

THE RAZOR'S EDGE INVISIBLE: FEMINISM'S EFFECT ON ECONOMICS

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ABSTRACT

Traditional economic theory has had very little to say about women. For the most part the discipline has been preoccupied with markets, its major objective being to discover how decisions are made about what is going to be produced for sale and who will get these things. But within the past twenty years economists have expanded their field of inquiry to deal with the fact that women are much more visible in the economy than, they had been before. Both the household and women's unequal experience in the labour force are now of interest to a small number of economists. However, expanding the interests of the discipline to include women has had little impact on the discipline itself and has not expanded our knowledge of either women's experience or how the economy works. This paper will first show how economist's methods of "seeing" women proceeds from a very narrow understanding of economic behaviour. Then it will show, through a discussion of women in Canadian economic development, how powerful the androcentric perspective of the discipline can be in distorting our understanding of how the economy operates.

Recently, when I was asked to give a talk on the impact of feminism on economic theory, my initial reaction was to say that there hasn't been one. My response, of course, was a reflex action, an exaggeration based on an admittedly purist feminist stance. Let me explain. As more is known about women's lives it has become increasingly obvious to feminists that the methods of inquiry of existing academic disciplines are woefully inadequate to deal with what we want to know. Ideas and assumptions on which theories were developed were assumed to pertain to the human experience in general, but on closer examination their androcentric bias became obvious. Traditional disciplines not only have had difficulty "seeing" women, but also have had a distorted view of social mechanisms in general because of their blinkered perspectives. (1) Including women in our analysis of society, then, clearly involves more than extending the field of inquiry, using the same tools of analysis. Rather, including women means something much more radical - it means challenging the very assumptions on which existing theory is based. Women's experience was not part of the original analysis and it can't be just tacked on. This is, by now, a fairly familiar feminist refrain, and the chorus, which demands changes in the fundamental tenets of disciplines to reflect a more inclusive analysis, is reaching a crescendo.

Kane, Parsons and Associates. A Survey of Women Officers of America's Largest Corporations. Reported in the *Honolulu Star-Bulletin*, June 10, 1982, F-2.

Larwood, Laurie & Gary N. Powell. Isn't It Time That We Were Moving On?: Necessary Future Research on Women in Management. *Group and Organizational Studies*, March-1981,-65-72.---

International journal of Women's Studies, Vol. 8, No. 3, 278-285.

In the theory of economics, particularly the economics being taught in universities and that which has influence on public policy, none of this has happened yet: both the methodology of the subject and the major areas of inquiry have remained unchanged.⁽²⁾ Still, this does not mean that economics has been immune from the influences of feminism. In a variety of ways the discipline has had to deal with the fact that women are much more visible in the economy than they had been before and this visibility has had to be addressed. In what follows I will look first at how economics sees women and will try to explain why the various approaches have left the methods of the discipline and its overall concerns relatively unchanged. Then I will show, through a discussion of women in Canadian economic development, how powerful the androcentric perspective of the discipline is in distorting our understanding of how the economy operates.

Economics is fundamentally a discipline which is concerned with market behaviour. Its major objective is to discover how decisions are made about what is going to be produced for the market and who will get these things. The assumptions about people's economic behaviour are based on what is known about market behaviour. Women's labour for the most part has been directed toward nonmarket activities and was thereby removed from the interest of traditional economic theory. Recently some economists, albeit a very small minority, have become more interested in women's work - particularly as women have become a larger proportion of the paid labour force. In addition there have been attempts to apply economic theory to the economics of the household. I want to look at each to see what insights about the economy have been gained from these investigations of female labour.

PAID WORK

The obvious features of women's paid work are well known. More women work for money than ever before, they earn considerably less than men, in general; and they tend to be segregated into certain jobs and industries. Of course, what economics should be able to explain is why female paid work exhibits these characteristics. Traditional neo-classical analysis has not been particularly interested in the first and last characteristics but feels it has an adequate explanation for wage differentials. It tells us that the wage anyone receives is essentially that which the individual is worth. If women are receiving lower wages than males, that is because they are less productive. This has been a truly powerful idea of traditional economics. The notion that the wage paid is really indicative of the worth of labour is a fundamental feature of our system. The pervasiveness of equating wages to value is evidenced by certain job advertisements which tend to be rather skimpy in description of skills needed, but which state specifically that the job would be of interest to people currently earning \$40,000 a year. This, not incidentally, is a neat way to get around anti-discrimination laws, but we know who it excludes.

The neoclassical theory of wages was based on the assumption that the economy was perfectly competitive and that all labour would be employed. Under these circumstances discrimination would be an irrational behaviour on the part of the employer. If the employer paid workers less than their true value, they would simply move on to another job where the employer paid more rational wages. In the short run, prejudice might give

rise to discrimination, but ultimately this would be eliminated because of its irrational economic nature. Discrimination in labour markets, then, would be extremely unusual and wouldn't last. Unequal wages between men and women could only mean unequal productivity,

Gradually, as more women entered the labour force and wage differentials did not decrease significantly, economists became more concerned with explaining just why women's productivity was so inferior to men's. This coincided with the development of what is known as human capital theory.⁽³⁾ It is important to note that this theory does not deviate from the approaches of neoclassical economics. Its basic assumptions are that discrimination is negligible and wage differentials are rational reflections of differences in productivity. What human capital theory does is to apply standard neoclassical theory to a phenomenon not previously taken into account. Women's lower earnings are not unfair, in this theory, because women's smaller investment in human capital has made them less valuable as workers than males. This model sees individuals as freely making choices about the investment they make in themselves and women "choose" to limit the investments which would make them more valuable workers. This is evidenced through their decisions to spend fewer years working than men, through their tendency to choose jobs which provide them with fewer opportunities to improve their skills, and their tendency overall to spend less time in training than males. These decisions on the part of women are seen as rational, given their primary commitment to the home. Long periods of training would interfere with their incomes at times when it was crucial for them to work, and extensive training would be irrational if their labour force participation was not long enough for them to recoup the cost.

The criticism of the human capital approach is that it focuses on free rational choice, rather than on the constraints which condition choice.⁽⁴⁾ That is, that the "givens" or the "ceteris paribus" of economic theory are precisely the issues which need to be questioned and the failure to do so may be the fundamental flaw of the discipline. As one economist put it, economics is all about how people make choices, while sociology is all about why they don't have any choices to make.⁽⁵⁾ In human capital theory the division of labour by gender is taken as given and choices to determine relative levels of investment in human capital are conditioned by what labour is required in the home. So far this is reasonable, but what it doesn't consider is that low wages due to discrimination may well be reflected in women's rational decision not to increase their human capital investment.⁽⁶⁾ There is little point in improving skills if employers do not look at skills, but at sex, to determine what job women will be hired to perform. But, the main point to be made about human capital theory is that it is a refinement of an old perspective. It tells us essentially what economists have traditionally said: if women receive lower wages it is because their work isn't worth what men's is. What human capital theory has done is to show us why women are less productive - the answer here is essentially that they "choose" to be.

Recently there have been attempts to look at just how it might be profitable to employers to pay women less than men. That is, some economists have been interested in explaining wage differentials not solely in terms of differences in human capital, **but according to the structural imperatives of capitalism. This approach finds that some**

workers are less productive than others because they work in sectors of the economy which are less productive than others. This is known as segmentation analysis and shows that because the economy is essentially divided into competitive and noncompetitive sectors, there is a dual labour market.(7) Unlike traditional economic thought, which understands economic choices as being made under conditions of perfect knowledge of what is happening, relative certainty of the consequences of these choices, and perfect competition, the more radical approach of the segmentation analysis deals with the problems of decision making under uncertainty and monopoly power.

The systemic forces which give rise to monopolized sectors permits firms in these sectors to insulate themselves from the consequences of competition. They are highly capital intensive and must protect their costly investments in capital and skilled labour from instability in the market. As a result the monopolized sector requires that a competitive sector exists to service its need to cope with radical changes in market conditions. More and more the kinds of production which face unstable demand conditions are "exported," or sub-contracted to small, less capital intensive, and more competitive firms.(8) Because of their more vulnerable position, these more competitive firms rely on less specialized and more labour-intensive techniques: The result is both lower productivity and correspondingly lower wages to workers.(9) The dualism in the economic structure, then, results in a dualism in the labour market. A primary labour market exists for workers who have stable employment habits and who acquire appropriate skills. It is a market in which workers are well-paid, more secure in their employment, and have opportunities for advancement. The secondary labour market is less picky - it doesn't require, in fact it often discourages, stable work habits. The workers here are poorly paid, they tend to have few opportunities for advancement, and their employment is insecure. Women, of course, are disproportionately represented in the secondary labour market, but they aren't here alone. Women share the distinction of being secondary workers with other minorities - such as youths, nonunionized workers, immigrants.

Why women are predominantly chosen by employers to be in the secondary, rather than the primary labour market hasn't been the primary focus of inquiry of this type of analysis. Usually it is explained as being a result of some sort of screening done by employers. That is, because employers may *believe* that groups of people have certain employment characteristics they treat all members of the group in the same way.(10) This "statistical" discrimination is usually based on some observable difference in the labour force performance of a group, but generalized to include all in the group - not because of any sexist or racist "taste" on the part of the employer but because of a lack of knowledge about the performance of individuals and the expense of obtaining more specific knowledge.(11) Therefore, it is economically "rational" to treat members of groups similarly.(12)

The problem, though, is that we need to know what gives rise to the statistical differences in the first place, and when we push the inquiry further, we see that there is nothing basically incompatible between this approach and human capital theory. Basically it is because women, as a group can be identified as having labour force attachments which are different from men's.(13)

Ultimately the explanation for women's lower pay and being relegated to ghettos in the labour-market rests--an--an-understanding of "What- is-happening-to--them-in the "

characteristics which would make them attractive as workers in the primary labour market. Certainly this is one area where feminism has had some influence. The feminist emphasis on the impact of the domestic sphere on the public sphere has certainly led economists to look at the implications this has for female productivity. But when we look at the economists' explanation for why household duties are "feminized" we encounter a decidedly circular argument. I will explain the circularity of the argument shortly, but before I do that I want to emphasize my main point with regard to how economists treat the household.

Economists have a specific set of tools which they developed to explain rational market behaviour. When they look at the household, a nonmarket institution, they apply exactly the same assumptions about behaviour for the market to behaviour within the household. This often produces banal analysis which doesn't advance our understanding of either economic relations in the family or in the economy in general. The studies in themselves aren't exactly "wrong" in that they produce lies about what is happening, but what they do is to confine themselves to the obvious, to the proving, in economic terms, of what we already know. They are simply verifications of the status quo. My contention is that while, theoretically, the scope of the subject of economics is very wide and purports to be able to explain all human activity dealing with choices, its methodology has been developed with a narrow focus. That focus is the market and *all* economic behaviour is now treated with the tools which were developed to analyze market behaviour.

Until very recently women have been invisible to economists. The great bulk of the economic writings have been by men, and virtually all of the recognizeably great theoretical advances (with one notable exception) have been written by men.(14) As was noted earlier, women have been invisible to economists because economists have traditionally only been interested in what happens to market-related activities. All non-market activity, in particular that within the household, did not, until recently, enter into economic inquiry. This is somewhat surprising, for economics is supposed to be about all economic activity, including non-market behaviour. In fact, one of the first things a new student to economics is told is that the origins of the word economy are rooted in the household: economy originally pertained to the management of the household, to the ordering of private affairs. That women were at the centre of this activity is obvious and is clearly reflected in the first English use of the term which refers to woman who "doth employ her Oeconomick Art ... her Household to preserve."(15) Perhaps the current predilection of economists to use household imagery in their description of economic activity is a throwback to this ancient usage. You may have noticed that economists divide up a lot of pies, they frequently like to put things on the back burner, they abhor other economists who tend to sweep things under the carpet, and I have even seen some who are critical of "cookbook econometrics." But for all of the attempts to make economics homey, economic theory has not been interested in what goes on in the household.

In general, the household has been viewed as a unit of leisure - a place where all those things produced for the market are consumed. Even decisions for women to work for wages outside the home reflect decisions between desire for leisure and desire for things. For example, the textbook that is currently being used at York University for first year economic students describes the consumer's choices to be made between leisure and work. Leisure is described as being valued for "relaxation, recreation, and the accomplishment of assorted household tasks." (16) Now, economic theory has advanced beyond this somewhat, even though it may not yet have penetrated the introductory textbooks, and now recognizes that "assorted household tasks" may not be leisure activities and may actually be work. Probably the most significant impact of including women in economic theory has been the development of what literature now knows as the "new home economics." The most important innovation of this theory is that it looks at what is going on in the home and doesn't simply label it "consumption" or "leisure" but recognizes that the activity is production. (17) What it tries to do is to explain how time is allocated between various market and nonmarket activities based on rational choices in order to maximize the total utility of the family. (18)

Now, this approach does not take the division of labour as given. Rather, individuals within the family make rational choices about who stays in the home or takes a part-time job and who is a full participating member of the labour force based on the objective criteria of who can earn most on the market. The fact that women tend to be responsible for the home is based on the "comparative advantage" women have in performing this task. (19) One economist explains it this way:

Specialization and the principle of comparative advantage apply to the division of labor within the family. A wife may do the cooking, and her husband may sell his services as a machinist. But even if the husband is a better cook than his wife, she may still do the cooking, since the diversion of a machinist's time from his job could reduce the net income of the family as a whole: while he may be both a better cook and a better machinist than his wife, he has a comparative advantage as a machinist. (20)

Note that we are not here talking about absolutes with regard to ability; rather, it is the relative ability of individuals to earn money which will determine the specialization within the household. (21) This, of course, rings true. It isn't logical for a family with small children to forego the income of the higher wage earner. It is much more rational to have the lower-income earner raise the children. And, of course, this is almost invariably the woman, because women generally earn less than their husbands.

The obvious question then is why do women earn less than men? This is where we come full circle. (22) Women's poor treatment in the labour force, we are told, is because of their more significant commitment to home-related work than men. As a result they fail to acquire the necessary component of labour time and skills which would make them as desirable as men as workers. But, on the other hand, the division of labour in the home is explained as dependent on the relative earnings between males and females. One critic of the analysis described it as at once explaining everything and _nothing. (23) As Martha MacDonald has recently pointed out, the analysis may be useful for "describing how a

system perpetuates itself - how market-wage differences lead to a household strategy of resource allocation that perpetuates the market-wage differences," but it doesn't explain why any of this occurs in the first place.(24) Economists certainly have described the status quo and may even have rationalized its perpetuation. "But there has been little -- -- insight into why sex differences are so striking in our economic activity.

It seems to me that the great failure of the "new home economics" is that it tries to understand family dynamics in terms of the analysis developed for understanding the market. I have argued elsewhere that the decision-making associated with the market (i.e., maximizing behaviour) was learned behaviour that is not governed by an immutable law of nature but has been culturally determined.(25) Clearly, the feminist attempts to understand the reasons for inequality, the division of labour by gender, the psychological and political dimensions of gender relations are irrelevant to a perspective which sees market relations as explaining all productive relations. What economists have done, as one economist put it, is to "begin with the available evidence about human behaviour in areas traditionally neglected by economists and then congratulate ourselves when we have accounted for it by nothing more than the application of standard economic logic." (26) So our new knowledge about what goes on in the family doesn't produce anything surprising and has absolutely no effect on our understanding of what is known about the economy in general. All of the basic assumptions of economic theory remain in tact.

I do not want to imply that there have been no benefits from economists' study of the family and women's paid work. For example, the more detailed information about the dual labour markets may well be significant in ascertaining just where public policy regarding affirmative action could be effective.(27) Also, it is perfectly possible to argue, as a professor writing for the Economic Council of Canada has recently done, that in order to make marriage markets more rational and to "optimize" female labour force participation, certain barriers which restrict women's choices (such as lack of day care) need to be removed.(28) But ultimately, these analyses do not expand our perception of the nature of the economy.

WOMEN AND CANADIAN ECONOMIC DEVELOPMENT

I want to look now at how the preoccupation of economists with markets often obscures the most significant productive relations in the economy. To do this, I want to examine what we know about Canadian economic development with the intention of showing that this knowledge is fairly limited because of the failure to examine the nature of productive relations within the family.

Probably the most significant contribution of Canadian economists to economic theory has been the staple theory of development. This theory has had a significant impact on both the understanding of the mechanism of growth in an economy directed toward the production of export staples, and on the development of the whole area of dependency theory.(29) The basic point of the staple theory is to explain how the technology and geographical circumstances associated with specific staple commodities affected the

patterns of development and how the character of the staple determined the social and political organizations of the region.

In recent years the staple approach has been criticized for its "dehumanized" approach to Canadian development. (30) The criticism is that its focus on external factors as explanations for growth and change completely neglects the significance of labour and class issues as formative aspects of Canadian development. For the most part the studies which have attempted to redress this imbalance have focused on labour in the staple exporting sector or on the wage labour of the early stages of industrial capitalism.(31) That is, they are directed toward the productive relations associated only with paid labour. These studies of wage labour are significant advances in the understanding of the complexity of the problems of development and in opening up for investigation the myriad facets of social relationships integrally linked to the process of change. Nevertheless, the exclusive focus on labour directly associated with market activity neglects a considerable portion of the total labour involved in the production of commodities and the reproduction of labour. I maintain that it obscures the real nature of capital accumulation and the most prevalent productive relations in the economy.

H. Clare Pentland's attempt to bring an understanding of labour and class to the fore of development issues was an important advance. His particular interest was in showing how the organization of production in society follows from labour conditions. In the beginning of his most important work he states the problem succinctly:

A fundamental problem of any society is the organization of its labour force for production. If the society is to survive as an entity, ways must be evolved or devised to maintain or increase the labour force, to determine the nature and extent of the division of its labour force (the techniques to be used), and to establish and enforce the system of incentives. The solutions of these problems fasten their appropriate behaviour patterns upon the various members of each society. (3 2)

Pentland's first concern was with the evolution of a capitalistic labour market in Canada; with the transition from what he called paternalistic labour relations to capitalistic labour relations. Paternalistic, or personal, labour relations were those associated with employers and employees in the period before a genuine labour market existed - i.e., before the "classical (abundant) labour market of industrial capitalism. "(3 3) These labour relations were controlled less by market exchange than by personal relationships and bonds of mutual obligation. Because of the shortage of labour on the one hand and the unavailability of alternative forms of paid employment on the other, both the workers and the employer were obliged to respond to incentives other than those which would dominate a true labour market. The central obligation on the part of the paternalistic employer was to provide the "fixed costs" of subsistence and reproduction in exchange for a reliable supply of labour.(34) That is, the employer had to carry workers even though the seasonal nature of the staple trade meant there was often little work to do.

Now, this analysis is OK, as far as it goes. But it really only pertains to a very small fraction of the total relations of production at any period of the great staple exports.

But because of the focus on economists generally on the market, (and in Canada in the export-staple) it was undoubtedly quite natural for the inquiry of labour relations to turn to labour associated with the market when labour was considered at all. However, the most significant-sector-in--the--pre-industrial--period-(at least in terms of the number "work= ing) was not the staple-exporting sector, but the agricultural sector, and in this sector wage labour was considerably less important to the production process than was the non-wage labour of family members. Yet, the productive relations of the family have been ignored. Most economists would acknowledge that the family as a labour unit is crucial to agricultural production, but generally family labor is treated as undifferentiated labour: the members of a family unit are treated as a "collectivity" of labour whose economic objectives are compatible and whose contributions and rewards are symmetrical.(35)

It seems to me the particular oversight in trying to understand the nature of capitalist development in Canada has been the failure to investigate the extent to which household labour has contributed to capital accumulation. This failure, of course, leaves the productive relations of this form of capital accumulation in obscurity. The staple theory follows from a general perception that capitalist development is an economic force "whose impetus came from outside the family or household."(36)

The staple approach has received criticism also, from economic historians, for its single-mindedness in focusing on exports as the engine of growth. In recent examinations of the early periods of Ontario's wheat exporting economy, for example, it has been noted that growth continued even during periods when wheat exports were in serious trouble. (37) The questions are: 1) how could this occur if wheat exports caused growth, and 2) what was it that caused wheat output to increase in the first place? Generally the idea that the farmer could periodically withdraw from the market because of subsistence production is discounted because it is well-known that all the things necessary to sustain production simply could not be provided by the household itself, i.e., that the self-sufficient farm was a myth.(38) This is difficult to quarrel with, for it is a very rare economic unit which exists in isolation. Yet that turning to the market as the only explanation of how farmers coped during periods when staple exports failed (in this particular case, seeing credit as the saviour) neglects the true significance of the subsistence sector in the whole process of capital accumulation. (39) And it is here that the productive relations of the family can be critical to our understanding of what is happening.

If we begin with the most characteristic form of labour itself, rather than with markets, our analysis of growth might be different. This isn't easy to do when we look at labour within the family unit, because the concept of the family implies an indivisibility of income and a community of effort which does not easily lend itself to the type of class analysis which is possible when the object of study is waged labour. Yet the issue of ownership and control of labour is as significant in the family economy as it is in more identifiably capitalist relationships.

In the family economy ownership of the means of production both in law and in practice was in the hands of the male head of the household. The productive relations in this type of labour unit are frequently referred to by feminist anthropologists and sociologists

as patriarchal productive relations. I think this is apt. If we look at the tremendous control which ownership exerts over the product of labour, we can understand the extent that female labour was "expropriated" for the process of capital accumulation.

To understand the forces of accumulation in the preindustrial economy I would suggest the division of labour within the family unit as a starting point. Obviously this division of labour was not determined without reference to the general economic conditions and the demographic and cultural factors of the time. But by starting with the family, rather than the market, we may be able to understand the various strategies which families adopted in order to survive in the face of extremely unstable market conditions. I would contend that in fact, a dual economy existed: subsistence production which provided the most basic needs of the household, and the market-oriented production, which provided income.⁽⁴⁰⁾ Women's labour in this scheme was critical to capital accumulation. ⁽⁴¹⁾ To the extent that women's productive efforts were able to sustain the family in its basic consumption needs, male labour was free to engage in production for exchange on the market (either through commodity production or waged labour); to the extent that the total income from market production need not be expended on consumption, accumulation of capital in the family productive unit could occur.

CONCLUSION

While it is certain that our understanding of the economics of the family would not get very far without reference to the market, it is equally clear to me that an understanding of the market is not possible without reference to the basic unit of production - the family. So far, the dynamics of the family as a productive unit are relatively unknown. In particular we need to examine how the accumulation of capital affects the relative position of the various labourers within the family unit and how this, in turn, relates to economic change.

Feminists, particularly those who have been concerned with the path of development in third-world countries, have certainly begun this inquiry. But for economists, the preoccupation with the market prevails, so the relationship between nonmarket and market activities usually does not enter into the analysis of how the economy developed.

The implications of including all labour in our analysis are great and will not leave conventional theory intact. And while we are certainly far from a feminist theory of the economy, the last few years have brought important advances in women's thinking about ourselves. I think a quotation which sums up the potential significance of this best for me is from Thornton Wilder's play *The Skin of our Teeth*: "We're not what you're all told and what you think we are; We're ourselves. And if any man can find one of us, he'll learn why the whole universe was set in motion."

- (1) For examples of feminist perspectives of traditional disciplines see Angela Miles and Geraldine Finn, eds., *Feminism in Canada: From Pressure to Politics* (Montreal: Black. Rose, 1982); Men's-Studies Modified, ed. Dale Spender (Oxford: Pergamon, 1981); *The Prism of Sex*, eds. J. Sherman and E. Beck. (Madison: Univ. Wisconsin Press, 1979).
- (2) The term methodology is not used in this paper to refer simply to the technical procedures of the discipline, but as the way the discipline "denotes an investigation of the concepts, theories, and basic principles of reasoning of the subject." Mark Blaug, *The Methodology of Economics* (Cambridge: Cambridge Univ. Press, 1980), p. xi.
- (3) Gary S. Becker, *Human Capital: A Theoretical and Empirical Analysis with Special Reference to Education* (New York, 1964); Jacob Mincer and Solomon Polachek, "Family Investments in Human Capital: Earnings of Women," *Journal of Political Economy*, 82, 2 (1974), S76-S108; Theodore Schultz, *Economics of the Family: Marriage, Children and Human Capital* (Chicago: Univ. of Chicago, 1974).
- (4) Martha MacDonald, "Economics and Feminism: The Dismal Science?" *Studies in Political Economy*, 15 (1984), 164.
- (5) James Dusenberry, cited by Isabel V. Sawhill, "Economic Perspectives on the Family," in *The Economics of Women and Work*, ed. Alice Amsden (New York: Penguin, 1980), p. 134.
- (6) Amsden, "Introduction," *Economics of Women and Work*, p. 16.
- (7) Richard C. Edwards, Michael Reich, and David M. Gordon, *Labor Market Segmentation* (Lexington, Mass.: Lexington Books, 1975); Jill Rubery, "Structured Labour Markets, Worker Organization and Low Pay," *Cambridge Journal of Economics*, 2, 1 (1978), 17-36.
- (8) Michael Reich, David M. Gordon, Richard C. Edwards, "A Theory of Labor Market Segmentation," in *The Economics of Women and Work*, p. 238.
- (9) Paul Phillips and Erin Phillips, *Women and Work: Inequality in the Labour Market* (Toronto: James Lorimer, 1983), p. 81.
- (10) Francine D. Blau and Carol L. Jusenius, "Economists' Approaches to Sex Segregation in the Labor Market: An Appraisal," in *Women and the Workplace*, eds. Martha Blaxall and Barbara Reagan (Chicago: Univ. of Chicago Press, 1976), pp. 196-97.
- (11) For an understanding of how statistical discrimination is applicable to "liberal" employers who have no racial or sexual "tastes" when hiring see Edmund S. Phelps, "The Statistical Theory of Racism and Sexism," *American Economic Review*, 62 (1972), 659-61.
- (12) For an example of how statistical discrimination works see Lester C. Thurow, *The Zero-Sum Society* (New York: Penguin, 1981), pp. 180-81.
- (13) The solution to this type of discrimination appears to rest with the group itself. If it can produce the proper "signals" (i.e., characteristics more typical of male workers) then they will be able to "maximize the probability of being selected," for male-type jobs. Blaug, *The Methodology of Economics*, p. 235.
- (14) The female economist generally recognized as having greatly advanced the discipline is Joan Robinson. To traditional economists her most notable contribution was the discovery of monopolistic competition. For a discussion of Joan Robinson's work as well as that of other female economists see Dorothy Lampen Thomson, *Adam Smith's Daughters* (New York: Exposition, 1973).
- (15) *The Compact Edition of the Oxford English Dictionary, Vol. I* (Oxford: Oxford Univ. Press, 1971), p. 831.
- (16) Edwin G. Dolan and Roy Vogt, *Basic Economics* (Toronto: Holt, Rinehart and Winston, 1981), p. 516.
- (17) Jacob Mincer appears to have been the first to notice this. See "Labor Force Participation of Married Women: A Study of Labor Supply," in *Aspects of Labor Economics*, National Bureau of Economic Research (Princeton: Princeton Univ. Press, 1962) reproduced in *The Economics of Women and Work*, pp. 41-51.

- (18) See especially Gary Becker, "A Theory of the Allocation of Time," *The Economic Journal*, 80, 200 (1965), 493-517.
- (19) Ibid., p. 512. See also Gary S. Becker, "A Theory of Marriage: Part I," *Journal of Political Economy*, 81 (1973), 813-46; Fredricka Pickford Santos, "The Economics of Marital Status," in *Sex, Discrimination, and the Division of Labor*, ed.: Cynthia B. Lloyd (New York: Columbia Univ. Press, 1975), pp. 244-68.
- (20) Robert A. Mundell, *Man and Economics* (New York: McGraw-Hill, 1968), p. 20.
- (21) The "new home economics" says surprisingly little about biological specialization: relative earnings appear to be the key variable in determining the division of labour within the family. However, that biological determinism is a "given" is clear from Becker's assertion that marginal productivities are affected not only by human capital (which is acquired) but also by physical capital and sex ratios. Becker, "A Theory of Marriage," p. 841.
- (22) The circularity of the argument is frequently criticized by feminists. See especially Blau and Juseniu, "Economists' Approaches to Sex Segregation," Sawhill, "Economic Perspectives on the Family," and MacDonald, "Economics and Feminism."
- (23) Amsden, *The Economics of Women and Work*, p. 30.
- (24) MacDonald, "Economics and Feminism," pp. 158-59.
- (25) Marjorie Cohen, "The Problem of Studying 'Economic Man'," in *Feminism in Canada*, pp.89-101.
- (26) Blaug, *The Methodology of Economics*, p. 248.
- (27) This has been done very effectively by Barbara Cameron, "Labour Market Discrimination and Affirmative Action," in *Taking Sex into Account*, ed. Jill McCalla Vickers (Ottawa: Carleton Univ. Press, 1984), pp. 135-55.
- (28) Albert Breton, *Marriage, Population, and the Labour Force Participation of Women*, (Ottawa: Economic Council of Canada, 1984).
- (29) Harold Innis and W.A. Macintosh are generally recognized as having discovered the way in which autonomous demand for various staples has affected the pattern of economic growth and social formations in Canada. For a discussion of the distinctions between the approaches of Innis and Macintosh see Daniel Drache, "Rediscovering Canadian Political Economy," in *A Practical Guide to Canadian Political Economy*, eds. Wallace Clement and Daniel Drache (Toronto: James Lorimer, 1978).
- (30) Carl Berger, *The Writings of Canadian History* (Toronto, 1976), p. 98; David McNally, "Staple Theory as Commodity Fetishism: Marx, Innis and Canadian Political Economy," *Studies in Political Economy*, 6 (1981), 35-63.
- (31) See for example, H. Clare Pentland, *Labour and Capital in Canada 1650-1860* (Toronto: James Lorimer, 1981); Gregory S. Kealey, *Workers Respond to industrial Capitalism 1867-1914* (Toronto: Univ. of Toronto Press, 1980); Bryan D. Palmer, *Working Class Experience: The Rise and Reconstitution of Canadian Labour 1800-1980* (Toronto: Butterworth, 1983).
- (32) Pentland, *Labour and Capital*, p. xiv.
- (33) Ibid., p. 24.
- (34) Paul Phillips, "Introduction," *Labour and Capital*, p. xxvi.
- (35) In the major study on labour in Canadian agriculture there is a brief reference to the labour of unpaid family workers, but for the most part the author chooses to see farm units which did not hire labour as being "owner-operated" and refers only to the labour performed by the male owner. George V. Haythorne, *Labour in Canadian Agriculture* (Cambridge: Harvard Univ., 1960).
- (36) Chris Middleton, "Patriarchal Exploitation and the Rise of English Capitalism," in *Gender, Class & Work*, eds. Eva Gamarnikow, David Morgan, June Purvis, Daphne Taylorson (London: Heinemann, 1983), p. 19.
- (37) Douglas McCalla, "The Wheat Staple and Upper Canadian Development," *Historical Papers*, (1978), pp. 34-36.

(38) Ibid., p. 38-39; For the classic statement of the myth of the self-sufficient farmer see V.C. Fowke, "The Myth of the Self-Sufficient Pioneer," *Transactions of the Royal Society of Canada*, 56, 3 (1962), 23-37.

¹ (39) Leo_ Johnson has presented an interesting discussion of how a "value-based mode of production analysis" rather than a strictly exchange-based analysis might provide a broader understanding of the nineteenth century economy. Leo Johnson, "New Thoughts on an Old Problem, "Self-sufficient" Agriculture in Upper Canada," paper presented at the Canadian Historical Association, Guelph, Ont., 1984.

(40) See Arthur Lewis, "Economics Development with Unlimited Supplies of Labour," *Manchester School of Economic and Social Studies*, 2 (1957), 149 for a discussion of the significance of the subsistence sector to the capitalist sector in supplying and maintaining a cheap labour force.

(41) For discussions of the significance of female labour to capital accumulation in rural areas see Carmen Diana Deere, "Rural Women's Subsistence Production in the Capitalist Periphery," *The Review of Radical Economics*, 8, 1 (1976), 9-17; Esther Boserup, *Woman's Role in Economic Development* (London: George Allen and Unwin, 1970).