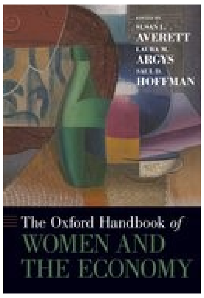

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CHAPTER

25 Women and the Labor Market: A Feminist Perspective

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Abstract

This chapter first outlines the feminist economics intellectual project. While feminist economics has its roots in nineteenth-century political economy, it has undergone most of its development within the past quarter century. The chapter explains the application of feminist principles to two standard labor economics topics: labor supply and earnings, and the more specifically feminist topic of provision of caring labor. The differences between standard neoclassical theory and predictions, and feminist economic theory and predictions, are outlined in each section. The chapter closes with some feminist perspectives on economic empiricism and the methodological underpinnings of empirical work in labor economics.

Keywords: caring labor, discrimination, female labor supply, feminist economics, gender earnings differential

Subject: Labour and Demographic Economics, Economics

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"WOMEN and the labor market" sounds like an all-encompassing umbrella, which many economists may treat as synonymous with both "economics of gender" and "feminist economics," even though they may, if pushed, acknowledge that both of those concepts may be broader in span than simply covering labor market issues. Yet the differentiation between the economics of gender and feminist economics is a crucial one. The economics of gender is specifically concerned with how gender differences lead to different economic outcomes, as encapsulated in terms of such standard economic measures as earnings, income, wealth, poverty rates, hours of work, and time use. Feminist economics is a much broader intellectual project that encompasses this concern and these measures but also considers how economics, both as a field and as a body of theory and methodology, has been shaped by those who have chosen to work in it, which historically and currently has been mostly men. Labor economics, because it has been the main area in economics where gender differences have been studied extensively, has been the area where both of these projects have been most extensively developed. As such, it is also the nexus for considering how the feminist economist project leads to different predictions and results than those stemming from the standard neoclassical model.

In this chapter, I first describe how feminist economics came into being and then discuss how feminist perspectives may be applied specifically to labor economics. The heart of the chapter then considers the application of feminist principles to three areas of labor economics. The first two areas are very conventional: labor supply and determination of earnings.[1] The third area, endogenous preferences in general and their interaction with "caring labor" in particular, is one of the most novel developments in economics, and is one that stems most clearly from the development of feminist economics. The chapter closes with some feminist perspectives on economic empiricism p. 624 ↳ and the methodological underpinnings of empirical work on labor economics topics, followed by some final thoughts regarding the feminist economist project.

Feminist Perspectives Applied to Labor Economics

Doesn't the very fact that many economists, both men and women, study women and the labor market show that those economists care about and understand feminist issues and perspectives? How could the topic of women in the labor market be anything but a feminist topic? Yet it is exactly this topic that has been one of the most fraught with controversy. Are economists unaware of underlying gender biases that lead to unequal labor market outcomes for women and men, perhaps unbelieving that gender discrimination could still occur in modern labor markets, and blind to the inequitable outcomes that seemingly just fall out from the process of nonjudgmental, scientific, economic modeling?

Those topics central to labor economics also are central to the feminist critique of neoclassical economics. How do women decide how much labor to supply to the market? The utility maximization framework presupposes individual agency, as well as taking earning potential as given. Yet, how are earnings determined? Human capital investments have systematic gender patterns (e.g., women and men majoring in different subjects in college; women and men pursuing different postgraduate degrees and types of training) and thus lead to systematic gender-linked outcomes that need not be due solely to gender-linked preferences.[2] Employer, employee, and customer discrimination can all be gendered. The feminist critique leads naturally to questions about other demographically linked patterns in the labor market, such as those related to race, ethnicity, sexual orientation, age, and class, as well as to awareness of their intersectionality, that is, the interconnectedness of social categorizations and how they create overlapping, interdependent patterns of discrimination and disadvantage.

Feminist economics has strong roots in the British social reform movements of the late nineteenth and early twentieth century, and thus is inextricably tied with labor economics. John Stuart Mill, Millicent and Henry Fawcett, Beatrice and Sidney Webb, and others wrote about and campaigned for women's rights. In the United States, Jane Addams and others, including Sophonisba Breckinridge and Edith Abbott, both of whom received PhDs in economics from the University of Chicago, moved readily between social work and suffrage, and also to the intellectual callings of political economy and sociology. These early writers linked their activism to their research and writing, calling attention to the inequities in both industrial and domestic life between women and men, but also documenting the extensive nature of women's involvement in paid work. This focus on gendered power differentials and the ensuing inequality of gendered p. 625 ↳ outcomes persisted through the progressive era of the 1920s and into the modern era of feminist economics.

Modern labor economics, including the "new home economics," dates from the early 1960s and only began to gain significant traction with the rise in affordable and accessible mainframe computing and systematic collection and dissemination of nationally representative, individual-level datasets, including panel data, in the mid- to late 1970s. This led to a rise in empirical analysis of female labor supply. Early feminist critiques of this literature come more from the Marxist side of the profession, with Hartmann (1976, 1981) as the most notable early critic. Hartmann pointed out not only the dismissal of the distaff side of the paid labor market, namely, the household production sector, but also the lack of a linkage between observed patterns of occupational segregation by gender and women's performance of the vast majority of housework.[3]

Another more general line of critique of the modern era of economics and its heavy reliance on econometric techniques and reductionist storytelling came from McCloskey (1985), who pointed out that these can be seen not simply as good scientific principles, but as rhetorical strategies that economists employ widely to close off whole avenues of debate and to advance their points. After all, even saying that an increase in wages in the labor market will lead to a drop in employment is a story. McCloskey's writing, along with input from feminist writers in other disciplines, notably philosophy, gave some impetus and shaping regarding a potential critique of economics to those in the profession who found the rise of the modern mathematical era of economics, in both its theoretical and empirical manifestations, somewhat unsettling when it was applied to gender issues and ended up reifying the status quo of gender differences in employment and earnings.

The widespread use of the term "feminist economics" did not, however, emerge until the early 1990s. Even as labor economics models were extended to the household and to specific mention of female labor supply and earnings, there was dissatisfaction from many members of the profession, particularly female economists (who were growing in number), about the loss of the earlier, more proactive content from the economics agenda. This perspective, which dated back to Mill, Fawcett, and others, saw economics as an impetus for social change and viewed inequalities as at the same or higher level of primacy as inefficiencies. But this perspective was not preserved in the mainstream of either economics as a whole or labor economics; this was true even in the area of industrial relations, which also was moving toward more formalist and econometric analyses of traditional topics like labor union bargaining and strikes. In addition, the standard high-status publishing venues for economics did not seem open to pieces that focused on critiques of economic rhetoric, that called for a wider methodological toolbox, or that called for a more specific tie between social change and economic analysis.

While the American Economic Association's (AEA) standing committee, the Committee on the Status of Women in the Economics Profession (CSWEP), was founded in 1971, and several of the first members of that committee (including Myra Strober and Francine Blau) worked on women's issues, CSWEP did not (and still does not) espouse specifically feminist views regarding the content of economics. Instead, it was focused
 primarily on giving female economists more standing in the ↳ profession and increasing their numbers, along with sponsoring more research on economics of gender. Thus, it was not until 1990, at an AEA session (one not sponsored by CSWEP) on "Can Feminism Find a Home in Economics?," that, as the International Association for Feminist Economics (IAFFE) website states, "women economists found each other to discuss the difficulties in doing feminist work and their desire for conversation with like-minded economists" (IAFFE 2017a). As an outgrowth of those meetings and the subsequent mailing list that was formed, IAFFE was formally incorporated in 1992, with Bucknell University Professor Jean Shackelford serving as its first president.

At this point in the mid-1990s, the feminist economics publishing project developed significant momentum. Two major compilations of essays were published, *Beyond Economic Man* (Ferber and Nelson 1993) and *Out of the Margin: Feminist Perspectives on Economics* (Kuiper and Sap 1995), which derived from a conference held in Amsterdam. IAFFE's journal, *Feminist Economics*, began publication in 1995 and serves now as the primary location for peer-reviewed publications in this field. In addition, Routledge, the journal's publisher, launched a book series, "Advances in Feminist Economics," in conjunction with IAFFE, that serves as one of many places where monographs on feminist economics can now be published; Edward Elgar is another major publication outlet for monographs and edited volumes in the area. The sheer volume of publications that have now occurred in this area over the past quarter century now lend substantial gravitas and a variety of argumentation and examples for those who would understand how feminist economics principles can be applied to a wide range of economic topics.

Even as the domain for feminist economics has spread to such disparate areas as money and banking and environmental economics, one of the fundamental topic areas for feminist economics continues to be the labor market. One of the most fruitful areas for research has been the opening up of additional useful data sources for many other countries besides the United States and other Organisation for Economic Cooperation and Development (OECD) members. The same topics (including those that were previously considered more in the realm of development economics) arise in multiple country contexts with additional institutional twists on how gender-linked economic inequality can arise and be perpetuated in multiple societal and cultural contexts.[4]

Feminist Perspectives on Labor Supply

The standard labor economics model of women's labor supply and its determinants is discussed elsewhere in this *Handbook* (Guldi and Schmidt; Jayachandra and Heath). Thus, this section only briefly outlines the main assumptions of the standard model and then discusses how more feminist-consistent models differ in their underlying assumptions and thus lead both to different conclusions and to different policy recommendations.

Modern labor economics as applied to women's participation in the labor market derives in large part from
p. 627 the work of Becker (1960, 1965) and Mincer (1962) from the ↳ fruitful years they spent at Columbia together. This baseline model appears in various writings and labor economics textbooks subsequently. This includes textbooks specifically meant for courses on women and work, including Blau and Ferber's text, *The Economics of Women, Men, and Work* (1986; later additions add Winkler as a third author and the book is now in its seventh edition as of 2013); my own text, *The Economics of Gender* (1994; later editions through 2007); and Hoffman and Averett's text, *Women and the Economy: Family, Work and Pay* (2005; now in its third edition as of 2017).

These textbooks all explicate the baseline labor economics model of individual labor supply. In this model, an independent agent maximizes utility, derived from consumption of goods and leisure, subject to the constraints of the wage rate, the number of hours, and other unearned income. This generates a labor supply curve that shows the relationship between the wage and the number of hours supplied by the individual. To the extent that there is another person in the household who works, that effect simply appears as the availability of unearned income to the person deciding whether or not to work or how many hours to work.

It is notable that the parable of the independent person is one that is easily open to feminist criticism, given its inherent rhetorical bias in framing the fundamental human decision of how to spend one's time as being unrelated to anyone else's decision. It takes adding only one person, where one can then coordinate production decisions and trade output to improve consumption through use of comparative advantage, to move to a model of labor economics that actually is more consistent with fundamental economic principles. Thus, the parable of trade comes into immediate conflict with the parable of independent decision making. While the McCloskey (1985) critique regarding the uses and misuses of rhetoric in economics is more wide-ranging, feminist economists such as Nelson (1995) and Strassman and Polanyi (1995) clarified early on how widespread use of the individual agent model strips gender from the equation; Grapard (1995) specifically discusses the heavy reliance in economics on the "Robinson Crusoe" model to illustrate production and (self-)exchange. These writers go further in criticizing the rhetoric of economics, including how economic writing tends to rely on more "masculine"-coded words and phrasings, including those expressing objectivity and independence, over "feminine"-coded words expressing subjectivity and dependence. Kuiper (2001) extends the terminological critique, including use of masculine baseline assumptions in labor economics, by analyzing terminology in Pencavel's chapter, "Labor Supply of Men: A

Survey," in the *Handbook of Labor Economics* (1986). For example, she points out that the baseline model is a married prime-age man with a wife who does the household work (Kuiper 2001, chapter 3).

The quick and easy expansion of the single-agent model is to a unitary household model. This model would generally then just have two household members, both adults, where children are considered generally as outputs rather than as additional persons with preferences that need to be considered. And for these two adults, either preferences are exactly aligned between the household members or a benevolent dictator exists (the "head" of the household) who chooses the optimal time allocation for the household (where members may participate in household production, paid p. 628 ↳ labor, or both). All contributions, whether household production, earnings, or other sources of income, are pooled and reallocated according to the unitary household utility function, which is maximized subject to the joint constraints of the individuals' wage rates and total time available. This model, as exposited, for instance, in Becker's 1991 book, *A Treatise on the Family*, has come in for substantial criticism from many feminist economists (e.g., Bergmann 1995; Kuiper 2001, chapter 2) for its implicit defense of the status quo of the married couple where the man is the primary earner while the woman either divides her time between market and household production or specializes in household production. Clearly, if the family or household maximizes a unitary utility function, then there is no acknowledgment of different preferences, or constraints, within the family, let alone any possibility for unequal power differentials for different family members that affect the outcomes from an ongoing negotiation process within the household.[5]

Two alternative but related intellectual traditions have arisen from this critique of the unitary household utility function model. One branch derives more clearly from the Becker-Mincerian framework, also known as the "Columbia School of Household Economics" or the "New Home Economics." This work itself builds on the earlier work from the 1920s and 1930s of economists Hazel Kyrk (1929) and Margaret Gilpin Reid (1934), who analyzed labor performed within the household and goods both produced and consumed within the household. Later writers in this area have taken a more detailed tack on modeling and considering "spousal labor," that is, labor performed within the framework of a marriage. Grossbard-Shechtman is perhaps the most well known of the intellectual descendants of this branch.[6] Grossbard-Shechtman's model of spousal labor is most fully articulated in her 1993 book, as well as in this volume, but is also expanded upon in subsequent work. Grossbard-Shechtman (now Grossbard) then founded the *Review of Economics of the Household* (founded 2001; first published 2003) and has now also founded the Society of Economics of the Household, the first meeting of which occurred in June 2017.

The other branch started with a more formalist approach to modeling intrahousehold bargaining, utilizing more fully the developing trend of application of game theory to economics. This type of household bargaining model is first developed by Manser and Brown (1980) and McElroy and Horney (1981), both of whom focused on divorce-threat bargaining points. Lundberg and Pollak (1993) extend the household bargaining model to consider noncooperative equilibria within marriage. In these models, household members have different preferences, and thus differ in how they would like to see household income spent and household production allocated. Outside offers matter in these models, in particular, what one can earn and produce as a single person. The source of outside income now matters, as all income is not necessarily simply pooled and reallocated.

Both branches have considered how social and cultural institutions within societies can reinforce the gender division of labor and make it difficult for individual households to deviate from these patterns, even if it might be efficient and/or Pareto improving p. 629 ↳ for the individual household. My own work with Matthew Baker (Baker and Jacobsen 2007a, 2007b) shows how societal institutions, which may arise endogenously but then persist due either to the service of overall societal efficiency or to hysteresis, can lead to a reified occupational gender segregation—whether by paid occupation or between paid and unpaid labor—and to a gender wage differential. Such institutions include dowry and bride price payments, inheritance rules, polygamy versus monogamy, locational patterns regarding newly formed families (e.g., patrilocal vs.

matrilocal structures), and the gender age gap in marriage. Study of different forms of marriage and household formation also provide interesting points of comparison regarding the precepts of the standard model. For instance, feminist economists (e.g., Badgett 2001) and others have studied same-sex households to consider not only how patterns of division of labor might vary for them as compared to heterosexual households (assuming there are no preconceptions regarding how to allocate time between two people of the same gender) but also whether their members' relative earnings, and division of output, are more equal (the answer being, in general, yes).

The question of allocation of household resources is not simply just a concern regarding sharing between two adults; often, children or other dependents are involved as well. If adult household members have different preferences regarding how much to allocate to children, then the amount spent on them will depend on intrahousehold bargaining. This can include not only how much consumption is allocated to children but also how much time each adult invests in raising the children. It may be that one person favors a greater allocation of time and consumption allocated to children and/or a more equal allocation across children within the household. If these patterns are also gender related (for instance, if women are more likely to favor resources being allocated to children), then societal-wide patterns may emerge as well.

So, we see the movement in household and labor economics from a unitary household model to a bargaining model, and a movement to explicit modeling of household production in addition to paid labor and leisure. Do these theoretical distinctions matter, or do they simply lead to more complicated models? For economists, who prize modeling simplicity and wield Occam's razor regularly, this is an important question. The increased availability of detailed household data, including time-diary data, from a greater number of countries at different levels of socioeconomic development has borne out the better predictive fit of models that consider household bargaining and thus acknowledge that income source matters. So, the loss in simplicity appears to be offset by better predictive capacity; at this time, scholarly research articles rarely use a unitary model, instead using the bargaining model framework to examine issues such as whether absolute or relative earnings are more predictive of household work patterns (e.g., Baxter and Hewitt 2013, using Australian data). It is also interesting to see which factors increase women's relative bargaining power within the household and by how much, with studies increasingly finding that women's education, incomes, and financial assets all matter (Doss 2013).

These models lead to different recommended policies than does the unitary model to achieve particular goals. For example, suppose society wants to devote p. 630 ↳ more resources to children and have more equal outcomes for male and female children. If men are less likely than women to allocate household resources to children in general, and female children in particular, then giving child payments to mothers rather than to fathers and/or giving larger payments to girls for actions such as school attendance than to boys is likely to be more effective in directing funds to their intended recipients than simply directing income payments to households without such stipulations. The whole microcredit movement is also predicated on the view that enabling women in households to have higher earnings leads to better pass-through to children and more investment in family productivity than providing similar funding to men.

For another thing, a model that accounts for household production and its valuation leads to different answers about the time path of total output by focusing attention on the exclusion of household production and other forms of unpaid labor in national income accounting. This matter of complete accounting, while not a concern solely of feminist economists, has been a central issue for them, given that much female labor takes place in the household sector and is thus considered "hidden labor." While this matter had long been discussed by economists, New Zealand legislator Marilyn Waring's book, *If Women Counted* (1988), brought this topic to the attention of a wide feminist audience. An important implication of this project is that women's widespread entry into the paid labor market is not a 100 percent gain in output; the loss in household production needs to be offset against it.

The feminist model leads to different policy recommendations as well regarding, in particular, how to reduce poverty and inequality. By bringing attention to the fact that female-headed households have much higher rates of poverty than two-parent households or male-headed households, it becomes clearer that the Robinson Crusoe model is of little use in thinking about single-adult households with children. Not only do households vary greatly in dependency ratios but also they vary in terms of access to resources. And to the extent that women still tend to face lower wages in the labor market than do men, they are solving a different optimization problem than men are, both in terms of determining their labor supply and in terms of their bargaining position within the household.[7]

The feminist model also reminds us that societal norms may still trump other factors that the intrahousehold bargaining model would indicate should have improved women's relative position. For example, Sevilla-Sanz, Gimenez-Nadal, and Fernández (2010) show, using Spanish time-use data from 2002 to 2003, that women continue to perform child care at the same rate regardless of their and their spouses' relative earnings. Even more disturbing, norms may cause women to reduce their labor market productivity so as not to increase their standing within the household: Bertrand, Kamenica, and Pan (2015) demonstrate that the pattern of income source within households (with the woman rarely earning significantly more than the man) is consistent with a general reluctance to violate the norm that husbands should earn more than wives.

Feminist Perspectives on Wage Determination

In the baseline model of labor supply as outlined previously, a fundamental assumption is that the wage that the optimizing agent faces is exogenous. This means also that any human capital investments are made prior to the period in which the agent makes the labor supply decision, and thus are also exogenous to the current labor supply decision. But what determines the market wage that women and men each face, and why would it be different for women and men?

Imagine a world in which individuals had no family constraints, or alternatively all faced the same family constraints (such as availability of resources for human capital development as children). In addition, imagine there was no discrimination along any dimension, and also that everyone was a price taker in the labor market. In that case, only differences in preferences, including preferences for certain nonpecuniary aspects of jobs, including riskiness and time preference (where those willing to delay gratification might invest more in human capital early on), would explain equilibrium differences in earnings between individuals or demographic groups.

But compare that to societies in which family structure matters, both one's birth family and one's family when one is grown, and to societies in which discrimination exists. Feminist economists have drawn specific attention to human capital investments in children and how those may vary systematically by gender, both by gender of the child and by type of household structure. For instance, being raised in a single-parent, female-headed household does not bode well for children. Similarly, if households favor male children, women will come to the labor market with less investment than men and/or gendered investment, including more investment in skills related to nonmarket production such as child raising.

Feminist economists also continue to consider the manifest ways in which discrimination, and feedback effects from discrimination, can lower women's wages. In crowding models, such as Bergmann (1974), wages are lowered for women because women either choose or are forced into particular sectors of the labor market due to discrimination existing in other sectors; thus, discrimination leads to lower wages in the nondiscriminatory market. This can also occur for self-employed women, such as in microcredit situations, where women crowd into the lower-capital-requirement sectors because they may lack access to capital markets for larger loans.

In addition, if there are societal norms regarding what jobs are or are not appropriate for women (and men), then those choosing nonstandard jobs for their gender have to bear the additional costs, psychic or real, of violating a gender norm. There can also be social norms that women should work mainly with other women, with very extreme forms of social gender segregation occurring in some countries; hence, social norms can cause the crowding phenomenon without any particular employer having to practice overt hiring discrimination.

p. 632 Market power can also lead to gender differences in earnings. Women may be more likely to be in monopsonized labor markets, and thus earn lower wages than men if they are the "tied movers" who are less able to change job locations to follow higher wages due to their family ties. In addition, in labor markets where negotiations yield wages (e.g., internal labor markets), if women are not as good at negotiating, then women will earn systematically less than men.

All of these factors would lead us to expect differences in earnings that are not related simply to differences in preferences. In addition, to the extent that women expect to experience discrimination, including outright barriers to entering particular sectors, this will affect their decisions regarding how much to invest in nonmarket skills versus market skills, and what types of market skills to attain.

Through this feedback effect from expected discrimination to human capital investment, these patterns thus become reinforcing: women have less of the higher-return skills and thus earn less. This reduces their bargaining position relative to men in the household and also makes them more likely to be the ones to perform household labor and to be the "tied mover" when it comes to making career-enhancing moves.

Note that none of these ideas are "noneconomic" and all can be incorporated into standard economic modeling. Thus, the insistence by many economists that labor markets are efficient and that discrimination will therefore be eradicated over time, along with their disinterest in modeling feedback effects, is not dictated by economics per se, and can appear to be an attempt to justify that any observed gender wage differential must be due solely to preferences and therefore not to discrimination. Bergmann (1989, 50), in her trenchant discussion of the state of economics writing regarding gender discrimination, quotes the observation of John Stuart Mill (1848, bk. II, chap. 4, section 2), to wit: "Political economists . . . exaggerate the effect of competition and . . . take little account [of custom] . . .. They are apt to express themselves as if they thought that competition actually does, in all cases, whatever it can be shown to be the tendency of competition to do."

Policy implications of the feminist approach to analysis of wage determination, other than clear support for antidiscrimination policies and enforcement of such policies, include a greater willingness than the mainstream economist to advocate for wage support policies. Policies such as minimum wages, and more stringently, living wages, reduce wage bargaining, which may have negative effects on women in particular, in the low-wage labor market (Albelda and Tilly 1997; Figart, Mutari, and Power 2002). Movements to eradicate tipping in favor of higher wages similarly work to level the playing field and reduce incentives for women to endure sexual harassment or to increase earnings. At the higher end of the labor market, policies to improve transparency in pay systems are viewed favorably by feminist economists, under the belief that it helps women negotiate more effectively for higher wages and also reduces the amount of negotiation that takes place in the labor market as more wage standards are enforced.

Feminist economists have also been more likely to emphasize the intersectionality of gender disparities with other forms of labor market disparities. The compounding burdens of age, race and ethnicity, and caste
p. 633 discrimination need not be simply additive ↳ but can be more interrelated, possibly even multiplicative. For example, the wage penalty associated with being an African American woman may not be the sum of the penalties for being African American and for being a woman. This is consistent with the types of labor market segmentation we see by age, race, and so forth that also intersect with gender.[8]

Finally, even when it is someone's "choice" to take on low-wage labor, it may be because of familial constraints that seem to exist much more often for women than for men. For instance, if women are, after divorce, much more likely to be the custodial parent, they may, because of this additional responsibility for child raising, also end up taking on work that is more compatible with child raising; these jobs are less likely to be high earning. Thus, caring labor in the home reduces the ability of women to take on paid labor outside the home.

Endogenous Preferences and Caring Labor

One of the most interesting feminist expansions of the baseline labor economics model is considering the uniqueness of "caring labor," as well as the reasons that societies may underprovide it. The feminist economist Nancy Folbre is most responsible for bringing the issues surrounding caring labor to the forefront of the feminist economist agenda (Folbre, this volume, 1994, 1995, 2002), although the concept dates back to before Folbre's work and receives particular development in sociologist Arlie Hochschild's work on the concept of "emotional labor" in *The Managed Heart* (1983). Folbre defines "caring labor" discursively as "work that involves connecting to other people . . . things like the work of caring for children, caring for the elderly, caring for sick people or teaching . . . some kind is paid, some is unpaid . . .. What is really distinctive about caring labor is that it is usually intrinsically motivated" (Ressler 2003).

The unique aspects of caring labor lead to a number of concerns. One is about the decreased bargaining power of care workers in the labor market. As Himmelweit (1999) points out, paid caring labor is not that different from unpaid caring labor for relatives and friends, due to the emotional relationships that develop between paid caretaker and client. As Folbre says:

> One thing that is relevant is that care workers care about the people they are taking care of. So it is harder for them to go on strike, it is harder for them to withhold their services unless they are being paid. They become a kind of hostage to their own commitments and their own affections for the people they are caring for.
>
> (Ressler 2003)

Another concern is about underprovision of caring labor, whether paid or unpaid, relative to a social optimum. Those being cared for rarely have significant assets to draw on to pay for care. Children, the
p. 634 elderly, the ill, the disabled: all are groups that have high ↳ needs for caretaking but generally low assets. One could argue that the elderly and ill should have planned for future costs when young and healthy; it is harder to make that case for children and for those disabled since birth or childhood. There are also significant positive externalities inherent in ensuring that sufficient resources are devoted to child raising.[9]

As the elderly population increases worldwide, there is also increasing concern about the potential lack of caretakers for them. Note the tie back to the issue of unmeasured household labor (and the large controversies about how to calculate those imputed values); much of this is, indeed, caring labor. Ironically, as financial incentives rise for women to join the paid labor market, the issue of who takes care of the kids and the elderly becomes more pressing. It is perhaps ironic that the paid care market is, in fact, composed in large part of working women, many of whom are themselves mothers and daughters taking care of their own aging parents.

Part of the solution occurs through intergenerational transfers. Children grow up to take care of their parents, while the elderly can draw on the goodwill of those children (and other relatives) they raised. Part occurs through risk sharing: for instance, if you don't know if you will be the one to be ill, then marriage, with its mantra of "for richer or for poorer, in sickness or in health" becomes the ultimate insurance policy.[10] This implies that we should work out better social insurance schemes to pay for greater, and more equally shared, provision of caring labor. One modern manifestation of this is the new project for some social work agencies to compensate family caregivers for providing care to their relatives. Feminist economists are thus at the front of the movement to consider how we can devote more resources to caring labor through changes in our social institutions, as well as critiquing the low wages that persist in this sector.

Feminist Critiques of Empirical Methodology

Up until now I have been considering concerns that feminist economists have raised regarding the dominant economic theory paradigms in labor economics. But the feminist critique of labor economics and its treatment of women also extends to methodological concerns regarding how empirical work is performed in general by economists. This set of concerns consists not simply of how theoretical models are constituted and estimated or tested, but also about the dominance of a particular methodological paradigm for economists, namely, modern econometrics and its central focus on regression techniques.

While one could launch at this point into a very wide-ranging critique, as well as a partial spirited defense, of modern econometric techniques, I will confine my discussion to raising two points. The first is the overemphasis on the measurable, and, in particular, on measurables that can fit readily into a regression framework. The second is the p. 635 ↳ overreliance of the profession on the analysis of the same few large datasets. This means that multiple studies finding similar results are really not so different after all, because they are using the same sample. Expansion of the set of datasets used by economists would be an important test on how robust our results are to out-of-sample testing.

Jacobsen and Newman (1997) note both the rapid rise in labor economics journals in the 1980s and 1990s of the use of multiple regression (concurrent with the rise in availability of first mainframe computing time and then personal computers) and the relative lack of use of novel data sources in economics, as compared to other social sciences. These trends have not changed as much as one might have expected in labor economics, even as some other areas in economics, such as development economics, experimental economics, and financial economics, now increasingly use a wider variety of datasets.

The recent rise in machine-learning techniques provides some hope that economists will move to use of models that are more resistant to overfitting, as well as models that allow for more complicated interactions. My own work with data-mining models applied to estimation of gender earnings differentials represents a small step in this direction (Jacobsen, Levin, and Tausanovitch, 2016). The more atheoretical approach of machine learning may also be more attractive to feminist economists.

Meanwhile, survey questions are slowly adapting to allow for more complicated realities. For example, it is interesting that the rise in the acknowledgment of the existence of a transgender population has led to more fluidity in the assignment of gender; surveys now increasingly allow for indication of trans categories. Redmount (1995), who argued for the endogeneity of gender/sex in empirical modeling, was ahead of her time. Surveys also now increasingly allow for more varieties of household composition to be reported—married or unmarried, same-sex or heterosexual couples—though the main US surveys lag regarding the ability to identify clearly unmarried same-sex partners.

In an ideal case, economists would comfortably utilize a more multimethod framework. In practice, this is not happening as much in economics as in other fields such as sociology. Indeed, sociology stands as an excellent example to which economists might slowly edge closer, where familiarity with both qualitative and quantitative methodology, a longer tradition of immersive fieldwork and interviewing methods, and respect for ethnography alongside quantitative work have continued to coexist, albeit not always comfortably.

In Jacobsen (2003), I laid out my own idea for a three-point plan for how to create and propagate best practices that are also feminist economist in nature: (1) creation of a framework that indicates what empirical practices are feminist in nature, and why they are preferred practices (even for nonfeminists); (2) considering what incentives might exist for encouraging researchers to consider their methodological choices; and (3) following good practice ourselves (always easier said than done). The first part of the plan is still incipient, with the continuing openness of the area to a variety of practices existing in uneasy relationship to the continuing dominance of regression-based empirical work, even in the area's own journal, *Feminist Economics*.

p. 636 With regard to the second and third points of the plan, notably, *Feminist Economics* has a very detailed, at least relative to other economics journals, protocol regarding presentation of statistical results and methodology. For example, the associate editor in charge of the paper must indicate level of agreement or disagreement with, among others, the two queries: "Does the paper clarify the methodology followed and is the methodology appropriate for the questions addressed?" and "Does the paper clearly explain the variables used, refrain from using these interchangeably with other variables, and explain how the variables interact?" In addition, a paper must explain whether the conclusions are "limited to the regions/countries supported by the data, rather than overgeneralized to the entire world" and "present analysis of the implications and importance of its results." These are good practice rather than feminist practice per se, but the attention to spelling out good practice and having editors, reviewers, and authors mindfully check through the list of good practice points is a very feminist practice; norms are explicitly stated and adhered to rather than being implicit and flexible.

Conclusion: Robust Feminist Perspectives Exist Regarding Labor Economics

In the early 1990s, economist Francis Woolley (1993) listed six specific feminist challenges to economics: (1) to develop models to explain and evaluate endogenous preference changes, (2) to allow that people may make systematic mistakes, (3) to correct mistaken stylized facts, (4) to incorporate both men and women into economic analysis, (5) to find out what shapes the institutions that privilege or disadvantage women, and (6) to develop a better economic model of caring and reproductive activity. As of 2017, there has been substantial progress on all of these fronts. As such, it appears that the feminist economics intellectual project has been quite successful, even as much remains to be done to achieve more equal outcomes for women and men around the world.

Feminist perspectives on labor market issues are cogent and significant. The presence in the profession of a significant group of economists who voice concerns about ongoing differentials between women and men provides a valuable counterposition to the dominant narrative in economics about provision and maintenance of institutions that support the efficient operation of markets, without necessarily considering how those same markets can lead to unequal outcomes. This helps keep debate regarding core values, and whether or not values even have a place in economics, alive.

Feminist perspectives also help make economists be more thoughtful and more humane and thus more accessible and believable to other social scientists and policymakers, who are often more attuned than are economists to inequities and inequalities. To say that efficient markets are the end goal without any concern
p. 637 regarding ↳ how those markets can lead to unequal outcomes by demographic group simply makes economists lose relevance in policy arenas.

In addition, awareness of correct modeling of factors such as intrahousehold allocation (as opposed to assuming a unitary household model) can lead to substantially different policy recommendations. In this last matter, the feminist perspective on such factors as power dynamics within the household, bias toward providing resources to sons over daughters, and awareness of differential access by gender to land and capital markets can lead to better, more policy-relevant economics. It thus serves to advance the relevance of the economics profession as a whole.

This is not to say that feminist economists agree on all principles. Thus, I offer the following disclaimer: invariably, this account and description of the feminist perspective could be disputed regarding various points by other economists who identify and/or characterize themselves as feminist economists. This perspective is ultimately only my perspective, written as a self-described feminist economist. While I have been a member of IAFFE since its inception and, as I write this chapter, am serving as IAFFE's president, that does not necessarily mean that all its members (or other economists who identify as feminist economists) would agree with my characterization of feminist economics as applied to labor market topics, or that I would agree with theirs. Notably, while other economic traditions, including Marxism, institutionalism, and, more recently, ecological economics, were and continue to be proposed as alternative foundations for a feminist economics, none has held sway.

In particular, early attempts to align feminist economic thought with Marxist economic thought, while propounded by several (e.g., Matthaei 1996), also elucidated concern regarding the subordination of feminism to Marxism (Hartmann 1979). Nonetheless, IAFFE is aligned with the economic profession's Marxist organization, the Union for Radical Political Economics (URPE), cosponsoring several paper sessions annually with URPE at the Allied Social Sciences Association meetings (ASSA, the umbrella organization for AEA and other organizations officially recognized by AEA), as well as occasionally cosponsoring sessions with other heterodox organizations, including the Association for Social Economics (ASE), the Association for the Study of Generosity in Economics (ASGE), and the Association for Evolutionary Economics (AFEE). More recently, the International Confederation of Associations for Pluralism in Economics (ICAPE) has begun sponsoring a one-day conference the day prior to the ASSA conference and encouraging AFEE, ASE, ASGE, IAFFE, URPE, and other organizations representing diverse traditions of thought within economics to come together to reinforce pluralism as a worthy and useful trend in and of itself. This movement thereby acknowledges both the primacy of the neoclassical tradition among economics traditions and multiple strands of active counterposition to this dominant tradition, essentially supporting the position that diverse epistemologies are desirable in and of themselves, if only to avoid enshrinement of the dominant narrative.

This renewed movement toward pluralism in the economics profession is readily congruent with feminist economics. Indeed, one of the hallmarks of IAFFE, and of feminist work in economics in general, has been the fluidity of the definition of what is p. 638 ↳ feminist economics. Its overall claims seem both modest and large. For example, from IAFFE's mission statement: "Our common cause is to further gender-aware and inclusive economic inquiry and policy analysis with the goal of enhancing the well-being of children, women and men in local, national, and transnational communities" (IAFFE 2017b). Strober (1994), who provides a summary of points regarding how to rethink economics through a feminist lens, also stops well short of arguing that feminist economics will come up with an alternative theoretical structure to neoclassical economics. Rather, Strober sees feminist economics as reopening questions that "were seemingly answered years ago, much larger questions than those that most economists currently ask, questions about value, well-being, and power" (Strober 1994, 143).

Much of human existence, given the fundamental scarcity of resources (of each individual's lifetime, for one thing), is defined and delineated in large part by participation in labor, whether paid or unpaid. It is the primacy of these questions to human existence that make them so complex, and thus so unanswerable by neoclassical economics, much as that intellectual project attempts to simplify questions to answer them definitively. Feminist critiques of the economics project serve in large part to rehumanize the economics project and remind us that answers, if they are to questions that have become devoid of meaning, are not really answers after all.

Notes

1. This topic is also covered more broadly in Kunze (this volume).
2. Kahn and Ginther (this volume) analyze differences by gender in STEM (science, technology, engineering, and mathematics) occupations.
3. Pan and Cortes (this volume) provide an extensive discussion of occupational segregation and women's labor market outcomes.
4. See, for example, Anukriti and Dasgupta (this volume) for further discussion of this.
5. Portner (this volume) discusses how this unequal power differential might affect fertility decisions in a developing country context.
6. Grossbard-Shechtman (2001) discusses this intellectual history more fully.
7. Fletcher and Polos (this volume) discuss the effect of single motherhood on children's outcomes.
8. Collins and Moody (this volume) examine racial differences in US women's labor market outcomes.
9. This topic is developed further in Kimmel and Connolly (this volume).
10. Schone (this volume) discusses aging and gender health differentials.

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