

CARE WORK AND THE ECONOMY

Advancing policy solutions with gender-aware macroeconomic models

Care Work and the Economy (CWE-GAM) & Levy Institute Intensive Course

Session Brief: Day 1, Asia Time-zone

Prepared by: Praveena Bandara

Facilitator: Dileni Gunewardena, University of Peradeniya

Professor Dileni Gunewardena kicked off day one of the Asia sessions by welcoming the participants. She then proceeded to describe the lesson plan for the day. The format of the class was as follows: the fellows will listen to two sets of pre-recorded lectures that will be paused to facilitate breakout room discussions among the fellows where they should prepare one PowerPoint slide in response to a question. The fellows will then return to the main Zoom room and one member of each group will present the main points. The breakout sessions were allotted six minutes while each group had two minutes to present their thoughts.

Overview and Introduction – Maria Floro, American University, Washington, DC

Professor. Maria Floro began with an introduction to the Care Economy Project at American University Washington DC and an overview of the Levy Economic Institute of Bard College Intensive Course. The title of the main lecture was - *Introduction: Gender Constructs and Feminist Economics*. The topics covered were:

1. Concept of Gender

There is a distinction between the concepts of *sex* and *gender* and there may be various gender manifestations in relationships between men and women. Gender is a concept that has evolved through time. There is an imbalance of power created by gender differentiation.

2. Economics as Socially Constructed Discipline

Economics is a creation by individuals, predominantly men, and is therefore influenced by their ideas and interests. Economics also reflects social construction of masculinity and femininity. Therefore, policies of economics will also reflect these ideas and interests and may disregard the interests of certain groups.

3. Development of Feminist Economics

Feminist economics aims to incorporate the voices and experiences of women as they account for roughly half of the world's population. Historically, women have been neglected and invisible in economics and feminist economics brings women to the forefront albeit at the expense of "irritating" certain groups in society. Not only does feminist economics criticize existing models for being gender biased or gender blind, but it also most importantly proposes alternative models that better capture the realities of women. Thereby expanding the boundaries of knowledge.

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Breakout session 1: How is the issue of gender treated in economics? Explain how this treatment of gender can have a bearing on policy making.

Anjana Thampi: The treatment of gender depends on the assumptions of the model used to analyze an issue. For example, the assumptions of the neo-classical model were criticized by feminist economics where including a dummy variable for gender may not capture some information. Another example is Gary Becker pointing out that women had a competitive advantage in doing activities at the household level and that their activities were guided by self interest rather than altruism.

In terms of effects on policy making, if gender is not taken into account and it is assumed that policies would have the same effect on women and men, that would hamper the effectiveness of some policies. Household members and policy makers need to value work done at home by women. Valuing this unpaid work might also have a positive impact on the environment and there is a growing interest in the nexus between feminist and ecological economics. Additionally, austerity policies implemented in times of crisis may also have a negative impact of increasing the unpaid work burden on women.

Maria Sandoval-Guzman: The neoclassical approach regarded women as belonging to the home and as unproductive. Mincer and Becker spoke of barriers to entry to the workforce and women choosing lower paying jobs because of lower education, respectively. Marxism emphasized the need to understand these dynamics and the focus was on social structures and power imbalances. Sen spoke about people's capabilities and how these might depend on gender considerations.

How does this impact policy? The neoclassical assumption of gender neutrality results in gender blindness that skews economic policies towards male dominated sectors such as energy, while ignoring the work performed by women. Furthermore, policies that encourage women's participation in the labor force may be undermined by unacknowledged barriers such as care burdens.

Paulina Segonia: The issue of gender was not considered in the 70s and 80s and the household was considered as a single unit rather than a group of individuals. It was feminist economics that made care a problem of economics research.

Policy making can result in negative or positive outcomes depending on the relationships between men and women and society. For example, when considering the household maximization problem, policies directed at the male breadwinner would obstruct women's access to credit, property, inheritance, and equal access to opportunities. Additionally, hiring and firing practices, where in a crisis, women may be negatively affected due to gender biased policies.

Gender Relations in Households – Paula Herrera-Idarraga, Pontificia Universidad Javeriana

The learning objectives of Professor Paula Herrera's lecture were as follows:

1. Reflect on the explanations for gender division of labor in households.
2. Understand what determines the bargaining power of women and men in households.

The lecture covered two topics:

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1. Feminist critique of New Household Economics

- Becker's model of the unitary household, comparative advantage, specialization, and division of labor.

When it comes to the question of allocation of time between market and non-market work, is relative productivity a good measure to make the distinction? If we consider wages as a measure of productivity, gender-based wage discrimination would distort this assessment. The theory of Pareto efficiency does not help with this question because it does not consider equity in outcomes.

2. Household bargaining power

Going beyond the unitary model we can consider bargaining models. The bargaining power of a woman is determined by her fallback position. This fallback position and bargaining power are influenced by social norms, and it is important to consider which of these norms are contestable and which are not. Furthermore, not only is there bargaining within the household but there could also be intrahousehold interaction that may result in conflict or cooperation. Finally, the bargaining power of women is subjected to structures of constraint that include the household, community, and the state.

Breakout session 2: Think of a situation where the woman needs to bargain to improve her situation:

- *What structures of constraint or external constraints (household, community, market, or State) are more relevant for defining the outcome? Order from highest to lowest relevance.*
- *The order would change depending on the context. Why?*

Think of an example where the structures constraint counteracts and another where they reinforced each other.

Suriyani Muhamad: The biggest external constraint would come from the household and then from the community, this is my experience from doing research in Malaysia. When it comes to the issue of bargaining within the household between husband and wife, we notice that there is a difference in attitudes between older and younger generations. Members of the younger generation like to cooperate more in comparison to members of the older generation. This is the case in Malaysia, I have also researched these relationships in Japan, and they are more rigid. There is a strict distinction between "male tasks" and "female tasks".

Hasna Munas: We discussed how women in traditional communities in Sri Lanka must balance their family's needs and their career. For example, there are instances where in marriage proposals, men explicitly state that they want to marry a woman that does not have a career and would focus solely on the family. This caregiver role is reinforced at the community level. For example, being employed in sectors that predominantly employ women such as the garments manufacturing and tourism, is perceived negatively. In terms of counteracting policies, the state encourages female labor force participation which is around 35%, but there is a state policy that restricts women from working after 10 pm in Sri Lanka. This type of policy will restrict female employment in sectors such as the ICT sector, which may have late working hours due to its nature as a global service.

Ashwin Perera: We discussed the woman's bargaining power in the decision to exit a marital union. A woman may face pressures from childcare and reduction in income, and these pressures will decrease the woman's bargaining power. On a community level, cultural norms, ethnic and religious biases will also exert pressure on the women, further reducing her bargaining power. On the state level, outdated laws may also end up hurting a woman's

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bargaining power. Additionally, even though there may be laws that support women, they might not be upheld in courts due to biases of interpretation.