

WOMEN IN MODERN ECONOMIC SOCIETY: DEMOGRAPHIC AND GEOGRAPHIC IMAGES AND REALITIES

Jacqueline R. Kasun

With the approach of the Fourth World Conference on Women in Beijing, it is appropriate for scholars to reflect on the status of women in modern society, on the changes that have occurred in that status, and on the plans for future changes.

I. DIFFERENCES BETWEEN MEN AND WOMEN

Men and women differ from each other. In addition to the obvious differences in their reproductive systems, they differ in average height and weight. Men have greater upper body strength. Women have greater manual dexterity. Women live longer than men in both industrialized and less-developed countries. More boy babies are born than girl babies, even in countries that do not try to affect the sex ratio, but the mortality rate for baby boys is greater than the mortality rate for baby girls. And the mortality rate for boys and men is higher than that for girls and women in all age groups. This is why there are almost 7 million more females than in the United States population, although up to the

age of 30 there are more males than females. In Spain women outnumber men by half a million¹.

In the less-developed world also, women live longer than men and the death rates for men are higher than those for women. But since both sexes die relatively young, the higher male death rates do not overcome the preponderance of male births in all of countries. In 49 less-developed countries males outnumber females while in 62 countries the women outnumber the men. In six less-developed countries the numbers are equal. In China where the selective killing of baby girls is common, there are 37 million more men and boys than women and girls in the population². Women have a higher percentage of fat in their total body weight. The very structure of body cells is different, with men having the XY chromosome and women having the XX. Recent research has shown that men and women use different sections of their brains for speech.

Given these differences, it should not surprise us to find that men and women, when they are free to do so, specialize in economist this is an illustration of our laws of comparative advantage and specialization and exchange. Economists expect human beings to specialize in those activities which they do best and exchange what they produce with others who have different specializations. This is the way we maximize our total productivity and wealth, by letting each person do what he or she does best.

When nations or regions or individuals specialize and exchange with each other, we do not do so with others who have identical abilities and endowments. We choose trading partners who have abilities which are *different* from our own but also *complementary* to our own. In some ways my state of California

1. World Bank, *World Development Report, 1994*, Table 25; U.N. Development Programme, *Human Development Report, 1994*, Table 34.

2. U. N. Development Programme, *op. cit.*, Table 23, Table 9.

is like Spain (which may be why the Spanish missionaries liked it so much) but we also differ from one another and therefore trade with one another; although California makes good wine, everyone prefers Spanish sherry.

Men and women are not only different from one another but they are also *complementary* to one another. Very obviously, it takes a father and a mother to conceive a child. Since only the mother's body is specialized for nurturing the young child, it is efficient for her to do this while the father earns the living for the family. Other arrangements – community child care, flexible working hours, parental leave and so on – can, of course substitute for this very natural division of labor (economists insist that there are substitutes for practically everything) but an economist does not find it surprising that women have specialized more heavily in caring for children and the home. This means that the average woman spends a smaller part of her life on a less continuous basis in the paid labor force than is true for the average man. It helps to explain why her earnings are lower than men's on the average and why she does not attain as high levels of rank and authority.

Adam Smith discerned in the economy of production, trade, and investment the working of a mighty "Invisible Hand", which impelled selfish human beings to serve one another. We can see the shadow (or the prototype) of this same Design in the relationships between the sexes. Men and women differ from each other, but we are also complementary to one another, and the ordinary circumstances of life impel us to serve one another. In their usual unromantic way, economists describe marriage as a special kind of trading relationship, in which the partners, who are different from each other but also complementary to one another, exchange services which make each of them better off.

II. TRENDS IN LABOR FORCE PARTICIPATION, URBANIZATION, AND FERTILITY

Great increases in agricultural productivity during this century have made it possible for a very few farmers to feed a great many other people. In 1929 more than one in five American workers, or 22 out of 100, worked in agriculture. By 1993 it was less than three out of a hundred. The United Nations estimates that in 1965 22 percent of the labor force in industrial countries worked in agriculture, but by 1990-92 it was only 9 percent³. In Spain it is 11 percent⁴. During the same period in the developing countries, the percentage fell from 72 to 58⁵.

Therefore, people have moved away from the rural areas to the cities to work in factories. In 1960, 39 percent of the population in industrial countries lived in rural areas; by 1992 this proportion had fallen to 26 percent. In the United States during this period the rural percentage fell from 30 to 24. In Spain it fell more rapidly, from 43 to 21⁶. The U. N. Development Programme estimates that more than a third of the population of developing countries is now urban and that by the turn of the century the proportion will be almost half⁷. The city factories first made textiles and tools that were desired by farmers. This relieved farm women of the task of weaving all the cloth for the family's clothing and bedding. As progress continued, the cities manufactured a greater variety of goods and more people moved from the rural areas. This brought about a great change in family life. Farm women their children while they do their work, and the children help their parents with the farm work.

3. U. N. Development Programme, *op. cit.*, Table 17.

4. *Ibid.*, Table 38.

5. *Ibid.*, Table 17.

6. *Ibid.*, Table 44.

7. U. N. Development Programme, *op. cit.*, Table 44.

But most city work is not done in the home; it is done in a factory or office that is away from home, and this means that it is much harder to raise children in the city than in the country. To try to raise a child in the city means that the mother usually must give up her job and the income it provides. Therefore, as countries industrialize and urbanize, fertility declines. The typical American woman in 1960 would have between 3 and 4 children during her lifetime. By 1992 she would only have two. The typical Spanish woman in 1960 would have almost 3 children; by 1992 this number was only 1.4⁸. In 1960 in the developing world the typical woman was having more than six children during her lifetime; by 1992 this number was less than four⁹.

Now that the entire world is urbanizing, the rate of population growth is declining very rapidly toward zero. It has fallen from 2 percent per year in the 1960's to about 1.6 percent at present. If present trends continue, world population will stop growing when it is approximately double its present size before the end of the next century. By that time the size of the populations in some of the presently industrialized countries –including Spain, Italy, Germany, Austria, Belgium, the Netherlands, and Japan– may be significantly smaller than they are today¹⁰.

Simultaneously, the participation of women in the formal "labor force" (women have always worked but now we have a "job" in the paid "labor force") has increased while the participation of men has *decreased*. In 1948 in the United States less than a third of all women over 16 years of age were in the paid labor force. By 1960 it was 38 percent and by 1993 it was almost 58 percent¹¹. The most dramatic change occurred among

8. *Ibid.*, Table 45.

9. *Ibid.*

10. World Bank, *op. cit.*, Table 25; *Statistical Abstract of the United States, 1994*, Table 624.

11. *Economic Report of the President, 1994*, Table B-37).

married women, whose participation rate almost doubled, from 32 percent in 1960 to more than 59 percent in 1993.

The labor force participation rate for men dropped from 87 percent in 1948 to 83 percent in 1960 and 75 percent in 1993¹². The period of most rapid decline among men coincided with the most rapid increase among women. To some extent women have been taking the place of men in the labor force. The most dramatic change among men has been the decline in labor force participation by men over 45 years of age. Men still have higher participation rates than women in all age groups but the difference is much narrower than it used to be.

In Spain also women have been participating in the paid labor force in greater proportions. In 1970 women made up 19 percent of the Spanish labor force. By 1992 the proportion was 24 percent, according to the World Bank¹³. According to the U. N. Development Programme, it was 35 percent in 1991¹⁴. (The inconsistency in these figures is an example of the inaccuracies in may statistics; the lesson is: don't take statistics too seriously).

It is still women who have the babies, and although women throughout the world are having fewer children and doing more work in the paid labor force, women still devote a larger share of their time and concern to bearing and raising children than men do. As an economist, I do not find this surprising nor do I regard it as evidence of any kind of "injustice". But the modern feminist movement regards it as an unmitigated evil which must be corrected by strenuous government action.

Originating in the Scandinavian countries¹⁵, modern ideological feminism has insisted that, in addition to the economic forces that are at work, government should lend its power to the

12. *Economic Report of the President, op. cit.*

13. World Bank, *op. cit.*, Table 29.

14. U. N. Development Programme, *op. cit.*, Table 33.

15. Allan Carlson, "The Nordic Factor", *The Family in America*, Special Edition, April 1995.

re-shaping of society. Thus governments have entered labor markets to require that hiring preferences be given to women. This has accelerated the increase in women's labor force participation and the decline among men. It has also added to the existing discouragements to fertility. Marriage has declined. Divorce has risen. The proportion of births to unmarried women has increased. Many women have found "new meaning" in their professional careers. Some men, deprived of job opportunities and relieved of the responsibility of supporting families, have found that life has no meaning at all. In the United States since 1970 suicide rates have risen markedly among young men.

The Scandinavian economic model also requires governments to provide large social programs to finance health care, retirement, unemployment benefits, disability, employment training, child care, family leave, and on and on. Taxes on workers and employers pay the very large costs of these programs. But the declining levels of fertility mean that a *smaller* group of young workers must pay the pensions of a *larger* group of retired workers, so that the costs per worker are rising. Also, the taxes increase employers' costs of hiring workers, thus discouraging hiring. The taxes also reduce the workers' after-tax incomes, thus leading to dissatisfaction and strikes for higher pay.

The benefits which workers receive from the social programs are necessarily smaller than the taxes paid for them because of the government's costs of administering the programs. In Belgium, for example, it is estimated that the benefits are worth only half the taxes that the worker pays for them¹⁶. If employers agree to a wage increase, workers will receive only a fraction of the increase because taxes will take so much of it. When output requires more labor, employers will prefer to ask their existing labor force to work overtime, rather than hire new employers with full benefits.

16. Tyler Marshall, "The Welfare Costs That Are Dragging Down Europe", *Los Angeles Times*, February 5, 1994.

The net effect of all this is to make employers eager to replace workers with technology which gets no pension or health benefits. Chronic unemployment results¹⁷, and since women receive preferences in employment, the effects are most severe for men.

III. THE "TRADITIONAL" WOMAN

The modern feminist movement denounces society's traditions regarding women and believes they must be stamped out of our consciousness. But exactly what is it that must be stamped out? What was the so-called "traditional" woman like? According to Hillary Clinton, she stayed home and baked cookies. In other words, she engaged herself in only the most trivial matters. This does not at all fit my great-grandmother or my grandmothers or my aunts or my mother. Nor does it fit the economist's view of women. I could describe one of the many women in 19th century novels and plays, but this would be too restricted in time and culture.

So I will take a woman who lived in the pre-industrial society of ancient Israel six hundred years before Christ. The 31st chapter of Proverbs describes her, and she reminds me of the farm women who were my own grandmothers as well as women I have met in many parts of the so-called "less-developed" world today.

According to the author, she is a "virtuous" and strong person. "She girdeth her loins with strength". She is an industrious and skilled producer of "fine linen" and "girdles" which she uses to cloth her family and also sells. She is a trader and a businesswoman. "She is like the merchants' ships; she bringeth

17. See Assar Lindbeck, "The Welfare State and the Employment Problem", *The American Economic Review*, vol. 84, n° 2, May 1994, pp. 71-75. Lindbeck is at the Institute of International Economic Studies, University of Stockholm, Sweden.

her food from afar... She considereth a field and buyeth it... she planteth a vineyard". "She is not afraid of the snow for her household; for all her household are clothed with scarlet". She herself wears "tapestry" [and] "silk and purple". She is kind and generous. "She stretcheth out her hand to the poor". She manages the household finances so well that her husband has "no need of spoil". He is "known in the gates, when he sitteth among the elders of the land". He is the commandant of his family and an esteemed person in his city, but she is his loyal chief of staff. His "heart... doth safely trust in her". "Her children arise up, and call her blessed; her husband also...".

The passage ends with an admonition: "Give her of the fruit of her hands..." which is the kind of timeless wisdom that especially appeals to an economist. Certainly the laborer is worth her hire, and if only modern governments could learn this and stop taxing away so much of what people produce, this would be a much better world.

Clearly this woman is not trivial; she stands tall for all time. And she finds her purpose and her self-esteem in self-giving, productive *service* to her family and society. About six hundred years later another Woman expressed the same spirit of selfless service in describing Herself as the "Handmaid of the Lord".

IV. THE WOMAN DESCRIBED BY MODERN FEMINISTS; THE GOALS OF FEMINISM

In stark contrast to this traditional woman who is familiar to many of us, the most outstanding characteristic of the woman as she is portrayed by modern feminists is that she is a victim. She is an abused, exploited, excluded, powerless, impoverished victim of a male-dominated society. She is a victim in the same way that the proletarian worker is a victim in the paradigm of Karl Marx. (And modern feminism is Marxist, even if some feminists

do not realize this; it was the so-called "Gotha program" of the late nineteenth century which fused Marxist economics with democratic politics in the "Middle way" of democratic socialism, which has had so great an influence in our world, beginning in Scandinavia).

But the woman of the feminist vision is even more deeply enslaved than the proletarian. The proletarian had only lived as a slave for the relatively brief period of modern capitalism, but the woman has been enslaved and exploited by the violent, male-dominated, patriarchal society since the beginning of human history, except in the instances of certain goddess worshipping groups.

This alleged "violence" against women can be compared with some facts: for example, research in the United States shows that women violently abuse their husband just as frequently as men abuse their wives¹⁸, but, because men are heavier and stronger than women on the average, the men are more likely to injure or kill the women in these encounters¹⁹.

But to me one of the most interesting facts is that often what militant feminists are really talking about when they speak of "violence" is restriction of any kind on what they regard as their "right" to abortion. The documents and speeches at the conferences in Cairo and Copenhagen and the documents for the Beijing conference make it clear that a major goal is to remove all restrictions on abortion.

Since, in the view of modern feminists, their "enslavement" has endured for so long, they believe it has permeated all the structure of society –the family, the economy, the legal system, the government, the relationships between the sexes, indeed, the very fibers of our individual beings. Since it is an inherently evil

18. Murray A. Straus and Richard J. Gelles, *Physical Violence in American Families*, Transaction Publishers: New Brunswick: 1990. See p. 97, especially.

19. U. S. Department of Justice, FBI, *Crime in the U.S.*, 1992.

condition, repugnant to the gods – or rather, goddesses – it must be changed, but this cannot be done easily. It requires radical, fundamental change in all institutions of society.

Non only must the law be changed to require gender equality-whatever that may mean – in every aspect of society, but governments must see to it that every individual embraces the new ideology with all his heart, mind, and strength. The draft documents for the Beijing conference call for heavy, thorough indoctrination of the entire population through the media, the schools, and the government-subsidized propaganda of the so-called "non-governmental organizations". The Soviet and Chinese efforts to remold human beings into "The New Socialist Man" are but weak forerunners of the current and coming campaigns to create "the new feminist person". Psychology, mass psychology, and psychotherapy must play important roles, using every technique of group suggestion and individual persuasion.

The Beijing documents call for close monitoring of progress toward the goal of gender equality. Governments therefore will be expected to collect and provide to U. N. agencies voluminous statistical information about their citizens' personal, economic, and social behavior. In order to analyze and evaluate these new mountains of data, U. N. agencies will have to proliferate and expand their employment. They will need additional funding. At Cairo and again at the Summit in Copenhagen there were calls for giving the United Nations its own independent tax base so that it could collect money from the world's people without asking national governments.

To an economist, it is clear that the draft documents for Beijing describe a completely planned society dedicated to the goal of "gender equality". Governments and private businesses, schools, universities, and other cultural institutions, the health system, all scientific research, as well as individual families, must be made to submit to the requirements of the plan. The designers of this plan have not the faintest appreciation for the immensely

complex structures and relationships of human society. With a drastic simplification they label it all "violent" and "oppressive" and seek to sweep it all away.

Although I have often thought that economics tends to oversimplify many of life's realities, I must say that our simplifications are wonders of sophistication when compared with the banality of the radical feminist proposals for Beijing. They read as if they had been written by Miss Roseen's fifth grade class in Gender Studies, which is the modern replacement for history.

To bring about all this, to wrench the entire society away from its moorings and to create new social structures and new perceptions of value and justice will require instruments of force. Engaged on such a monumental mission, we can no longer afford freedom, and we can already see it slipping away, as the thought police on university campuses punish dissenters.

The free market economy must also disappear as the new planning elites substitute their rules of "fairness" for the bargaining of individuals and the lawyers enforce the affirmative action quotas on hiring. The feminists' insistence that individual wages not be based on free market values but on what they call "equal pay for work of equal value" as determined by feminist planning boards in "both the formal and informal sectors" will destroy the free market.

But the free market is the only objective instrument we have for directing our productive efforts to those goods and services which are most desired by human beings. The free market allows people to vote with their money for the products they want. It allows them to earn that money by their own voluntary efforts to please other people with their services. Any alternative to the free market has to rely on political influence and brute force and cannot satisfy human desires to even a fraction of the same degree.

The Soviet system of planning failed because it could not convey the necessary messages about needs and wants and availabilities to the people throughout the economy who required this information. It became an economic Tower of Babel in which economic communication became impossible and brute force reigned over chaotic waste. The so-called "Middle Way" of democratic socialism has also failed for the same reasons – it, too, garbles the messages regarding wants and scarcities that economic production requires. The fact that it is democratic does not compensate for the fact that it is uneconomic.

As an economist, I am perfectly confident in predicting that the planned economy of gender balance will work no better than the Soviet model or any of the other government-dominated economic models that have been tried during this century. I believe it will be worse than any of these because it tries to change human life in even more fundamental ways. It will not generate the welfare and happiness promised in the Beijing documents. It will prevent men and women from recognizing their complementarity and will turn them against each other. It will separate fathers from their families and mothers from their children.

I also know that the people who promote the gender balance economy are not fools (although some of them do not realize what they are supporting), and they know, and have even said, that their plan will not make people happier or better off. Kingsley Davis and other population alarmists have said that it is necessary, in the interests of reducing the rate of population growth, to make it less pleasant for women to do what so many of them enjoy doing – that is, raise children²⁰. The women's movement is part and parcel of the population control movement.

20. Kingsley Davis, "Population Policy and the Theory of Reproductive Motivation", *Economic Development and Cultural Change*, Vol. 25, Supplement, 1977, pp. 174-178).

Herman Daly of the World Bank said that the women's movement is part and parcel of the population control movement. Herman Daly of the World Bank said that the women's movement is an ally of the environmental movement in the effort to stop population growth²¹. Daly also said that it is necessary to *reduce* output and consumption – that is, make everyone poorer – in order to reduce human pressure on the environment²². This gender balance plan will certainly do that, by assigning people to production tasks not on the basis of their aptitude for the work but on the basis of their sex. When half of the fire brigade consists of women, as well as half of the ship's crew and half of the airborne troops and half of the longshore-persons and half of the building crews and half of the underwater drilling teams, output will surely drop.

To be honest, of course, the Beijing documents do not insist on perfect "balance" in all such heavy work as this but what they do insist upon is 50-50 balance in the top positions at the U. N. and in national governments. That is to say, the modern feminist movement is about POWER and the self-appointed leaders of the movement intend to gather it all into their own hands, dictating its allocation at both the national and international levels.

Nevertheless, since everyone knows that most of these top positions are perfectly useless, the effects on national wealth may not be serious; women can fill useless positions just as well as men. However, encouraging women to turn away from the work, including household work, which they do well and which contributes so much to the health and wealth of society, in order to prepare for these superfluous jobs, will indeed reduce the social wealth.

21. Herman E. Daly and John B. Cobb, Jr., *For the Common Good; Redirecting the Economy Toward Community, the Environment, and a Sustainable Future*, Merlin Press (Green Print): London 1990, p. 377.

22. Daly, *op. cit.*, p. 143.

Current research already shows that it is children who bear a disproportionate share of the costs of these wrenching changes. And when the planners of the gender balance economy encourage men to do the work which the women have left, the costs may decline but will not disappear, because, as I have argued, men and women have different comparative advantage. To a degree, they can substitute for one another, but they are not perfect substitutes.