the crisis and austerity policies as key concept to address it had stronger negative effects on women in Central European countries as compared to most EU countries (except countries like Greece or Spain). This is at least for three reasons. First, the social infrastructure in these countries, especially in Poland, which provides child and elderly care, is at the lowest level in the EU. Austerity policies and cuts in social spending, while the opposite should be the case, have already resulted in an increase in child poverty, which is also women's and family poverty (affects especially large families with more than 3 children). Second, women's unemployment, including long term unemployment, is persistently higher than men's unemployment in all Central European countries. Women's access to jobs is difficult at all ages (including due to their discrimination as "more expensive" workers) and is reflected in the low level of women's activity and employment rates (among the lowest in EU-28).

Finally, economic policies are gender-blind and based on traditional views of the women's role in society. The share of women in Parliaments and at decision-making levels is low and the women's movement is weak, except in Poland where the Congress of Polish Women, established in 2009, is gaining power as a broad based social movement active at policy level.² There are thus more optimistic developments to look ahead.

In terms of challenges, clearly, they are even more visible and pressing in Central European countries. The need to re-think austerity policies and establish a gender-sensitive development model is strengthened by demographic arguments. Women in these countries have one of the lowest fertility rates not only in the EU-28 but also in the world. This is a problem for politicians and economic decision-makers as this affects future supply of labour and budgetary equilibrium with the fast growing share of pensions, health and care expenditure for the elderly while reducing tax contributions. These problems have to be solved now as demographic trends need time to be reversed (turning a baby into a worker simply takes time).

Zuzana Uhde and Alena Křížková: The development on the EU level, already during the period of the Lisbon strategy 2000–2010 and recently, shifted gender equality from one of the explicit political objectives into a horizontal issue. The institutional commitment to gender equality also weakened. Do you think it was possible to avoid this development, and if yes how? And what lessons can we take from this for the future?

Ewa Rumińska-Zimny: The EU gender architecture, with its pressure for adopting progressive equality legislation (a condition for EU membership), Directives, adoption of gender mainstreaming as an instrument to engender all strategies, actions and measures is quite impressive. And it certainly contributed to progress in new member countries. However, there is a gap between de iure and de facto impact of this architecture on positive changes at national levels. This could be explained by the fact that the EU is, as prof. Sylvia Walby said, a “neoliberal project”. It is focused on building a common market for goods, services and capital among member countries. The EU thus has a decision making power in this area and effective tools for implementation of economic decisions through common trade, monetary and competition policies.

Non-economic issues, such as human rights, including gender equality and social issues, are outside the economic mechanism of the EU. Decision-making power as well as implementation tools remain at country level despite some attempts to coordinate national policies through the so called “soft” coordination based on reporting progress and peer pressure. The crisis revealed the importance of coordinating social policies. The monetary Union, for example, is not effective without a fiscal union. So far, however countries are not ready to give up the decision making power in this area as there are huge differences in terms of social and tax systems and levels of solidarity.

This means that the EU does not have means to impose on member countries progressive gender equality policies and measures. Yes, countries have to implement Directives

related to gender equality, such as in employment, reach targets to increase female employment (Lisbon Strategy) or improve the child care infrastructure (Barcelona targets). Countries, however, have a large margin of liberty how and through what policy measures they implement gender equality laws, including the Directives. If we discuss a perspective of feminist economics this is certainly not the view from Brussels. Even if we assume that there is the so called “political will” at the top of EU decision-making bodies, they work under the mainstream concept of economics. And as we know, gender biases, which are embedded in this approach, create internal barriers for progress in gender equality. The main lesson from the past is that opening the mainstream economic model to feminist economics approach and thinking is necessary to achieve de facto progress in gender equality but also to pull Europe out of the crisis on a sustainable development track.

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Notes

- 1** <http://www.un.org/womenwatch/daw/ws2009>
- 2** www.kongreskobiet.pl/eng

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