

Economic Barriers to Liberation

BY MARJORIE COHEN

Cohen's analysis of and projections for women in the recessionary economy of the early 1980s prove to be frighteningly accurate for the early 1990s. Free trade, increased military spending, erosion of social services and programs, the focus on legislative instead of systemic change all continue to undermine Canadian women's place and potential in the labour market, and Canada's place in the global economy. With haunting clarity, Cohen, in "Economic Barriers to Liberation" (Women & the Economy Vol. 3, No. 4, 1982), forecasts our present.

A few days before the last federal election in 1980, some members of the executive of the National Action Committee on the Status of Women met with Pierre Trudeau to discuss women and government policy. His message, a common response to feminist demands, was loud and clear: any changes to benefit women would be too costly and the government had more pressing priorities. Measures which will help women are contrary to the interests of the growth and stability of the Canadian economy.

Feminists have countered these views by arguing that the interests of women are compatible with those of the system, that industries will not be ruined by female equality. There is something illogical about views which see expansion of armaments industries as important for economic growth and job creation, while expansion of social-service industries is inflationary.

Wasting talent and labour is economic waste. So we continue to work for legislative changes on issues which are critical to women: daycare, abortion, pensions, wages, education, violence. The legislation we favour centres on promoting equal opportu-

nity and prohibiting discrimination. But the limitations of what can be achieved through legislation are considerable. Even when appropriate legislation is passed, it seems to do little to change the *status quo*.

I am not implying that the position of women has not improved; women are much better off now than we were even twenty years ago. But the changing position of women has had less to do with deliberate social reform than with economic expansion. Egalitarian reform has been fairly minimal and economic growth has nearly obscured its failure. We are better off because everyone is better off, because the economic structure has changed, not because our relative position has improved significantly. Nevertheless, we continue to focus on legislative change as the primary way to achieve equality.

It bothers me that feminists no longer talk about liberation. Somehow the notion of freedom for women has been replaced with lesser goals like choice. Real liberation is not merely the opportunity to choose between set alternatives. Freedom is a chance to formulate the available choices, to create alternatives from which we can choose. Perhaps we no longer talk about liberation because it seems so impossible. The opportunity to choose seems more reasonable. It does not imply radical change, but readjustment; the structure of the economy within which we would make our choices would remain the same.

What we need to consider seriously is that the warnings of business and government may be correct, that the system cannot tolerate genuine equality. We need to recognize that the economy as it exists now is basically incompatible with equality for women. Discrimination is not merely a matter of prejudice, an

irrational practice left over from earlier economic conditions; it is profitable.

The dominant interests in our society have a lot to lose from women's liberation.

It is essential for us to consider seriously the constraints which the system imposes, the larger issues of the economy and the way they will influence what happens to us in the future. While we have worked for a decade to ensure "equal pay for work of equal value" so that female sewing-machine operators get the same wage as male janitors, it all becomes quite irrelevant if the whole garment industry closes down because of an issue which we had not even considered (in this case, free trade as negotiated under the General Agreement on Trade and Tariffs).

Canada is a market economy, an economy which is guided by self-interest and profit. It is not a planned economy. What happens to women does not occur because anyone planned it that way. It just happens. There is no central control, no plan of action; whatever occurs in economic life is the result of many independent individual decisions. The idea is that, in the pursuit of self-interest, somehow the interests of the society as a whole will be fulfilled. But everyone does not have equal power on the market and the structure of the system is shaped primarily by the people who have clout there. Their interests rarely coincide with the interests of society as a whole.

One characteristic of any market economy is that it goes through times of crisis and times of prosperity. It is only in times of economic prosperity that there are improvements for women, and these usually occur because industry needs more female workers (so that wages of males do not rise too rapidly).

Not only can our employment situation improve then, but we may be able to make advances in social legislation. High levels of employment are necessary for even gradual improvement for women. When the economic climate is shaky and unemployment is high, chivalry rears its ugly head to ensure that, when people are laid off or when social programs are cut back, it is "women and children first." Many gains which women make under good economic conditions are lost when things get worse.

To improve the economic performance of Canada, governments are pressured to limit spending. This generally takes the

form of reduced social services, not reduced spending on armaments or a reduction in tax concessions to corporations. Spending cuts take a variety of forms. Governments limit hiring and reduce the number of employees through attrition. By tightening unemployment-insurance programs, governments shift the problems of unemployment onto the unem-

We need to recognize that the economy as it exists now is basically incompatible with equality for women. Discrimination is not merely a matter of prejudice ... it is profitable.

ployed and their families.

In an attempt to fight inflation a variety of programs are slowly being eroded. "User-pay" principles are widely discussed and, as the ideas are implemented, there will be fewer services available, since only those with sufficient income will be able to afford them. But reducing social services is a double-edged sword. Women will not only be denied vital services but will also lose jobs, because it is we, primarily, who supply these services.

Many people believe that the current economic crisis in Canada simply reflects a global crisis, something which will go away eventually. But Canada has had the highest rate of unemployment of industrialized nations for most of the last decade. There are indications that the Canadian economy has problems which defy correction by the usual economic policies.

These structural problems have an impact, not only on levels of employment, but also on segregation of labour by sex.

Canada is an industrialized nation and, by world standards, we are a rich country with an educated labour force and a wealth of resources. But, in comparison with other industrialized nations, we have a relatively weak manufacturing sector. Canada's rate of industrialization, as measured by the growth of manufacturing relative to population, has been abnormally slow. Least industrialized of the OECD (Organization for Economic Cooperation and Development) countries (with the exception of the Republic of Ireland), Canada has the lowest proportion of the labour force employed in manufacturing.

Canada's high unemployment rates correlate with a decline in the importance of manufacturing in our economy. For example, for every million dollars invested in the manufacturing sector, 75 permanent new jobs are created, while a million dollars invested in mining creates only thirteen permanent new jobs. Yet, manufacturing accounts for an ever-decreasing proportion of our Gross National Product and Canada increasingly relies on manufactured imports.

Canadian economic development emphasizes the industries that extract resources for export. This sector of our economy is highly integrated with U.S. industry and, as a result, does little to promote manufacturing and increase employment in this country. We do not use our resources to make things; we send them elsewhere and import finished goods.

Canada's manufacturing sector is deteriorating because it is characterized by low technology and a relatively weak export capacity, largely because a high proportion of Canadian industry is run as a foreign subsidiary, with Canada's manufacturing controlled by transnational corporations. As a result, our firms are small by international standards, designed to produce a wide variety of products for domestic consumption (not for export or competition with parent companies); so production runs are small and the scale of production is relatively inefficient. In addition, domestic manufacturing supplies an even smaller proportion of the home market. Our manufacturing industry has not been designed to compete on international markets and production in Can-

ada is more and more being reduced to simple assembly.

Public policy has recognized, to some extent, that there are problems in Canadian industry. But policies being promoted will not increase the integration of the resource-extracting sector with the manufacturing sector so that employment can increase. Instead, they aim at doing away with industries considered inefficient, specifically labour-intensive industries in the manufacturing sector, which incidentally employ the highest proportions of women. That is, our public policies support the interests of the transnational corporations. Increasingly, parent companies are closing our factories and converting them into warehouses as our import of manufactured goods increases.

For a while the problems in the manufacturing sector were not widely recognized because of the massive expansion of the service sector. This expansion was particularly good for women because jobs increased rapidly in this sector. However, a substantial proportion of these jobs relate to industrial production and, as fewer people are employed in industrial production, not only will we lose our proportion of the jobs in manufacturing, but job creation in the service sector will be threatened. Women's security in this sector is further complicated by changing technology, particularly the introduction of micro-chip computers in the clerical sector.

The history of women has shown that we have much to lose by periods of high unemployment. We also know that we cannot substantially improve our position, relative to men, as long as our work is segregated. The present industrial structure for Canada and the outlook for the future do not hold much promise for either an integrated labour force or for full employment.

As the manufacturing sector declines in importance, there will be strong competition for jobs in this sector. The manufacturing industries which employ the greatest proportion of women, the textile and garment industries, are expected to fare particularly badly because of recent trends towards free trade. Women who lose jobs in these industries will probably not be employed by other industries in the manufacturing sector. The result will be a decreased employment of women in that sector and, very likely, the increasing segregation of the labour force by sex.

It is unlikely that even the service sector will remain the preserve of women. As the manufacturing sector loses its significance and if unemployment persists, males will increasingly compete with females for employment in the service sector. Considering that women even now have higher rates of unemployment than men in all occupations (even those where women

The manufacturing industries which employ the greatest proportion of women. . . textile and garment. . . are expected to fare particularly badly because of recent trends towards free trade.

predominate), the unemployment picture for women will probably not improve.

In the last election, unemployment was not a major issue for any of the parties. At NAC's meeting with Mr. Trudeau, he was asked what he planned to do to reduce female unemployment: shrugging off the question, he declared that unemployment would gradually be eliminated as population growth declines.

It is convenient to see unemployment as a self-correcting problem, one which was originally caused by too many women having too many babies too often, but this kind of analysis gets us both ways. When we have too few children, we are blamed because demand is insufficient to stimulate industry and unemployment results. If population growth is responsible for unemployment, then no one can be blamed, least of all government or industry.

While individuals can influence their own employability by acquiring the right skills or living in the right place, if the system requires that some people not work and that others are underemployed, the power of individuals to provide for themselves is, of course, limited. In Canada, a certain portion of the population is unable to make a living most of the time and another is forced to work for wages that are less than the value of their work. Economic growth and a secure environment for business are seen by our society as necessary in order to provide more things for more people. But the type of growth and the way in which we achieve it must surely be questioned if it necessitates a way of life that bears particularly hard on some groups or threatens the basis of a safe and healthy life for the whole population. If our approach to economic security disregards pollution, nuclear hazards, worker and consumer safety, unemployment and social inequalities, then the means to achieve the objective of the good life must be questioned.

The choices of women are extremely limited under the present economic structure. Feminists have long recognized the social limits to growth. However, it has been through growth that we have increased our earning capacity and have been able to participate more fully in the public life of our society.

Feminists are often accused of being politically unsophisticated. The implication is that, if we were more adept, either more conciliatory or more aggressive (depending on where the criticism is coming from), the opposition to equality would crumble. We would convince the powerful forces in society by our rational arguments and would influence them by our demands. I do not see the solution in such easy terms. Until we can show how the dominant interests can profit by our equality, none of our arguments will have appeal.

Neither equality nor liberation for women is possible in the framework of the present economy. Although it is still necessary to fight to redress specific grievances, we must look at the broader economic framework to understand why our choices are so limited and to recognize what changes need to be made so that women will be able to participate in the formulation of alternatives.