

Marx and Feminist Economics

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The Relevance of Marx Today
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Introduction

Feminist economics emerged as a distinct body of work in economics in the 1990s, with the founding of the International Association for Feminist Economics (1992), the journal *Feminist Economics* (1995) and the publication of the *Elgar Companion to Feminist Economics* (Peterson and Lewis, eds, 1999). It is unified by a concern with gender equality and women's rights and well-being, and the application of economic thought to analyse gender inequality and women's lack of rights and inadequate well-being. Of course, a concern with these issues is not altogether new in political economy. The Introduction to the *Elgar Companion* identified as examples John Stuart Mill and Harriet Taylor Mill, Friedrich Engels, and Torstein Veblen. The variety of approach exemplified in these examples continues in today's feminist economics, which is eclectic in the kinds of economic theory and analytical tools that are utilised.

The first issue of *Feminist Economics* included a critique of Becker's theory of the family, a critique of the use that mainstream economists make of the story of Robinson Crusoe, an econometric test of the influence of social/institutional variables on behaviour within families, a debate between a neoclassical economist and an institutionalist economist on determinants of women's labour force participation in USA, and a paper about caring labour that compares neoclassical and institutionalist perspectives. This focus on a feminist analysis of households and labour markets has continued, and relatively few articles undertake macroeconomic analysis of the economic system as a whole. An exception is Fukuda-Parr, Heintz and Seguino (eds) (2013), a special issue on *Critical and Feminist Perspectives on Financial and Economic Crises*.

Many feminist economists have not engaged with Marx's economics at all. The *Elgar Companion* has entries on Austrian Economics, Neo Classical Economics,

and Post Keynesian economics, but not Marxist economics. But those of us who were members in the 1970s of the Conference of Socialist Economics in the UK and the Union for Radical Political Economy in the USA did so, participating in *Capital* reading groups, for instance, and engaging in debates on value theory and on the lack of attention to unpaid domestic labour in Marx's analysis. I shall discuss the ways in which some of the ideas developed then are still relevant to feminist analysis of capitalism today. And also, the ways in which feminist analysis requires an extension and rethinking of key aspects of Marxist economic analysis.

Labour and money: Contradictions of women's paid work

It is almost 40 years since I published a paper called 'The Value Theory of Labour' as an intervention in debates in Marxist economics (Elson 1979). I have not continued to engage with debates on Marxist value theory, but I have continued to find valuable the understanding of capitalism that I derived from my reading of Marx, an understanding of capital as shape-shifting, restless, transformative, contradictory, in ways that cannot be captured by quantitative models with dependent and independent variables. And of labour power as potentially fluid but objectified in specific labour processes by specific sets of social relations in specific times and places. And of the buying and selling of labour power as founded on the separation of the labourer from the means of production. And of labour power as different from other commodities: what is sold is the right to use the labour power for a specific time and in specific ways; and the wage is not a price like any other: 'In contradistinction therefore to the case of other commodities, there enters into the determination of the value of labour power a historical and moral element' (*Capital Vol 1*, p.168). And exploitation as a system of domination that does not deny that workers have agency but insists that this agency is circumscribed in ways that enable capitalists to extract profit.

These ideas informed my subsequent empirical research (together with Ruth Pearson) on the increase in women's labour force participation in Asia and Latin America (Elson and Pearson 1981), and I think are still relevant to examining women's paid work today. What is lacking in Marx's analysis is an

analysis of how labour is gendered (and racialised – an important issue that I will not discuss in depth in this paper but see Matthaei 1998 and). But Marx's analysis provides foundations on which we can build an understanding of labour as gendered and racialised in ways that go beyond superficial ideas of subjective discrimination disrupting determination of wages by marginal productivity, and determination of occupational patterns by innate aptitudes and preferences.

The idea of the historical and social objectification of potentially fluid labour power enables us to see sexual and racial divisions of labour not as the outcome of innate aptitudes and preferences, but as the outcome of systems of gendered and racialised power. The invocation of an 'historical and moral element' in the determination of wages allows space for the impact of systems of gendered and racialised power.

Ruth Pearson and I used this space to argue that though the relation of capitalist to worker is not gender ascriptive (unlike the relation of father to daughter or husband to wife), this relation is nevertheless a bearer of gender. (This is true not only when the boss is male and the worker female, but irrespective of the particular gender of each). The jobs that are primarily done by women are not categorised as inferior 'unskilled' jobs because they objectively require less skill than jobs mainly done by men with the same level of formal education, but because they are done by workers that are considered inferior and their tacit skills go unrecognised. The pay for women workers is lower than that of men because women are placed as less deserving of wages in the moral economy of wage determination. The pay for women from subordinate ethnic groups is lower than for women from the dominant ethnic group for similar reasons.

Nevertheless, when women enter the labour market and the capitalist labour process, they do derive some benefits. But it is profoundly misleading to characterise women's paid employment as 'empowering', as is frequently done in feminist analysis that draws on mainstream neo-classical economic analysis. Entry into labour markets and into capitalist labour processes is profoundly contradictory. Ruth and I distinguished three tendencies:

- A tendency to intensify existing forms of gender subordination
- A tendency to decompose existing forms of gender subordination
- A tendency to recompose new forms of gender subordination

Intensification of existing forms of gender subordination refers to construction of paid work in ways that strengthen male power over women in families and communities- such as paying young women's wages to their fathers.

If, as is more typical, wages are paid to women themselves, this can lessen the power of fathers and husbands, decomposing existing forms of gender subordination. Daughters are often able to have more say about whom they marry and when they marry. Wives often gain more bargaining power in relations with their husbands. For women, money of one's own is important. It may even allow women to form their own families and support their own children. But there are limitations. Women may still be pressured to hand over their pay to other family members. Women may be subjected to violence from husbands who feel their masculinity jeopardised by wives earning money. Most women do not earn enough to support themselves and their children at a decent standard and some may have to choose between enduring violence and enduring poverty. Even if they do not face this choice, for many women who have children, their paid work is a second shift, in addition to their unpaid work raising those children. So, their total working day is long and arduous.

At the same time as authority of fathers and husbands may be weakened, women are newly subject to the authority of employers, who control their working hours, the clothes they may wear, the intensity of the work they must do: in short, who exploit them to make a profit. They may have to work in unhealthy environments, be subject to sexual harassment both in the workplace and travelling to and from work, denied their dignity.

Women do, of course, resist, in covert and overt ways. The gains that women derive from waged employment can be strengthened by collective organization, but, as feminists have emphasised, this needs to go beyond struggles for better pay and conditions of work, to encompass safe transport,

affordable housing, clean water and sanitation, and affordable good quality care services.

Today there is a huge emphasis in many countries and in international organizations on getting more women into paid employment as the route not only to their empowerment but also to faster economic growth and an increase in profits. (The so-called win-win solution) Though Marx did not recognise the gendered characteristics of capitalism, his analysis of capitalism as a contradictory and exploitative system provides a basis for a feminist analysis of the contradictions of women's paid work; and an understanding of why paid work is not perceived as empowering by many women. Among other things, this approach can help us to understand why many women support right wing authoritarian political parties who celebrate the nation's mothers and wives and promise support for women as mothers and wives.

Unpaid work and the reproduction of the labouring population

In the 1970s feminists identified an important absence in Marx's analysis, which reduced the usefulness of Marx's economics for feminist analysis and women's liberation: the failure to recognise the unpaid work required for the reproduction of the labouring population.

Marx argued that the wage must cover the cost of the commodities required to reproduce labour power on a daily and intergenerational basis:

'the sum of the means of subsistence necessary for the production of labour power must include the means necessary for the labourer's substitutes i.e his children, in order that this race of peculiar commodity owners may perpetuate its appearance in the market.' (*Capital Vol 1* :168)

Marx treats the use of the wage to secure reproduction of the labouring population as a simple matter of the labourer spending the money obtained by selling his labour power on the commodities required for the satisfaction of his needs (and his children's needs). No mention of wives, daughters and maids, although these were all vital to the reproduction of Marx's own labour power.

In the discussion of the circuits of capital in *Capital Vol II*, the reproduction of labour power is treated in terms of the circuit L-M-C, in which the labourer sells his commodity, labour power, obtains money, and uses it to buy the commodities required for the satisfaction of his needs.

‘The labourer must above all live, hence maintain himself by individual consumption, in order to be always in the market as material the capitalist can exploit’. (p. 59)

Though Marx puts labour, together with money, at the centre of his discussion of capitalism, and he does not recognise that labour is required to transform the commodities purchased by the labourer, into means of consumption for the reproduction of the labouring population. He is only interested in the labour that takes place within the circuit of capital. Nor does he question whether individual consumption is adequate for the reproduction of the labouring population.

Marx takes for granted the reproduction of the labouring population. What he problematises is the reproduction of capital, both individual capitals and capitalism in the aggregate, as a system. This is treated at great (and indigestible) length in *Capital Vol 11*, with discussions of various ways in which reproduction is precarious. ‘All of this amounts to reproduction taking place either under more favourable conditions than before or under more difficult ones, which may result in imperfect-defective -reproduction’ p. 399)

Note that in the discussion of the reproduction of capital, Marx uses the term ‘social’ to refer to capital in the aggregate, as distinct from individual capitals; and ‘social reproduction’ to mean the use of a portion of the social product (ie the total product) to replace capital (*Capital Vol 11*, p. 396) .This is different from the use of the term in subsequent work by feminists.

Feminists engaging with Marxism in the 1970s criticised Marx for ignoring the role of unpaid domestic work in converting commodities purchased by the wage into the reproduction of the labouring population (see Himmelweit 1999) This work was, and still is, predominantly done by women and girls. Socialist

Feminists argued that understanding this work was key for an historical materialist understanding of women's unequal and subordinate position. (Some used the term 'patriarchy', some did not.) But there was a debate about how to understand unpaid domestic work in the context of capitalism and what political conclusions should be drawn. For instance, did unpaid domestic labour produce surplus value- and should feminist strategy focus on gaining wages for housework? I was one of the many feminist economists involved in this debate that answered no to both questions.

This debate did pave the way for an extensive body of feminist economics research focusing on the household as a site of production, including a rich body of empirical work drawing on time use studies, and the elaboration of concepts such as the 'care economy' and 'caring labour'; and more recently, work on 'international care chains', showing how women in employment in industrialised countries have been employing migrant women to clean their houses and look after their children and elderly relatives. This work made clear why anyone interested in gender equality and women's rights and well-being should investigate unpaid domestic work.

But it did not explain why economists primarily interested in the accumulation and reproduction of capital should have any concern for the conditions of the reproduction of the labouring population. And by and large such economists have continued to ignore this question, assuming, as did Marx, that while the process of accumulation and reproduction of capital shapes the conditions of reproduction of the labouring population, the reverse is not true.

But there are some contributions to feminist economics that do engage with the question of how the necessity of reproducing the labouring population does transform the process of accumulation and reproduction of capital. An important example is Antonella Picchio. She uses the term 'social reproduction' means the reproduction of the population from which wage labourers are drawn (Picchio 1992). Picchio problematizes this reproduction: how to guarantee the right quantities and qualities of labour power, in the context of the deep insecurity inherent in capitalist labour markets? (p. 22)

Individual consumption of commodities purchased in the market with the wage cannot guarantee this. For one thing, 'the labouring population, despite the weakness inherent in its dependence for subsistence on wages work, manages to maintain, through resistance and attack, a certain control over the modes of its reproduction'. (p.29)

Picchio also problematises the wage as the link between social reproduction and accumulation of capital: wages are simultaneously a cost of production, a major component of aggregate demand, and a means of reproduction of the labouring population (p.125). These functions are in tension. An individual firm seeks to reduce wages as a cost of production, but if all do so, aggregate demand will be reduced, and the wages will be insufficient to reproduce a healthy educated labouring population.

As a result of these tensions, unpaid work in families and communities is insufficient for reproduction of the labouring population in ways that meet the needs of capital. The state has been required play an increasing role in social reproduction, providing public services and social security, and at the same time attempting to discipline and shape social reproduction. (This implies a fiscal circuit as well as circuits of capital, though Picchio does not explore this). But although the state regulates the adjustment between the process of accumulation and the process of social reproduction, it is impossible to control the reproduction of labour power like the production of other commodities (Picchio 1992: 72).

Moreover, the development of public services and social security has always been predicated on continued unpaid domestic labour of women. This unpaid work not only converts goods and services obtained via the market and the state into means of consumption and self-development for household members, it also serves as a counter to the alienation experienced by people in capitalism. Picchio refers to 'the enormous mass of energy which women pour into others, to make them feel like human beings in a system that treats them as commodities (whether in current use, to be used, or out of use).' (p. 98). Of course, there are limits to this, and the family is too often a place 'where the tensions and insecurities of all its members are discharged.' These insights

point to the importance of 'moral sentiments' in the reproduction of capitalism that goes way beyond the recognition that in the determination of the value of labour power, there is a historical and moral element.

Feminist economics has made many contributions to understanding the specificities and complexities of the reproduction of the labouring population, but with some exceptions, such as Picchio, has not focussed much on the implications for the process of capital accumulation, for the macroeconomy. The key point is that the reproduction of capitalism as a system cannot be secured through markets, money and commodities alone, but also requires the unruly contributions of families and the contradictory contributions of the state, the payment of a social wage (however rudimentary) as well as money wage.

One important tension is between the requirements of capital for a supply of labour power for *both* paid employment in capitalist production processes, *and* unpaid work in the reproduction of the labouring population.

Capital cannot handle this tension by acting directly in the circuit of reproduction of the labouring population in the way that it can in the circuit of production of profit. For instance, it cannot ensure that parents have enough income security and enough time to provide the support that is needed for children to benefit from their schooling. (Families as well as schools are important for educating children). In industrialised capitalist countries, many businesses need a labour force which has educational qualifications and ability to work in teams and ability to be self-motivated and a willingness to accept external disciplines. In the UK many employers complain that these qualities are in short supply among working class children, especially boys, who perceived as ill-disciplined and disaffected. A frequent response is to blame the parents, claiming that many lack basic parenting skills and are not interested in the education of their children. There is no appreciation of the way in which conditions of paid work can undermine the ability to parent, through insecurity, insufficient income and long working hours, sometimes in multiple jobs. Zero hours contracts and bogus self-employment contracts increase the immediate profits of the businesses that use them. But undermine

conditions for the kinds of parenting that in the long run is conducive to the availability of the kinds of labour power that businesses need.

This is not the kind of contradiction that Marx analysed. Nevertheless, in thinking through what contradictions like these imply, I have found the idea of precarious circuits of reproduction that Marx explores in *Capital Vol II* to be fruitful, provided it is expanded to take account of circuits other than those of capital (such as fiscal circuits); and intangible circuits of sentiments as well as material circuits.

My reading of *Capital Vol II*, helped shape my account of interactions between households, businesses and states in the ongoing reproduction of capitalism (Elson, 1998). I conceptualised the economy in terms of three sectors: private, public and domestic, linked by fiscal circuits as well as market circuits, and circuits which not only circulate money, goods, services and labour power, but also transfer ideas, social norms, moral sentiments (ethical values), about what is legitimate and what is not; about who belongs and who does not.

These interactions are able to a certain extent to sustain and legitimate capital accumulation, and to provide security for the labouring population, through paid employment and social security. But these interactions are also marked by mismatches, dissonances, misinformation, demoralizations, delegitimations, break downs in trust, increases in systemic risk etc. that mean that reproduction of capitalism is never smooth, and is marked not only by financial crises and recessions but by resistances, both organized and disorganized, solidaristic and exclusionary, to the subordination of people to profit.

Any set of arrangements for securing the combined reproduction of the labouring population and the accumulation of capital is only temporary. Changes in these arrangements mean that capitalism today in Europe looks very different to capitalism in the mid 19th century. The prevalence of the male breadwinner/ unpaid housewife form of social reproduction has been reduced (it never was the only form) to be replaced by a wider variety of family forms and waged work/unpaid work combinations. The role of public services in the reproduction of the labouring population has massively

increased; but this increases the fiscal demands on capital and creates not-for-profit employment that is a fertile ground for trade union organizing. So, the role of the state is not static: in many European countries in the last 30 years public services have been privatised and outsourced. And in some countries, we are seeing the development of care capitalism, reminding us that capitalism is a restless and innovative system.

Care capitalism

By care capitalism I mean the provision of care services for profit by businesses. An example is the business of running for-profit nursing homes to provide care for frail elderly people. This kind of care capitalism has grown rapidly since the early 2000s, not only in USA, Canada and UK, but also in Sweden and Norway (the latter form a very low base) (Harrington et al 2017). The nursing homes are owned by large private businesses and equity funds. The proportion of nursing homes that are operated for profit in 2014 was the highest in the United Kingdom (86%) and the United States (70%), lower in Canada (37%) and Sweden (18%-19%), and lowest in Norway (6%) (Harrington et al 2017, p. 3). They are all dependent on fiscal transfers that pay the fees of most of the inhabitants.

A detailed case study of the five biggest nursing home businesses in these five countries showed that there is evidence of complex debt-based financial engineering and frequent buying and selling of companies, nursing homes, and related businesses in all five countries. Data on quality is not easy to come by but there is evidence of problems with the quality of care provision in all five cases, generally related to low staffing levels (Harrington et al 2017).

The feminist analysis of care highlights the many ways in which the production of care differs from the production of manufactured goods, and the difficulties in applying the strategies that have proved successful in increasing both productivity and quality in manufacturing to the production of care. The quality of care is highly correlated to the employment of well-trained, well-paid staff, and strategies that cut labour costs jeopardise care (Commission on Care 2016).

Not all care home businesses are making high returns: some are caught between the freezing of fiscal transfers as a result of austerity programmes, increases in minimum wages, and debt servicing obligations. In the UK a number have gone bankrupt and local governments have had to pick up the pieces (Commission on Care 2016).

Care capitalism is an example of where we need to draw on insights from both Marx and from feminist economics to understand new developments in the accumulation of capital and the reproduction of the labouring population. A topic that needs more exploration is how the reproduction of the labouring population in capitalism encompasses not only people who are currently in paid employment, and those who potentially will be paid employment at some future date, but those who are not currently in paid employment and will definitely not be in paid employment at some future date, such as frail elderly people in nursing homes. An historical and moral element enters not only into the determination of the wage but also into the determination of who gets care and how they get it.

Conclusions

Marx's critical analysis of capitalism did not encompass the specific forms of exploitation, subordination and inequality to which women are subject. But it left space for feminist economists to develop an understanding of capitalism as a gendered system. The broad sweep of Marx's understanding of capitalism as a contradictory, restless, innovative system in which finance comes to dominate over production and reproduction, but in which historical and moral elements are irreducibly present, is relevant for feminist economics today.

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