



“Summary of article by Francine D. Blau and Ronald G. Ehrenberg: Introduction to Gender and Family Issues in the Workplace” in Frontier Issues in Economic Thought, Volume 4: The Changing Nature of Work. Island Press: Washington DC, 1998. pp. 312-315

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Women have been moving into the workplace in ever greater numbers over the last half of the twentieth century. Shortly after World War II women began entering (or returning to) work in mid-life as their children became older. Recently more women with young children are also working outside the home. Both the workplace and the household are changing in response. This paper is the introductory chapter to a book that examines several aspects of the intersection of work and family in the U.S., along with policy implications.

GENDER GAPS

Since the 1970s, women have been moving into traditionally male professional and managerial positions; nevertheless there is still significant occupational segregation (i.e., the tendency for men and women to work in different kinds of jobs). Women remain heavily concentrated in "female" jobs or face a "glass ceiling" that limits access to the highest levels of success. Large majorities of both men and women polled by *Fortune* magazine in 1995 agreed that "male-dominated corporate culture" poses a significant obstacle to women.[3] Few women hold top level positions in business, higher education, or government.

It is especially difficult for women with children to gain equality in the workplace. While mothers hold jobs in increasing numbers, few women have managed to have both families and successful careers. College-educated women early in the 20th century faced a clear choice: marriage or career. In the decades after World War II their experience was similar to that of less educated women: taking jobs after their children had reached school age or more. This was not, however, a pattern compatible with career development. In recent decades many women expressed a desire to "have it all" -- career and family -- but reversed the sequence, hoping to establish careers before starting a family. Yet, according to one study, even under a broad definition of career, only 22 percent of women who graduated from college between 1966 and 1979 had both family and career by the late 1980s.

With women having, on average, fewer weeks of full time work over the course of the year than men, by the 1990s annual earnings for women appear to have stalled at around 70 percent of men's annual earnings. However, the hourly pay comparison has improved more: weekly earnings for women working full time in 1995 were 76 percent that of men's, compared to 61 percent in 1978. According to one analysis of wage determinants, marriage (absent children) has a positive effect for men and a smaller, but still positive effect for women. However, while the

effect of children is neutral or positive for men, it is negative for women, even after controlling for education and experience. Even while the average wage gap between men and women steadily narrowed, a comparison of 30 year old workers in 1980 and 1991 found that mothers' wages only grew from 60 to 75 percent of men's wages, while non-mothers nearly closed the gap, rising from 72 to 95 percent of men's wages. "Thus, the relative disadvantage of mothers compared with others increased." [9] These results imply that efforts to address the gender wage gap should focus especially on the issues that confront parents in the labor market. The papers in the volume introduced here deal especially with three such issues: parental leave; the length of work-hours required by employers; and the gender of supervisors. The paper on the last of these three topics did not lead to clear conclusions.

PARENTAL LEAVE

Parental leave takes different forms in different countries. In the United States, the last industrialized country to mandate family and work policies, the Family and Medical Leave Act of 1993 requires firms with fifty or more employees to offer up to twelve weeks of unpaid leave to meet family responsibilities. In many European countries longer leave periods are the norm, and often include income support. While parental leave can reduce the conflict between work and child care for parents of infants, parental leave that is too well supported can increase inequality in the labor market. Although fathers as well as mothers are eligible for family-oriented benefits in many countries, generally it is the mother who stays home with young children. If she extends her leave to the point that she misses opportunities for advancement or her skills become obsolete, her position in the labor market will fall short of its potential.

On the other hand, short parental leaves (in excess of actual maternity leave, which is a medical benefit) can improve women's chances for career success. A woman who might have quit a job in order to spend the first months at home with her newborn child can, with parental leave, return to a job in which she has begun to build a career. Every employer has unique routines and tasks which can only be learned through on the job experience. If a woman quits, these skills will go unrewarded when she reenters the job market. If the previous job was particularly well-suited to her qualifications and preferences, she may not find such a good fit elsewhere. She will lose job satisfaction, while two employers and society at large will be poorer for the less efficient use of her skills.

THE RAT RACE EQUILIBRIUM

Even if, after bearing a child, a woman returns to the same position with the same career potential, she still faces difficult choices in balancing the time devoted to work and to family. Many careers do not brook balance; instead they demand total commitment. They may even operate under a "rat race" regime in which working longer hours is not only a matter of getting more done (with commensurate rewards in pay and promotions), but is a signal to employers of hard-to-measure qualities such as ambition and motivation. Even a person who prefers shorter hours may work long hours in the early stages of a career in hopes of gaining a powerful position with more discretion over work and family choices. To defeat this agenda and screen out all but

the most dedicated (or workaholic) employees, a firm may set performance requirements extremely high.

This rat-race hypothesis is a controversial one, but it does highlight the fact that equality is not easy to achieve, and policies can have unintended consequences. Firms that initiate flexible hours will attract more than their fair share of less-committed employees, a situation that economists call adverse selection. If a firm provides child care assistance so that all employees can work long hours, but working long hours remains the hallmark of a top level performer, then those who hope to succeed will have to work still more to overtake the rest.

IMPLICATIONS FOR POLICY

Given the changes in women's roles within the family that potentially affect all family members, attaining greater gender equity in the labor market requires addressing the issues that arise from shifts in gender roles in the family. Chief among them is how workers of both sexes can more effectively mesh their home and work responsibilities.
[3]

For some advocates of maternity leave the paramount goal is to allow the development of healthy, secure bonds between infants and their mothers. Others are more interested in the economic benefits. Family leave policies that fall into the middle range of those now in place (in Europe as well as in the U.S.) seem to serve both goals. However, given existing cultural habits and expectations regarding male and female family and work roles, as the policies go toward the more generous extreme, there may be a trade-off between the immediate economic and the child-welfare effects.

Some economists have expressed concern about the impact of mandated family leave policy on economic efficiency. However, longitudinal analysis of a number of macroeconomic indicators in several countries shows little or no direct economic effect from moderate levels of parental leave. Indirect improvements to economic efficiency are expected by those who see such policies as making up for market failures related to externalities or adverse selection. For example, if young children receive better care from parents than from other care givers, the child's improved health and adjustment to social norms will reduce medical, schooling and other costs to society as a whole -- a positive externality for which parents may be unwilling to bear the full cost. An adverse selection issues arises in the possibility that firms offering parental leave could disproportionately attract employees who were likely to take it, unless government levels the playing field by requiring all firms to offer this benefit.

Citing research that indicates that the mother's employment has no negative effect on children over a year old, advocates for gender equality claim that extended leave reinforces the traditional division of labor between men and women, and disadvantages women in the workplace. From this point of view, child care subsidies are the preferred public policy option.

Workplace policies that encourage men to take on more household responsibility would shift the balance of equity not only in the home, but also in the workplace. Even if corporate culture continued to favor those who commit to very long working hours, if men shared equal in family

work, the penalties for shorter employment hours would no longer fall disproportionately on women.

Fundamental to an assessment of these and other policies is the requirement to develop "appropriate social and employer policies to meet the needs of workers with family responsibilities." [19]