



“Summary of article by Nancy Folbre: Gender Coalitions: Extrafamily Influences on Intrafamily Inequality” in Frontier Issues in Economic Thought, Volume 5: The Political Economy of Inequality. Island Press: Washington DC, 2000. pp. 186-189

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Economic analysis has shifted in recent years from treatment of the household as an undifferentiated unit with a single decision-making head, to models which incorporate power, inequality, and bargaining processes between members. However, “there has been remarkably little discussion of *why* certain policies have been biased not only against women but against equality in the household.” [263]

Laws, customs and other institutions of the larger society can support varying degrees of equality in relationships between men and women within the family. These extrafamily institutions are beyond the reach of economic analysis as it is currently conducted. The author recommends an interdisciplinary approach to better comprehend the dimensions of intrafamily allocation. She here argues that collective action to influence public policy and social norms can play an important part in altering the environment within which family-based decision processes occur.

The focus is on the family rather than the household because legal and cultural rules bind families. In turn, family bonds have economic consequences beyond the situation of shared living quarters (e.g. non-custodial parents providing child support, or adult children contributing to the care of elderly parents).

Fallback Positions and Social Norms

Bargaining models of family decisionmaking do not negate the existence of altruism. However, they introduce the idea that, while family members are concerned about each others’ well being, there are inequalities in the degree to which each member is able to fulfill his or her own interests. “[T]here is likely to be a positive relationship among an individual’s power, his or her influence on family decisionmaking, and his or her share of family resources (including leisure). [264]

In Nash bargaining, a well known economic model for family decisionmaking, power is a matter of “fallback position,” that is, the set of options available to a person who decides to leave the family. This fallback position is based on the wealth and/or income a person would derive from the resources and human capital he or she is able to command. While these factors are easily quantifiable, the full dimensions of a person’s fallback position are generally neglected in economic models or empirical research.

The strength of the fallback position depends on the circumstances under which the break from the family occurs, for example: “the distribution of the responsibilities and costs of caring for children, the extent of public transfers, and the probability of enjoying a share of another person’s income stream through remarriage.” [265] These circumstances are shaped by laws, policies and other institutional factors whose effect depends in large measure on the gender identity of the person in question. One example of “gender-specific environmental parameters” is the practice of awarding custody of children to mothers after divorce coupled with poor enforcement of child support payments from fathers. Gender-specific effects encourage gender coalitions formed to influence laws, policies and mores.

Nash bargaining implies frequent reference to the fallback position, i.e. repeated threats of divorce. Few marriages could survive Nash bargaining for long. “Thus it seems quite reasonable to suggest that social norms play an important role in family allocation, specifying a set of mutual obligations among kin. A number of economists argue that norms are ‘gendered’ in the sense that they rely on a social construction of masculinity and femininity.” [266]

Norms and bargaining position interactively influence negotiated decisions within the family. Traditional norms assign responsibility for children to women and for paid work to men. A man and a woman who want to switch these responsibilities may choose to violate the norms to please themselves. However, if the woman wants to engage in paid work, but the man does not want to stay home with the children, the woman may offer concessions in order to be able to take a job. In this case the norm reinforces the bargaining position of the man and undermines the woman. Women may engage in collective action to change the norm while men may try to defend it collectively.

Endogenous Preferences

Neoclassical economic theory claims that preferences are exogenous and makes no attempt to explain how they come about. If the traditional division of labor between men and women is the result of a rational pursuit of preferences, it must be concluded that women prefer work in the home, perhaps having more affection for children than men have or gaining pleasure from children that offsets the cost of caring for them. The theory holds that the head of the family (usually a man) is the most altruistic, making decisions to benefit all.

A number of analysts have begun to reconsider the role of preferences and suggest they are not predetermined. Some women may realize that acceptance of traditional preferences puts them at a disadvantage, so they may raise their daughters to be less altruistic. Another explanation holds that childrearing fosters altruism as a kind of addiction. An addicted person may want to change but find it difficult. Parents may teach their children to care in hopes that the children will care for them in old age. Men benefit from social norms which promote caring behavior in women. Women would benefit from caring behavior from men. “But if men exercise more power than women over the design of social institutions, they will win the caring game.” [268]

Gender Coalitions

Economists generally assume that collective activity suffers from free rider problems and that self interest is the better foundation for analyzing economic choices. Recently, however, there has been a lot of attention to rent seeking behavior, that is attempts to gain unearned revenues. Interest groups may propose a real or metaphorical tax on other groups, obstructing their performance in the marketplace. Men might try to prevent women from competing with them in the labor market. Affirmative action could be considered a form of rent seeking undertaken by women in retaliation.

Other forms of collective action, however, involve non-market institutions. The family is one such institution. The state regulates the family to ensure the welfare of dependents. “Historically state governance of family life has provided a powerful excuse for imposing limits on women’s participation in markets. However, women have engaged in collective efforts to redefine family rights and responsibilities.” [269] In developing countries feminists often struggle over the institution of property rights to enlarge women’s rights to own land, control their own earnings, take custody of children and win child support from their children’s fathers.

These efforts impact the distribution of income and the relative balance of power in the family, but they do not effect output or the efficiency of markets. Consequently they hold little interest for most economists. “The design of family and social policy ... poses the types of ethical and political questions from which most economists fled when they chose their discipline.” [270]

The behavior of interest groups may serve some instrumental purpose which is amenable to rational choice economic analysis. But there is no choice about membership in categories like race, gender or nationality. These categories may produce organizations which act to further the interests of category members, such as the National Organization of Women, but solidarity and informal collective action extend beyond the boundaries of the formal interest group, and challenge social norms as well as specific laws and policies. In some cases groups which exist for other purposes, such as religious organizations, develop a gender-related agenda. Fundamentalist factions associated with several religions espouse traditional gender roles, claiming they were ordained by God, yet these roles have a very material impact on intrahousehold allocation.

Ironically, the economics profession ignores the impact of interest groups on economics itself. Intellectual priorities are influenced by the identities, including gender, of those in a position to make decisions over research funds or data collection. “Many well-established economists currently enforce strong taboos against interdisciplinary research, nonquantitative methods, and divergence from traditional neoclassical assumptions, making it difficult to develop alternative approaches to intrafamily inequalities.” [270]

Institutionalized Forms of Gender Bias

Institutions which restrict women’s role and limit their bargaining position have a long history. For 150 years women have been challenging these institutions with important but uneven results. Struggles over property rights provide examples with economic impacts. Rights to inherit, own and co-own land are particularly important where wage labor is not common. Rights to custody of children vary. When children contribute to family income, custody is generally awarded to

fathers, but when children are costly, mothers get custody. Protection against domestic violence, reproductive rights, education, employment and control over earnings have all been the focus of women's collective action.

Other public policies - anti-discrimination laws, tax and welfare structure, maternity and child care policies - create incentives or disincentives for employers to hire women. The full gender-specific implications of many laws, policies, social norms and other institutions are not well understood and deserve further research attention from economists.