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ECONOMIC EFFICIENCY OR ECONOMIC CHIVALRY?
WOMEN'S STATUS AND WOMEN'S WORK
IN EARLY NEO-CLASSICAL ECONOMICS

by

Michele A. Pujol
M.A., Washington State University, 1975

THESIS SUBMITTED IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE
DOCTOR OF PHILOSOPHY
in the Department
of
ECONOMICS

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ECONOMIC EFFICIENCY OR ECONOMIC CHIVALRY? WOMEN'S STATUS AND WOMEN'S WORK IN EARLY NEO-CLASSICAL ECONOMICS.

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Abstract

This study traces back to the origins of the neo-classical economics school of thought the biases in methodology and discourse which characterise the school's treatment of women and their place in a capitalist economy.

The roots of women's invisibility and of the neglect of non-market activity in economic theory are sought first in the classical writings of Adam Smith. The work of John Stuart Mill then allows a study of an isolated attempt to integrate a feminist awareness into economic theory.

The study next examines the debate on the question of equal pay for men and women which took place between 1890 and 1925. It was sparked by feminist demands for equal pay and features economic writings by feminists and by mainstream economists. It permits to test the universality of the marginal productivity theory of wages. It becomes apparent that neo-classical economists fail to explain and propose a resolution to the wage inequalities encountered by women. Yet, they reject the alternative proposals of the feminists. To conclude this debate, Edgeworth asserts the necessity of patriarchal privilege.
in the labour market at the cost of internal consistency in the neo-classical model.

Subsequently, the writings of Marshall and Pigou show a consistent construction of women's role as unpaid reproducers, who "contribute more" if they stay in the home. This position is developed in both economists' elaboration of a "human capital" theory and of an initial blueprint for a welfare state. Definite gaps in their adherence to the dogmas of the freedom of the market and of economic rationality transpire, revealing the ideological position which informs neo-classical theorising on women and the contradictions this position creates within the paradigm.

The feminist approach used in the thesis and the contrast provided by the economic writings of feminist contemporaries allow to further the methodological and ideological questioning of the neo-classical paradigm. It strengthens the criticisms of inadequacy and unrealism of its assumptions. It exposes the serious lack of internal consistency in the model and the failure of its claim to universality.
This thesis would not have seen the light without the initial impetus provided by the faculty and students of the Simon Fraser University Women's Studies Program in the late 1970's. Over the years, it benefitted tremendously from the exciting intellectual and practical challenge and nourishment provided by the feminist movement in Canada and worldwide and by the ongoing growth of woman-centered knowledge and feminist theory. The writings of Mary O'Brien, Heidi Hartmann, Nancy Folbre, Nancy Hartsock, and Louise Vandelac have been particularly challenging and inspiring.

I am indebted to Mike Lebowitz, teacher and friend who has contributed enormously to shaping my theoretical understanding. I am grateful to Joe Dolecki, Keith Fulton, Naomi Guilbert, and John Loxley for the invaluable criticisms, the encouragements, and the friendly support they have offered all these years. Useful comments were also received on various parts of the thesis from Anthony Waterman, Robert Dimand and the anonymous referees of the Cambridge Journal of Economics.
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INTRODUCTION

Women do not figure prominently in the writings of economists. They are often not mentioned at all, or only in the odd example or footnote. It is not clear whether the "economic laws", declared universal, apply to them. A scrutiny of economics texts shows, however, that women are not the object of complete neglect, rather they are construed, explicitly or implicitly, as exceptions to the rules developed, as belonging 'elsewhere' than in the economic sphere, and as participating only marginally if at all in the nation's economic activity. They are denied the status of economic agents in their own right, and as a consequence, normative decisions are made on their behalf regarding the place they should hold in the economy and in society.

My particular intent in this thesis is to trace back to the origins of the neo-classical school of thought the particular biases in methodology and discourse which:
characterise the school's treatment of women and their place in a capitalist economy. I will investigate the extent of the presence of women and of issues specific to them in early neo-classical writing: the nature of the theoretical developments focusing on women and their economic activity, and the positions taken by economists towards feminist demands for equality.

Feminist critics of the discipline have questioned its neglect of women and have attempted to effect changes. In the early days of feminist scrutiny of the traditional disciplines, Janice Madden wrote:

"if the subjects discussed in traditional economic publications are an index of the concerns of economists, there has been an evident lack of professional interest in the [woman] problem. Therefore, a history of economic thought on women has to be pieced together from comments in feminist writings, from implicit and explicit references to sex discrimination in the discussions of the economics of race discrimination and social class exploitation, and from political debates on equal pay legislation."

Since then, although still small in volume, the economic literature on women has grown due in part to the increased visibility of women in the labour market and to feminist pressure on the discipline. Analyses of women's work, in the labour force and in the home, and of the

economic inequality between the sexes, have appeared in
the various paradigms. Yet these analyses have proven
limited and fraught with the male perspective and
ideological biases of the paradigms in which they were
developed.

Fifteen years after Madden's initial review of the
history of economic thought on women, Barbara Bergmann
assessed progress made in the discipline and noted a
polarisation between the emergence of a tentative feminist
economics\(^2\) and the rise of a boisterous anti-feminist
component of the neo-classical school.

She recapitulated:

\(^2\) A feminist economics should not be seen as a
homogeneous concept as there are diverse theoretical
positions and tendencies within feminism itself. In
Bergmann's reformist and liberal vision, feminist
economists are "attempting to develop the outlines of what
they claim will be a more equitable future, and are trying
to formulate policy proposals that might bring us closer
to a workable yet equitable system". (Barbara Bergmann,
"The Task of a Feminist Economics: A More Equitable
Future", in *The Impact of Feminist Research in the
Academy*, edited by Christie Farnham, 1987, Bloomington,
Indiana University Press, 131). A more radical approach
is provided by Lechtman and Parker: "when we look at
women's place in the economy, we cannot begin from
traditional male concepts of what is valuable and
productive, and what are commodities. We must begin from
women's perspectives. We must question and reevaluate all
the institutions and concepts with which men have defined,
measured and understood the economy, and develop a woman-
centered perspective for attempting to understand women's
lives cross-culturally." *Woman's Worth, Sexual Economics
and the World of Women*, 1981, Boston, Routledge & Kegan
Paul, p. 4.
"Currently, most economists are probably in the nonfeminist camp, which continues hostile to any suggestion that the economic position of women needs improvement. The profession continues to be overwhelmingly male. Women economists are still under pressure to conform to traditional male attitudes." (132)

Economics has been more impervious to women's realities and women's concerns and more resistant to change than other social sciences. The feminist challenges which have swept the academy in the past twenty years have barely troubled the discipline. This can be attributed to a number of reasons.

First, as documented by Ferber and Teiman, Economics is the most male dominated of the social sciences. Women, historically and to this day, have been virtually absent from the profession. This situation is worse within the confines of the dominant neo-classical school. The alternative paradigms (post-Keynesian, neo-Ricardian, institutional, Marxist and radical) fare slightly better, but the women in their midsts can be doubly marginalised.

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Secondly, to a greater extent than other social sciences, Economics is under the hegemonic control of one paradigm, the conservative, apologetic, pro-capitalist neo-classical school of thought. Martha MacDonald has stated that this hegemony "has made it extremely difficult to get answers to the questions in which feminists are interested". Bergmann further comments:

"most economists have an ideological commitment to the free enterprise system and spend their professional lives trying to disprove assertions that it does not function well. These economists are predisposed to give short shrift to women's complaints that the market system treats them unfairly, and to oppose women's demands that the government should interfere in the market place on women's behalf." (1987, 132)

Issues relevant to women are, therefore, not addressed, or, when they are, it is within a framework which redefines them in a blatantly anti-feminist fashion.


Thirdly, in the neo-classical paradigm, and to a similar but possibly lesser extent in the other ones, the scope/subject matter of economics has been defined in a narrow and exclusionary fashion. As illustrated by Margaret White, the paradigm suffers from "selection bias". Neo-classical economics focuses on exchange relations and is blind to non-monetary/non-market economic activity. The other paradigms, in part because they developed as critiques of the "orthodox" approach, also tend to limit themselves to market activity.  


7. They however have a scope wider than the neo-classical paradigm, analysing the structure and the social and class relations of capitalism. Yet, they have been traditionally silent on gender relations and have only recently attempted to integrate a study of economic inequalities and non-market economic activity in their analysis. A number of feminist critics have noted that male radical or institutional economists are still reluctant to expand their approach to include women, and often dismiss, distort or ignore feminist theories and criticisms. (see for instance Heidi Hartmann and Ann Markusen, "Contemporary Marxist Theory and Practice", Review of Radical Political Economics, 12:2, Summer 1980; Martha MacDonald, "Economism and Feminism", Studies in Political Economy, 15, Fall 1984; Nancy Folbre and Heidi Hartmann, "The Rhetoric of Self Interest: Ideology and Gender in Economic Theory", in Consequences of Economic Rhetoric, ed. Arjo Klamer, Donald McCloskey, Robert Solow,
bias is sexist in that economic activity, both productive and reproductive, which is central to women's life, is ignored: "economics has evolved a methodology which for the most part cannot "see" women's economic behaviour." (Cohen, 90) This results in major gaps in theory which have severe policy consequences. It also makes the discipline overall irrelevant to women's lives and concerns.

Fourthly, in its assumptions, neo-classical economics simplifies and stereotypes the nature of women's lives, social relations, and economic motivations. For instance, women are systematically assumed to be wives and mothers, members of a nuclear family household where they are economically dependent on a male breadwinner, and the family is consistently depicted as a harmonious and

1988, Cambridge University Press. MacDonald has remarked that "the disagreements between paradigms are for the most part disagreements among men". (1984, 154)


By assuming the prevalence of the social relations it wants to perpetuate, neo-classical economics derives theoretical approaches and policies which tend towards the replication of such social relations. The standard neo-classical assumption of the prevalence of a perfectly competitive market serves to obfuscate the nature of the problems women encounter in the labour market. It also serves to "predict" that such problems (in so far as they exist at all in the minds of neo-classical economists) will wither away as a result of competition.

Such biases and assumptions lead to a caricatural and inadequate representation of women's economic realities. They provide a clearly inappropriate basis for sound theorising and policy making. Neo-classical assumptions have proven frustrating for feminists: they engineer

10. See Heidi Hartmann, "The family as the Locus of Gender, Class and Political Struggle: The Example of Housework", *Signs*, 6:3, Spring 1981; Nancy Folbre, "Household Production in the Philippines: A Non-Neoclassical Approach", *Economic Development and Cultural Change*, 32:2, January 1984, 303-30; Folbre and Hartmann (1986). Note that these assumptions are also present in the Marxian paradigm.


avoidance of women's concerns and simply leave important questions unanswered as they "take[] us around the vicious circle that we want to have explained".  

Finally, economics has traditionally been sexist because of its androcentrism. Individuals are assumed to be men and the male point of view is the only one considered. In the neo-classical paradigm, the "new home economics" has systematically construed women as mere parameters of the "joint" household or male utility functions. Women's time and human capital are seen as factors that affect their husband's (or their children's) utility, income, and human capital. This analysis is


never reversed. 16 Having been methodologically excluded
from the field of inquiry, women were reintroduced in the
"new home economics" as an incidental object of study with
very specific and overdetermined characteristics which
only depict, at best, a phallocentric fantasy of women's
"nature" and activities. Further, the discipline's
androcentrism is augmented by classism and racism: in
Beckerian discrimination theory what is analysed is the
impact of discrimination on the male/white employer,
rather than its impact on the female/black employee. 17
All of these elements augment the apologetic nature of
neo-classical economics: these biases can only lead to
theoretical conclusions which reinforce and justify the
patriarchal and racial capitalist status quo.

As pointed out by MacDonald (1984) and McFarland,
this conjunction of methodological limitations and
outright ideological controls on the content and nature of
economic theorising has meant that economic issues of
concern to women have only been addressed outside the

16. Louise Vandelac describes the "variable femme"
as a "lapses significatif de l'omniprésence du référent
masculin" and calls for its replacement by the more
balanced "variable sexe" which would allow to re-center
economic inquiry away from women, construed as the
anomaly, the problem, the marginal element, to the more
central problematic of relations between the sexes in the
economy. See "L'économie des femmes?", Cahiers de
recherche sociologique, 4:1, Avril 1986, p. 17.

discipline, mostly by sociologists who escape the consequences of neo-classical hegemony. The flipside of this situation, denounced by Louise Vandelač, is that women economists are forced to adopt the dominant discourse. Ignored as economic subjects, women are colonised within the field.\textsuperscript{18} This in turn legitimises the discipline and "contributes paradoxically to maintaining the illusion of the neutrality of its discourse". (17, my translation)

MacDonald has remarked that, in contrast to the other social sciences, economics lacks "even a recognizable fringe field [...] devoted to the study of women". (1984, 152) The one development which could claim to qualify as such a fringe field, the "new home economics" is more devoted to the maintenance and the rationalisation of the patriarchal status quo than to a \textit{bona fide} economic study of women. Beyond its ideological and policy-making consequences, the "new home economics" has filled a theoretical void, and, as Bergmann notes, "has somewhat retarded the development of feminist economics by seeming to preempt large areas of relevant subject matter and attacking the issues with what looked to be a..."

\textsuperscript{18} Vandelač, a sociologist herself, writes: "les femmes économistes se retrouvent dans l'inconfortable position d'adhérer à un discours qui, non seulement les ignore comme sujets, mais qui s'est élaboré sur leur mise à l'ombre". (1986, 16)
sophisticated methodology". (1986, 133) This is only one example illustrating Margaret White's assessment that "the theory can be viewed as inhibiting the development of theories that would allow us to progress towards a more equitable society." (20)

Feminist economists thus face a particularly difficult task, a task which is both intellectual and political, and which is fraught with the dangers of academic censorship, collegial ostracism, and professional demise. Yet, in spite of the adverse conditions presented by the methodological nature and the ideological construct of the discipline, a feminist critique of economics and the building of a feminist economics are under way. This, at first, took the shape of attempts to integrate an analysis of women and their economic activity within the existing paradigms. But, such attempts have led to the realisation that "fitting [women] in the existing analysis now does not work". (Cohen, 99)

19. Vandelaar notes that feminist economists risk "d'être accusées d'impertinence, et aussitôt renvoyées hors-champ économique et mises hors-jeu..." She characterises the censoring response of mainstream economists as "un mécanisme classique d'auto-défense disciplinaire et professionnelle, où la scientificité s'autoproclame sur la base d'un jeu complexe d'interdits, renvoyant la critique épistémologique à des préoccupations hors-discipline et donc hors-science permettant du même coup de minimiser la critique et de dénigrer les esprits, dits non-scientifiques, qui la portent..." (1986, 16-7)
Feminists working within the confines of a particular paradigm must be prepared to recognise its epistemological limitations. They must be ready for the imperative theoretical leap beyond its restricting boundaries. A feminist economics must necessarily lead to a re-visioning, if not a revolutioning of the existing male-constructed frameworks.²⁰

The present thesis will investigate some of the epistemological bases for the biases that characterise the neo-classical economics discourse on women, their behaviour, their economic activities and their place within the modern capitalist economy. The thesis will thus focus on the early days of neo-classical economic theory and on the development of approaches to the questions of equal pay for women and men, the determination of women's wages, women's role within the family and as reproducers, their place in early human capital theories, and the proposals relating to women in early welfare economics.

²⁰Vandelac goes further by noting that a feminist re-construction of economic categories, such as labour, must necessarily operate an epistemological transcendence of the existing disciplinary boundaries. (1986, 18)
It is essential to situate this study within the setting of the first feminist movement which was contemporary with the birth of the school. Ideas develop within specific social and political contexts, and the economists reviewed here were all involved, one way or the other, in the intellectual and social interactions prompted by feminist activism. An analysis of the development of neo-classical thought on women as part of and within the context of these interactions is thus highly relevant. It helps to determine how theories are influenced by their authors' positions with respect to sex, class, and race, and by their personal/practical stake in the issues. What transpires is the economists' adherence to sexist bias and their defense of patriarchal values, as revealed by the contrast between the actuality and rationality of the feminists' concerns and the silence/obfuscation/apology with which the discipline met them.

The birth of the neo-classical school was signified by a radical shift from a labour-based to a utility-based theory of value. This paradigmatic shift is significant to our subject matter because it involved a new approach to the issue of wage determination, and the determination of women's wages seems to be the recurrent issue dealt with by early neo-classical economists in their writings.
on women. Wage theories based on subsistence requirements, on the wage fund doctrine, and more generally on the cost of reproduction of labour were discarded by the neo-classics, to be replaced by the marginal productivity theory. Yet, as we will see, when it comes to women's wages, and sometimes, by extension, to the wages of men as a group, the old theories resurface as last resort justifications of inequalities.

In the neo-classical paradigm, the market provides the central mechanism for resource allocation, production decisions and income distribution. By assuming perfectly competitive conditions, and utility maximisation (for individuals) and profit maximisation (for firms), the market mechanism is shown to provide the most economically efficient, maximising outcome. Critics of the paradigm's methodology have pointed out that its assumptions are unrealistic, (perfect competition seldom obtains in real life) and unverifiable (how does one test whether individuals actually maximise their utility?). They state that it is prone to circular reasoning and leads to tautological conclusions, already implied in the premises.21 Neo-classical economists have retorted that

21. For critiques of the methodology and the ideology of the neo-classical paradigm, and for debates around these critiques see for instance: L. Boland, "A Critique of Friedman's Critics", Journal of Economic Literature, XVII, June 1979, 503-22; J. Dolecki, "Vulgar
these criticisms were inconsequent as long as the model could yield accurate predictions. 22

Another set of criticisms concerns the political and ideological characteristics of neo-classical economics. The paradigm has been used over time to extoll the wonders of capitalism and the market system and to deflect its opponents (e.g. marginal productivity theory used to deny the possibility of exploitation of labour). Neo-classical economists have time and again used the model, disregarding the limiting nature of its assumptions, to "prove" that market mechanisms, their outcome, the distribution of income, etc. were fair and optimal, turning the abstract nature of the model into an ideological mystification and justification of reality. Further, the model has been used to argue against any

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economic policy which could be depicted as potentially tampering with the working of a "free market".23

Undaunted by methodological criticism, neo-classical economists have, in the last two decades, proclaimed the universality of their paradigm, asserting its applicability to non-market and non-economic human interactions. This move, spearheaded by Gary Becker,24 was based on the application of the market-based choice-theoretic model to all aspects of human life. Besides the question of the applicability of a methodologically flawed model, this move raises the question of the applicability of an epistemological approach which assumes that all human behaviour can be seen as exchange interactions, all

23. For instance, on the basis of the argument that market-determined income distribution is optimal and that any state intervention would destroy this optimality, neo-classical economists have adamantly fought attempts by governments to correct, through taxation, welfare policies or social services, the reality of an unequal income distribution.

24. "In recent years, economists have used economic theory more boldly to explain behavior outside the monetary market sector, and increasing numbers of noneconomists have been following their example. As a result, racial discrimination, fertility, politics, crime, education, statistical decision making, adversary situations, labor-force participation, the uses of "leisure" time, and other behavior are much better understood. Indeed, economic theory may well be on its way to providing a unified framework for all behavior involving scarce resources, nonmarket as well as market, nonmonetary as well as monetary, small-group as well as competitive." "A Theory of Marriage: Part I", Journal of Political Economy, July/August 1973, p. 813-4.
motives can be reduced to the balancing of costs and benefits, and money or a money equivalent can be taken as the common measure of everything. The Beckerian expansion of the paradigm is a development in bourgeois economic thought congruent with the increased fetishisation of human relations in capitalism, whereby people see themselves as capital, households become firms, human intercourse becomes monetary exchange.25

Beckerian theories (and the "new home economics") continue the neo-classical tradition of denying power relations. In the initial model, what was asserted was freedom of economic interaction and equality of the actors. Power imbalances and their consequences on relations between individuals and classes were urgently denied as they would in themselves challenge the abstract harmony of the model. With the Beckerian paradigmatic expansion, the denial of power as an element in human interactions goes beyond the relations of production and exchange in the market and becomes applied to all individual, non-market relations. This has particularly significant implications given the "new home

25. Nancy Hartsock contends that such development in economic thought have had an influence in other social sciences, leading to the development of exchange-based theories of social interaction and human behaviour. (Money, Sex and Power, Toward a Feminist Historical Materialism, 1983, Boston, Northeastern University Press)
economics" presumption to provide a theoretical framework to explain human relations in the household and the family. Whereas the presence of power as a factor in class relations in the public/market sphere was denied in traditional neo-classical economics, it is now also being denied as a factor in the relations between the sexes in the private/family sphere (as well as in the market sphere in the case of human capital theory and discrimination theory - which also denies power imbalances between the races).

In this paradigmatic expansion, another dimension is therefore added to the traditionally apologetic character of neo-classical economics. The obfuscation of patriarchal relations and the concurrent strengthening of patriarchal ideology explicitly complement the bourgeois character of the paradigm. The theoretical inadequacy of neo-classical economics therefore lies, not only in its methodology and in its traditionally bourgeois ideological bias, but also in its sexist bias, which manifests itself both methodologically and ideologically.26

26. Patriarchal relations are not new or specific to capitalism. They are present, although in different forms, in all economic systems, except possibly those which predate man-made history. The absence of analyses of these relations in most mainstream writing is an overwhelming illustration of their sexist bias.
Yet, the pro-patriarchal nature of mainstream economics is not something new. The purpose of this thesis is precisely to document that this aspect has been present all along, although not necessarily as explicitly as in the "new home economics". Two specific issues concerning women's place in the economy allow us to scrutinise the theoretical purity of the paradigm.

First, women's wages and the conditions of women's employment permit us to test the universality of the marginal productivity theory of wages and of neo-classical approaches to the labour market. It becomes apparent that, on the one hand, the theory fails to explain the wage inequalities encountered by women and that, on the other hand, there is a refusal by neo-classical economists to reckon with the consequences of this failure, by admitting to the limits of their approach, or by advocating corrective measures which could allow women access to the ideal conditions where the doctrine applies. Faced with an embarrassing problem, the economists choose the strategy of flight, alleging the excuse of intervening extra-economic elements.

The ideological positions defended in this matter are best evidenced by the glib dismissal of more cogent
approaches tentatively developed by the feminists of the
time (eg. crowding theory, segregated labour markets) or
resulting from the continued use of a subsistence theory
of wages. The naked reassertion of biased beliefs
resorted to by neo-classical economists to counter these
theoretical attempts displays the most awesome exercise in
apologetics whereby the internal consistency of the neo-
classical model is thrown overboard.

Secondly, in the development of early welfare
economics, the treatment given to women allows us to test
the extent of the economists' adherence to the dogmas of
freedom of the market and of individual utility
maximisation. Here again these principles are overridden
for reasons which are at best vague and which resort to
an imperious extra-economic order. The study of the
elaboration of a welfare economics and of early human
capital theory also gives us some insight into the
theoretical and policy consequences of the extant denial
of the economic nature of women's reproductive activity.

This study therefore uncovers the double ideological
role (bourgeois and patriarchal) of early neo-classical
economists and the double nature of their apologetic model
building and policy prescriptions. It also shows that
this double bias generates serious contradictions within
the model and leads to the breakdown of its internal consistency.

A feminist critique of neo-classical economics thus furthers the methodological and ideological questioning of the paradigm. The traditional, radical, critique of the paradigm has been limited because it has been one-sided, marred itself by the blindness inherent in the male bias of the critics. A feminist critique exposes the added ideological dimension of the paradigm. It strengthens the criticism of inadequacy and unrealism of the model's assumptions, and further exposes the tautological nature of neo-classical theorising. It adds to these critiques the more serious one of the internal inconsistency in the model and of the failure of its claim to universality. 27

The thesis is organised into one preliminary chapter and two main sections. Chapter 1 investigates some of the approaches to the status of women in the pre-neo-classical

27. For discussions of feminist method, methodology or epistemology, see Feminism and Methodology, edited by Sandra Harding, 1987, Indiana University Press, Bloomington and Open University Press, Milton Keynes, and in particular Sandra Harding's Introduction and Conclusion, and Nancy Hartsock's "The Feminist Standpoint: Developing the Ground for a Specifically Feminist Historical Materialism".
period. The roots of women's invisibility and of the neglect of non-market activity in economic theory are sought in the writings of Adam Smith. The work of John Stuart Mill and the influence on his approach by Harriet Taylor permit us to evaluate a specific attempt to integrate a feminist analysis into economic theory. The limits present in Mill's writings are highlighted by the more radical ideas of one of his feminist contemporaries: Barbara Bodichon.

Part I examines the debate which went on for over a third of a century on the question of equal pay for men and women. The debate was sparked by feminist demands for equal pay and features economic writings by feminists printed in economic journals. The section is divided into three chapters. Chapter 2 looks at the early, pre-WW1 debate which featured innovative theoretical formulations by feminists and pro-feminist positions taken by some of the male economists. Chapter 3 analyses the approaches developed by three notable feminists, Millicent Fawcett, Eleanor Rathbone and Beatrice Webb, during the War. It shows that there was not a single, cohesive feminist position on the issue. Differences involved both priorities and strategic approaches to the issue. Chapter 4 assesses the two articles written by Edgeworth on the equal pay question in the early 1920's. These can be
taken as an enunciation of neo-classical thought on the issue. They close the debate without resolving the question.

Part II focuses more closely on two of the main builders of the neo-classical paradigm: Marshall and Pigou. Chapter 5 critically analyses the construction of women's role in Marshall's "human capital" theory. In Chapter 6, Pigou's theory of exploitation is contrasted with his treatment of women's wages while Chapter 7 appraises his vision of the place of women in his original blueprint for a welfare state. This section reveals the ideological position which informs neo-classical theorising on women's place in the economy and the contradictions this position creates.
I

SOME APPROACHES TO

THE ECONOMIC STATUS OF WOMEN

BEFORE 1890:

ADAM SMITH, JOHN STUART MILL AND BARBARA BODICHON

This chapter is a mere preamble to the main body of the thesis as an analysis of the treatment of women and women's work by the classical economists could be the object of a study of its own. The chapter does not attempt an exhaustive survey of the classical school and merely confines itself to reviewing the approaches of two of the classical economists: Adam Smith and John Stuart Mill. It also examines the early feminist insights of Harriet Taylor and Barbara Bodichon.

Smith was the founder of the classical school and the "father", so to speak, of modern economics. He wrote the first comprehensive economic treatise and also dwelt on issues of law and society, at a time of major economic,
political and societal transformations. His writings give an indication of the initial treatment women received from the pen of an economist who set out to develop an understanding of the workings of the nascent capitalist system. They thus offer an invaluable insight into the origins of contemporary economic approaches to women and of the failure of Smith's "sons" to analyse the characteristics and role of the sexual division of labour (both productive and reproductive) in the capitalist economic system.

John Stuart Mill, like Adam Smith was more than a mere economist as understood today. He wrote on philosophy and political theory. As the last of the non-vulgar classical economists,¹ his theoretical contributions to the main body of economic thought may not be extremely consequential. The importance of Mill and the relevance of his thought to this thesis lies in his subscription to the feminist causes of his days. His feminist convictions transpire in his economic writings and are fully expressed in The Subjection of Women.²


Yet, although it had some influence on the politics of his day, Mill's feminism remained lettre morte in the history of economic thought. His lead into alternative approaches to the economic situation of women, and his insight into the patriarchal economic relations which determine their place in capitalist society, were confined to a dead end by subsequent economists. Mill remains to this day a remarkable exception to the mainstream/malestream\(^3\) tradition of economic theorists. It is also notable that the profession failed to produce a modern counterpart to Mill among its male luminaries.

A study of Mill's feminist approach to the economic issues concerning women necessarily requires an acknowledgement of the role Harriet Taylor played in the elaboration of his thought. We will see that her understanding of the economic consequences of patriarchy are further-reaching than Mill's. Barbara Bodichon, a contemporary of Mill and Taylor, and precursor of the feminists who debated the neo-classical economists on the issue of equal pay, wrote the first cohesive feminist treatment of women's work, taking her analysis beyond the limits present in Mill's work.

\(^3\) The term "malestream" was coined by Mary O'Brien, see The Politics of Reproduction, 1981, Boston, Routledge & Kegan Paul.
Adam Smith

Adam Smith is considered the "father" of modern economics, and it is possible to trace some of the roots of most current economic concepts to *The Wealth of Nations*. It is therefore not surprising to discover that, like the more modern economists, he pays scant attention to women's work, its characteristics, and to women's place and contribution in the capitalist economy.

Unlike some of his contemporaries, he does not even mention the epistemological link between political economy and *Oeconomia*, viz. the management of a household. As argued by Jane Randall, Smith was writing at a time of transition and restructuring of social reality "in which

4. According to E.K. Hunt, "he was the first to develop a complete and relatively consistent abstract model of the nature, structure, and workings of the capitalist system". (*History of Economic Thought, a Critical Perspective*, 1979, Wadsworth Publishing Co., Belmont Calif., p. 34)


6. See for instance Sir James Steuart: "Oeconomy, in general, is the art of providing for all the wants of a family, with prudence and frugality ... What oeconomy is in a family, political oeconomy is in a state". *Inquiry into the Principles of Political Oeconomy*, (1767). This point is made by Jane Randall, "Virtue and Commerce: Women in the Making of Adam Smith's Political Economy", in *Women in Western Political Philosophy, Kant to Nietzsche*, edited by Ellen Kennedy and Susan Mendus, 1987, Brighton, Wheatsheaf Books, p. 77.
both public and private spheres received new definitions, dividing the commercial world of the market economy, from the domestic morality of the family.\textsuperscript{7} This transition was of course linked to the capitalist industrial revolution which made industry and the market the only legitimate loci of economic activity. The economic activity taking place in the household, and carried out in great part by women, was relegated to a trivial status, if not made altogether non-existent in the minds of the theoreticians of capitalism. At the same time, the participation of women in market or industrial activity was made invisible.\textsuperscript{8}

Yet, Smith was aware of the importance of women's employment to the family's economic viability. In his chapter "Of The Wages of Labour" (Book I, Chapter VIII), he discusses the minimum wage requirements of wage workers and, interestingly, switches abruptly from the needs of

\textsuperscript{7} op. cit. in Note 3, p. 45.

\textsuperscript{8} Joan Scott and Louise Tilly's \textit{Women, Work and the Family}, 1978, New York, Holt Rinehart & Winston, offers a detailed and fascinating account of the impact of the industrial revolution on the nature and volume of women's market work in several European countries. They document the contribution of women to the economic survival of their families and the changes brought about by the growth of market and industry to the structure of women's involvement in market work and to the nature of their social and economic position within the family and society.
"workmen" as individuals in the labour market, to the needs of the family attached to the male worker. 9

"A man must always live by his work, and his wages must at least be sufficient to maintain him. They must even upon most occasions be somewhat more; otherwise it would be impossible for him to bring up a family, and the race of such workmen could not last beyond the first generation." (I.viii.15)

Quoting Cantillon, and speculating on rates of infant mortality, he elaborates that male workers "must everywhere earn at least double their own maintenance, in order that one with another they may be enabled to bring up two children". Women are matter of factly assumed to work for wages as well as raising a family: "the labour of the wife, on account of her necessary attendance on the children, being supposed no more than sufficient to provide for herself", establishing that this must have been the common practice at the time. This is reiterated in Smith's recapitulation:

"Thus far at least seems certain, that, in order to bring up a family, the labour of the husband and wife together must, even in the lowest species of common labour, be able to earn

9. That Smith sees the family, as opposed to the individual, as the unit serving as a basis for calculation of subsistence needs is evidenced also in the Theory of Moral Sentiments: "what is the end of avarice and ambition, of the pursuit of wealth, of power and preeminence? Is it to supply the necessities of nature? The wages of the meanest labourer can supply them. We see that they afford him food and clothing, the comfort of a house, and of a family". (The Theory of Moral Sentiments, 1976, Oxford, Clarendon Press, originally published in 1759, 6th and final edition in 1790, I.iii.2.1)
something more than what is precisely necessary for their own maintenance.**" (I.viii.15)

This single passage recognises the commonality of married women's employment, the limitations to their wage earning capacity stemming from their reproductive role and the necessity of their wage earning, as well as their reproductive unpaid work, to the economic survival and generational reproduction of the working class.

The only other explicit reference to women's work for wages is a passing reference to the low wages of women spinners and knitters in Scotland being attributable to their deriving "the principal part of their subsistence from some other employment", such as domestic service. (I.x.b.49,50) The point made here will be taken up by the next generations of economists who will attribute wages below subsistence levels to the presence of alternative sources of economic support, such as the Poor rates or the work incomes of male family members.

Women spinners "who return to their parents, and commonly spin in order to make cloaths for themselves and their families" in the "cheap years", or years of decreasing wealth, are also mentioned as an example of work "which never enters the publick registers of manufactures". (I.viii.51) This point prefigures future economists' classification of production which should or
should not be included in national income accounts. It should have led Smith to a reflection on the shifty nature of commodities production, and on the place of women workers in the transition that was taking place from home to manufacturing production.

In short, except for all of one page in the two volumes Wealth of Nations, and in spite of Smith's own acknowledgement of the common and necessary nature of their employment, women are conspicuously absent from his seminal discussion of the nature, organisation and operations of capitalist production.

Women are nowhere mentioned in the groundbreaking treatise on the division of labour (I.i-iii) denoting utter blindness on Smith's part to the specific place women were holding in his days in industrial as well as agricultural production, not to mention the provision of domestic services. He is also blind to the use and manipulation of female workers in the transformation of the labour process and the introduction of technology which were taking place in manufacturing.10 The sexual

division of labour within the labour market and in society as a whole must have had a relationship to the social division of labour so innovatively described by Smith, yet this is not explored. Could all the needs of "man" be satisfied in the absence of productive or reproductive labour by women? And what, in Smith's eyes, would have been the relative influence of "habit, custom and education" as opposed to "nature" on the origins of the female sex's place in the social division of labour?

There is no documentation or discussion of the general level of women's wages and of whether the five "circumstances" which affect the relative level of wages in different employments (I.x.b) apply evenly across the sexes. Smith does not say whether women have access to

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11. This omission is the rule rather than the exception among male economists. It is interesting for instance to see M. Blaug regret that in Smith's "grand theme of the social division of labor", "the territorial division of labor is ignored without any apparent reason". (Economic Theory in Retrospect, 1962, Homewood, Ill. Richard D. Irwin, Inc., 39-40) No doubt sex is even more invisible than geography.

12. The one exception is the example of women knitters and spinners in Scotland. (see above, I.x.b.50)

13. These are: "first, the agreeableness or disagreeableness of the employments themselves; secondly, the easiness and cheapness, or the difficulty and expense of learning them; thirdly, the constancy or inconstancy of employment in them; fourthly, the small or great trust which must be reposed in those who exercise them; and, fifthly, the probability or improbability of success in them." (I.x.b.1)
all occupations and are paid on the same basis as men in them, or whether women tend to be concentrated in specific occupations where the various circumstances weigh down on the wages.

Although, in all likelihood, a large proportion of paid domestic service was provided by women in Smith's days, the actual extent of the presence of the female sex in this, or any other, field of employment, classified as productive or unproductive, is not documented. Were women present in larger numbers in the productive or the unproductive occupations? What was the nature of their unpaid work in the home? Was their labour in the home which resulted in "some particular subject or vendible commodity" (II.iii.1) to be considered productive?

Smith's definition of productive and unproductive work would normally point to the unproductive nature of all reproductive work (performed mostly by women, but also by male servants, teachers, tutors, etc.). Yet, if productive labour is that labour which replaces or augments capital, (II.iii.16s) and given Smith's inclusion in the category of "fixed capital" of the "acquired and useful abilities of all the inhabitants or members of the society", (II.i.17) what is the exact status of labour which does not produce a physical good but which
reproduces or augments the fixed capital embodied in workers' productive capacity?

Smith is very explicit on the "human" portion of "fixed capital":

"The acquisition of such talents, by the maintenance of the acquirer during his education, study, or apprenticeship, always costs a real expense, which is a capital fixed and realized, as it were in his person. Those talents, as they are made part of his fortune, so do they likewise of that of the society to which he belongs. The improved dexterity of a workman may be considered in the same light as a machine or instrument of trade which facilitates and abridges labour." (II.i.17)

Income spent on education or training is clearly seen as a contribution to capital. The work of educating and nurturing the productive abilities of people should, by Smith's definition, be seen as productive labour.

While this question is not dealt with, that of the necessity of an appropriate system of education is, in both the upper classes and the working class. In The Theory of Moral Sentiments, Smith criticises the current system of education in the upper classes:

"The education of boys at distant great schools, of young men at distant colleges, of young ladies in distant nunneries and boarding-schools, seems, in the higher ranks of life, to have hurt most essentially the domestic morals, and consequently the domestic happiness, both of France and England." (Theory of Moral Sentiments, VI.ii.1.10)
The argument in *The Theory of Moral Sentiments* aims at the inculcation of ethical values (e.g., duty towards parents, and the nation). Smith further adds: "Domestic education is the institution of nature; public education, the contrivance of man. It is surely unnecessary to say, which is likely to be the wisest." *(TMS, id.)*

In *The Wealth of Nations* the more specific point is made that travel abroad makes a young man "more conceited, more unprincipled, more dissipated, and more incapable of any serious application either to study or to business, then he could well have become in so short a time, had he lived at home". *(V.i.f.36)* Smith contrasts this with the down to earth, domestic-based education of young women in the upper classes:

"There are no publick institutions for the education of women, and there is accordingly nothing useless, absurd, or fantastical in the common course of their education. They are taught what their parents or guardians judge it necessary or useful for them to learn; and they are taught nothing else." *(V.i.f.47)*

Smith advocates that young men be kept at home during their education, but not to be entirely educated there:

"they may, with propriety and advantage, go out every day to attend public schools". *(TMS, id.)* No such suggestion is made for young women.

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14. This was written before the above passage referring to "nunneries and boarding-schools", see *TMS*, p. 222N.
The domestic education of women is sufficient to prepare them for everything that will be required of them:

"Every part of their education tends evidently to some useful purpose; either to improve the natural attractions of their person, or to form their mind to reserve, to modesty, to chastity, and to oeconomy: to render them both likely to become the mistresses of a family, and to behave properly when they have become such. In every part of her life a woman feels some conveniency or advantage from every part of her education." (V.i.f.47)

This passage reveals Smith's view of women in the bourgeois and upper classes, women who are presumed to never be or need to be employed, women who only have one vocation: that of wife and housewife, and who must make themselves attractive to a husband to attain it.

In the Theory of Moral Sentiments, Smith expands on this view. Chastity and modesty are essential virtues for women. (VII.iv) A wife must be "careful, officious, faithful and sincere" towards her husband. (III.5.1) She should not be motivated solely by "duty" but also by love. (III.6.4) The husband is not given similar duties or obligations, there is more discussion of the proper behaviour of one man towards another than of a husband towards his wife. In marriage, the man has rights, which include the right to the love and obedience of his wife,
and property rights over her and their offspring. These rights have no counterpart for the woman.15

Both The Wealth of Nations and The Theory of Moral Sentiments emphasise the importance of the family environment, "where every thing presents us with the idea of peace, cheerfulness, harmony, and contentment", in the education of children. (TMS, I.ii.4.2) The building and day to day maintenance of such an environment is no doubt the work of women, a "moral" component of "oeconomy", but Smith, apparently taking it for granted, does not elaborate on this element of women's role.16

The passage where Smith recommends that the workers, who are made "stupid and ignorant" by the division of labour, have access to public education as a compensation is well known. (WN, V.i.f.50) It is unclear, however

15. See The Theory of Moral Sentiments, III.5.1, III.6.4 and VI.ii.1.14. Jane Randall shows that, for Smith, the sentiment of jealousy among husbands is legitimised by their right to their wife's fidelity and by the superiority of men's over women's rights. (op. cit. 63-4)

16. In the conclusion of her article, Jane Randall states: "there were important elements in his treatment of the role of women, though largely unnoticed, which were fundamental themes in what has come to be thought of as the 'Victorian' concept of womanhood: his implication that women were the moral educators of the family; the limited social and economic role of women of the middling classes; his view of the monogamous European family as representing the highest form of family life." (72)
whether working class women are included in his recommendation. Would they have time for education between the hours spent in employment and those spent in "attendance of the children"? Are they receiving a domestic education in the same manner as bourgeois women? Are they responsible to the same extent for maintaining harmony in the home and nurturing the future generation?

Although sketchy, Smith's views deny women across the classes access to public education while assigning them an educative role within the household, a role essential to the development of an appropriate social fabric.

Besides the charge of forming its "morals", women have the primary reproductive role of bringing the next generation into the world. Women's fertility, in relation to the standard of living of working class families, and as a resource in the building of a nation's population stock, is the object of repeated discussions in the Wealth of Nations.

Smith contrasts the fertility levels among women in the lowest and highest income classes of society and remarks that there seems to be an inverse relation between the women's fertility and their standard of living.
"Poverty, though it no doubt discourages, does not always prevent marriage. It seems even to be favourable to generation. A half-starved highland woman frequently bears more than twenty children, while a pampered fine lady is often incapable of bearing any, and is generally exhausted by two or three. Barrenness; so frequent among women of fashion, is very rare among those of inferior station." (I.viii.37)

But fertility is not all, the survival rate of children varies directly with the material conditions of the families they are born into. Poverty "is extremely unfavourable to the rearing of children", of the twenty born to the highland woman, only two will survive.
(I.viii.38)

But, for Smith, income level is not the only factor responsible for child mortality rates. The actual care the children receive, presumably from their mother, has crucial importance: "This great mortality [...] will everywhere be found chiefly among the children of the common people, who cannot afford to tend them with the same care as those of better station". (id.) This point is made more explicitly in the Lectures on Jurisprudence:

"The better sort, who can afford attendance and attention to their children, seldom lose near so many. Few women of middling rank who have borne 8 children have lost 4 by the time they are 5 years old, and frequently none of them at all. It is therefore neglect alone that is the cause for this great mortality."17 (WN, 97N)

17. Similar statements are made by Marshall and Pigou, see Chapters 5 and 7.
Smith's belief that lack of care rather than income is the main cause of child mortality is also expressed in his distinction between the "sober and industrious" and the "dissolute and disorderly" poor.

"It is the sober and industrious poor who generally bring up the most numerous families, and who principally supply the demand for useful labour. [...] the dissolute and disorderly [...] seldom rear up numerous families; their children generally perish from neglect, mismanagement, and the scantiness or unwholesomeness of their food." (V.ii.k.7)

Although not mentioned here again, the skills in "oeconomy" of the mother, as well as her "morals" are essential to "their ability to bring up families, in consequence of this forced frugality." 18 The children who happen to survive in the latter case will have suffered the bad influence of their parents and will turn out as "publick nuisances" rather than "useful to society by their industry".

Women's reproductive capacities and labour are seen as even more valuable in an economy where a labour shortage exists. Taking the example of North America, Smith comments that labour is "so well rewarded that a numerous family of children, instead of being a burthen is a source of opulence and prosperity to the parents." Women there seem to be in high demand for their

18 Marshall makes the same argument, yet more explicitly, in the Principles (195-6, see infra ch. 5).
reproductive abilities, "the value of children is the
greatest of all encouragements to marriage", and a "widow
with four or five children [...] is there frequently
courted as a sort of fortune". (I.viii.23)

In summary, it is clear that women's reproductive
work, not just in bearing children, but also in rearing
them in an appropriate environment and in fashioning them
into productive workers and loyal citizens, is an
essential contribution to the "wealth of nations". This
element does not however figure prominently in Smith's
economic writings. Neither does women's overall
contribution, productive and reproductive. Women are as
invisible in Smith's work as in the work of the succeeding
economists, except J. S. Mill. Their economic
contribution through participation in wage work is
ignored, and their fundamental role in reproducing the
nation's "human capital" is taken for granted.

Smith was writing at a time of major changes in the
modern western economies and in the history of ideas,
both in economic and political thought. As Jane Randall
shows, he participated in the formalisation of the
division between the public (market, capitalist) sphere
and the private (moral, personal) sphere. This
formalisation which was being established by the political
philosophers of his time contributed enormously to the
delineation of sex roles. Smith's writings provide a
link between the development of a modern political theory
which rationalises gender roles in society,19 and of a
modern economic theory which rationalises the operations
of the capitalist market. Yet, the fact that these themes
are treated in two separate works has facilitated a
divided attention by modern theorists or historians of
thought to their subject matter. An overall understanding
of Smith's analysis of the transformations taking place in
his time and of the subsequent influence of his theories
can be reached only with a comprehensive, global study of
his work.

A pertinent question, for instance, is whether the
doctrine of the "invisible hand" developed in The Wealth
of Nations can be reconciled with the candid patriarchal
beliefs informing Smith's discourse on women in The Theory
of Moral Sentiments and, to some extent in The Wealth of

19. A feminist analysis of modern political and
social theory is being developed. See for instance The
Sexism of Social and Political Theory, edited by Lorenae
M. G. Clark and Lynda Lange, 1979, University of Toronto
Press; Susan Moller Okin, Women in Western Political
Thought, 1979, Princeton University Press; Jean Bethke
Elshtain, Public Man, Private Woman: Women in Social and
Political Thought, 1981, Princeton University Press; The
Family in Political Thought, edited by Jean Bethke
Elshtain, 1982, Amherst, University of Massachusetts
Press; Women in Western Political Philosophy, edited by
Ellen Kennedy and Susan Mendus, 1987, Brighton, Wheatsheaf
Books.
Nations. Does it matter to the relevance of his doctrine that at least half of the human race is not allowed to be freely guided by self-interest?  

In his Lectures on Jurisprudence, he acknowledges that "the laws of most countries being made by men generally are very severe on the women, who can have no remedy for this oppression". This denotes greater awareness than most of his successors have had on the subject. Yet his own discussion of women's role and appropriate behaviour indicates his application of the very same bias to the sex. Furthermore, he is not known for having argued for the abrogation of these laws, freeing women from oppression being, in his mind, a much lesser necessity than freeing the capitalist market from anything that may impede its operations. Or, is it implied that confining women to the private and moral sphere, to provide men with a nurturing and ethical

20. The same questions can be asked about his treatment of the working class and the poor.

21. Quoted by Jane Randall, p. 64.

22. His attitude may not be as "severe": he shows towards women in The Theory of Moral Sentiments the polite courteousness requisite of patriarchal condescension. But it is clear that his theory of "sympathy" does not evenly apply to men and women. This is especially the case where the actions and feelings of men and women are contradictory, as in his discussion of husbands' jealousy, or where patriarchal values are at stake, as in his discussion of rape.
environment in a world increasingly impersonal and unethical, and denying them self-interest and self-determination in the exercise of their productive and reproductive activities, in a world increasingly ruled by selfishness and individualism, are the necessary result of the agency of some invisible patriarchal hand?

The divisions emerging in the times and works of Adam Smith appear to have become finalised by the time his followers undertook to write their own treatises of political economy. As the divisions between the public and the private sphere, between the market and the home, between production and reproduction, are perfected, the economic writings come to focus exclusively upon the first elements of these dichotomies.

Women, the domestic sphere and reproductive activities are nowhere mentioned in Ricardo's Principles of Political Economy and Taxation (1817)\(^23\) and in Malthus's Principles of Political Economy (1820).\(^24\) The obliteration of the female half of the population would

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however be difficult in the *Principles of Population* (1798), yet Malthus manages to consider women only as mechanical reproducers, relegating their existence to an animalistic, natural state. His treatment of the arithmetics of maximum fertility ("prolificness") and of the "checks" to population growth (late marriages, widowhood, famines,...) are based on a vision where women are not considered as human (and even less as economic) beings.

James Mill does draw a parallel between "Political Economy" and "domestic economy" in the first pages of his *Elements of Political Economy* (1821), but it seems to be only for the purpose of helping the reader who enters the arcane world of economics by providing a comparison with a more familiar concept. The domestic economy is not referred to again beyond this introductory parallel.

It took John Stuart Mill's feminism and progressive liberalism to break (albeit, momentarily) the tradition started by Smith and to introduce women, their economic

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activities and the oppressive conditions they face in society in an economic theory text.

John Stuart Mill

In contrast to Smith, and his followers, John Stuart Mill had developed an acute awareness of the contradictions within liberal capitalist society emanating from its patriarchal structure and institutions (which he saw as remnants of the obsolete feudal order). Instead of ignoring the problem by relegating women and their work to a separate sphere and to economic marginality, he set out to advocate egalitarian reforms to salvage capitalism and liberal society. This is the main theme of his essay The Subjection of Women:

"the principle which regulates the existing social relations between the two sexes - the legal subordination of one sex to the other - is wrong in itself, and now one of the chief hindrances to human improvement; [...] it ought to be replaced by a principle of perfect equality, admitting no power or privilege on the one side, nor disability on the other." (Subjection, 125)

27. Besides the constraints to freedom presented by the patriarchal structure of capitalism, Mill was also aware that its class system stood in contradiction to a liberal ideal of society.
The same ideas are also present in Mill's Principles.\textsuperscript{28}

Mill wanted from a young age to be a reformer. He took position early for the rights of women, opposing his father's view that their interests were fairly represented by men and that consequently they did not need access to suffrage. His feminism grew under the influence of Harriet Taylor whom he met in 1830 and eventually married in 1851.\textsuperscript{29} Harriet Taylor was to have a profound influence on his convictions, on his political involvements for the cause of women and on his writings. He dedicated to her the first edition of the Principles.\textsuperscript{30}

\begin{itemize}
\item \textsuperscript{28} J.S. Mill, Principles of Political Economy, with some of their Applications to Social Philosophy, Volumes II and III of the Collected Works of John Stuart Mill, ed. by J.M. Robson, 1965, Toronto, University of Toronto Press.
\item \textsuperscript{30} The dedication reads: "TO/MRS JOHN TAYLOR,/AS THE MOST EMINENTLY QUALIFIED/OF ALL PERSONS KNOWN TO THE AUTHOR/EITHER TO ORIGINATE OR TO APPRECIATE/SPECULATIONS ON SOCIAL IMPROVEMENT,/THIS ATTEMPT TO EXPLAIN AND DIFFUSE IDEAS/MANY OF WHICH WERE FIRST LEARNED FROM HERSELF,/IS/WITH THE HIGHEST RESPECT AND REGARD,/DEDICATED". (Collected Works, Vol. III, 1026). This dedication was not however printed due to John Taylor's objections. It is curious that the editors of the Collected Works chose to include it only as part of a footnote, in an appendix on the correspondence between Mill and Harriet Taylor Mill relating to the Principles. This is no doubt due to the opinion of V.W. Bladen, one of the editors, that Mill's "account of the part played by
and describes in his Autobiography their intellectual partnership. 31

Harriet Taylor was "generous, perhaps over-generous". (C.W., II, lxii)

31. "When two persons have their thoughts and speculations completely in common; when all subjects of intellectual and moral interest are discussed between them in daily life, [...] it is of little consequence in respect to the question of originality, which of them holds the pen; the one who contributes least to the composition may contribute most to the thought; the writings which result are the joint product of both [...] In this wide sense, not only during the years of our married life, but during many of the years of confidential friendship which preceded, all my published writings were as much her work as mine". J. S. Mill, Autobiography, 1935 (1873), London, Oxford University Press, 204-5. This intellectual partnership has been however minimised by mainstream historians of thought. The editors of the Collected Works seem to reluctantly limit it to the extent where it cannot be denied: where hard evidence (on paper) proves intellectual interaction over the contents of the Principles. The correspondence quoted in Appendix G (Collected Works, Vol. 3) however indicates that this type of interaction must have been constant in daily life. Historians of economic thought do not mention Harriet Taylor and are usually silent on Mill's feminism, such is the case with M. Blaug (Economic Theory in Retrospect, 1962, R. Irwin Inc.) and E. K. Hunt (History of Economic Thought, a Critical Perspective, 1979, Wadsworth Publishing Co.). Maurice Dobb mentions Harriet Taylor's socialist influence on Mill but is silent on her contribution to his work and on Mill's feminism (Theories of Value and Distribution since Adam Smith, Ideology and Economic Theory, 1973, Cambridge University Press). Feminism is clearly not one of the ideologies he considers. Jacob Oser mentions Mill's "passionate defense of the rights of women" and Harriet Taylor's influence, however, after quoting the above passage from the Autobiography, he casts doubts on its veracity (The Evolution of Economic Thought, 1970, 2nd ed., Harcourt, Brace & World). Alice Rossi, in her introduction to Essays on Sex Equality by J.S. Mill and H. Taylor Mill which she edited, comments: "The hypothesis that a mere woman was the collaborator of so logical and intellectual a thinker as Mill, much less that she influenced the development of his thought, can be expected to meet resistance in the mind of men right up to the 1970's."
Mill's thought was also influenced by the early socialists. This led him to recognise that the class nature of capitalism made it a less than perfect economic system. Unlike the previous classical economists Mill did not try to pretend that capitalism was devoid of problems or to hide its reality behind a Panglossian harmony model such as that of the invisible hand. Yet, he did not espouse the socialist ideas and reject capitalism altogether. He saw it instead as perfectible, as attested by his statement that "the principle of private property has never yet had a fair trial in any country".

(Principles, 207)

Mill stands out among the liberal philosophers and classical economists for his feminist ideas.32 This added a distinctive touch to his critique of society and to his reformism. It also made him into an invaluable ally of the feminist movement of his times.33


32. He is only matched among the socialists by Fourier and the Owenite William Thompson. No other major mainstream economist has, since Mill taken a visible position in support of feminism.

33. During his short term as a Member of Parliament (1865-68), Mill introduced the first women's suffrage amendment on May 20, 1867. He took this action at the suggestion of Barbara Bodichon and after the Langham Place
In his economic writings, he is the first economist to give more than passing consideration to economic matters which affect women.\textsuperscript{34} He is definitely the first one to consider them as autonomous economic agents.\textsuperscript{35} Furthermore, he is outstanding among male economists for his advocacy of women's economic and social equality.

Mill insisted that women should have the same claim as men to property, to the ownership of their own group, at his request, gathered over 1500 names on a petition. See Ray Strachey, \textit{The Cause}, 102-16 and the text of his speech in \textit{Women, the Family and Freedom}, edited by S. G. Bell and K.M. Offen, 482-8.

\textsuperscript{34} The Principles included treatments of economic questions affecting women from their first edition.

\textsuperscript{35} As a political philosopher, Mill distinguishes himself from the authoritarian patriarchal leanings of Hobbes and Locke. He "denies that the need for final or ultimate decision in the common affairs of the family requires the investment of sovereign authority exclusively in the hands of the husband/father. Instead, he argues that in the marriage partnership, [...] there is no inherent necessity for a univocally hierarchical, much less specifically patriarchal, distribution of authority." (Richard W. Krouse, "Patriarchal Liberalism and Beyond: from John Stuart Mill to Harriet Taylor", in J. Bethke Elshtain, editor, \textit{The Family in Political Thought}, 1982, University of Massachusetts Press, 145-72, 160) Not surprisingly, the neo-classical economists chose to follow the position of Hobbes and Locke rather than Mill's in their approach to the question of consumption and utility functions for members of a family household, choosing the hierarchical model and subsuming all individual functions under the male head of household's. One can only speculate about the outlook of the paradigm if it had followed instead Mill's ideal of autonomous individuals and democratic decision making in the family.
earnings, to inheritance. He argued that women should be freed from moral and economic dependence on men, that they should be treated as adult, autonomous human beings, that they should have unhindered access to employment and free decision-making in that respect. He thus opposes the restrictions to women's work set out in the Factory Acts. The Acts do not attempt to deal with the real problem and are mere window-dressing which in fact aggravates the situation by creating further restrictions to women's economic autonomy: "it is the great error of reformers and philanthropists in our time, to nibble at the consequences of unjust power, instead of redressing the injustice itself". (Principles, 953)

Mill denounces the condescending attitude of those who want to "protect" working women. Women should not be treated like children, "children below a certain age cannot judge or act by themselves [...] but women are as capable as men of appreciating and managing their own concerns" (Principles, 953) He very perceptively

36. Interestingly, Mill uses gender-neutral language in his passage on property: "The institution of property, [...] consists in the recognition, in each person, of a right to the exclusive disposal of what he or she have produced by their own exertions..." (215). See also pp. 218-20 where pronouns were changed to both genders or the plural from the 1952 edition on. No doubt Mill used gender neutral language there, at the urging of Harriet Taylor, to make a point about women's equal right to property. This must be a unique instance of non-sexist terminology among economics texts.
identifies the real motive behind the Acts: ensuring
women's continued availability as dependent servants in
the home:

"If women had as absolute a control as men have
over their own persons and their own patrimony
or acquisitions, there would be no plea for
limiting their hours of labouring for
themselves, in order that they might have time
to labour for the husband, in what is called, by
the advocates of restriction, his home. Women
employed in factories are the only women in the
labouring rank of life whose position is not
that of slaves and drudges". (Principles, 953)

He thus exposes chivalry for what it is, the obfuscation
of power relations between the sexes and the bolstering of
coercion under the disguise of protection. Chivalry is an
obsolete sentiment: "we have had the morality of
submission, and the morality of chivalry and generosity;
the time is now come for the morality of justice"
(Subjection, 173) and protection is no longer needed for
a "woman who either possesses or is able to earn an
independent livelihood". 37 (Principles, 761)

In fact, it is women's "protectors" who are their
oppressors:

"The so-called protectors are now the only
persons against whom, in any ordinary
circumstances, protection is needed. The

37. Mill's denunciation of chivalry is to be
contrasted with Marshall and Pigou's appeals to this
feudal patriarchal value system as a justification for the
maintenance of the dependent status of women, and for the
Factory Acts in particular. See on this chapters 5 and 7
of this thesis.
brutality and tyranny with which every police report is filled, are those of husbands to wives, of parents to children. (Principles, 761)

In this striking argument, Mill is able to link women's economic and social dependence to patriarchal power relations within the home and to their social, ideological and especially legal reinforcement.

In contrast to his predecessors, Mill does not believe that women should be confined to domesticity. He deplores the lack of choice women face and condemns as "unnecessary" their resulting economic dependence on men:

"the least which justice requires is that law and custom should not enforce dependence [...] by ordaining that a woman, who does not happen to have a provision by inheritance, shall have scarcely any means open to her of gaining a livelihood, except as a wife and mother."
(Principles, 765)

Under the guise of being protected, women are kept away from economic autonomy. This situation is reinforced by

38. Things have obviously not changed much since Mill's times. He continues: "That the law does not prevent these atrocities [...] is no matter of necessity, but the deep disgrace of those by whom the laws are made and administered". (761) The theme of men's marital tyranny is a recurrent one in Mill's writings. It is present even in the speech Mill made to Parliament when he introduced the women's suffrage amendment (See Susan Groag Bell and Karen Offen, op. cit., p. 487) and one of the main arguments he used to back his support for equality in marriage and women's suffrage. Mill's outspoken and consistent denunciation of wife battering and marital rape, in spite of the Victorian rule of silence on such topics, makes him unique among male advocates of feminism and testifies to the sincerity of his convictions.
the lack of options for women in the labour force: "that there should be no option, no carrière possible for the great majority of women except in the humbler departments of life, is a flagrant social injustice." (Principles, 765)

The solutions he proposes are "the opening of industrial occupations freely to both sexes" and allowing them an unconstrained choice: "Let women who prefer that occupation [wife and mother], adopt it". (Principles, 765)

The jobs available to women are restricted to "the humbler departments of life", and in those, women receive wages that are "generally lower, and very much lower than those of men". (Principles, 394) Mill acknowledges that sometimes, when working alongside men, women receive the same wage. But he looks for reasons why their wages would be inferior when they display equal efficiency. He identifies three concurrent explanations.

First, "custom: grounded either in a prejudice, or in the present constitution of society, which, making almost every woman, socially speaking an appendage of some man, enables men to take systematically the lion's share of whatever belongs to both." (Principles, 395) Here Mill identifies two sources of the customary discrimination
suffered by women: outright prejudice and their dependent status. Interestingly, this explanation uses a conjunction of observations on women's social dependence and the wages fund doctrine. It is unfortunate however that Mill does not explain by what mechanism men are able to "take the lion's share".

Secondly, "the peculiar employments of women" which are "comparatively so few". Here, Mill identifies crowding: "the employments are overstocked: that although so much smaller a number of women, than of men, support themselves by wages, the occupations which law and usage make accessible to them are comparatively so few, that the field of their employment is still more overcrowded". Custom is again identified as a source of differential treatment for women, along with the more formal rules developed through legislation. As a result, the remuneration women receive is "greatly below that of employments of equal skill and equal disagreeableness, carried on by men". (Principles, 395) Mill correctly observes here that crowding leads to inferior rewards for women's labour.

He does not however push far enough his observations on the limited avenues for women's employment. In the same chapter, Mill developed his theory of non-competing
groups, remarking that certain employments (unskilled) are generally overstocked while others enjoy high wages due to a limited supply. In the latter case he surmises that the high wages are a rent resulting from a monopoly of the "caste" of skilled workers over these occupations. A similar reasoning could have been applied to the wage difference between men and women. This application will have to wait for Millicent Garrett Fawcett to be made.39

In the third explanation, he identifies the dichotomy between 'family wages' for men and subsistence wages for women. "The wages, at least of single women, must be equal to their support, but need not be more than equal to it: the minimum, in their case, is the pittance absolutely requisite for the sustenance of one human being," to which level women's wages are easily kept by the crowding

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39. M. G. Fawcett, "Mr. Sidney Webb's Article on Women's Wages", *Economic Journal*, 2:1, 1892, 173-6. See next chapter for a review of her analysis. What makes Mill's oversight more surprising is his mention elsewhere of "all the functions and occupations hitherto retained as the monopoly of the stronger sex". (Subjection, 181) Harriet Taylor also refers to male monopoly over employment: "in the exercise of industry, almost all employments which task the higher faculties in an important field, which lead to distinction, riches, or even pecuniary independence, are fenced around as the exclusive domain of the predominant section" (i.e. sex). She also deals with the argument that opening these employments to women would increase competition and lower their remuneration by saying that this would be akin to "the breaking down of other monopolies". The *Enfranchisement of Women*, in John Stuart Mill and Harriet Taylor Mill, *Essays on Sex Equality*, op. cit. pp. 97, 104.
condition. (Principles, 395) A man's wages cannot descend to that level, even under severest competition, because they must "be at least sufficient to support himself, a wife, and a number of children adequate to keep up the population". (Principles, 396)

In this analysis, Mill's perceptiveness and innovation is enhanced by his feminism. He is able to integrate into his theorising on women's wages an understanding of the economic consequences of the specific social relations which affect women's economic status.

He does not however specifically suggest remedies: the passage on women's wages is part of the chapter on "Differences of Wages in Different Employments" which follows two full chapters on "Remedies for Low Wages" where no consideration is given to women's wages. It is as if women's wages were a separate problem, not to be considered along with low wages in general.

The discussion of remedies - in particular that of a "legal or customary minimum wages, with a guarantee of employment", to be administered by Boards of Trade - is silent on the question of whether a minimum wage - with guarantee of employment - should be considered for women. Mill's main remedy for low wages, inspired by the wages
fund doctrine, is population control, in itself and as a necessary complement to a minimum wage policy. This approach concerns women only in so far as they are reproducers. (Principles, II, xii)

Contrary to most economists who preceded or succeeded him, Mill does not think that women are less productive than men. This is expressed in the following common sense argument: "Women are not found less efficient than men for the uniformity of factory work, or they would not so generally be employed for it" (Principles, 128)

He draws on his observation of the work processes of women to take issue with Smith and Babbage's proposition that specialisation of tasks is a more efficient organisation of work than varied occupations because it saves on the training of skill and on the time required in the transitions between tasks:

"Women are usually (at least in their present circumstances) of far greater versatility than men: [...] There are few women who would not reject the idea that work is made vigorous by being protracted, and is inefficient for some time after changing to a new thing. Even in this case, habit, I believe, much more than nature, is the cause of the difference. The occupations of nine out of every ten men are special, those of nine out of every ten women general, embracing a multitude of details each of which requires very little time. Women are in the constant practice of passing quickly from one manual, and still more from one mental operation to another, which therefore rarely
costs them either effort or loss of time..."
(Principles, 127-8)

Mill therefore rejects the absolute nature of Smith's and
Babbage's axiom on the division of labour and instead
stresses that efficiency is not related so much to the
nature of the work process but rather to the "habit" or
training developed by the worker in handling particular
work processes.40

It is remarkable that Mill saw it fitting to develop
these observations of women's work and use them to
criticise part of the received Smithian doctrine on the
division of labour. He comments on the origin of his
analysis and on the epistemological necessity of not
limiting scientific inquiry to the experiences of the male
sex: "the present topic is an instance among multitudes,
how little the ideas and experience of women have yet

40. Harriet Taylor makes a similar observation: "the
varied though petty details which compose the occupation
of most women, call forth probably as much of mental
ability, as the uniform routine of the pursuits which are
the habitual occupation of a large majority of men."
(Enfranchisement, 111)
counted for, in forming the opinions of mankind."41

(Principles, 127)

It is further remarkable that he does not attribute
to women's "nature" their ability to handle efficiently a
varied set of tasks but rather sees it as a result of the
work habits they develop in the work processes they
typically engage in. This type of efficiency is thus a
specific skill which women acquire. This skill,

41. This remark by Mill predates today's feminist
criticism that most knowledge and science has been
developed from a narrow sexist perspective, by taking only
men's experience and reality into account, and further by
analysing the world from a male perspective. There is a
growing feminist literature on this theme. See in
particular the short pamphlet On the Treatment of the
Sexes in Research, by Margrit Eichler and Jeanne Lapointe,
1985, Social Sciences and Humanities Research Council,
Ottawa. See also Canadian Research Institute on the
Advancement of Women, Knowledge Reconsidered: A Feminist
Overview, 1984, Ottawa; Jill McCalla Vickers, Taking Sex
into Account: The Policy consequences of Sexist Research,
1984, Ottawa, Carleton University Press; and Dale Spender,
For the Record: The Making and Meaning of Feminist
consistently ignored or devalued by most economists, is given a honest and respectful assessment by Mill.

But, while these particular skills of women are recognised, what is lacking in Mill's *Principles* is an overall judgment of women's ability to participate equally in industrial production. If they are efficient at what they do presently, could they be efficient in the occupations monopolised by the men? If they are to freely gain access to all occupations, should they also have free access to the education and training required? Where Mill addresses these questions in *The subjection of Women* his argument seems more rhetorical than practical.

(Subjection, 181-4)

42. Precisely the same type of comparison of the work processes of the home and the factory have been used in the early 19th Century to declare housework 'inefficient' and to advocate the need to rationalise it by imitating as much as possible the industrial work process and the principle of labour specialisation. Smith and Babbage's axioms had prevailed. Domestic work was declared to be unadaptable to the canons of industrial efficiency. This reinforced its characterisation as an archaic and inferior form of economic activity, and the questioning of its economic nature. See the positions professed in the Domestic Science Movement and the Home Economics Movement as described by Barbara Ehrenreich and Deirdre English in "The Manufacture of Housework", *Socialist Revolution*, #26, 5:4, Oct.-Dec. 1975, 5-40 and by William H. Chafe in *The American Woman, Her Changing Social, Economic and Political Role*, 1920-1970, 1972, New York, Oxford University Press. See also Margaret Reid, *Economics of Household Production*, 1934, New York, John Wiley & Sons.
Similarly, Mill's analysis of the sexual division of labour, both in the market and in society as a whole is at best vague. Like Smith, Mill does not include a discussion of the sexual division of labour in his treatment of the division of labour. In terms of market work, while he recognises that women have access to very few occupations, he does not attempt to explain in the Principles why this is the case, neither does he draw the connection between women's domestic duties and their lack of employment options.

This situation is better explored in The Subjection of Women where it is linked to women's economic dependence, to their role as wife and mother, and to the enforcement of patriarchal power over them:

"On [...] their admissibility to all the functions and occupations hitherto retained as the monopoly of the stronger sex [...] I believe that their disabilities elsewhere are only clung to in order to maintain their subordination in domestic life; because the generality of the male sex cannot yet tolerate the idea of living with an equal." (Subjection, 181)

In other words, men use market power to keep women out of employment, the better to assert their power over them at home and in society in general.

43. He does mention the original division of production within the household between men and women in agrarian societies prior to specialisation, but does not follow it up in subsequent history. (Principles, 118)
Women's responsibilities in the domestic sphere are thus connected to their overall economic and social status. Mill also passes judgement on the nature of women's tasks in the home and the family and the overall effect they have had on women's ability to participate equally in the public realm. He gives us a description, unprecedented on the part of a male philosopher and economist, of the constant demands made on women's time, faculties, and appearance in the middle and upper classes.

"The time and thoughts of every woman have to satisfy great previous demands on them for things practical. [...] The superintendence of a household, even when not in other respects laborious, is extremely onerous to the thoughts; it requires incessant vigilance, an eye which no detail escapes, and presents questions for consideration and solution, foreseen and unforeseen, at every hour of the day, from which the person responsible for them can hardly ever shake herself free. [...] All this is over and above the engrossing duty which society imposes exclusively on women, of making themselves charming." (Subjection, 209-10)

He further observes that beyond these duties, women are "expected to have [their] time and faculties always at the disposal of everybody". (Subjection, 211) All this does not leave women "either much leisure, or much energy and freedom of mind" to engage in productive or creative activities. (Subjection, 210)

Having noted the impact of the socially determined assignment of women to domesticity and of the nature of
their duties on their overall standing in society and their ability to claim economic and social equality with men, Mill does not propose specific solutions. His approach is more idealist than materialist: what has to change is men's and society's views of women.

He felt that women could accede to equality merely by being given the option of employment: "The power of earning is essential to the dignity of a woman if she has no independent property", and by making marriage "an equal contract" instead of an institution based on the subordination of the wife to the husband. (Subjection, 179-81) Under such conditions, women would not need to use the option of employment, their mere potential to do so being a sufficient guarantee of their equality. Once a woman decides to marry, however, she has once and for all chosen her vocation, and "renounces, not all objects and occupations, but all which are not consistent with the requirements" of marriage. (Subjection, 179) This "choice" would be a definitive one as divorce appears to be an allowable option only in extreme cases. Mill definitely saw marriage and employment as incompatible pursuits for women.

Expressing his Victorian and class biases, he opposed in the Principles the idea that married working class women should contribute on an ongoing basis to the income of their families:

"It cannot, however, be considered desirable as a permanent element in the condition of the labouring classes, that the mother of the family (the case of a single woman is totally different) should be under the necessity of working for subsistence, at least elsewhere than in their place of abode."45 (Principles, 394)

If they had to work, they could only do it in the home, notwithstanding the greater exploitation they might suffer in such conditions. His espousal of traditional sex roles is also evidenced by his support of the concept of a family wage for men.

The same Victorian bias is applied to middle class women in the Subjection:

"When the support of the family depends, not on property, but on earnings, the common arrangement, by which the man earns the income and the wife superintends the domestic expenditure, seems to me in general the most suitable division of labour between the two persons." (Subjection, 178)

He details that "the wife" is responsible for "the physical suffering of bearing children", their "care and

45. This passage was deleted from the 1852, 57 and 62 editions and reintroduced in the 1865 and 71 ones, no doubt a reflection of Harriet Taylor's influence which did not survive her death.
education in the early years" and "the careful and economical application of the husband's earnings to the general comfort of the family". This constitutes "not only her fair share, but usually the larger share, of the bodily and mental exertion required by their joint existence". Taking on paid work "seldom relieves her from this, but only prevents her from performing it properly". (Subjection, 178) A married woman's domestic duties and the double workday she would face if she took paid work, are used as arguments against the appropriateness of her employment.

Mill does not look for alternatives to this entrenched sexual division of labour. It never comes to his mind that the domestic duties could be shared between husband and wife, allowing her the time and energy to engage in paid work. He also never takes a serious look at alternative social arrangements, where some of the reproductive work performed individually by women could be socialised. Yet, proposals for such arrangements were already being developed in Mill's days. For instance, he mentions in the Principles the Fourierists' scheme that "all the members of the association should reside in the same pile of buildings; for saving of labour and expense,
not only in building, but in every branch of domestic economy." (Principles, 212)

It seems then that Mill had a very traditional view of sex roles. This is one area of Mill's thought where the influence of Harriet Taylor failed. Her own ideas on the sexual division of labour are more revolutionary than his. She unwaveringly insists that a married woman's earning of her own income was essential to her access to equality:

"a woman who contributes materially to the support of the family, cannot be treated in the same contemptuously tyrannical manner as one who, however she may toil as a domestic drudge, is a dependent on the man for subsistence." (Enfranchisement, 105)

Her analysis of the status of women is rooted in a materialist understanding which Mill failed to grasp.

Unlike most economists, Mill does not ignore women's domestic and reproductive work. This work is the object of descriptions in both the Principles and the Subjection. It is clear that Mill sees it as part of economic activity and as productive of utilities. Yet he does not classify it as productive labour, which he defines as labour productive of "utilities embodied in material objects". (Principles, 49) Mill hesitates however to classify as

46. He must also have been aware of some of the proposals for communal housekeeping made by some of the Unitarian Radicals whom he frequented in the 1830's. See Rossi, 37.
unproductive all labour "of which the subject is human beings". (Principles, 40)

Reproductive labour is recognised as essential to procuring the conditions for production:

"Every human being has been brought up from infancy at the expense of much labour to some person or persons, and if this labour [...] had not been bestowed, the child would never have attained the age and strength which enable him to become a labourer in his turn. To the community at large, the labour and expense of rearing its infant population form a part of the outlay which is a condition of production." (Principles, 40-1)

Yet, Mill does not give productive status to the reproductive labour which constitutes women's major activity. As part of a rather confused definition, he uses two criteria to determine which type of labour is productive: the labour expanded must "terminate in creation of material wealth" (Principles, 50) and its very purpose, as it is being performed, must be production, or the "returns arising from it" (Principles, 41).

Under the first criterion, Mill classifies as productive the "labour expended in the acquisition of manufacturing skill" and "the labour of officers of government in affording the protection which [...] is indispensible of the prosperity of industry". (Principles, 49) To this he adds "the labour of saving a friend's life [if] the friend is a productive labourer,
and produces more than he consumes". (Principles, 50)

Under the second criterion, he retains as productive only the labour consciously performed to increase human productive capacity: "the labour employed in learning and in teaching the arts of production, in acquiring and communicating skill in those arts" which is "really, and in general solely undergone for the sake of the greater or more valuable produce thereby attained". (Principles, 41)

The reproductive work women perform when bearing or raising children and when taking care of their families is not recognised as productive, because it is "usually incurred from other motives than to obtain such ultimate return". Mill adds that "for most purposes of political economy, [it] need[s] not be taken into account as expenses of production".47 (Principles, 41) Thus he set up criteria which allowed him to exclude women's reproductive work, while including men's (in his days, "all concerned in education; not only schoolmasters, tutors, and professors, [...] governments, [...]"

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47. Similarly he excludes "the labour employed in keeping up productive powers; in preventing them from being destroyed or weakened by accident or disease" because the main motive here is health, not productivity. (41)
moralists, and clergymen; [...] physicians;" etc.48 (Principles, 47)).

Women's reproductive work is deemed unproductive because their intention, when they have children and raise them, is not to increase production or productive capacity. We can contrast this with Mill's treatment of the "labour of invention and discovery". Its "material fruits, though the result, are seldom the direct purpose of the pursuits of savants, nor is their remuneration in general derived from the increased production [caused...] by their discoveries". By the same criteria, such work should be considered unproductive but Mill rationalises otherwise:

"when (as in political economy one should always be prepared to do) we shift our point of view, and consider not individual acts, and the motives by which they are determined, but national and universal results, intellectual speculation must be looked upon as a most influential part of the productive labour of society, and the portion of its resources employed in carrying on and in remunerating such labour, as a highly productive part of its expenditure." (Principles, 43)

Clearly, Mill was not prepared to apply the same shift in point of view to women's reproductive work.

48 He did include in the list in his original manuscript "parents, so far as they concern themselves in the education of their children" but this never appeared in any of the editions of the Principles. (47)
These juxtapositions blatantly show the arbitrariness of Mill's criteria and the double standard he applied to men's and women's work. They expose the flaws of his definition of productive labour, the shortcomings of his analysis of the sexual division of labour, and his subconscious acceptance of the ideology of the day which served to deny the economic nature of women's reproductive work.

In the Principles, Mill elaborates a human capital theory similar to Smith's. He states that the "skill, and the energy and perseverance, of the artisans of a country, are reckoned part of its wealth, no less than their tools and machinery". (Principles, 48) This constitutes part of his rationale for considering some reproductive work as productive. He argues that expenses on education should be considered as investment. (Principles, 48-9) Yet he is willing to consider as such only the formal education processes and not the building of human resources which is carried on by women in the private sphere.

Mill's approach to the quantitative and qualitative aspects of human capital can be contrasted. Building the quality of the workforce - through the work of (male) educators, etc. - is seen as a contribution to the accumulation of wealth and must receive adequate support,
viz. the funds allocated to it must be treated as investment. Population growth, by comparison, is treated as a phenomenon to be contained and women's contribution to it is not recognised as productive. This position can be linked to Mill's views on the stationary state and to his adherence to the wage fund doctrine.49

While he does not give recognition to women's reproductive work, Mill presents population control as beneficial to them:

"It is seldom by the choice of the wife that families are too numerous; on her devolves (along with all the physical suffering and at least a full share of the privations) the whole of the intolerable domestic drudgery resulting from the excess. To be relieved from it would be hailed as a blessing by multitudes of women". (Principles, 372)

Mill perceptively uses his analysis of patriarchal structures and ideologies to draw connections between the subjection of women and the lack of restraint on

49. Mill's opposition to growth for growth's sake, his view, unconventional for a classical economist, that "the stationary state is not in itself undesirable [...] that it would be, on the whole, a very considerable improvement of our present condition" denote amazingly modern ecological thought. He offers an eloquent indictment of the ethics of capitalist competition as an ideal for human nature and behaviour. He proposes a redistribution of wealth and limits to population (the wage fund presenting a barrier to higher incomes in the working class if its size increases) as alternatives, adding that "a stationary condition of capital and population implies no stationary state of human improvement". (Principles, 343s, Book IV, Ch. vi) It must be noted too that his ecological and feminist ideas are linked.
population growth. He advocates education on birth control methods and eloquently condemns the religious and social ideologies which promote large families. (Principles, 368-9) He also observes that the emancipation of women would foster a decrease in fertility. He foresees as one of "the probable consequences of the industrial and social independence of women, a great diminution of the evil of over-population".50 (Principles, 765-6)

It is notable that Mill's feminist awareness led him to make pertinent observations on the economic and social status of women, observations which are unique and pathbreaking as far as economists' treatment of women goes. Mill went much further than his predecessors and successors in giving women economic status in his writings and in attempting to apply to them equally the methods of political economy.

50. Keeping women dependent and defining their purpose as exclusively reproductive contributes to unnecessary population growth: "It is by devoting one-half of the human species to that exclusive function, by making it fill the entire life of one sex, and interweave itself with almost all the objects of the other, that the animal instinct in question is nursed into the disproportionate preponderance which it has hitherto exercised in human life." (Principles, 766) A similar argument, reinforced by evolutionary theory was given full development by Charlotte Perkins Gilman in her 1898 book, Women and Economics.
He wrote a century after Adam Smith, at a time when the mutations in the social and economic order incipient in Smith's days had come to fruition, when the failures of capitalism and political liberalism to generate a more harmonious and fair society could no longer be ignored, and when social and political thinkers divided themselves into stubborn apologists of the capitalist system and its brand of patriarchal and political despotism and idealist or practical social reformers (such as the socialists and feminists). Mill equivocally placed himself in between these two tendencies, refusing to reject capitalism and political liberalism while espousing some of the criticisms and ideals of socialism and feminism.

It should come as no surprise then that he is at times inconsistent and does not push far enough his questioning of the patriarchal and capitalist economic order. In the final instance, these shortcomings can be attributed to his liberal idealism, and to his perhaps irrational attachment to a romantic view of women and the family.51

Mill's awareness of the inequalities created and reproduced by the capitalist system led him to denounce

51. On Mill's undying attachment to a romantic ideal of womanhood and to a liberal ideal of the family, see Richard W. Krouse, 1982, 145-72 and 1983, 36-76.
"all its sufferings and injustices", the prevalent situation where

"the produce of labour [is] apportioned as we now see it, almost in an inverse ratio to the labour - the largest portions to those who have never worked at all, the next largest to those whose work is almost nominal, and so in a descending scale, the remuneration dwindling as the work grows harder and more disagreeable, until the most fatiguing and exhausting bodily labour cannot count with certainty on being able to earn even the necessaries of life", (Principles, 207)

and the system of inheritance which perpetuates these inequalities. (II, i & ii) Yet he did not see this situation as inherent to capitalism, but rather as an anomaly which could be corrected by appropriate reforms. The superficiality of his analysis leads to his failure to identify the causes of capitalist economic injustice.

Mill follows a parallel démarche in political theory, advocating the perfecting of bourgeois democracy rather than challenging its bases. Similarly, he views patriarchal institutions as obsolete, extinct even, as attested by his statement that "the feudal family, the last historical form of patriarchal life, has long perished", (219) leading to his characterisation of its extant survival as a further anomaly to be eliminated.52

52. Mill's position is typical of some bourgeois malestream periodisation which located patriarchal relations exclusively within feudalism. See also R. Krouse: "The central inspiration of Mill's liberal feminism, both in the Subjection of Women and elsewhere,
Hence Mill attempts "to reconcile irreconcilables" in other domains than political economy.

The main shortcoming in Mill's feminist analysis is his refusal to question and to examine the existing sex roles and the concomitant sexual division of labour. He, himself, at times, contributes to the upholding of these elements of the patriarchal social structure and ideology. This flaw has its source in Mill's subscription to a bourgeois Victorian view of woman's "nature" in spite of his own statement that sexual characteristics and roles are not natural but socially or culturally determined.

His work thus contains contradictions on the subject of women's nature. He identifies ideology and education as the sources of women's secondary status in society: "All women are brought up [...] in the belief that their ideal of character is the very opposite to that of men [...] that it is the duty of women [...] and] their nature, to live for others". (Subjection, 141) He comments: "I deny that anyone knows, or can know, the nature of the two sexes, as long as they have only been seen in their present relation to one another". (Subjection, 148) Yet, perhaps best can be understood as a desire to purge liberalism of its patriarchal vestiges." (1983, 39)

it is clear that for him, women are the gentle sex while men are the "stronger sex". Women have a civilising, "softening influence" on the world. (Subjection, 223) He identifies a number of "feminine" characteristics: "a woman seldom runs wild after an abstraction", she is practical, realistic, etc. (Subjection, 192-3)

A younger Mill wrote in 1832: "the great occupation of woman should be to beautify life: to cultivate [...] all her faculties of mind, soul and body; all her powers of enjoyment, and powers of giving enjoyment; and to diffuse beauty, elegance, and grace, everywhere"; and further: "her occupation should be to adorn and beautify [life...] that will be her natural task [...] which will be [...] accomplished rather by being than by doing".54

His later writings do not state these beliefs as clearly, yet similar ideas are expressed in Mill's views that marriage and employment are incompatible for women (not men), and that women's nature may prevent them from being able to compete with men in some occupations, or may put limits on what they can do:

"what is contrary to women's nature to do, they never will be made to do by simply giving their

54. "Early Essays on Marriage and Divorce", 75, 73 in Rossi, op. cit. It seems clear from these passages that Mill saw the purpose of women's being as providing enjoyment for others (i.e., men).
nature free play. [...] What women by nature cannot do, it is quite superfluous to forbid them from doing. What they can do, but not so well as the men who are their competitors, competition suffices to exclude them from". (Subjection, 154).

He also postulated that the "majority of women" are likely to elect to engage in "the one vocation in which there is nobody to compete with them", i.e. motherhood. (Subjection, 183) The purpose of these arguments might be to reassure the opponents of equal rights, but they are insistently present and show a profound attachment to a certain view of women and their place in society.

These views represent the one instance where John Stuart Mill and Harriet Taylor had an irreconcilable disagreement. 55 Although her writings on the question are not extensive, her 1851 essay on The Enfranchisement of Women, shows that she accepted no limits to what women could do and priorised women's economic autonomy over their assigned "duties" of wife and mother.

Mill's deep attachment to a Victorian conception of women's nature seems to be linked to his ideal of the relationship between the sexes within the family unit, an ideal which may have been practically realised in his

55. This is evidenced by Mill's inclusion of passages which were closer to Taylor's thought in editions of the Principles during her lifetime, and reverting to his own position after her death, see eg. Principles, 394.
friendship and subsequent marriage with Harriet Taylor. Brought to light in Richard Krouse's analysis of the contradictions in Mill's liberal view of the family is his vision of a fusion between the sexes in marriage where both remain autonomous yet contribute to a synergistic whole. Essential to this result is the replacement of marital despotism with a form of democratic equality.

Yet, in Mill's ideal marriage, the equality between the sexes is precluded by the denial of full economic autonomy and equality to married women.56

The stumbling block in Mill's ideal is his belief that the preservation of a private sphere of personal and moral values, as a necessary antidote to the impersonal and competitive public realm necessarily requires the full time nurturing and "beautifying" presence of the wife/mother. (Krouse, 1983, 49)

Mill's view of an "equal but separate" role for women opens him up to serious feminist criticism as it provides no guarantee against power imbalances and abuses. Seemingly aware of this problem, he tries to deflect it:

"There will naturally also be more potential voice on the side, whichever it is, that brings

56. See Krouse 1982, 1983. Krouse points out that Mill was the first political philosopher to correctly identify the political nature of marital and family relations. (1982, 160)
the means of support. Inequality from this source does not depend on the law of marriage, but on the general conditions of human society, as now constituted." (Subjection, 170)

If this inequality "does not depend on the law of marriage", it remains unaltered by a prohibition (or a convention against) the employment of wives, a denial of their access to financial autonomy, which certainly would contribute to maintain their inferior status in "human society". Mill thus refuses to acknowledge that, under his ideal system, the material conditions for the subjection of women are perpetuated.

Mill's liberalism, both in his analysis of the position of women and in his economic theorising blinds him to the fact that, in a capitalist market system, denying women equal access to monetary means of subsistence, not only as an alternative to marriage, but within marriage and on a basis of equality between wife and husband encompassing monetary contributions to family income and labour contribution to the family's wellbeing within the private sphere, can only result in the maintenance of women's economic and social subordination. The changes he proposes are therefore superficial, providing only a formal façade of equality for women without assailing the very foundations of patriarchal power.
Although more enlightened, the values informing John Stuart Mill's position on women and the family are not inherently different from those of Adam Smith or of the 18th and 19th Century political philosophers. Whereas Mill attempts to resolve the contradictions presented by the unequal status of women in liberal capitalist society, he is unable to offer a viable solution because he is, in the last instance, unable to cast off the patriarchal privileges which arise from the traditional sexual division of labour.  

The main weakness of Mill's liberalism is his parallel belief in the perfectibility of the basic institutions of patriarchy (marriage and the family) and capitalism (private property) as evidenced by his declarations that none of these institutions have "had a fair trial".  

He thus fails to see that both systems rely on power relations, between the classes and between

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57. Again, this was practically evidenced in the results of Mill's intellectual association with Harriet Taylor, the outcome of which has been historically solely attributed to him.

58. "The principle of private property has never yet had a fair trial in any country"; (Principles, 207) "his nonpatriarchal ideal of marriage, and vision of a reformed family life, have "not yet had a fair trial"." (Krouse, 1983, 52, quoting from Mill's later letters)
the sexes, and are incompatible with equality.\textsuperscript{59} He further fails to understand the interconnectedness of the two systems and their institutions when it comes to the question of the economic and social status of women.\textsuperscript{60}

Harriet Taylor, John Stuart Mill's intellectual and emotional companion, seems to have developed a better grasp of these connections. Unfortunately, the writing in her own hand is not extensive. \textit{The Enfranchisement of Women} is a very short essay which dwells more on legal and philosophical matters than on economic ones. A more substantial feminist economic approach to some of the issues is provided by one of Mill and Taylor's contemporaries: Barbara Bodichon, who penned the first treatise on women's work written by a woman.

\textsuperscript{59} The difference in his approach between the two is that he wants to abolish patriarchy while remaining attached to its basic institutions whereas he only wants to reform capitalism by reforming private property, failing to see that capitalist property is inherently based on inequality and exploitation.

\textsuperscript{60} Krouse comments that he "recognizes that liberalism must sometimes be protected from liberalism". (1983, 52) It would be more correct to explain Mill's "violation of his own liberal values" with his recognition that patriarchy must, in the end, be protected from liberalism.
Barbara Leigh Smith Bodichon

For the feminists of the first women's movement, pay and the position of women in the workforce were seen as essential to women's access to economic independence. These issues followed closely the issues of the vote, legal rights, and women's status within the institution of marriage. This order of priorities, reflecting the class nature of the early feminists, is precisely that followed by Barbara Bodichon.

Barbara Bodichon (1827-1891) was directly involved in early British feminist activism. In 1849 (at the age of 22), she reacted critically to the first edition of John Stuart Mill's Political Economy, deploring that "touching so often on unsettled questions of the greatest importance and interest, [he] has not gone away from Political Economy and ... given us his valuable opinion on them", and also that "philosophers and reformers have generally

61. In the United States, a similar concern emerged. The resolutions of the Seneca Falls Convention (New York, 1848) for instance state that Man "has monopolized nearly all the profitable employments, and from those [woman] is permitted to follow, she receives but a scanty remuneration." See Alice Rossi, ed. The Feminist Papers, Columbia University Press, 1973, p. 417.

been afraid to say anything about the unjust laws both of society and country which crush women.63 These criticisms led her to publish, in 1854, *A Brief Summary, In Plain Language, Of the Most Important Laws Concerning Women*, where women's lack of rights, in particular their denial of property rights due to marriage laws, is denounced. This was followed in 1857 by another short precis entitled *Women and Work*.64

Bodichon shows that women are indeed present in large numbers in the workforce, contrary to the ideology of the times which held that women were not and ought not to be wage earners. For her, employment is not unfeminine and women should be seen as belonging in the labour market. The reason why women want work is clear: it is "often because they must eat and because they have children and others dependent on them - for all the reasons that men want work". (1859, 35)

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Barbara Bodichon is probably one of the first to name the conditions that plague women's employment: "they are not skilled labourers and therefore badly paid. They rarely have any training". (1859, 35) For her, this seems to be due not to women's lack of abilities, but to their treatment as women rather than as workers.

She identifies the impact of "crowding": large numbers of women being concentrated in very few jobs, with the result of low market wages. She gives the specific example of such a situation in the Philadelphia Mint:

"I saw 20 or 30 young ladies who received half, sometimes less than half, the wages given to men for the same work. They were working ten hours a day for a dollar (4s. English). This proportion shows the lamentable amount of competition among women, even in the United States, for any work which is open to them". (1859, 17)

She also elaborates on how difficult it is for a woman in need to gain access to economic independence through employment: "...the resources for gaining a livelihood left open to women are so few. At present the language practically held by modern society to destitute women may be resolved into Marry - Stitch - Die - or do worse." (quoting the Times, 1887, 44) In comparison to a man losing his fortune, "the case of most women who are left destitute is much harder, and there are fewer paths open to them, and these are choke full." (1859, 16)
She identifies the cause of women's lack of access to employment as men's monopoly over most remunerative employment and their control of the training channels necessary to accede them: "So long as nearly every remunerative employment is engrossed by men only, so long must the wretchedness and slavery of women remain what it is" (1987, 60)

Bodichon's analytical skills are evidenced by her warning that women are losing some of the few industries that were traditionally theirs.65 "The work of our ancestresses is taken away from us." (1987, 26) New technologies are the cause of these alarming changes. They make obsolete the few skills women traditionally had.

"Women in modern life, even in the humblest, are no longer spinsters. Their spinning is all done by the steam engine; their sewing will soon all be done by that same mighty worker." (1859, 26)

Women must act to stop this trend: "We must find fresh work". (1859, 26) Otherwise, their economic and social position will go from bad to worse. Bodichon describes at length the impact on women (and on society as a whole) of their forced idleness, poverty and dependence on men.

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65. Similar observations were made by feminists much later, one instance being Charlotte Perkins Gilman in *Women and Economics*, in 1898, reprinted with an introduction by Carl Degler, 1962, Harper & Row, New York.
Women and Work is an impassioned advocacy of women's access to employment in industries and the professions, to training and to decent wages.

Anticipating opposition to her proposal, Bodichon argues that training and employment are not contrary to the established duties and roles of women in British society at the time. "A girl will make a better wife for having had such serious training". (1859, 29) She states as well: "Work - not drudgery, but work - is the great beautifier. Activity of brain, heart, and limb, gives health and beauty, and makes women fit to be mothers of children." (1859, 21)

She challenges the Victorian creed: "To think a woman is more feminine because she is frivolous, ignorant, weak, and sickly, is absurd; the larger-natured a woman is, the more decidedly feminine she will be; the stronger she is, the more strongly feminine." (1859, 21) She denounces the social conventions that maintain women in a lifelong state of economic dependence:

"Fathers have no right to cast the burden of the support of their daughters on other men. It lowers the dignity of women; and tends to prostitution, whether legal or in the streets. As long as fathers regard the sex of a child as a reason why it should not be taught to earn its own bread, so long must women be degraded. Adult women must not be supported by men, if they are to stand as dignified, rational beings before God." (1987, 41)
Barbara Bodichon also challenges the patriarchal ideology which infers that all women marry and that, from father to husband, a man will always provide for them. She points out that "of women at the age of twenty and upward, 43 out of the 100 in England and Wales are unmarried" (1859, 28)

She believes that parents can influence the future of their daughters: "It is only fathers and mothers who have the power to effect this change." (1987, 44) She admonishes the fathers of young girls to give them access to the training that will equip them for economic survival:

"...Your daughter may not marry. It is your duty to provide for that possibility; and she will surely be ill, miserable, or go mad, if she has no occupation. ...It may be years before your daughter finds a husband. It is your duty to give her worthy work, or to allow her to choose it; ...Suppose the man she may love is poor, by her labor she can help to form their mutual home. ...Your daughter may be left to act as both father and mother to children dependent on her for daily bread." (1859, 29)

This common sense advice did go against the dominant views that young women only needed training in domestic skills to prepare for their future. And she counters:

"It is often said, it is wrong of daughters to leave their parents to follow this or that pursuit. Mothers and fathers say nothing, if their daughters leave them to be married. It is much more important to the welfare of a girl's soul that she be trained to work than that she marry." (1987, 45)
She thus exposes the flawed logic of patriarchal ideology.

What makes Bodichon radical among the feminists of her time is her position that, for women, marriage and employment are not incompatible:

"But is it certain that a girl will give up her occupation when married? There are thousands of married women who are in want of a pursuit - a profession. It is a mistake to suppose marriage gives occupation enough to employ all the faculties of all women. To bring a family of 12 children into the world is not in itself a noble vocation, or always a certain benefit to humanity." (1859, 29)

This was anathema to the ideologues of the day who vehemently ridiculed and denounced her proposals, finding no better response than asserting that woman's place was in the home. Critics protested that if the single life was made "remunerative and pleasant for women[,] its only upshot would be to make marriage a matter of "cold philosophic choice", and it would be more and more frequently declined"", (Strachey, 92) a candid admission of the purpose of denying women access to employment.

66. An article in the Saturday Review entitled "Bloomerania" dismissed Women and Work as "pretty Fanny's talk ... fatally deficient in the power of consecutive thought". (Matthews, 117-8) It also scoffed at the crowding hypothesis presented, attributing the low wages of governesses to the poor quality of their work. (Strachey, 92)
Bodichon's position is based on her deep conviction that the sexual division of labour and the sex roles that were being developed and socially reinforced in her days were detrimental to women, as well as to men and to society as a whole.

Like Harriet Taylor, she further believed that women could not be equal to men in marriage without access to independent means: "Unless a woman can earn her own livelihood or has a certain income, she has little chance of forming an equal union." (1859, 19) She also outlines a vision of a social division of labour on a wider social scale where "some association of families" would allow some women to pursue a profession while others would manage the "domestic concerns" of the community. Interestingly, she does not address what changes (if any) in roles and responsibilities would be open to men in this new social arrangement.

Bodichon challenges some of the prejudices (some of which still hold today) commonly applied to women's work. In her opinion, the work that women do in the home as wives and mothers should be considered as such, and the women who perform it should not be seen as dependents.

"Women who act as housekeepers, nurses, and instructors of their children, often do as much for the support of the household as their husbands; and it is very unfair of men to speak
of supporting a wife and children when such is
the case. When a woman gives up a profitable
employment to be governess of her own family,
she earns her right to live." (1859, 31)

This position has been emphatically expressed by some
contemporary feminists but the prejudice still holds as
strong as ever.

Barbara Bodichon also denounces the "prejudice
against women accepting money for their work". She
clearly identifies money as a representative of value and
a means of access to power, "for money is power". Giving
one's work or product out for free is alright sometimes,
but not all the time, as exchanging them for money gives
women the confirmation that "we are as valuable as we
think". For her, insisting on "work for love of Christ

67. See for instance Mariarosa Dalla Costa and Selma
James, The Power of Women and the Subversion of the
Community, 1972, Falling Wall Press, Bristol, England and
the Wages for Housework tendency of the Women's Movement.
More recently, this argument is empirically and
theoretically developed in Du travail et de l'amour, by
Louise Vandelac, avec la participation de Diane Belisle,
Anne Gauthier et Yolande Pinard, 1985, Editions St
Martin, Montreal.

68. An illustration of this "prejudice" which
exposes the patriarchal power relations at its roots is
provided by the instance of Sophia Jex-Blake, who was to
become the first woman doctor of Great Britain. In 1859,
herrather forbade her to receive payment for a tutorship
she was offered. He insisted she should do the work for
free and that he could provide for her needs. Arguing
that being paid for her work would be "quite beneath" her,
it is clear that his real motive was to keep her under his
authority by maintaining her economic dependence on him.
See Virginia Woolf's Three Guineas, 1982 (originally
1938), Harmondsworth, Penguin, pp.74-77.
only ... is a profound and mischievous mistake. It tends to lessen the dignity of necessary labour." (1859, 33) She here identifies a social convention which plagues women's economic position (still today) as their availability to perform work for free is taken for granted. This convention also affects the overall perception of the value of women's work and of their contribution to production both inside and outside the home.

A further "fallacy" identified by Bodichon is the ideological position that women who work deprive others - who "need" the work - of employment: "It is often said that ladies should not take the bread out of the mouths of the poor working man or woman by selling in their market." (1859, 34) Against this, she develops an argument involving a concept of full-employment welfare-maximising general equilibrium. The more people there are in the workforce, she states, the greater the contribution to overall production and hence the easier it is to satisfy everyone's needs. This simple and self-evident view is still ignored today by those who scapegoat

69. In this argument of undeniable hypocrisy, the presumably opposite interests of two groups of low economic status are pitted against each other in a sycophantic attempt to rationalise a status quo where neither has access to adequate economic means.
women and members of minority groups as the cause of unemployment.

Bodichon did not just write about and analyse the situation women faced in the labour market in her days. She put into practice her own admonition "we must find fresh work". With the other women of the Langham Place Group, she worked to open up new areas of employment for women. She was actively involved in setting up the Women's Employment Bureau in 1858 (later called the Association for the Promotion of the Employment of Women) which served as a referral service as well as a training institute for women to access new and non-traditional occupations. Women breaking new grounds in the labour market were given support. The Association also actively opposed any restriction of women's opportunities in the labour market, in particular the exclusion of women by trade unions and the Factory Acts of the 1870's. The Association exerted pressure for the enactment of equal pay when women and men performed the same work. It also lobbied trade unions and the Independent Labour Party to make them adopt equal rights and equal pay for women as part of their principles. (Strachey, 226-7, Lacey, passim)
Bodichon and the Langham Place Group also started publishing the English Woman's Journal in 1857. It served to spread feminist ideas, debate the conditions of women's employment, and advertise the activities of the group, job openings and training courses. (Strachey, 93-98, Matthews 97-98, Lacey passim)

Barbara Bodichon was seen by her feminist contemporaries as having some of the most radical views. Still, she had a definite influence over the feminist movement of her day, both through her ideas and analyses, and through her energetic activism. On the matter of women's work, there is no doubt that she contributed enormously to the challenge of Victorian ideology. It is clear that she went well beyond the then common feminist concern for the economic status of single women, advocating married women's access to employment and laying the bases for a critique of marriage as the primary vocation of women and their sole source of livelihood.

For her, women's access to equality and the development of their potential comes before social conventions. Yet, there are some limitations in her views. Her arguments for women's access to equality do not go as far as they could: she does not explicitly argue that women should have unlimited access to all the
elements that constitute male status (political, economic, social); moreover, she does not address the nature of men's social roles and how a change in these could further lead to equality. Her analysis also focuses exclusively on individual actions (eg, by women themselves or by their parents) as the means to change, which leaves untouched the overwhelming social and political element that composes ideology and social conventions. However, a recognition of the modernity and radicalism of her views and of the perceptiveness of her economic analysis are long overdue.

This chapter has allowed us to identify some of the themes which announce the neo-classical approach to women's place in the economy and some of the feminist bases for a challenge of this approach.

Smith inaugurated the tradition of making women and their work (both productive and reproductive) invisible, of ignoring the sexual division of labour and its articulation to the reproduction of the capitalist system, and of obscuring the part played by women in the creation of "human capital". He started the theoretical institutionalisation of a rigid (as well as arbitrary and biased in so far as it comes from a male and capitalist
point of view) separation between public and private, economic and non-economic, male and female, dichotomies of which the first half only is the object of "science" and "economic inquiry". The invisibility of women in Smith's economic and political theory underscores the patriarchal values which inform his vision of a world where women must provide harmony, beauty, ethics and nurturance, for the benefit of men, and outside the market mechanisms.

These tendencies are only superficially challenged by John Stuart Mill in spite of his feminist creed. His patriarchal hangup kept him from rejecting the structural basis of male privilege and accepting the challenge to the traditional sexual division of labour and to the corollary public/private split which was initiated by Harriet Taylor and Barbara Bodichon. Suffering no such hangup, Taylor and Bodichon took further the analysis of the connections between the political and the economic as they affect the situation of women.

With allowances made for Mill's liberal attempts to integrate women in his economic analysis and to advocate

70. See Nancy Hartsock: "Dualism, along with the dominance of one side of the dichotomy over the other, marks phallocentric society and social theory." *Money, Sex and Power, Toward a Feminist Historical Materialism*, 1985, Boston, Northeastern University Press, 241.
their equal integration into the market system, the classical approach prefigures the neo-classical treatment of women's economic status. The difference between the two is the blatant apologetic nature of neo-classical attempts to reaffirm the capitalist and patriarchal order at all costs.
PART I

THE EQUAL PAY DEBATES,

1890 TO 1923
John Stuart Mill's initial, tentative discussion of the wages and the labour market conditions of women did not generate a lot of response among economists. Yet, in British society, these issues were being debated at the initiative of the feminists, propelled by Barbara Bodichon and the activities of the Langham Place Group. Feminists were active in the 1870's and 1880's in opposing discrimination against women in the labour force, pressuring trade unions to adopt the principle of equal pay and to remove their restrictions on entry to trades and apprenticeship and agitating against the discriminatory impact of the Factory Legislations. The obvious economic nature of the questions raised by the feminists must have then escaped most economists.

It is not until the 1890's that some economists start approaching the question of women's wages with more than a passing and dismissive comment. The issue of women's wages, central to women's economic welfare, remained marginal to economic thought. Women's employment itself was obstinately treated as a negligible phenomenon by the economists in spite of census data and a growing body of

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historical and empirical studies establishing that women worked, had always worked and constituted a significant proportion of the total workforce.²

It is apparent that the few economic writings on the issues of women's wages and equal pay represent only the tip of an iceberg of public debate happening during that time period. The issues involved the varied and conflicting views of women and feminists (which were by no means homogeneous in interests, class, analysis and political priorities), capitalist employers, trade unions, politicians, social reformers, and men in general (again, not necessarily all homogeneous groups). Besides equal pay for men and women, the concepts debated included the 'family wage' for male workers, market wages, minimum wages for women (and sometimes for men), subsistence requirements, family allowances and other forms of transfer payments.

In historical writings on the first wave of feminism, these issues attracted less attention than that of

suffrage for women which was during that time period the
utmost feminist priority; yet, they are crucial to the
economic position of women. It is significant that the
debate on equal pay was occurring at a time preceding the
development of the welfare state and state intervention in wage determination. The eventual forms of state intervention were without doubt influenced by the arguments of the debate and the relative clout of the various social groups involved. Furthermore, as stated by Heidi Hartmann,

"Examining the literature from this period, especially the Webb-Rathbone-Fawcett-Edgeworth series in the Economic Journal, is important because it sets the framework for nearly all the explanations of women's position in the labour market that have been used since." (1976, 156)

The next three chapters propose to further this examination by following the issue of equal pay for equal work as it was discussed and debated among economists and between feminists and economists. The first chapter scans

the period between 1890 and the First World War. The second details and contrasts the analyses and positions advocated by Millicent Fawcett, Eleanor Rathbone and Beatrice Webb during the War. The third examines P.Y. Edgeworth's position on the question in his 1922 and 1923 articles.
Between the 1860's and 1890, women's work and women's pay do not appear among the concerns of the economists. One exception, however, was Mary Paley's and Alfred Marshall's The Economics of Industry (1879) where women's low wages are attributed to the "habit" of women and of their employers "of taking it for granted that the wages of women must be low". (175) For the authors, general opinion rather than any observable deficiency in women's productivity was the determinant of women's wages. It is likely that such statements were from Mary Paley's pen as, by 1890, in the first edition of his Principles of Economics, Marshall opposes equal pay for women, seeing such a measure as detrimental to a socially desirable sexual division of labour whereby women would stay out of the workforce to take care of home and family.¹

In 1891, however, Sidney Webb directly addresses the question of equal pay for women and men. His empirical documentation and his proposals are followed, over the next two decades, by occasional writings on the subject, which overall tend to favour payment of wages to women according to their productivity levels. Some of the authors must be commended for taking on the ideology of the time and denouncing the sophistry of some of the rationalisations for women's starvation wages (Smart, Cadbury). These writings also see some attempts to develop theoretical explanations for the level of women's pay which prefigure more recent theorising (Fawcett, Smart).

Sydney Webb.

Sydney Webb seems to be the first male economist to give the question of equal pay some serious thought in his 1891 empirical article "Alleged Differences in Wages Paid to Women and Men for Similar Work". In this first comprehensive empirical attempt to address the question of wage differences between the sexes, he uses data collected by the Fabian Society among working women and among its

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own female members, data which he acknowledges as an "insufficient ... heterogeneous collection". (636) Yet, he draws from his study the following general conclusion:

"Women workers appear almost invariably to earn less than men except in a few instances of exceptional ability, and in a few occupations where sexual attraction enters in. Where the inferiority of earnings exists, it is almost always coexistent with an inferiority of work. And the general inferiority of women's work seems to influence their wages in industries in which no such inferiority exists." (657)

This definitive statement is not in effect supported by Webb's own empirical data.

His data show that women are paid at a level often significantly below men's wages in the same industries. However, S. Webb does not document - statistically or otherwise - the "few instances of exceptional ability" and the "few occupations where sexual attraction enters in". These statements are nothing but hypotheses applied to two of the job classifications defined by Webb: intellectual work where he presumes equal treatment for exceptional women, and artistic work where he asserts that women "seem" to enjoy a monopoly rent due to "the market value of sexual attraction". (656)

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3. An early statement that women have to be exceptional to deserve equality.
Sydney Webb's statements that "inferiority of earnings" is "almost always coexistent with inferiority of work" and that women's work displays "general inferiority" need to be examined in the light of his own data. This data documents mainly two categories of occupations: "manual labour" and "routine mental work". 4

In the first category, he notes "the impossibility of discovering more than a very few instances in which men and women do precisely similar work, in the same place, at the same epoch". (638) This mars his attempts at comparing the most comparable: task wages. In the very few instances of similar work he encounters - which include some cigar making, cotton, silk, woollen, worsted and fustian weaving, and composition - he provides little data on task wages, asserting only that they are "the same" (640, 645) or "nearly as much" (645). He provides however a substantial amount of data on average weekly earnings for men and women in these industries which is seemingly irrelevant to his argument on task wages.

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4. Webb analysed 4 categories of employment for women: "manual labour", "routine mental work", "artistic work" and "intellectual work". The latter two are very superficially looked at. Interestingly, Webb does not analyse the occupations where women were statistically the most numerous in the 1890's: domestic and related work.
Webb nevertheless uses this data to support his finding of "equality or near equality" of men's and women's wages. This statement is easily contradicted by the data itself showing that women get wages higher (3 cases) or within 1 shilling per week of men's wages (10 cases) in only 13 cases out of the 74 listed. Average earnings for women in these industries fall in some cases below half of men's.

Webb also notes that when women replace men in a particular trade, "the women almost invariably receive less than the men did". (647) In his opinion, this can be explained in some cases by mechanisation of the trade. Yet, "in other cases the substitution of women for men has taken place without any change in the industrial process". (647)

Lower wages for women are also attributed to "women's lack of industrial experience" (658) or to their "fail[ure] to master some incidental small part" of the industrial process. (659) Whereas S. Webb notes these facts as "curious", he does not question their purpose of keeping some occupations and access to higher wages as

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5. "Women weavers can seldom 'tune' or set their own looms. Women heraldic engravers have, curiously enough, never been able to point their own gravers." (p. 659)
male preserves. These "incidental small" differences are the only specific evidence of the alleged inferior productivity of women workers in occupations where both sexes were found.

At the end of his section on manual labour, Webb states that he finds it "difficult to draw any general conclusion from the foregoing facts". (649) He nevertheless professes that these facts "suggest" to him that lower wages for women are due to their lower productivity.

In his investigation of "routine mental work", Webb discovers more occupations where women and men do the same work. There, he finds that "women's earnings ... are invariably less than men's". (649)

His data in fact shows that women's pay is significantly lower than men's. Women clerks get between 30% and 80% of men clerk's salaries in the Post Office (comparing specific job categories where both are present). In an insurance company, women perform work "rather better and more rapidly than men" yet their salaries are "perhaps less than half what would have to be

6. In a similar way, Webb notes but does not question the use of Factory Legislation to keep women in lower paid occupations.
paid to men for similar work". (652-3) Women teachers "almost invariably receive lower salaries than men teachers". (653)

Not finding fault in women's productivity, Webb resorts to other reasons for the pay differences: women teachers are paid less "partly for the reason of 'gentility'"; (653) or, "it has been found as yet impossible to train the women employees to higher duties" in the Post Office and Insurance companies, (650) or in school teaching; (655) night duty cannot be required of female employees; (652) women cannot be given "any but the merest routine work"; (653) women's work is "a mere prelude to matrimony, and often only a source of pocket money". (653N)

The "market" rather than the type of work done is here again seen to set women's wages below men's: "women typewriters employed by the Government receive ... only 14s. a week, the reason given being that this is the market rate for women typewriters, though not for men." (649)

Most of Webb's analysis of routine mental work is spent trying to demonstrate higher absenteeism on the part of women. But here again, his data are not conclusive.
Women actually show sickness rates lower than or equivalent to those of men in 38% of the Post Office departments listed by Webb. (651-2)\(^7\)

In his study, Webb fails to establish conclusively "the general inferiority of women's work". A lot of the factors cited which are seen to decrease the "nett advantageousness" of women workers are either quite marginal or structurally determined (i.e. factory legislation). They have nothing to do with productivity per se. Webb also fails to demonstrate that "where the inferiority of earnings exists, it is almost always coexistent with an inferiority of work". On the contrary, his data put in evidence inferiority of earnings where there is equivalent or superior work performed by women. In a lot of cases, the comparison is not possible due to the extreme segregation of men and women in the labour market, a situation which does not warrant the blanket statement Webb profers on women's pay and their productivity.\(^8\)

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\(^7\). Webb does not state whether pregnancy is included in his definition of "sickness". He just mentions "lengthened absence" of some of the employees.

\(^8\). Interestingly, Webb makes no mention of the "crowding" phenomenon. Rather, he sees women entering an increased range of occupations.
At the end of his article, Webb is probably aware of the weakness of his "demonstration" and brings in the Deus ex machina of the market to explain women's low wages. They are "set less by their efficiency in that particular industry than by comparison with what women earn elsewhere". (658) This last element of Webb's argument renders the exercise he has engaged in pointless, turning his observations into a flawed tautology.

The market is then used for a further assertion. Webb ventures into a comparison of pay where work is segregated by sex: "Women's work is usually less highly paid than work of equivalent difficulty and productivity done by men". (659) The reason for this is that "what they produce is usually valued in the market at a lower rate". (660) No data is provided to support this statement.

Webb must have been aware that women's lower wages are such regardless of their comparative productivity, something he could have logically concluded from his own empirical research. He in fact identifies two factors unrelated to productivity which he states affect women's wages: the "lower standard of life of women", ie. women's allegedly lesser subsistence needs, and "the influence of
'make weights', the assistance received by so many women workers from parents, husbands, or lovers". (649)

In the end, for Sydney Webb, "the problem of the inequality of wages is one of great plurality of causes and intermixture of effects". (659) He cannot come up with any definitive conclusion on the cause of wage differences between the sexes: "the facts as yet ascertained hardly warrant any definite conclusion as to the causes of this difference". (660) He can only recognise its universality:

"It exists both where the women are subject to exceptional legislative restrictions, and where these do not prevail; it exists in the United States, the Colonies and France, as well as in this country; it exists in clerical and educational as well as in manufacturing work; in mental as well as manual labour; where payment is made by the piece and where it is made by time; where custom rules and where competition. (sic)

The universality of women's actual lower returns from labour should have led Webb towards a more astute analysis. Instead he is at a loss to offer a "simple or universal solution".

Some of the possible causes he mentions are the lack of "combination" of women, their relative "redundancy" and "inefficiency". To these he adds the following overriding statement: "it is impossible to overlook the effect of the
fact that the woman has something else to sell besides her labour ... many women are partially maintained out of other incomes than their own", (660) making their case similar to that of "male unskilled labourers receiving a rate in aid of wages" under the Poor Laws. His presumption (which no doubt is reflective of common patriarchal beliefs) is that all women have an alternative source of livelihood: marriage, prostitution or "the possession of small means" (660N). Women's primary commodity is sex, offered on the market either through marriage or prostitution. Labour is only a secondary commodity which they may choose to offer to gain additional income. As for the women who choose not to supply the sex commodity, it is obvious that they must have access to a further alternative source of livelihood: independent means.9

This last statement by Sydney Webb illuminates the patriarchal ideology which underlies economic analyses of women's work and women's pay. It is disconcerting, however, that Webb chooses to conclude his study with such a general and definitive observation and without any attempt to elaborate or demonstrate the point. It is as

9. Since there is, no doubt, an overall greater proportion of men than women who have access to independent ("small means") sources of income, one must wonder why the overall effect on men's wages is not noticeable.
if the mere statement of this "fact" is expected to draw appreciative and knowing nods on the part of his fellow economists, who will not require further convincing. It is clear that, if Webb's presumption is right and if this element is as much a determinant of women's wages as he seems to believe, women's pay is governed more by their sex and the ideology that surrounds it in a patriarchal capitalist society than by their actual productivity, or, for that matter, their actual subsistence needs.

At the end of his article, Webb classifies the causes for women's lower pay into four general categories. He sees custom and public opinion as the major one, the others being: lower standards due to lower needs and 'make weights', lower productivity, and lack of trade union organisation. He suggests various approaches to remedy the situation, the main one being an idealist call for a change in public opinion. Women are admonished to "insist on a higher standard both of physical needs and mental demands" and to achieve "greater freedom and independence". They are called upon to exert more "public influence". Webb also recommends "better education" and "technical training for women" as well as "equal treatment by law". Not surprisingly, Webb puts a lot of faith into a "gradual spread of trade unions among women workers" which he expects to have the multiple effect of
educating the women, improving their productivity and wages and giving them protective organisation.

However well intended, Webb's treatment of the question of equal pay is flawed by his belief — unsubstantiated in his data — that women are generally less productive than men, and by his failure to explore the contention that women's place and conditions in the labour market are determined by their sex.

Millicent Garrett Fawcett

Millicent Garrett Fawcett (1847-1929) was the President of the National Union of Women's Suffrage Societies from 1890 to 1919. Her name has remained closely associated with the battle for women's suffrage in England. She worked for this cause most of her life and became the suffragists's prominent leader. Yet, she was also committed to some of the wider issues of women's emancipation such as access to education, employment and the professions. Married to Professor Henry Fawcett from Cambridge University, she developed an interest in economics and published in 1870 Political Economy for Beginners and in 1872 Essays and Lectures on Social a
In the 1890's, she contributed reviews and comments on the issues of women's wages and women's employment.\textsuperscript{11}

In her 1892 review of Sidney Webb's article, Millicent Fawcett is generally uncritical of Webb's approach, stating her "almost complete agreement" (173) with him at the start of her review, and proposing only to offer "an addition" to it. She does not address his biased use of data, nor does she try to re-interpret the data. Instead, she agrees with his overall conclusion that women are less productive. While attributing women's lesser productivity to their lack of opportunities in the labour market, she claims it could be remedied by their improved access to training.

\textsuperscript{10} Millicent Garrett Fawcett, Political Economy for Beginners, 1870; London; Henry Fawcett and Millicent Garrett Fawcett, Essays and Lectures on Social and Political Subjects, 1872, McMillan, London.

\textsuperscript{11} Millicent Garrett Fawcett, "Mr. Sidney Webb's Article on Women's Wages", Economic Journal, vol. IV, March 1892, pp. 173-176; Contribution to a series of articles on "A Living Wage" in the Leeds Mercury reviewed in the Economic Journal, June 1894, pp. 365-368; review of Women in the Printing Trades: a Sociological Study edited by J. Ramsay MacDonald in the Economic Journal, vol. XIV, June 1909, pp. 295-299. Millicent Fawcett's writings on women's wages does not seem to have been particularly influenced by her husband who remained until the end of his life (1884) an adherent of the classical school and of the wages fund doctrine. Having initially expounded the doctrine in her early writings (Political Economy for Beginners), she seems to have followed Mill in his recantation by the time she wrote on women's wages.
The "addition" she offers is the development of an analysis of women's lower wages based on an accurate observation of the structure of the labour market. She indeed elaborates an early theory of segregated or dual labour markets. What she sees is the presence of "non-competing groups" in the labour market, "limited both industrially and geographically", with "the equalizing effect of competition in wages only operat[ing] within each of these groups". What inhibits the equalisation of wages between the groups is the impossibility for workers to transfer their labour from low wage to high wage areas of employment.

She sees the wages within each group as being determined by "the value of the produce of labour in the most productive industry in the group". Employers have to keep paying matching wage rates to be able to

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maintain their access to a skilled labour force within each group. Fawcett illustrates this with a number of examples in the case of male workers. She also applies the principle to female workers in cases where the women can use the existence of alternative, better paid employment to their advantage. Hence, the "women servants command better wages in Lancashire than in Dorsetshire [...] because enough has to be paid them in the former county to induce them to take up domestic work, instead of going into a mill". (175)

Similarly, she remarks that "the opening of more professions to women has had an important effect in preventing a sharp fall in women's wages in the professional group". (175) As a result, women teachers have been able to maintain their wages in spite of an increase in the supply of women teachers because some women have entered the better paid professions (e.g. medicine).

For Fawcett, the main reason for the inequality of wages between the sexes is the lack of direct competition between them in the labour market along with a situation where "the most wealth-producing of men's industries, such as engineering, mining, banking, [...] are more wealth-producing than the most wealth-producing of women's
industries, such as cotton spinning and weaving, schoolkeeping, etc.". (174-5) Consequently, where the two sexes meet and perform similar work, their pay is unequal:

"A woman servant, who may be, and generally is, a much more desirable person to have about one than a man servant, and who, therefore, if mere utility governed value, would get more, is paid about half as much, because the other employments within her reach are only about half as productive of wealth as the man's." (175)

Fawcett identifies some of the crucial characteristics of the labour market conditions women face. She, however, does not recognise some other elements which reinforce the conditions she describes. She does not acknowledge for instance that women's mobility in the labour market is seriously hindered by their family responsibilities and by traditions which limit women's freedom of movement. Hence, the women from Dorsetshire cannot threaten to leave for Lancashire to obtain higher wages from their employers. This omission is to be contrasted with Fawcett's apparent view that men's mobility is unrestrained across occupations and geographical areas.

13. Fawcett's use of terms here is unfortunate as it implies that women are generally less productive than men, where similar statements have been made (see Sidney Webb, the Marshalls and Pigou), the terminology used referred to "women's wages elsewhere" rather than to the productivity of women's jobs elsewhere. In a later article, Fawcett looks at the demand side of the situation: "it is more chic, more fashionable, to have a butler than a parlourmaid, and people are willing to pay in hard cash and even in actual discomfort for this emblem of aristocracy and wealth". "Equal Pay for Equal Work", Economic Journal, March 1918, p.5.
One can also question her view that competition within one group of workers has the unidirectional effect of pulling wages up towards those prevalent in the "most wealth-producing industry". The market for women's labour is, on the contrary, overwhelmingly influenced by the existence of occupations that procure either no remuneration (eg. that of housewife) or utterly low pay (eg, that of governess). This, coupled with an excess supply of female labour and the crowding phenomenon, can only generate a downward as opposed to an upward pull on the wages. What clearly is a factor as well, in either the male or the female labour market, is the relative scarcity of skilled labour in comparison to employers' demand. All these elements would have reinforced Fawcett's analysis of the relative pay of "non-competing groups" in the labour market.

In this review, Fawcett forcefully expresses her opposition to the demand for equal pay for equal work:

"I have always regarded it as an error, both in principle and in tactics to advise women under all circumstances to demand the same wages for the same work as men. [...] The cry 'the same

14. We will see later that she switches to a position of support for the demand in her subsequent writing, partly due to the demonstration of women's abilities in the war industries. See "The Position of Women in Economic Life" in After War Problems, ed. by W.H. Dawson, 1916 and "Equal Pay for Equal Work", op. cit.
wages for the same work' is very plausible, but it is proved impossible of achievement when the economic conditions of the two sexes are so widely different.15 (176)

Crowding is the condition she refers to which in her eyes makes it impossible for employers to apply the equal pay principle. She gives the example of the London School Board: when female teachers flock towards job opportunities, they get paid less than the rare male teachers who apply for the vacancies. She comments:
"Under these circumstances no one can accuse the Board of injustice to their women teachers." (176)

And when a school in Hartfordshire decided to pay women and men teachers equally, it was able to hire "exceptionally well qualified" female teachers and "mere average" male ones. For Fawcett, the "equality therefore was only nominal; the same money bought a better article in the female labour market than it did in the male labour market". (176) But, we must ask, isn't the latter situation a significant improvement for the women hired? And isn't it likely to have a positive impact on the overall market wage for female teachers? 'One wonders why the feminist does not applaud and encourage the

15. It is not entirely clear why, in her eyes the demand is wrong in principle and in tactics. This position is also expressed in an article she wrote for the Leeds Mercury in 1984, reviewed by F.Y. Edgeworth in the Economic Journal, June 1894.
Hartfordshire initiative as a means towards the improvement of female teachers' pay over time.

Fawcett suggests two remedies to the employment situation faced by women. She endorses Sidney Webb's support for the goal of women's unionisation, but, more forcefully, she proposes that "what women most want is more training, to enable them to pursue more skilled handicrafts and a large number of professional occupations." 16 (176) She sees this as already happening and resulting in "higher wages earned by women as compared with a former period, notwithstanding the [...] almost complete absence of trade unionism, and the vast increase in the number of women seeking employment." (176) Yet, as she pointed out earlier, the movement of women into the higher paid professions was only able to prevent a fall in the pay of female teachers. Clearly, her faith in training is unrealistically optimistic. It exposes her faith in the free working of a presumably perfectly competitive, albeit segregated, labour market.

Whereas, her analysis is far from perfect, it is clear that Fawcett developed in 1892 a more perceptive

16. One can only wonder at the apparent contradiction between this recommendation and the preceding discussion of women teachers who get paid less for relatively greater skills and abilities.
understanding of the position of women in the labour market than economists such as S. Webb, and subsequently A.C. Pigou or F.Y. Edgeworth who all refer to "market wages elsewhere" as a major cause for women's lower wages without ever elaborating an economic analysis of what precisely is at work here. Such analysis will have to wait for the institutionalists of the 1960's and 1970's to be fully developed.

Ada Heather-Bigg

Another feminist tackled the dominant Victorian ideology with respect to women's work in the pages of the Economic Journal in the 1890's. In 1894, Ada Heather-Bigg published a short article entitled "The Wife's Contribution to Family Income".\(^{17}\) In it, she takes head-on the argument that married women should not work. They have always worked, in the pre-capitalist economy and since the industrial revolution, and always will. She documents women's work historically and cites Adam Smith's and Nassau Senior's statements on the necessity of a wife's labour and income to provide adequate support for the family. She argues that the reason for the present

\(^{17}\) Vol IV, March 1894, pp. 51-8.
day opposition to women's employment is that it has been made visible by the wage-earning which accompanies it.

Heather-Bigg is led by her observations to the conclusion that when men oppose women's employment, "what they object to is the wage-earning not the work of wives". (55) What they are attempting to protect is the status of men as breadwinners. They see women's wage-earning, no matter how minimal their wages, as a threat to that status. She exclaims: "Such a fear is the veriest scooped-out, sheet-draped turnip that ever made a village dolt take to his heels and run." (55)

She also denounces the common idea that women are "kept" by their husbands: "So far from keeping his wife, the true account of the matter is that he and she have together kept themselves and the younger children". (55) While she emphasises women's contribution to overall family support, she is well aware that the wages women get ensure that women cannot effectively threaten the male breadwinner status.

She concludes by asserting women's rights to contribute economically to their family's livelihood and to receive recognition rather than denigration for it:

"The ideal to be aimed at, I submit, is not that the man should be the sole bread-winner, but
...that bread-winning should go on under circumstances which secure the most comfortable life for the men, women, and children composing the family, which permit the fullest development of all powers, and which openly substitute economic co-operation on the part of the wife for economic dependence." (58)

She would like to see the end of the power imbalance that exists in the family.

In this short article. Ada Heather-Bigg puts her finger on some important features of the patriarchal power system and the ideology that supports it. In this system, there is nothing wrong with women's work, actually, the more the better, as long as this work does not give women access to economic or social power. Hence an oppressive ideology surrounds women's work: denying its existence, its value, its contribution to economic wellbeing and opposing its monetary compensation. Added to this is the violent reaction to any potential threat women's work presents to male power. This article marks possibly the first publication in an economic journal of a feminist analysis of the patriarchal economic power attached to the denial of economic status to women's work, the barring of women from employment, the non-recognition of their contribution (monetary and in kind) to the family and the maintenance of women in a role secondary to that of the male breadwinner.
William Smart

William Smart (1853-1915) became an economist after having spent some fifteen years as an entrepreneur. He came to occupy the Adam Smith Chair of Political Economy at the University of Glasgow from 1896 until his death. He was at first influenced by Ruskin and developed a lifelong interest in the ethics of economic problems. He gained notoriety as the translator and editor of the Austrian school economists who influenced his own approach to marginalism. His interest in issues of income distribution, wages, and housing led to his appointment to the Poor Law Commission in 1905. His work on the Commission and his subsequent compilation of the Economic Annals of the Nineteenth Century (1910, 1917) were the main focus of the rest of his life.18

In 1891, William Smart gave an address to the Philosophical Society of Glasgow on Women's Wages.19 Smart uses Sidney Webb's article and data as the basis for his argument.


Smart remarks that women's labour "is not by any means unskilled, as anyone who has seen a spinning or weaving factory knows". (87) Yet women get on average 10 s. a week while "20s. a week [...] is a low average for a man possessing any degree of skill whatever". (87) He sets out to find the reason for the "great disparity between men's and women's wages". (88)

The first part of Smart's address is a review and a refutation of five common answers to the question of pay differences between men and women. He shows that, even though "there is truth in all these answers, [...] each of them is at best a half truth; raising as many questions as it settles". (88) Smart subsequently proceeds to develop an explanation of his own which draws the following comment from Edgeworth: "The answer which Mr. Smart gives to the question thus generalised is worthy of being read along with Mrs. Fawcett's important contribution to the subject in the Economic Journal".20

The first common answer to the question addressed by Smart is: "that women's wages are low because of the

equation of supply and demand" in crowded industries. (88-9) For him, this explanation resorts to a wage fund approach to wage determination, "which is now one of the antiquities of political economy". (89) Low wages can be the result of "overstocking" only if this is "the sole possible cause of low wages - which might be doubted". Besides, Smart holds that "[t]here is, indeed, no formula in political economy on which the modern economist looks with more suspicion than that of Supply and Demand". (89) Such law would be "tolerable only under, absolutely free competition, which would involve perfect mobility of labour", a condition which does not apply. (90)

Smart finds that relying on supply and demand for an explanation is tautological: "To say, then, that wages are low because there are enough women to take the low wage, is little more than to say that wages are low because people are paid low wages." (90) This explanation does not deal with the question: "What are the factors, or influences or motives, that make women take a wage below that of men, and what are the factors that make employers offer the low wage?" (90)

The second type of explanation evaluated by Smart is that of women being the auxiliary breadwinners of the family. He finds this reason dubious because based on "an
assumption which is at least questionable [.] that the economic or wage earning unit is the family. This is an old time idea which, however beautiful and desirable, is a little out of place in the conditions to which the factory system has brought us." (90) He describes a system of a male-earned family wage sufficient to bring up a family and train the next generation of workers, with possible supplementary wages earned by other family members, as a system of the past. He adds that, at the time of his writing, "many married women [were] not members of a family, and [...] many married women and widows [were] the sole breadwinners of the family". (91)

Smart also points out the inconsistency of an explanation which seems to apply to working class women but not to women in professional or artistic occupations. "If the sex of the author, artist, musician, doctor, intellectual or artistic worker generally, has nothing to do with her remuneration, why should sex determine the wage of the factory girl?" (91)

Similarly, an explanation based on women's lower standard of living is dismissed by Smart. He disputes that women have lower needs than men and points out that in the upper classes, they are seen as having higher needs. What creates the belief that women have a lower
standard of living is that women "will live on a shilling a-day" when forced to while men will rather "become a tramp or go to the workhouse first". (91) So, "women's wages are less than men's because, for some reason, women accept less". (92) The reason why they accept less needs to be determined.

Smart rejects the subsistence wage approach of these last two explanations: "it is quite against our modern ideas to represent wage (sic) as regulated by wants". (92) His definitive comment challenges the ad hoc approach of economic theorist:

"If a man-worker, then, is supposed to get a high wage when he produces much, a low wage when he produces little, why should a woman's wage be determined by another principle?" (92)

Some who have pondered the question since have been in great need of such a reminder.

Smart then reviews two arguments which are based on a value of marginal product approach to wages: one being that women's wages reflect lower productivity levels, the other that they reflect a lower value of commodities in industries employing women.

Smart admits that women's work may be inferior. However, some of the reasons he reviews are not intrinsic to their sex, but rather to such socio-economic factors as
factory legislation or low nutrition levels due to low wages, as well as the fact that women are not allowed access to some skills. Given these, wage differences are justified in Smart's eyes and would only represent differences in skills or actual productivity, and the principle of "Equal Wages for Equal Work" could be adopted without major consequences. (93) Yet, as pointed out by Webb,21 there are very few occupations in which women and men work side by side, where the equal pay principle could effectively be applicable.

The last explanation - that women are employed in industries where lower value commodities are produced - has been used to justify the overall lower wages of women in industry.22 Based on observations of sex segregation in the labour market and lower average industrial wages for women, it uses a "cart before the horse" application of the value of marginal product approach to wages. Smart fails to see any necessary causality in this argument. Wages are not low because the prices of commodities produced are low, rather, "it was the reduction in wages, 

21. "And here it is that Mr. Sydney Webb deserves thanks for having accented a fact which we all indeed knew, but of which few of us saw the bearing." (p. 93)

22. It might be inferred from the organisation of Smart's argument that a possible reason for sex segregation in industry is the avoidance by employers of instances of equally productive men and women working side by side, to circumvent pressures to pay women a "man's wage".
among other things, that made the reduction of prices possible". (96) For Smart, employers, seeking access to a larger share of the market, attempt to reduce their prices. This can be achieved in a number of ways, the lowering of wages being only one of them. And, once they are low, "it is a very difficult thing to raise wages" given the pressure of consumers to keep prices low. (96) Both employers and the public are therefore responsible for the low wages of women.

Whereas this last explanation is not satisfactory, it provides Smart with an avenue towards further elucidation of the question. It highlights the fact that "women are in almost exclusive possession of certain branches of trade, and that, in these branches, the commodities made are recognised by public opinion as being "cheap". (96) Men do not compete with women in these trades, "indeed, [...] there is a well marked relegation of women-workers towards certain ill-paid trades", while men move to the "better-paid trades". (96)

This observation leads Smart to remark that what is at work here

"is not a difference of wage between workers of various degrees of efficiency. It is very much a question of difference of wage between two non-competing groups, and of groups where the level of wage are determined by a different law." (97)
The relevant question therefore is "Why is the wage-level of skilled female labour lower even than that of unskilled male labour?" (97, emphasis added) This is the question which had to be addressed all along and which still needs to be addressed today. And, even though it was so clearly formulated in 1891, most economists who came after Smart chose to ignore it.

Wages are not set through the workings of the market for all workers considered together. Two elements are at work: A difference in wage determination between the sexes and a situation where the lower paid sex drives out the other one in trades where both are at some point employed. Smart describes how women, when brought into some trade alongside men, receive initially smaller wages due to "certain disabilities of their sex". This keeps the overall wage level down and drives away the men, leaving the whole trade to women. "Unscrupulous employers" can then further lower the women's wages and competition in the trade leads all employers to follow suit. He gives some specific examples drawn from his own experience as a capitalist.

Whether the initial move is due to technological change or to the mere hiring of women in competition with
men, the wage women end up receiving is observed to be at the level of 10s. a week: "It is quite certain that the women's remuneration will not be determined by the 20s. wage which they displace". (98) This leads Smart to conclude that women's wages are a "customary wage" which is applied to their sex regardless of the line of employment, productivity levels or skills required.23 (98) This wage originated "at a time when the world was poorer, and capital was more powerful". (99)

This conclusion is reinforced by the instance of the Lancashire weavers where women earn the same wages for working alongside men. The reason for this anomaly is the presence of a strong trade union representing both sexes which has been able to countervail the employers' power.

But what set out the custom of paying women such low wages? This question is explored by Smart to some extent. He remarks that women's wages vary very little from the average of 10s. a week: "this is not an average made up from widely different wage-bills, and from widely varying

23. Although reminiscent of Alfred and Mary Paley Marshall's noting that the "habit" of women and their employers is the cause for women's low wages (Economics of Industry), Smart's idea of a "customary wage" for women is a new concept in economic theory. It is to be noted that Smart feels the need to reassure his readers that this is no mere "theorising" on his part and substantiates his idea with a number of real life examples.
individual wages". He also states that "the reason why it [the wage] does not go lower is chiefly because it cannot". (100) From these observations he concludes that "women's wages are very near the only quite definite level that political economy has ever pointed out, the level of subsistence." (100, emphasis added)

Smart contrasts two methods of wage determination: productivity wages which apply "in a progressive society, where wealth is rapidly increasing" and subsistence wages found "in a poor or backward society". That women's wages are still determined under the second principle in "England who long ago passed from the latter to the former" type of society is attributed to the lack of trade union organisation by women. (100) Male workers have used their organisation to force a redistribution of the product of industry to bring their wages to the level of productivity wages while female workers, unorganised, are still in a situation where the capitalists employing them reap all the returns from their productivity.

Smart adds that women's wages are kept down - and brought below the subsistence requirements of a single

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24. Smart must only be focusing on industrial wages in this discussion. It would be interesting to see what relation he thinks exists between women's industrial wages and the wages received by domestics or by professional women.
woman - by competition among women, as those in desperate need for an income (widows) or those whose wages only supplement (married women, young girls) "will take any wage". (101) The "make-weight" situation of some women has an influence on the overall level of women's wages, but only a secondary, after the fact influence, as competition within the group determines how far below the customary subsistence wage women's market wage will go.  

From his analysis, Smart derives remedies, organisation "to protect women against employers and against themselves" (101) being the first. The second one is "enlightenment of the public conscience".

"It should not be difficult to convince educated people that women's work should be paid on the same principle as that of men [...] - according to their products, and not according to their wants; and to make them pay, or insist on the worker being paid, equal wages for equal work". (102)

Where Smart sees the difficulty is in eradicating the belief for the "supposed necessity for low wages". (102)

Towards that goal, he develops an argument against "the most deplorable of current fallacies": "the idea that the cheapness of goods makes up for everything in the

25. Smart blames women themselves for the low wages they receive: the intra-group competition drives wages down. In his proposed solutions, he recommends that "the average working woman" protect herself "against the more helpless members of her own sex". (102)
workers' circumstances". (103) Low prices are not an acceptable justification for lowering workers' wages to (or below) subsistence levels. "The goal of economic effort is not the accumulation of wealth, but the support of wealthy human beings". (103) Smart shows that the benefits of lower prices do not all go to the workers who receive lower wages. The cheapening of goods through the lowering of wages involves a redistribution of wealth away from the workers who create this wealth.

To conclude his address, Smart states that, given the increase in overall wealth in Britain since the industrial revolution, there is no justification for keeping women's wages at the subsistence level. "If this was a fair wage fifty years ago, it cannot be so now." (105)

In his address, Smart shows economic and general common sense as well as integrity and honesty towards the subject at hand. His detailed treatment of the question of women's wages is, in the history of economic thought up to his time and for some time thereafter, the most cogent and sensible look at the question by a male economist. Although it is clear that Smart has overall a favourable opinion of capitalists, he does not try to develop an ideological tract in support of their interests. He is
not an apologist for capitalists reaping maximum profit. Instead he supports a "fair" distribution of returns among all factors, believing that the real purpose of economic growth is the increased welfare of all. He also does not attempt to manipulate economic theory into an argument supporting the capitalist and patriarchal status quo.

William Smart however shows amazing naiveté in his description of the motives of capitalists and in his optimistic belief that the capitalist system is synonymous with progress for humanity. He states: "I am sanguine enough to believe that most employers are anxious to pay their workers as high a wage as they can". (102) He attributes exploitative behaviour only to a small minority of employers, in the face of the reality of generalised underpayment of women's work.

Smart's concept of a "customary wage" for women, regardless of trade, skill or industry, is an important innovation. It is unfortunate that he did not elaborate on what he meant exactly by "customary", restricting his comments to the level of this wage and its relationship to subsistence requirements. It would have been useful to know which specific customs influenced women's wages in Smart's view.
The main flaw in his argument is his marginalist approach to income distribution. This leads him to confuse theory and reality when he asserts that the wages received by male workers represent their contribution to the value of the product. If the market works naturally towards the optimal income distribution predicted by the marginalist model, why is it necessary for trade unions to intervene on behalf of male workers to bring their wages up to the value of product contributed? and why is it that women's lack of organisation leads to a separate, and in Smart's views antiquated, system of wage determination?

Smart clearly sees that there is a double standard at work in the determination of men's and women's wages. However, his adherence to marginalism prevents him from developing a sound and comprehensive theoretical explanation for this reality. Smart's inquiry indicates that clearly, something else is at work in the determination of wages for both men and women. Yet, he resorts to an ad hoc theory of labour market equilibrium whereby wages reach the optimum level26 (productivity wages) when trade unions represent workers and stay at a suboptimum level (subsistence wages) when there are no

26. The concept of market determined optimum had not been fully developed at the time of Smart's writing, but Smart is clearly speaking of an optimal wage in the modern sense of the term.
labour organisation. In Smart's analysis, unions are paradoxically essential to the achievement of optimal market equilibrium and income distribution. Without unions, the outcome is one of rents accruing to capitalist employers and consumers at the expense of workers.

Smart however contributed some important insights to the question of women's wages. He developed further the application to women of the theory of "non-competing groups" initiated by Millicent Fawcett, he introduced the concept of a "customary wage" applied to women workers, he identified the relationship between this customary wage and women's perceived subsistence requirements, and, last but not least, he thoroughly debunked the array of trite and apologetic exertions on the subject which prevailed in his day and continue to survive to date.

Between the early 1890's and the first world war, the questions of equal pay for equal work and women's wages in general do not seem to have much place in theoretical economic writings. After the initial interest for the question of women's pay generated by Sidney Webb, Millicent Fawcett and William Smart, the issue recedes into semi-oblivion.
In England, two exceptions to this neglect are, the massive survey of women workers in Birmingham, Women's Work and Wages, by Edward Cadbury & al, in 1906, and some passages of Edwin Cannan's Wealth published in 1914.

Cadbury, Matheson and Shann

In Women's Work and Wages, Cadbury and his co-authors essentially restate W. Smart's position on women's wages. The main purpose of the study is not to offer new theory, but to offer a comprehensive synthesis of knowledge on women workers for the "general reader", "the social worker amongst women" and social reformers, and to provide a substantial data base on women workers for present and future social scientists. (11-12) Cadbury's team must have produced the first ever large scale systematic sociological study of working class women. Far from


29. Over 6,000 working women in the varied industrial setting of Birmingham were interviewed. Employers, trade unionists and people in various social professions and organisations offering services to women
focusing only on working conditions and wages, the study breaks new ground by documenting the living conditions of working class women, including housework duties.30

Direct investigation of facts allows Cadbury & al to throw light on some elements of the debate on women's wages. The important element contributed is that married women do not have the impact on wages denounced by most writers. Cadbury's data on wages is recorded on the basis of age (over and under 18) and marital status and shows higher average wages for the older age group and for married women:

"Again, the [...] answer that a woman's wage is low because her wage is an auxiliary one, because she is subsidised by the other members of the family, is not borne out by facts. [...] The almost invariable reply to the question whether married women tend to bring down the wages was: "No, they are more independent and better skilled and therefore always get more on piece-work. [...] Married women are in responsible positions, and are steadier and more skilled and so get better wages."" (128)

workers were surveyed as well. One earlier attempt to comprehensively document women's work and wages in England was the Royal Commission on Labour, The Employment of Women, 1893.

30. The study for instance discusses the double workday of working class women and the double standard of the sexual division of labour: "Again, the pathetic drudgery of the ordinary working class wife is accepted as the proper thing [...] Where the man and wife both work during the day, the woman accepts it as right that she should do all the housework at night while the husband amuses himself in any way he thinks fit. And often where a working man assists his wife in household duties he does not like his mates to know." (137)
Furthermore, rather than increasing competitive pressure, married women are observed to influence "towards the shortening of hours".\textsuperscript{31} (128)

The study also documented that male-dominated trade-unions do not feel the pressure of competition from female workers, jobs being segregated by sex. Their general position is one of indifference towards women's wages and complete lack of interest in the organising of women workers. (130-1). As for employers, Cadbury \& al note: "one of the most striking facts brought out by our investigation [...] is the thoughtless way in which they take women's work, its conditions and wages, for granted." (132)

The general position of the authors on women's wages is that:

"A woman should be paid at a rate based on the quality or quantity of her work. It is not fair that the rate should be based on the fact of her sex and not on her living requirements as a human being; that she should give the chief and best part of her life to hard toil, whether intellectual or manual and yet be partially dependent." (191)

\textsuperscript{31} These findings are nothing but sensible and point out the rhetorical length to which the enemies of women's work will go. Why should someone whose livelihood is at least partially secured out of somebody else's income want to work for any low wage level? It makes a lot more sense to speculate that married women are able to use that partial support to bargain for higher wages, better jobs and working conditions.
This position merges the two concepts of productivity and subsistence as bases for wage determination, neither of which, in the opinion of the authors, seem to apply in the case of women.

They feel that "far-reaching" remedies are necessary to do justice to women's contribution to production. Minimum wages and wage boards, discussed at length, are seen as mere palliatives. What is required is a "social and industrial policy having for its end and aim a better and more equitable redistribution." (305)

The authors bring new arguments into the discussion of women's wages. They assess an objection to increasing women's wages which was not apparent in earlier writings: the argument that any increase in women's wages would have to occur at the expense of men's. Such a position assumes that the labour factor is receiving its "fair share" of the National Dividend and that the market could only suffer a redistribution of labour income among workers. Cadbury & al. see that position as "sounding dangerously near the echo of the old wage fund fallacy", (143) and based on the erroneous assumption that the income distribution between factors resulting from the market approximates that obtained under perfect competition.

Drawing on Marshall's Economics of Industry, they argue
that the power imbalance between labour and capital and the lack of mobility of labour put in question the optimality of the existing factorial income distribution.

They advocate, instead of a redistribution from male to female workers, a redistribution from profits to wages, (143) targeting especially, but not exclusively, the profits of the "parasitic" industries who benefit from women's cheap labour. The authors also suggest redistribution from the "considerable consumer surplus" of the cheap goods industries. (143)

Cadbury, Matheson and Shann situate their analysis of women's wages within an overall understanding of the economic and social situation of women. They reject a family based approach to income distribution and the consideration that women's income is secondary to men's which informs the new "wage fund fallacy". They state firmly that "a woman is not a mere appendage to a man" (143) and denounce the deliberate maintenance of women in a state of economic dependency: 

32. The concept of "parasitic" industries was developed by the Webbs in Industrial Democracy. These industries' labour costs are subsidised out of "the incomes of persons unconnected with the industry in question", that is male relatives of the female or child workers, and out of the very health of the workers who are paid less than a subsistence wage. (Cadbury & al., 283-4)
"it is imperative that [...] the economic status of women be raised; for, while their economic inferiority is due to their past subjection, yet in turn the inferiority tends to perpetuate the subjection." (144)

Women's economic dependence is condemned for having major adverse ethical and social consequences, pushing women to "early improvident marriages" and to prostitution. (144)
The authors insist: "That this [prostitution] is an economic element in the wage question is beyond all doubt". The hypocrisy and silence surrounding "the dread trade" allow to keep hidden "the true cost of 'cheap labour'".33 (190)

The Cadbury study threw much needed light on the reality of economic and social conditions faced by women workers and earnestly questioned the ideological foundations of women's economic dependence.
Unfortunately, this valuable empirically based analysis does not seem to have been taken into consideration by subsequent writers on the subject.

33. These remarks may have been influenced by the advocacy and the analysis of the feminist Josephine Butler (1828-1906) who actively opposed the victimisation of prostitutes and developed the argument that the economic situation of women was the main cause of prostitution. See Jenny Uglow, "Josephine Butler: From Sympathy to Theory" in Dale Spender, ed., Feminist Theorists, 1983, The Women's Press, London, 146-164.
Edwin Cannan

Cannan deals briefly with women's wages in the chapter "Incomes from Work" of his 1914 book Wealth.\textsuperscript{34} His approach differs from the ordinary in that he recognises that women are not uniformly inferior to men, "there are [...] employments in which women are superior to men" for which he stereotypically gives the example of "the care of children". (203) Men could not compete with the women and would fail to be hired in these occupations, the obvious reason being that "the men's output would be much inferior to the women's". (203)

Yet, in spite of this localised superiority of women, their earnings in these occupations remain low, not in comparison with the men's earnings since no men are present in the same occupations, but in comparison "with the earnings of men employed in occupations of the same class". (203)

Cannan's approach here is original. He is probably the first male economist to explicitly address the issue

of the value of women's work. He very clearly describes how women's wages should be compared to men's:

"It would be absurd, for example, to compare the earnings of the average children's nurse with the earnings which we might suppose her brother might make as a nurse, and consequently to declare her earnings high. What we must do is to compare her earnings with the actual earnings of her brother in his occupation of, say, carting coal, and then we find that her earnings are low - at any rate when hours, loss of freedom, and other considerations are taken into account. Now, it is clearly no use to say that the woman earns less than her brother because she cannot have as much coal; we might just as well say that he should earn less than his sister because he cannot wash as much baby."

(204)

He thus proposes to compare the wages of individuals of both sexes who have similar characteristics (in terms of e.g., age, education, etc.) to determine the respective value of their work regardless of the biases attached to the nature of the work and the sex of those traditionally performing it. He also interestingly reverses one of the age-old justifications for women's wages showing its absurdity when symmetrically applied to the other sex.

The "ultimate judge, the consumer" determines the value of one's production, and in the case of the children's nurse, the consumer finds women's "output superior to men's". (204) The reason for low wages is not, therefore, found in a low value of the product or a lack of demand for it. Rather, crowding, "the fact of the restricted area of employment offered by these
occupations in comparison with the number of girls choosing them" is, according to Cannan, the explanation. (204) Consequently, "it is an economic advantage to be born a boy rather than a girl". (202)

Cannan looks for reasons for the limited employment opportunities of women. He dismisses the argument that it might be due to their presumed "inferior capacity" and points instead to the fact that women are restricted from entering many occupations. If there were free entry - of both women and men - in all occupations, "men's and women's earnings would tend to be more equal". (206) Cannan, therefore, advocates such freedom of entry and chastises the "inertia of employers and their fear of inconvenience from the active resistance of the men employed at present", (206) which he sees as one of the main blocks in the way of women's opportunities. He implies though, that employers' motives for hiring women would be to undercut and displace the higher paid men.

This is made clear by the other major obstacle he denounces: "the cry for equal wages for men and women". He claims that "the most powerful lever for increasing the
opportunities of women is taken away if they are not to do the work cheaper.35 (207)

Changes in consumer demand might generate more fields of employment for women. But, for Cannan, the approach of increasing women's productivity, suggested by some (e.g., Webb, Fawcett, Smart) offers only the dismal outcome of further reductions in their pay if the existing crowding conditions are maintained. The unit price of output would decrease.

In conclusion, he states that the "disparity of incomes between the sexes is one of the two most prominent features in the inequality of the distribution of income". (207-8) Yet, his analysis does not offer any radical solutions to this state of things. His observations are useful, and point to some of the biases which work strongly against women's equality in the labour market. But Cannan, ensconced in his laissez-faire dogma, resorts to the habitual indictment against interferences in the free work of the market and proposes the sole solution of restoring the free working of supply and demand.

35. Note here that he is opposing the mere demand, rather than the actual enforcement, of equal pay as a deterrent to women's employment.
These early discussions of the question of women's wages and the principle of equal pay for women and men show the beginnings of constructive theoretical approaches. They attempt to use empirical observation to document women's work and determine whether the dominant ideology applied to it has any foundation in fact.

Thus, Sidney Webb documents the segregation existing in the labour market, while Millicent Fawcett elaborates the theory of non-competing groups and links it to the crowding theory. Cadbury et al. empirically challenge the views that married women effect a downward pull on wages and that women present a threat to unionised men.

William Smart contributes the concept of a "customary wage" for women based on dire subsistence and exposes the double standard applied to male and female wage determination. His analysis leads to a questioning of the marginalist theory of wages. Cannan's insights prefigure the modern feminist concept of "comparable worth". He provides a candid recognition, rare among male economists, that women's work has a social value and that this value is not appropriately reflected in the wages women receive.

Fawcett and Heather-Bigg contribute, in the pages of an economic journal, a feminist analysis of the effect of the patriarchal power structure and ideology on the economic situation of women.
Although not comprehensive and fully elaborated, the surveys and theories reviewed above presented genuine attempts at an explanation of women's wage level. Unfortunately, a large portion of these writings were ignored by contemporary or subsequent writers on the subject as some of the data and analysis stood in too much of a contradiction to dominant ideology. We will see for instance that Edgeworth, Marshall and Pigou all but disregard the facts and theories reviewed here and revert instead, in pure theoretical regress, to the common place sophistry critically assessed by Smart.
The issue of equal pay for men and women returns to the forefront in the First World War. The war, for one thing, led to a massive use of female labour in industry which gave women's work and their productive ability a lot more visibility than they ever enjoyed. This led to renewed demands for equal pay and equal conditions for women by feminists. Some of the feminists involved publicly in the debate on the issue of equal pay for women and men, during and after the war were Millicent Garrett Fawcett, Eleanor Rathbone and Beatrice Potter Webb.

In 1916, Fawcett, reversing her earlier position, states the argument for equal pay on the basis of the ability of women to be efficient industrial workers demonstrated in the war experience. In 1917, Rathbone
develops an argument attempting to redefine the
priorities of the women's movement away from the issue of
equal pay for equal work. Fawcett's rebuttal appears in
1918. That same year, Beatrice Webb addresses the
question from the distance and authority afforded by her
membership on the War Cabinet Committee on Women in
Industry. Her Minority Report situates the issue of equal
pay for men and women within her overall vision of
necessary reforms to industrial society.

Millicent Garrett Fawcett: the case for equal pay.

Fawcett's position on the question of Equal Pay for
Women is developed in two articles she published during
the war: "The Position of Women in Economic Life", a
chapter of After War Problems, 1916, edited by William H.
Dawson and "Equal Pay for Equal Work", Economic Journal,
March 1918. These writings show that, 25 years after
her review of Sidney Webb's article, she has changed her

1. Millicent Garrett Fawcett, "The Position of Women
in Economic Life" in After War Problems by the Earl of
Cromer, Viscount Haldane, the Bishop of Exeter, Professor
Alfred Marshall, and others, edited by William Harbutt
Work" op.cit.
position on equal pay to one of advocacy for the demand.²

It is quite likely that this change is due to her assessment that women workers' war experience would make the argument for equal pay stronger and generate support for the feminist demand.

In the 1916 article, Millicent Fawcett discusses women's contribution to the war effort. She notes that their productive power was thus "discovered", but, she adds, "the great mass of our countrywomen always have worked for their living; whether as wage-earners or as home-keepers, and sometimes as both". Yet, women for their work got paid "less than half" of what men received. Women's wages being often set "below subsistence level".

Quoting a Fabian Women's Group study which showed that 85% of the women surveyed had dependents or were wholly

². See previous chapter. In 1892, Fawcett thought the demand for equal pay "very plausible, but [...] impossible of achievement". (1892, 176) This judgement was based on her analysis that the labour market was too segregated to allow for a realistic achievement of equal pay.
supporting themselves, she denounces the common rationale offered for women's low pay:

"The extraordinary low level of women's wages before the war cannot therefore be explained either on the "pocket money" theory or by the fiction that they have no one dependent upon them". (p.196)

Rather, she attributes women's low pay to discriminatory practices which bar them from access to numerous industries and to skilled employment, to apprenticeship and to trades classes. Trade-unions and professional organisations keep women out of training and access to skilled employment, thereby contributing to the crowding of women into few unskilled occupations. She denounces this situation as "a hideous tyranny, which has kept huge masses of industrial women in a sort of serfage." (p.199).

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3. Ellen Smith, Wage-earning Women and their Dependants, On behalf of the Executive Committee of the Fabian Women's Group, 1915, The Fabian Society, London. The Fabian Women's group conducted its own survey of 2,830 working women. Of these, 57% held professional employment. 1,405 or slightly less than 50% were found to partially or wholly support others besides themselves, a further 1,005 (35%) were "exactly self-supporting". Of the women surveyed, 251 were married and 155 were widows. The Fabian study also incorporates results from other surveys of working women, some performed under the direction of Dr. Bowley. His results, for a total of 837 working women, show 47% exactly self-supporting and 29% wholly or partially supporting others besides themselves.
Fawcett reviews evidence of women's high productivity in war jobs, their productivity being often higher than that of men in the same jobs where trade-union control had led to the soldiering of work. She calls for an end of the "gross waste of national resources" caused by the exclusion of women from industrial work and by their systematic underpayment and overwork in the crowded industries. Her case for equal pay for women is based on the evidence of their equal -- or higher -- productivity, their ability to receive training to perform 'men's work' and the necessary improvement in women's overall health and welfare that would derive from wages providing more than bare subsistence.

She calls for a change of beliefs and attitudes towards women: "We have to root out of people's minds the notion which largely prevails that 15 shillings a week is a sort of "natural" wage for women" (p.197). She sees trade-unions as necessary allies of the feminists in the fight for better pay and opportunities for women:

"We have to convince the men Trade-Unionists that their right line of policy is not to keep the women out, but to help the women in, to welcome their entry to well paid work, to give them the benefit of their own larger knowledge and wider experience, and either to enrol them in their own Trade-Unions or to help them form Trade Unions of their own." (p.197)
specific proposals on how the goals of equal pay and access to employment for women can be achieved.

Eleanor Rathbone: the Case for Family Allowances

Eleanor Rathbone succeeded Millicent Garrett Fawcett as President of the NUWSS in 1919. She had developed a commitment to women's suffrage in her twenties and had become one of the leaders of the Liverpool Women's suffrage societies. Her interest and involvement in local politics made her the first woman elected city councillor in Liverpool in 1909. She specifically focussed on the issues of housing, working class families' budgets and in particular the question of financial support for widows. Her expertise led the City Council to put her in charge of separation allowances for wives and dependents of the Liverpool war conscripts. From her observations she developed her position on women's pay and her proposal for family allowances. Family Allowances became the issue she agitated for, the rest of her life, within the NUWSS at

first and as a Member of Parliament after she was elected Independent Member for the Combined English Universities in 1929. Her views on the question of equal pay are expressed in "The Remuneration of Women's Services", Economic Journal, March 1917 and further expanded in her books The Disinherited Family, 1924, and The Case for Family Allowances, 1940.5

In 1917, Eleanor Rathbone also uses the changes brought about by the war to review the question of women's pay and their access to employment.

She sees the two main post-war issues of concern to women as "the position of women in industry" and the conditions under which working class mothers raise their children. She argues that these issues are "closely related" (55) by the question of women's pay and the way income earning is organised in industrial society. Women receive lower wages than men because they are seen as not having responsibility for dependents, or even for their own upkeep. This in turn makes working class mothers dependent on their husband's (if any) wages for their own

and their children's subsistence needs. She denounced an income distribution system which "leaves it to 'blind economic forces' to bring it about that the wages of men shall be sufficient for the purposes of bringing up families." (61)

Rathbone urges permanent changes by seizing the opportunity presented by the war which has, to some extent, modified the pre-existing conditions encountered by women in industry and in the family. In industry, war conditions broke down some of the "barriers that kept [women] out of the skilled trades", barriers against which "the 'women's movement' had beaten itself for half a century in vain." (55) In the family, war separation allowances gave women independence and a more adequate income, based on the number of children as opposed to their husband's trade (if any).

Rathbone predicts that war separation allowances will be phased out once the war ends. But she is hopeful that, in industry, it will be difficult to re-erect the barriers to women's employment as such action would expose them as being "based frankly upon the desire of the male to protect himself from competition and no longer upon the alleged incapacity of the female to compete". (56) She trusts that employers will be the "allies" of women and of
the feminists, as they will want to maintain their access to "a great reserve of cheap, docile, and very effective labour." (56) Public opinion is also foreseen to support women. On the other hand, she predicts that the male dominated trade unions will insist that the jobs belong to the men.6 Depending on the outcome of this controversy, women might come out of the war a little bit ahead in industry compared to the pre-war situation.

For Rathbone, "Equal Pay for Equal Work" comes into this picture as an element of the feminist manoeuvres to keep women in industrial employment. They attempt to rally support from their opponents by arguing that the legislation would ensure no undercutting of male workers by women. At the same time, Rathbone exposes "the more astute and enlightened trade-unionists" scheme of endorsing the call for equal pay for equal work as they "see in it an effective way of maintaining the exclusion of women while appearing as the champions of equality between the sexes." (58)

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6. Rathbone notes that the feminist organizations meanwhile argue that women themselves should make the decisions about their position in post-war industry and not "be treated as a football between capital and labour with the government acting as an umpire." (quoting the NUWSS, 57).
The congruence of these opposite interests might lead to the passage of such legislation. Yet this very congruence should alert feminists to the possible flaw in their proposed solution.

She describes the "equal wages for equal work" formula as "vague and ill-defined". (58) She would rather see wage equality based on the actual measures of the "quality and the quantity of the output" and incorporating elements beyond simple marginal product such as the women's relative consumption of the standing charges of the factory and their "disadvantages" to employers which she illustrates with the familiar list of: no night work, higher incidence of sickness, inability to lift weights, no swearing in women's presence and, above all, "marriage mortality". (59)

In spite of the evidence of war work, pointed out by Fawcett (1916) among others, Rathbone here essentially makes hers the employers' claim that women are less productive, and less "advantageous" and thus gives credence to their rationale for paying women less than men. She argues that, unless this equal pay can be prorated to reflect "any permanent recognized disadvantages that adheres to women workers", it "will prove in practice the equivalent of total exclusion" of women from
employment. (59) She recognizes that women also offer advantages to employers, such as docility, willingness to perform routine work, lesser strike record and lesser alcohol-related absenteeism than men. But these "are likely to be regarded by the employer rather as reasons why he can safely exploit women than as reasons why he should equitably pay them as much as men." (58) She does not however list this exploitation as one of the four causes for the inferiority of women's wages:

"1. Lack of trades organization
2. Pocket money or supplementary wage earning
3. A low standard of comfort
4. A wage requirement based on individual subsistence." (60)

This list stresses what seem to be characteristics or personal preferences of the women themselves rather than socially or economically determined factors.

For the purpose of her argument, Rathbone chooses to focus on the fourth reason which she describes as "the most important and the most habitually under-rated." (60) She argues that the main reason for wage differences between men and women is the social arrangement by which "men have families to keep" and women don't (or so she chooses to generalise). Under the dominant social arrangement in modern industrial society, "children remain economically unproductive for fifteen years (...and) the lives of a considerable section of the adult female
community have to be entirely given over to the work of rearing, educating, and training them." The "male parent" receives the responsibility of paying for their subsistence out of his employment wages and is trusted "somehow to see things through." (61)

Rathbone finds this arrangement "extraordinarily clumsy" and unsatisfactory. She incisively questions its economic basis:

"In other words, the wages of the worker represent not only the value of his services to the employer, and through him to the community, but also the value of his wife's services to him and their children, and through them to the community, and, in addition, the value to the State of the children themselves. His wage, in short, are the channel by which the community (...) pays for the continuance of his own existence and the rearing of fresh generations. The amount so paid becomes part of the cost of production of the commodities produced (...) and comes eventually out of the pocket of the community as consumers." (62)

For Rathbone, the main reason for women's lower wages is that they need to support only themselves. She acknowledges that when women have dependents, it creates an upward pull on their wages (and she refers to the Fabian Women's Group quoted by Fawcett) but this is offset by the downward pull exerted by those who work only for "pocket money". She therefore asserts that the major stumbling block of Equal Pay is the present, deep-rooted system of family support by the father:
"The argument that it is an indisputable principle of justice that if men and women do the same work they shall receive the same pay can be countered by the proposition, apparently equally undisputable, that if men have to pay for the upbringing of the rising generation they must be given some money to do it with." (63)

Rathbone characterises a wage system based on the differing subsistence requirement of men and women as an "impasse" which bars definitely women's access to wage equality and to employment opportunity. It makes them "the eternal blacklegs" who, by undercutting men in industry, threaten the social basis of economic support to the family "which should be most sacred to them". The socio-economic status quo is maintained only by turning women into "industrial lepers" restricted to the few trades where they won't undercut men. (63)

This situation is, however, unlikely to be acceptable to women and the majority of public opinion after the war. The solution which might be struck is, according to Rathbone, the "illogical compromise" of giving women "free entry to occupations, (...)subject to the condition that their labour is paid for at the same rate as male labour." (64)

Rathbone's opposition to this is not well developed. But it focusses on three arguments: This "compromise"
will not resolve the problem of women's and children's dependence on male wages in most working class families, where these wages do not reflect family size. The cost of implementing equal pay for equal work will be high, requiring a "gigantic extension of the system of trade boards". And, further, equal pay for equal work might lead to increased sex segregation in employment. Further state intervention might be required to ensure wage equality across trades, for, she asks: "Can one justify levelling up women's wages to men's in trade where they both work, while keeping them on an altogether lower scale in wholly feminine trades of equivalent difficulty?" (65)

The latter argument shows her understanding that labour market segregation, coupled with the undervaluation of women's work are much stronger causes for the inferiority of women's labour income than actual pay discrimination within the particular mixed occupations where women have access. This observation makes Rathbone a forerunner of contemporary feminist analysis of women's conditions in the labour market. However, rather than using it to expand the equal pay demand beyond its limited scope of "Equal Pay for Equal Work", Rathbone

7. An analysis which has led to the demand for "equal pay for work of equal value" as a step further than the demand for "equal pay for equal work".
chooses to instead add it to her charge against that very demand.

Yet, if society returns to the status quo ante-bellum, Rathbone asserts that women may be persuaded to believe "their sacrifice is a necessary part of a social system" ensuring the maintenance of the family where they will be cared for beyond their own meager earnings. But, they don't have much to look forward to in the family under these conditions.

Rathbone finishes her article with an advocacy of a new system of income distribution which would directly provide for the needs of mothers and children presently dependent on male workers' wages. She does not describe the details of such a system, only alluding to a system of allowances as constituting one of its elements. She concludes that, with such a system,

"the main reason for the differentiation of wages between the two sexes having disappeared, competition between them that was at once free and fair would be for the first time possible, and the services of women -- not only in industry, but in the house -- would be remunerated on their merits." (68)

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8. The case for Family Allowances is developed in her book, The Disinherited Family (1924) and also in Equal Pay and the Family, a pamphlet by the National Union of Societies for Equal Citizenship (1918) to which she contributed.
It is clear from the above two articles that the positions of Millicent G. Fawcett and Eleanor Rathbone on the question of equal pay were widely divergent. Rathbone, a feminist herself, criticises the feminists' demand for "Equal Pay for Equal Work", and attempts to influence them to take a specific approach towards the goal of equal pay, one which will generate a structural change in income distribution and which will provide a more solid basis for equal pay.

Fawcett's Response to Rathbone

In 1918, Millicent Fawcett responds to Rathbone's article in the pages of the Economic Journal. The response is not very long or debated. It is disappointing, failing to deal with Rathbone's main proposal of focussing reformist action on the source and organization of family income as a way to remove pay differences between male and female workers. Fawcett, instead, reiterates some of her earlier points and rebuffs Rathbone's criticisms of the equal pay for equal work demand.

Fawcett objects to Rathbone's characterisation of the feminists demands for equal pay as "vague and ill-
defined". For Fawcett, this demand has never meant that women should be paid the same as men when they are less efficient. She states that Rathbone's own declaration that equal pay for equal work should mean "securing for women a fair field of competition with men, their work being accepted or rejected on its merits, recognising that any permanent disadvantage that adheres to women workers as such should be allowed for by a pro rata reduction in their standard rates" is as close a definition of the feminist equal pay principle as there could be. (3-4)

Fawcett takes issue with Rathbone's presumption that women are less productive than men. She questions this position given the evidence of women's war work, employers' statements on their efficiency and the evidence that much of male workers' productivity is kept below what it could be by trade union rules which do not apply to the unorganized women.

Rathbone emphasised the disadvantages to employers of using women workers. "War experience, however, has stiffened the conviction of many feminists that a large proportion of supposed feminine disadvantages exist more in imagination than in reality" replies Fawcett. (4)
It certainly must have been disconcerting for Fawcett to see her fellow feminist list all the common-place arguments against equal pay for women, for the sake of backing her own reform proposal. Fawcett restates her own positive approach to women's abilities in industrial work. Should women be allowed to, they could acquire the skills and training that would make them as efficient as male workers. "No one knows what women (...) can do until they have had an opportunity of learning how and trying." (5)

For Fawcett, the causes of women's inferior pay are clear: women's crowding in very few trades and the sweated conditions women face in the trades where employers' exploitation leads to "wages below subsistence levels" (2). She argues with Rathbone's views of what causes women's low pay, these views being based on factors affecting the supply of female labour, and misrepresenting the extent to which women depend on their own earnings. Rathbone focuses on the "pocket-money" argument, she should instead look at the 85% of women workers who support dependents and themselves and explain why this "upward pull" (Rathbone, 62) on women's wages does not manage to bring the average wage above subsistence levels. Fawcett instead highlights the demand factor of employer hiring practices which create a "downward pull" on women's wages.
Why should this situation be ignored for the sake of developing an argument against women's dependency on male wages in the family? Can it be assumed to redress itself once income distribution elsewhere is tampered with? And what of the effects on women's well being and their future consequences in the meantime?

"The evil effects of such a state of things can hardly be exaggerated. It means physical degeneracy, not for one sex only, premature old age for women, impossibility of organising women's labour, the stamping out of any intelligent effort to acquire industrial training and a high degree of industrial efficiency" (2)

Certainly, there is as much urgency in the present conditions faced by women in industry as in those faced by women within the family. Both have crippling effects on women's health, on their standard of living, life expectancy and progeny.

Fawcett states that "such differences as exist between Mrs. Rathbone and myself (...) are very much a question of words and not of facts" (4) but these differences are fundamental in the priority they set for feminist action.

These differences did affect the internal politics of the British feminist movement. After succeeding Fawcett as President of the NUWSS in 1919, Rathbone attempted to
redirect the agenda of the national organization (renamed the National Union of Societies for Equal Citizenship in 1919). But it took 6 years of internal debate where Fawcett and Rathbone were at odds before NUSEC endorsed the demand for family allowances and economic recognition of motherhood in 1925.9

It is unfortunate that the leading feminists were divided on the issue of equal pay. Fawcett's position was strong and uncompromising, but insufficiently developed. It also lacked a critical analysis of the capitalist system and how it sets women up and uses them as "blacklegs". Her arguments use a marginal productivity approach to wages. On that basis, she believes that the logic and reasonableness of the equal pay proposition should be sufficient to generate trade union as well as more general support.

In contrast, Eleanor Rathbone's position is more calculated and analytical. But it is very ambiguous in its implications for the economic position of women in capitalist society. Her analysis leads her to clearly reject marginal productivity as an explanation for wage determination in favour of the perceived subsistence needs.

9. See Mary Stocks' biography Eleanor Rathbone, London, Victor Gollancz Ltd., 1950, Ch. 8 and 9, for a detailed account of these developments.
of the two sexes. This makes her position quite radical in the days of dominant neo-classicism. She exposes the contradictions inherent in the capitalist wage system where, in theory, a productivity wage is supposed (through the workings of what invisible hand?) to provide sufficient subsistence for working class families of varied sizes. Meanwhile, in practice, wage determination seems based on perceived average subsistence and dependent support requirements. For her, the demand of equal pay for equal work will only satisfy a claim to equality for men and women based on their productivity, leaving the question of dependent support unresolved and for ever divisive.

Equally radical is her analysis of the income distribution system, the sex roles, the social institution of the family and the division of labour between the sexes, and her insight that equal pay would have to be achieved across industries and occupations. Her observations make her a precursor of modern marxist or socialist feminist approaches to domestic labour, the family wage and social reproduction under capitalism. Her proposal for family allowances (endowment for motherhood) is a clear forerunner of the modern feminist demand of wages for housework and her "solution" to the equal pay question has some theoretical and logistic merit.
However, there are definite elements of conservatism in her position. She at no point challenges the capitalist and patriarchal structures of society. She also displays a very limited view of women: her argument relies exclusively on a single function for them: that of motherhood. At the limit, her proposal for family allowances could be seen as a way to make the capitalist labour market work more smoothly, removing the subsistence requirement element in wage determination. She wants a more rational system developed to produce healthier workers. She attacks trade unions and could be seen as interfering with elements of working class autonomy. Her bourgeois background shows in her patronising attitude toward working class women. The institution of the family is never questioned by her. She only challenges the income distribution system that is applied to it, and she is careful not to argue in favour of working class women's access to economic autonomy in her proposal for family allowances. Her main concern is not the economic independence of women, but the appropriate support of children.

Rathbone is an extreme believer in the benevolence of the State. But how could she entrust it to serve women's interests better than men or capitalists do? She has
faith in the rationality of the State and its willingness to do what is best for its subjects. In her argument for family allowances, mothers are seen to serve the State when they raise their children, the next generation is produced for the State, the State "owns" children. It is likely that this position would be disliked by Fawcett who came from a more liberal school of thought.

In retrospect, the two positions share some of the same limitations but are complementary in their approaches and their proposals. They both are reformist, but with different focuses, Fawcett's being on the labour market position and income of women, Rathbone's on their family situation. It is unfortunate that the differences in focus and philosophies led to divisions in the women's movement of the time rather than to a fusion of the two sides. Such a fusion could have led to a more comprehensive proposal for change and might have had more chance for success if backed by a unified movement.

The differences between Fawcett and Rathbone reflect the switch in the orientation and priorities of the feminists which happened after the vote was won. It has been characterised as a split in the movement and

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10. This naive outlook is maintained in her subsequent writings on the subject of family allowances.
subsequently a change of emphasis from "equal rights" to
"welfare" feminism.11 Numerous feminists chose to focus
on a single issue which they deemed "winnable". Such is
the case with Rathbone who seems to have deliberately
abandoned the fight for equality, and in particular equal
pay on the grounds that "it would be difficult to achieve"
and "unpopular" (Jeffreys, 153), to focus instead on a
more limited demand, one that concerned only a portion of
the whole female population and that did not challenge
patriarchal ideology.12

11. See, in particular Sheila Jeffreys, The Spinster
and her Enemies, Feminism and Sexuality 1880–1930, 1985,
Pandora Press, London, who analyses Rathbone's priorities
in pp. 147–155.

12. Jeffreys comment: "She [Rathbone] explained that
although equal pay might be a good idea, there were too
many obstacles in the way, such as the idea that men
receive a 'family' wage. [...] Thus she betrayed the cause
of spinsterhood and the independent woman. She deserted a
feminist option because it was too difficult and embraced
the simpler alternative of emphasising woman's mission of
motherhood. It is particularly surprising that Rathbone
should opt to support the married woman and mother at the
expense of the spinster considering that she was herself a
lifelong spinster." (152) Rathbone lived with a woman
(Elizabeth MacAdam) most of her life, she did not have
children and was never much affected by the patriarchal
family system, yet she chose to spend her life battling in
favour of the economic recognition of motherhood and took
care not to challenge the institution of the family and
the dominant sex roles in a patriarchal society.
Beatrice Potter Webb

Beatrice Webb comes to the question of equal pay from without the ranks (and the leadership) of the women's movement. Her analysis, interestingly, does effect somewhat of a synthesis of the divergent focuses of Fawcett and Rathbone.

Government and industry use of female labour power during the First World War was met by the organised resistance of male-dominated trade unions to women's headway into industry. The threat women presented to male employment preserves led unions to cry out that the women would bring the wages down, the hours up and be used by employers to roll-back the gains made in collective bargaining. To allay those fears, the British government made an agreement with the trade unions to maintain the same rate of pay and the same piece rates as those paid to men. (Strachey, 341-3) This promise presented the advantage of paying lip-service to the feminist demand for equal pay.

Allegations that this Agreement was not implemented by the government, and labour unrest generated by the discriminatory treatment of women war workers led to the
appointment of a special War Cabinet Committee to investigate women in industry, and in particular the relationship between the wages of men and women.13

Beatrice Webb was a member of the Committee and wrote a Minority Report, seeing herself unable "to agree with the Majority Report, either in its scope and substance, or in its conclusions and recommendations."

Webb's major objection was that the Committee had not set out to do what it had been appointed to do, namely, investigate "the relation which should be maintained between the wages of women and men, having regard to the interests of both, as well as to the value of their work." She criticises the Majority for focusing exclusively on the employment of women, thereby

"assum[ing], perhaps inadvertently, that industry is normally a function of the male, and that women, [...] are only permitted to work for wages at special hours, for special rates of wages, under special supervision and subject to special restrictions by the Legislature". (257)

She adds: "I cannot accept this assumption." (257) She therefore devotes her Minority Report to an examination of principles affecting wage determination, "whether such principles affect differently men and women; whether such

13. War Cabinet Committee on Women in Industry, Cmd 135, pp. 1-2. Workers downed tools in July 1918 in protest against the awarding of war advances and bonuses to male and not to female workers.
difference is justifiable ...]; and whether any new principle is called for on which the relation between them can be based." (257)

It is ironic that Beatrice Webb was called to participate in an investigation of the question of women's wages as she had previously stated having no interest in the questions related to women's work. She admitted that the topic "bored" her, that she was "not in the least interested in the relation of men's and women's wages." Yet, she had ample opportunity, in her previous work, for exposure to the conditions faced by women in the labour market, having contributed to Charles Booth's massive study, Life and Labour of the People of London (1889), and having become, through first hand experience, an 'expert' on the sweating system. Webb had also developed extreme familiarity with the Trade Union movement and with the

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14. Quoted from her diaries at the time of the War Cabinet Committee by Dorothy Lampen Thomson in her chapter on B. Webb, *Adam Smith's Daughters*, 1973, New York, Exposition Press, p. 83. Webb reports in *My Apprenticeship* that Marshall had advised her to specialise in the study of women's industrial work instead of co-operation: "Now, Miss Potter, I am going to be perfectly frank: of course I think you are equal to a history of Co-operation: but it is not what you can do best ... To sum up with perfect frankness: if you devote yourself to the study of your own sex as an industrial factor, your name will be a household word two hundred years hence; if you write a history of Co-operation it will be superseded and ignored in a year or two." (Quoted by Dorothy Lampen Thomson, p. 83). She chose to ignore Marshall's condescending advice.
issue of poverty, both of which bear relation to women's wages, through her research for Industrial Democracy (1897) and her participation in the 1905 Royal Commission on the Poor Law and the Relief of Distress. All her previous work informs her definite position on necessary reforms to the overall wage system which forms the backbone of her Minority Report.

Beatrice Webb long remained opposed to feminism (and to women's suffrage). She finally changed her position in 1906, and whereas she adopted and defended some of the goals of the feminist movement, she maintained her own position on some of the feminist demands. Equal pay for equal work is one such feminist position which she did not fully endorse. An article she published in the New Statesman, August 1, 1914, details her reasons and her preferred approach to the question of women's wages.15

She thought that equal pay for equal work was irrelevant to most working women because they were segregated in separate jobs. Furthermore, she felt that the implementation of such a demand would lead to increased segregation, and keep women in the lowest paying jobs:

"There is no getting over the fact that when an employer concludes that his work is such as to command a salary of £500 a year, he thinks it much more advantageous to employ a man; when the work seems to demand only a salary of £100 a year, he often finds it positively more advantageous to employ a woman" (526)

Instead, she favoured the immediate increase of working women's earnings and an improvement in their working conditions through a system of Wage Boards and Factory Inspections. These would enforce a "statutory minimum". (525)

As an advocate of minimum controls over the conditions of employment of women in industry, Beatrice Webb also opposed what she described as the demand of "Feminists of a generation ago" that "women ought to be permitted to take work at any price and under any conditions acceptable to themselves". (525)

Like Rathbone, Webb points out the irony of both feminists and male trade-unionists supporting the demand for equal pay for diametrically opposite reasons, the male trade-unionist's intent in imposing "his own Standard Rate and his own working conditions on the women doing similar work" being to obtain the exclusion of women from the trade altogether. She insists that "each class must be left [...] to define for itself the particular conditions of employment which seem to its own members to promote
their professional efficiency", (526) and that, rather than having their conditions dictated by the interests or concerns of other groups, women should define their own on the basis of their own organising at the level of trades and professions.

The statutory minimum advocated by Webb is seen as "only the beginning of the story", a base on which organised working women can build.

"In their own interests, and in the interests of a progressive community, the women workers, like all other producers, must be perpetually pushing upwards towards a fuller personal life and greater collective control over the conditions of their employment." (525)

In this process, they must be free to enter any trade or profession and to define what is best for them, in terms of wage levels and hours and conditions of work, rather than be restricted by a formula such as "equal pay for equal work", the implication of the formula being that women would be required to perform at the same level as men as a condition of employment.

Beatrice Webb's general position on the situation of women in industry, on necessary reforms, and on ways to accomplish them were largely developed in the writing of Industrial Democracy. Collective bargaining was seen as the ideal means to the achievement of improved working conditions as it involves democratic input by the workers
themselves. The Webbs supported the idea of a negotiated standard rate of pay in each trade, along with collectively defined standard skill requirements for occupations. They also advocated a National Minimum of pay and working conditions "below which no employer is allowed to drive even his most necessitous operatives" as an appropriate way to regulate the non-organised trades, or the "parasitic industries" where a large proportion of working women found employment. These positions are essentially restated in Beatrice Webb's Minority Report on Women in Industry.

The "National Minimum" forms part of Beatrice Webb's recommendations. It "should include, at least, the fundamental requirements of leisure, sanitation, education and subsistence" and should be "identical [...] for persons of either sex" as it "cannot, in practice, secure more than the needs that are common to human beings as such". (274) Beatrice Webb finds unfounded any rationale to base separate minimum wages on the different average physical characteristics of the two sexes. Food forms


17. "But this result of statistical averages affords, as it seems to me, much less ground for differentiating between the rations of men and women as such, than between human beings over and under five-feet-five in height, or above and below nine stone in weight." (274)
only part of the overall basic requirements of men or women. Their other needs (shelter, fuel, light, clothing, travelling, insurance and savings for lost time and sickness, holidays) can hardly be differentiated on the basis of sex.18

She equally "sees no reason why anything less should be paid to youths of either sex than the equivalent of the national minimum". (299) They have practically the same costs of subsistence as adult men or women. Enforcing the same minimum wage for the young would also remove one of the factors that has kept women's wages low as "it is, to a large extent, with such young persons that adult women come directly into competition." (299)

In her Minority Report, Beatrice Webb rejects some of the principles applied to wage determination which she

18. Webb issues here a fundamental challenge of a widely accepted tenet of patriarchal ideology, used as a rationale for lower subsistence wages for women. This principle is fully accepted by Marxists when they apply Marx's approach to the determination of the value of labour power to women. That women's labour power has a lower value than men's due to its presumed lower reproduction cost is as pervasive a sign of patriarchal bias among Marxists as the presumption of women's inferior productivity is among neo-classical economists. Even feminists may be found to blindly accept this pronouncement. An example is Heidi Hartmann's treatment of this question in her discussion of Edgeworth (1922): see p. 158 and particularly footnote 60 of her article "Capitalism, Patriarchy, and Job Segregation by Sex", op. cit.
finds contrary to the achievement of the highest standard of life for all and the maximum efficiency in production. She opposes leaving wage determination to the "haggling of the market" which she identifies as "the most potent factor prior to the war in making the statistical average of the net earnings of adult women in British industry [...] often as low [...] as "a shilling a day"." (258) She also counters the argument that women's wages have to remain low due to the pressure of foreign competition. She states emphatically that "any industry that can be maintained in this country only at the cost of "sweating" is an industry that we are better without." (293) Typically a position she holds with regard to any of the "parasitic" industries where workers are expected "to pay in lower wages for the relative inefficiency of the employers and managers". (291)

Rather than an ambiguous "equal pay for equal work formula", she recommends, beyond the National Minimum which would apply to non-organised workers, a system of collectively bargained "occupational rates" that would be attached to specific occupations and applied indiscriminately to those, men or women, employed in these occupations. 19 Webb is also in favour of the

19. She does state that this proposal corresponds to one of the possible approaches to "equal pay for equal work", one where wages are defined on the basis of "the
establishment of "definite qualifications for employment" in occupations which would set levels of skills and training required. She sees such a system as reducing the amount of discrimination exercised by employers against women, provided that women have full access to training and that they can enter any occupation.

In connection with these recommendations, Webb opposes what she calls "the Vested Interest of the Male": "The long-continued exclusion of women from nearly all the better-paid occupations has largely been the result of the assumption that those occupations were the sacred preserve of men." (265) She lists a number of practices, such as segregation of tasks, or Factory Acts requirements that women do not perform night work, or control over entry into apprenticeship, which are used to maintain male monopoly. The result is

"the exclusion of the whole class of women, as such, from the professions or occupations in which the occupational rate is relatively high, and from the training qualifying for the work, so that not even those individuals among them who might have proved their competence have been permitted to enter these favoured occupations." (267)

physiological and mental results to the operative [...] according to the efforts and sacrifices that the work involves". The best approximation of this, given the difficulty of comparing effort, is a time-wage, as time can be used to approximate the cost of work to the worker. (268)
Both employers and trade unions act to maintain this male privilege. When employers introduce women into the male preserves, their only purpose is to bring down the occupational rates.  

Employers are able to cut costs when hiring women on account of a principle related to that of the vested interest of the male: that of separate rates for men and women. Beatrice Webb denounces the "tacit convention that there is throughout industry a male rate and a female rate", maintained through collective bargaining and wage setting by employers. (261) Trade Unions, complicit in this arrangement, set up their members to be undercut by women-workers. At the same time, overall economic efficiency is defeated as the employer is "bribed" by the differential rates "to get his work done by workers industrially less efficient". (282) A single occupational rate would by contrast lead the employer to hire the most efficient worker (male or female) for the job.

Beatrice Webb quotes some employers and trade unions' submissions to the War Cabinet Committee testifying that, in some industries, "the average woman produces over a long period a larger output than the common run of men". (281) She insists that, "women, like men are, for the purposes of industry, not a homogeneous class" (295) and that "classifying together all the workers of one sex, and subjecting them all to a differential rate" is not justified. (279) She concludes that "there is no justice in, and no economic basis for, the conception of a man's rate and a woman's rate", and that "we have no ground for making sex a reason for differentiation in the conditions of employment any more than race and creed." (295)

Webb denounces the hypocrisy of employers who pay women less, alleging inferior productivity, unreliability in case of emergency, the presumed higher overhead costs involved in employing women, while paying the standard male rate to less efficient male employees. She insists that the factor of sex is irrelevant to actual productivity, that all employees should be treated across the board on the basis of their own merit.21

21. "Either it is essential, [...] in view of the likelihood or the seriousness of possible emergencies, that all the operatives employed should possess the qualifications needed to deal with such emergencies, or it is not. If it is, then the workers concerned, whether men
Beatrice Webb equally denounces the hypocrisy of justifying differential rates with the argument of the unequal family obligations of male and female workers.

"Though the principle of determining wages by the extent of the family obligations of the wage earner has not been adopted [...], it has been frequently used as an argument for keeping down the wages or salaries of women relatively to those of men, even as their work is admitted to be of the same value to the employer. It is habitually pleaded as a complete justification for the existence of a female rate..." (264)

The trade unions, who actively promote this rationale for lower women's wages, would be the first to cry out: that wages paid to male workers on the basis of number of dependents are an attack on "the principle of the standard rate of remuneration for effort". (286)

The ideology of the breadwinner needing a family wage was used during the war to deny bonuses and cost of living adjustments to women workers. Opposing this added form of discrimination, Webb supports the general principle of cost of living adjustments as forming part of wage determination. She thinks that such adjustments should be applied to the National Minimum and to the or women, should be chosen from among those so qualified and paid accordingly. If it is not - the fact being proven by the engagement of workers without such qualifications - then the lack of them cannot be pleaded as a ground for paying a lower rate because any particular workers, whether men or women, do not possess what is demonstrably not necessary for their work." (281)
collectively bargained occupational rates and should be paid to all workers, regardless of sex and family obligations. She denounces the discriminatory practice of war-time employers as an attempt to renege on the promise of equal pay for women in the war industries. Webb argues that women's wages are already set at a lower level than warranted, and that denying women a cost of living increase or giving them a relatively lower increase than the men's (as in the case of proportional or even flat rate increases), penalises them twice and insures that their pay will never catch up to that of men. (262-3) The differential application of cost of living adjustments will, in her opinion, lead to "a spread of the morass of "sweating"." (285)

Beatrice Webb sees the issue of women's pay as only one of the elements of the "chaos [...] of] the relative earnings of individuals and classes" which the war has accentuated. (294) She recommends that earnings be no longer determined on the basis of "the vested interest of particular classes" and be made instead to correspond more closely "to the efforts and needs of the various sections". (294-5) The effort element would be recognised through her proposals of uniform occupational rates and definite qualification requirements for each level of employment. The need part would be covered by
her proposals of a national minimum and of cost of living adjustments. It is clear that her proposals include the concept of equal pay for equal work, which she leaves to be defined and enforced through collective bargaining. Yet she goes beyond with proposals applicable where there are no trade unions, and no male work to which the female work could be compared. Minimum wage and minimum standards are seen by her as crucial complements of equal pay.

Equally complementary are a set of social welfare proposals Webb sketches out in the concluding pages of her Report. She sees the maintenance of full employment as a responsibility of the state and proposes the establishment of a state-financed Unemployment Insurance system. (302) She furthermore proposes that unemployment benefits be "given at equal rates for men and women". (302) She also advocates the implementation of a "national endowment" system, a continuation of the war separation allowances payable to mothers, as a more suitable approach to the economic support of dependent children.

"... the community must face the necessity of seeing that adequate provision is made for children, not by statistical averages, but case by case. (...) This cannot be done under any system of wages; nor can the adoption of any conceivable principle as to the relation between men's and women's wages achieve this end." (306)
Her ideas on this issue are essentially the same as Eleanor Rathbone's.22

Beatrice Webb further supports her proposals with an analysis of their impact on the labour market in general and on overall economic welfare. She rebuts expected arguments that they will lead to higher unemployment for women by, reasserting that women's productive abilities are not lesser than men's and drawing examples from industries where equal occupational rates are paid. She sees no reason why a system of standard wage rates should lead to decreased employment opportunities for women. She further establishes that her set of proposals will create greater economic efficiency: the freedom of entry of women into trades brought about by the system of uniform rates, wage rates which represent efficiency levels rather than presumed family support needs, and the inducement for women and inefficient male workers to acquire the training required to enter trades, are all economic welfare-enhancing.

22. Rathbone applauds Beatrice Webb's position: "the minority report, drawn up by Mrs. Sidney Webb, is notable as containing the first full statement, so far as I am aware, by a leading member of the Labour Party of the disadvantages of providing for families through wages based on the fiction of the uniform standard family..." (The Disinherited Family, p. 165)
Beatrice Webb's Minority Report is overall an application of the Webb's doctrine, as developed in Industrial Democracy, to the specific question of the relationship between women's and men's wages. Her recommendations form a logical, coherent and comprehensive whole and include numerous innovative ideas some of which still have to be implemented today. These include uniform occupational wage rates, uniform minimum standards of income and working conditions, uniform unemployment insurance payments, freedom of entry into all occupations, and cost of living adjustments which would allow women's wages to catch up with men's. These propositions demonstrate the perceptive analytical skills and visionary faculties of their author.

The main weakness of Beatrice Webb's writings on women's wages is her lack of analysis of the causes of the treatment women receive in the workforce. This leads to a relatively naive position that discrimination will disappear once appropriate measures, such as uniform occupational rates, are implemented. Webb does identify the existence of discriminatory attitudes and actions on the part of employers and trade unions but does not attempt to explain them, and therefore does not develop specific proposals to eliminate them.
On what basis can she recommend collectively bargained single occupational rates when she clearly identified the two partners in collective bargaining — employers and trade unions — as the source of the system of separate rates for the two sexes? What makes her believe that employers will start hiring women in the "male preserve" occupations upon the implementation of a system of specific occupational qualifications? What makes her trust in the trade unions to represent fairly the interests of their female members, and to organise women workers in the first place? Does she believe that employers and trade unions will easily forget their rhetoric about women's lesser efficiency or about their lesser subsistence needs and lack of dependents?

Webb essentially lacks an analysis of the patriarchal forces at work within the capitalist economy. She does identify some of their manifestations, such as what she calls the "Vested Interest of the Male", but does not offer any analysis of their origin and their strength. This leads her to rely on the benevolence of men and male-controlled institutions (trade unions, the state) for the implementation of her proposals.

She herself makes a statement which would lend support to differential treatment for women in the post
war labour market. Whereas she denounced the "Vested Interest of the Male" which reserves the best paying jobs for the men, she seems to believe in a vested right of men to jobs at the expense of women. She maintains that it is less costly to the state and less detrimental to "national well being" to see women rather than men unemployed, not because they would be entitled to less unemployment benefits (she proposed that these should be the same for both sexes), but because, "the children of the unemployed have also to be maintained at the public expense in one form or other; and male wage earners have undoubtedly on an average more dependent children than female wage-earners". (303) One wonders what happened to Webb's proposal for dependent allowances and why she uses the argument of average numbers of dependents when it comes to unemployment, having rejected it in her discussion of wages.

The other reason advanced for giving women priority in unemployment is that

"Temporary unemployment involves, to a woman, usually less suffering and less danger of demoralisation than to a man. She has nearly always domestic work with which to occupy herself usefully. She can be much more easily provided for by enabling her to improve her qualifications in domestic economy, than an unemployed man can be found any other occupation than the demoralising and costly relief works."

(302)
Webb does not tell us why paid relief work should be more demoralising than unpaid domestic work. It is clear in this whole discussion that the interests of men and the state come first in her mind.

The contradictions presented by Webb's position on women's unemployment show how far her feminist views go. Her treatment of this issue contradicts her earlier statements to the effect that one should not be treated in the labour market on the basis of one's sex. The ultimate message she gives to her readers is that women's equality can be sacrificed to other (presumably superior) needs: those of men, those of the state, or those of the national economy.

The three feminists reviewed here show the diversity of analysis and approaches which may coexist at any time within the women's movement. These three women had similar life histories in that they came from the same class, had access to education, and got involved in political activism, but their political orientations and their activist priorities differed. Within the feminist movement, Fawcett and Rathbone's differences seem to be due to the generational gap between them. Fawcett was part of the initial wave of feminists which has been
described as the "equal rights" feminists whereas Rathbone, coming a generation later, witnessed the winning of the vote in mid-life and became part of the switch to "welfare feminism". Fawcett's politics were those of the 19th Century Liberals, while Rathbone was politically unaligned. Beatrice Webb came to feminism later in her life than Fawcett or Rathbone and placed herself within the Fabian/Socialist/Labour Party tradition.

With respect to the issue of equal pay, both Fawcett and Webb showed flexibility, having shifted from opposition to the principle (on mostly practical grounds) to endorsement after the experience of the war. Rathbone does not show the same attitude and clings (with bad faith) to her opposition to it (arguing practical grounds for her position), entrenching herself in a calculated single issue strategy.

Both Fawcett and Webb see the trade unions as potential allies in the cause of working women but lack realism in their analysis of the extent of the trade unions role in the establishment and maintenance of

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patriarchal privileges. Rathbone sees the unions as outright opponents to family allowances, which they perceive as a threat to the "family wage". She, realistically, does not trust trade unions support for equal pay.

Fawcett and Webb show integrity to the cause of working women (the latter because it fits within her socialist ideals) while Rathbone displays outright opportunism.24 Her vision is hampered by her narrow focus for a feminist agenda and her "defeatism" (Jeffreys, 153) and lack of faith in the strength of the feminist movement. Given her leadership position, this had major implications for post-war feminism. Nevertheless, all three contributed important theoretical elements towards a feminist economic analysis of women's position within a capitalist patriarchal society.

24. The test seems to be whether these theorists believe, in the last instance, that working women can be as productive as men in industrial employment.
IV

THE IMPENDING "DEBACLE":

EDGWOYTH OR Equal Pay

Francis Ysidro Edgeworth's life was seemingly quiet and removed from the limelight of political activism.¹ One of his biographers said that he had "realised Aristotle's notion of the βιος θευρητικός: the life devoted to study" (Bonar, 653). He taught political economy at Oxford from 1891 to 1922. A founder of the Economic Journal in 1891, he remained involved as editor until his death in 1926. His best known work is Mathematical Psychics² published in 1881, where he laid the groundwork for the application of mathematics to social sciences, which he calls the "moral sciences", and to economics in particular. Edgeworth was a supporter of


women's suffrage (Bonar, 650). His biographers stated that "no one has described more fully and faithfully than he the economic position of women and he favoured all their claims" (Bonar, 652) and that "the problem of the inequality of men's and women's wages interested him all his life" (Keynes, 146). Yet, both biographers quote some of the sexist quips and aphorisms which he proffered. The following analysis of his writings on women's pay will show the extent of his support of women's demand for equality.

The economics profession has wrongly attributed to Edgeworth the development of the overcrowding theory of women's pay. As we have seen, (ch. 1) this theory was actually developed by John Stuart Mill (Principles), Barbara Bodichon (1857) and Millicent Garrett Fawcett (1892, 1894, 1916, 1918). Edgeworth's treatment of the equal pay question is found in two articles published in the Economic Journal: "Equal Pay to Men and Women for Equal Work" (December 1922) and "Women's Wages in Relation to Economic Welfare" (December 1923).³ He was not new to

the issue, having contributed to the pages of the *Economic Journal* a number of reviews of writings on women's pay. His 1922 and 1923 pieces, however, are his definitive attempts to review all aspects of the question and to determine whether "equal pay for equal work" could be endorsed as an economically sound proposition.

His articles are very detailed and display great knowledge of the literature on the topic. However, they also display his definite bias against the equal pay proposition which is only thinly veiled by his economic and mathematical treatment.  

September 1917, pp. 404-406. Interestingly, his two articles were not included in the three volumes collection of Edgeworth's papers, *Papers Relating to Political Economy*, Published on behalf of the Royal Economic Society by MacMillan & Co., 1925, London.

4. Edgeworth's articles also often lack clarity, in the argument and in the position he takes. This seems to reflect a general characteristic of his style and personality. Bonar says that "he loved to hold the balances and elude a positive answer" and that it was "out of character" for him to have a definite opinion on issues of political economy. (650) Bowley deplored: "Readers of Edgeworth's writings are often deterred by what appears to be deliberate obscurantism in the arguments". ("Francis Ysidro Edgeworth", *Econometrica*, vol. 2, April 1934, p. 123). And Keynes, in his "Obituary", mentions the "obscurity and allusiveness and half-apologetic air in which he served up his intellectual dishes" (146) and elaborates: "Edgeworth seldom looked the reader or interlocutor straight in the face; he is allusive, obscure and devious as one who would slip by unnoticed, hurrying on if stopped by another traveller." (150)
Edgeworth separates the issue into two aspects. In his 1922 article, he focuses on the implications of equal pay for "external wealth" -- i.e., purely economic concerns. In the 1923 article he focuses on "the attendant internal feeling of welfare" which allows him to look into the more subjective elements. However, we will see that subjectivity and "welfare" (i.e.: social and moral issues) are not absent in his 1922 article.

In the 1922 article, Edgeworth first undertakes to define "equal pay for equal work" according to the principles set by the marginal calculus of welfare economics. Equal pay thus means "pay in proportion to efficient output", or to "equal utility to the employer" (quoting Bowley), or to "productivity" or "productive value". (432) What is meant by utility and whether it encompasses more than the actual value of the marginal product of the work done is not specified. At any rate, he heavily stresses the employer's interests. Pay in this approach is determined solely by what the employer gets out of the worker. One would think it relatively easy in a free market system, for the employer to enforce his (or her) side of the equal pay equation. This of course assumes that wages are determined solely on the basis of productivity or productivity-related elements.
Edgeworth adds, "there must be understood a certain equality on the side of the employee as well as on the side of the employer or community". (432) And there, workers are seen to have access to equality of work and pay only if they enjoy "equal freedom in the choice of work" (433). Given that pay is related to the market value of the final product, equally efficient workers should be able to move from low-value to high-value commodity production: a basic principle of free-market adjustment applied to the labour-market.

Having made this observation, Edgeworth proceeds to restate the question "should there be equal pay for equal work?" as "should there be perfect competition between the sexes?" (433) From the workers' point of view access to equality in remuneration for work is reduced to the question of "equal freedom in the choice of work [which] should include equal freedom to prepare for work by acquiring skill". (433)

In summary:

"There are thus presented two attributes [of the equal pay for equal work proposition]: equality of utility to the employer as tested by the pecuniary value of the result, and equality of disutility to the employee as tested by his (sic) freedom to choose his employment. These two attributes will concur in a regime of perfect competition". (433)
Edgeworth clearly restricts his inquiry to a perfect competition framework to which the usual neo-classical assumptions are applied. He does not even allude to the question of whether perfect competition exists in the commodities market. He also tacitly assumes that wages are solely determined by productivity. This leads to the immediate conclusion that women's wages are low, not because they might receive less than the value of the marginal product, but for the sole reason that they are not allowed the same labour market opportunities as men. The unique and self-evident solution is therefore to give them free access to all occupations.

We have thus a one-track analytical framework: (1) Equal pay for equal work would prevail under free competition, (2) free competition is lacking in the labour market, hence (2) equal pay can only exist if free-competition is restored. Where does this proposition stand if (1) is wrong or if free competition fails elsewhere than in the labour market?

Edgeworth's basic proposition is simple and its policy implications are straightforward. Yet, instead of issuing an enthusiastic prescription of "let's open the labour market freely to women" he asks cautiously "should there be perfect competition between the sexes?" and
proceeds into a lengthy discussion of the pros and cons of that question.

Any laissez-faire economist should without hesitation answer "yes" to this question, but for Edgeworth, such an absolute answer is mitigated by other factors. Even brushing aside the social or ethical considerations -- which are relegated to the 1923 article -- he finds a number of rationales against free competition between the sexes in the labour market.

One of these is the apocalyptic vision he paints of what would happen if women were unleashed on the labour market. Perfect competition might yield a maximum in total output which would not be an optimum ("greatest possible value"). Edgeworth brings in Francis Walker, Marshall and Mill to help him support the unorthodox argument that perfect competition, in this case, may not be optimal for the reason that the large quantities of cheap female labour thus made available to industry would lead to under-investment, a decrease in the optimum capital stock, leading to a "depression or débâcle of industry". (436) Edgeworth sees no limit to how low female wages might go in a competitive situation due to their lower standard of living, their subsidization by male family members and the fact that "the woman worker
has not acquired by custom and tradition the same unwillingness to work for less than will support a family." (436) Given this situation, Edgeworth hastens to conclude that if "some action must be taken to avert the evils which have been glanced at...our question cannot receive a categorical answer in the affirmative." (436)

Edgeworth hints that a possible way to proceed, to avoid a market with no bottom price, would be to institute "minimum wages for men as well as women (...) enabling the men to marry and support a family and the single women to live in decent comfort". He sees this prescription as problematic, expecting productivity levels not to increase to match the minimum wages. A criticism he does not make, however, is that minimum wages, especially if set at different levels for men and women, would unlikely lead to equal pay or to equal access to all skills and occupations for women. Such differentiated minimum wages would entrench in society the idea that women's work is worth less than men's work. They would also, in all likelihood, reinforce sex segregation in the labour market.

5. Edgeworth is seemingly quoting someone here but the source is not identified.

6. Here, Edgeworth ignores Beatrice Webb's argument that, if minimum wages are implemented to ensure that minimum subsistence requirements are met for workers of both sexes, there is no reason to hold that these
The question of equal pay is rephrased once more from "should there be perfect competition between the sexes?" (to which he could not answer yes or no) to the question "What sort or amount of perfect competition between the sexes is advisable?" (433)

To address this question, Edgeworth establishes at first two simplifying assumptions: (1) "desperate competition has been somehow ruled out" (437) possibly by a minimum wage scheme or any other mechanisms that would avert the industrial "debacle" predicted above. With his mind at rest, the economist can now focus solely on "the relative market value of the services rendered" by male and female workers. (2) Abstraction is made of "the circumstances of family life, considering the labour world as if it was composed of bachelors and spinsters". (438) At this point one must wonder about the relevance of "the circumstances of family life" to a discussion of the relative market value of services rendered by men and women. 7

7. This assumption will later be dropped at a point where Edgeworth switches from productivity to subsistence needs in his approach to wage determination.
In his analysis, Edgeworth first examines the nature of the labour market. He rejects Pr. Cassel's proposition that "but for the inferiority of female labour "it is not clear why the employer should not further (than he does) substitute female labour for the dearer male labour"". (438) This cannot be inferred in a market situation where perfect competition does not prevail. Edgeworth here states clearly that women's low wages in the existing labour market could not be used to infer their lower productivity because conditions of perfect competition do not prevail. The actual productivity levels of women have to be established in other ways. Yet, the very question of how this can be done is never answered by Edgeworth.

He identifies three reasons why perfect competition does not obtain. First, "an employer of many workmen is in himself virtually a combination" and can exert market power. (438) Secondly, hiring decisions may not be based on the actual value of marginal product of the workers as employers may keep hiring men over women to their own disadvantage if this disadvantage is perceived as small. 8

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8. This statement seems quite speculative, however Edgeworth attempts to back it up with a seemingly inapplicable discussion on the shape of maxima.
Thirdly, and for Edgeworth more importantly, trade-unions severely restrict women's involvement in the labour market. Their practices are "largely responsible for that crowding of women into a comparatively few occupations, which is universally recognised as a main factor in the depression of their wages." (439)

It is clear here that Edgeworth does not claim authorship for the crowding theory. He does not either identify its authors -- something remarkable given his scholarship and extant quoting of various authorities in his writings. Would this have something to do with the feminism of those who developed the theories? As is often the case with female developed theories or inventions, the feminist-developed analysis is here referred to as "universally recognised". But, while Fawcett is not acknowledged as one of the feminists who developed the crowding theory, she is quoted twice in support of Edgeworth's charge against the exclusionary practices of trade unions. Edgeworth is also oblivious to her general support of trade unionism -- for women and for men -- and of her attempts to rally trade unions to the equal pay demand.

Edgeworth's discussion of crowding is also one-sided: he does not recognise that employers may have been
complicit in restricting women's employment. Is it a fact that women have been barred only from unionised occupations?

His position on crowding is ambiguous while restrictive of the free working of the market these practices have a necessary purpose, that of avoiding a capitalist débâcle: "It should be remembered, however, that many of the prohibitions and prejudices here mentioned as contravening free competition were adopted to avert that catastrophic competition" described earlier.

(440) This is an all too candid recognition that patriarchal and capitalist institutions work hand in hand to their best interests.

If women were to organise to counter male trade union restrictions and employers' market power, a situation might result, according to Edgeworth, where conditions close to those of perfect competition and to equal pay for equal work as earlier defined, would prevail. Yet, his biases transpire as he states his belief, informed by employers' opinions, that women's time-wages would still have to be lower than men's:

"Probably an arrangement that the weekly earnings of women should be the same as those of men, in cases where the actual value of a woman as a worker was about 30 per cent below that of an average man employed in the same capacity (as testified by a majority of employers before a
Committee of the British Association, Kirkcaldy, 
Credit Industry and the War, 1915, p. 108), 
could not be maintained without tyranny on a 
Russian scale." (440, emphasis added)

"arrangement" to enact equal pay should be conscribed 
within the limits outside which it would be futile (...) 
as it would be swept away by the forces of competition" 
and should be guided by the presumed outcome "which would 
be determined by ideal competition". (440)

Edgeworth also warns his readers to avoid "two opposite misconceptions: the one exaggerating the 
comparative efficiency of men, the other that of women". 
Interestingly, he has to go back in history to Plato to 
illustrate the first one as if that misconception had long 
disappeared from the face of the earth. As for the second 
one, his "feminist" contemporaries provide him with the 
example: "The opposite exaggeration is committed (sic) 
by feminists when they maintain, in the words of a 
generally impartial expert [Fr. Cannan] that 'there is no 
reason save custom and lack of organization why a nursery 
maid should be paid less than a coal miner.'" (442)

He hastens to add "I submit it as an inference based 
on general impressions and ordinary experience that, even 
if all restrictions of the competition between male and 
female workers were removed we should still find the 
average weekly earnings of the former to be considerably
higher." (442, emphasis added) Note that this statement is not inspired by scientific -- or even logical -- proof of any sort. It is nothing but a statement of belief. One must wonder at this point how rigorous Edgeworth's discussion is when we compare this statement to his earlier dismissal of statements such as J.S. Mill's "The remuneration of the peculiar employments of women is always, I believe, greatly below that of employments of equal skill and equal disagreeableness arrived at by men" and others of the sort (quoted pp 433-434) as involving "more than what is given by physical observation".

What is more aggravating is Edgeworth's refusal to actually respond factually or analytically to the feminist statement he quotes and to give us his expert opinion on why a nursery maid's work should be less valuable to society than a coal miner's.

Edgeworth proposes to prove his "inference" by developing a model of the labour market under perfect competition conditions. (i.e. equal access to all occupations by women). Employment would naturally divide itself into women's jobs, men's jobs and jobs held by both sexes. Given this distribution, Edgeworth "submits" that

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9. Pigou developed a similar argument in his treatment of the equal pay question. (see ch. 6)
the average wages in the women's jobs will be lower than
those in the men's jobs, and that in the jobs held by
both sexes, piece wages will be equal but time wages will
be lower for women. He does not offer any other proof for
this perfectly competitive "ideal" state of things than a
court ruling rendered in Australia whereby the judge
ordered to pay minimum wages higher in a male occupation
than in a female one.

Edgeworth's description of this "ideal" state seems
influenced by his own perception of women's productive
abilities. He speculates on the "material changes in
physique, arts and customs" that might bring about a
different distribution of women and men across occupations
and a different gendered pay structure. These include "the
female sex [becoming] as strong as the male sex", a
decrease in employers' demand for physical strength, or
else a change in "desiderata" (i.e., demand) whereby
"typing, telephoning and the like become more in
demand than coal mining and ironworks." He also adds:

"if the vast amount of household work that is
now unpaid could only be obtained by paying for
it, the demand for women's labour and its price
might be considerably raised." (444)

He is relieved to conclude that "these changes, however,
do not appear very imminent." (444)
Ironically, some of these changes have happened since 1922 (unfortunately though, housework is still unpaid labour). Typewriting is definitely more in demand nowadays than coal-mining, yet secretaries are still paid less than coal miners and women overall, although the demand for their labour has tremendously increased, still receive 50 to 60% of what men make. Is the labour market not responding to the laws of supply and demand the way economists think it should?

Edgeworth clearly held the beliefs -- still common today -- that physical strength is a main determinant of productivity, that women are generally incapable of it and that some trades are more 'feminine' than others. Proofs are not offered and the exact logic of the last proposition is not developed.

His remark on household work misses some aspects of the question. It is true that women's overall earnings would increase if housework became a lucrative proposition, but this would be due to the fact that this work would be paid, and not because of an increase in the demand for labour. The demand for that type of labour has always been there, it just does not come with a paycheque. On the other hand, it is quite conceivable that keeping women occupied doing housework significantly reduces the
supply of female labour on the labour market. This, according to the laws of supply and demand, (if they work at all for female labour) should have had the effect of keeping women's employment wages at a higher level than they would otherwise be under conditions of increased crowding from increased female labour supply (ceteris paribus).

Given that employers are able to distinguish between male and female job applicants and that "it will often be within [their] knowledge (...) that it is more profitable to employ a man than a woman, (sic) although the work performed by each is identical", (44) pay differences between the sexes seem inevitable to Edgeworth. Where productivities are equal, he sees two reasons for their persistence. First, the "secondary differences" such as "marriage mortality" or "inability to "tune" the machines", are introduced by quoting (or misquoting) Rathbone or Fawcett, using feminist writers to emphasise what he describes as women's shortcomings in industry. He fails to present their analysis or prescriptions (e.g. equal access to training) to eliminate these "secondary differences". Instead, he focuses on the mechanisms of pro-rating downwards women's pay as a means of achieving equal pay according to his definition (i.e. ensuring "equality of utility for the employers"), worries about
the "risks" incurred by employers of women and their necessary compensation, and prescribes that the outcome should approximate that which perfect competition would achieve.

The "tertiary differences" are those arising where, for instance, male employees are sought for jobs predominantly held by women (school teaching of boys is the example provided), and can be attracted only by paying them at a rate that reflects the "market rate" in male jobs elsewhere. Edgeworth acknowledges that female teachers "might, indeed, be more diligent and (...) better teachers than men" (447). Yet they would receive a lower salary due to the overall inferiority of female wages compared to male wages in the market. Edgeworth asserts that this does not violate his definition of equal pay for equal work since male teachers would be induced to take up this line of employment, i.e., their freedom to choose this line of employment would be enhanced.

It is useful at this point to remark that in his discussion so far, Edgeworth has taken great care to ensure that the employers' side as well as the male workers' side of his definition of equal pay are enforced. We still have to find out from him how women get their utility or freedom to choose heightened.
In the remainder of the article, Edgeworth drops his earlier "abstraction" from the "circumstances of family life." As he does this, his analytical framework shifts abruptly from one based on marginal productivity wages to one based on subsistence wages.

He quotes a number of male writers (Rowntree, Taussig, Mill) to establish, from their "authoritative expression of belief" (448) the normality of the male breadwinner role. To paraphrase him, it is "normal for men to marry" and have families; therefore their wages must "normally" be sufficient to support a family. His statements would, of course, be stronger if backed by specific statistics on the actual nature and extent of family support by men but he provides none.

The "wiser and more moderate advocates of equal pay for women" are also quoted to document this normality. However, a more radical feminist (whom he does not name) who advocates female economic independence from husband support is dismissed.10 (449) Equally dismissed are the

10. It is curious to see here that Edgeworth, renowned for his fastidiousness, clarity and encyclopedic quoting of sources manages, in two pages (448-9) to give two different titles for the same book by Miss B.L. Hutchins (Conflicting Ideals or Conflict of Ideals), to neglect naming the 'radical' feminist he quotes, and to give an erroneous title for her book: "A Sane (sic)
data provided by the Fabian survey of women workers' responsibility for dependents (which was quoted by both Fawcett and Rathbone). A "more elaborate" study by Rowntree (whose sole purpose seemed to be the countering of the Fabian Study)\(^1\) is given more weight as it

Feminism" while at the same time subtly discrediting her. Presumably he is there quoting Wilma Meikle's *Towards a Sane Feminism*, 1916.

\(^1\) Seebohm Rowntree and Frank D. Stuart, *The Responsibility of Women Workers for Dependents*, 1921, London, Clarendon Press. The methodology and definitions used by Rowntree vary significantly from those of the Fabian survey. Rowntree does not investigate the degree of self-sufficiency of working women, yet his sample shows that 87% were single. He limited his sample to women over the age of 16 while the Fabian study went down to 16. More importantly, whereas in the Fabian survey, women themselves declared whether they were self-supporting or supporting others, in Rowntree's survey the question was determined by the investigators who had "to decide to what extent the woman worker was really responsible for dependents". (14) The judgment was based on a preconceived idea of the amount of wage necessary to support an adult or a child (a subsistence requirement), no matter what the reality of the situation was. Hence, by this logic, a woman supporting a child on a wage insufficient for herself alone would not be deemed to have a dependent. Rowntree also excluded from the definition of dependent individuals performing, e.g., housekeeping tasks in exchange for financial support. By this definition wives should never be considered dependents.

Edgeworth forgets to mention another survey, "Dependants on Women Wage-Earners", by Margaret H. Hogg, *Economica*, January 1921, 69-86 which shows, on a sample basis, for 5 cities, that 28% of the working women have partial responsibility and a further 5% full responsibility for dependents. No data is provided on mere self-support. These proportions are much higher than those resulting from Rowntree's survey, yet this study is ignored. One may wonder if it is because it would contradict both Rowntree's findings (which are criticised by Hogg) and Edgeworth's argument and because Hogg's methodology cannot be easily dismissed.

We must note too that the focus of discussion on
concluded that "only 12.06% of women have either partially or wholly to support others besides themselves". (449)

Women's responsibility for dependents should not, at any rate, be taken too seriously:

"The figure would not be serious even if it proved on further inquiry to be somewhat greater. For the figure has not the same significance as that which relates to the dependents of the male wage-earners. The sustenance of the old and infirm cannot be compared, as regards at least economic importance, with the support of the young, the cost of which normally falls on the male breadwinner. The world got on tolerably before the institution of Old Age Pensions; but it could not have got on at all without the support of young children by their fathers." (449).

We can thus see that, for Edgeworth, not only are men more productive than women, but their dependents are more valuable to society than those of women. It is not surprising then to see him argue in favour of higher pay on the second ground. "If the bulk of working men support families, and the bulk of working women do not, it seems not unreasonable that the men should have some advantage in the labour market." Given these circumstances, "Equal pay for equal work (...) no longer appears quite equitable." (449)

dependents is one-sided. None of the studies quoted try to determine the exact extent of male support of dependents. The first author to approach this question is Eleanor Rathbone in her 1924 The Disinherited Family where she documents the numbers of "phantom children" that bachelor men are presumed to maintain out of their "family wage". In that book she also scrutinises the findings and methodologies of the above surveys.
By then, it becomes apparent that Edgeworth has
forgotten the marginalist principles and switched entirely
to a rationale for the wage determination for each sex
based on their assumed living requirement needs, and on
their perceived familial responsibilities. His statement
can be interpreted to mean that it would not be equitable
to pay women according to the value of their contribution
to production. Similarly, referring ourselves to
Edgeworth's initial redefinition of "equal pay for equal
work", it would not be equitable for employers to pay
equal wages for equal utility received from male and
female workers, given their presumed differing
responsibilities for dependants.

Having completely rejected the feminist demand for
equal pay he sees fit to chastise its proponents, for not
representing men's interests: "It can hardly be expected
that the representatives of female interests should look
at the question from the masculine point of view." (449)
Obviously, he himself has very fairly represented women's
point of view! Rathbone is however, one of the two
feminists (the other one being Elizabeth Hutchins) who
exceptionally meet his approval, having clearly stated
that family support should take precedence over equal pay
among feminist priorities.
Nonetheless, he does not at this point endorse her proposal of an "endowment for motherhood", yet it "has the merit of being logical". He reviews the pros and cons of the scheme and finds the "evils" in excess of the "good" at least on a purely economic basis. Two advantages are presented: they would provide more adequate support of children and remove the "excuse for the under-payment of women." (450) Whereas he sees this as a move toward the conditions of perfect competition he advocates, he is not satisfied that the threat to male employment and male wages caused by "the transitory and episodical character of female labour" (453) would be sufficiently removed to avoid the threat of industrial débâcle mentioned earlier.

The disadvantages he lists are numerous, involving mostly the logistics of the scheme (bureaucracy, tax system) and its impact on the national dividend, the "seriously deleterious" effect that "relieving the average house-father from the necessity of providing necessaries for his family (...) would remove a great part of his incentive to work"12 (453), and implications for the size

12. Here, Edgeworth identifies one of the purposes served in a capitalist labour market by the norm of family economic dependence on the father's income: without it, male workers would lose a major "incentive to work", capitalists would lose a relatively stable and docile supply of labour. It is revealing that in his 1923 article, Edgeworth expresses doubts on the maintenance of
and nature of population growth sufficient to send a Malthusian eugenist into a frenzy.

Edgeworth ends his article with a series of alternative proposals to Rathbone's family allowances. He advocates greater contributions by all family members to the family's income needs which would reduce the need for higher average family wages going to male workers. Children can earn their upkeep, wives can contribute, possibly by part-time work or by taking in homework, spinsters should accumulate a dowry to help set up their future families, etc. Note that all this contradicts his earlier opposition to Rathbone's proposal for removing fathers' incentive to work. Endowments are advocated only for widows or as a redistributive scheme within a particular firm or industry.

Edgeworth expects increased access to employment by women, increased female efficiency and increased competition as a result -- conditions to his equal pay definition. He does not address the question of whether his proposal is likely to generate a degree of competition this incentive to work when/if support of children is ensured through a family allowances scheme: "It is a fearfully rash assumption that, because each man now generally works hard for the sake of his own wife and children, all men will work equally hard for all wives and children." (1923, 494)
among all these new workers in the labour market such that it could lead to the much feared industrial "debacle". On the face of it, it is as likely to happen here as with Rathbone's proposal.

It is at any rate not clear how women's increased entry into the labour market on a part-time or homework basis will lead to equal pay (as generally defined by the feminists). His proposals seem overall to favour employers/capitalists as they would gain access to a larger labour supply with overall lower wages: neither women, children nor spinsters could claim wages covering their own subsistence while men's wages could be depressed by the presumption that they no longer have families to support. As long as workers have freedom to move in the labour market and employers receive good utility for the wages they pay, Edgeworth's equal pay conditions would be satisfied.

In his 1923 article, Edgeworth goes beyond the question of "what relation between the wages of men and women is most conducive to production of wealth in the narrower sense of the term" to consider the issues of economic welfare involved. In the article,

13 Surprisingly, since the point is a contentious one, Edgeworth asserts "the postulate that the satisfactions felt by different persons admit of
assumptions about the existing state of welfare are not always set out clearly; neither are the author's own (patriarchal and capitalist) biases, as he addresses the welfare implications of increasing women's pay, opening occupations to them, and instituting a system of family allowances.

An existing state of perfect competition, and its corollary of maximum economic welfare are presumed: "the economic equilibrium which is determined by competition may be considered as realising the maximum of advantage (attainable in the existing state of things)". (490)

Furthermore,

"by the theory of maxima, a slight modification of the arrangements which secure maximum advantage will be attended with only a very slight diminution of the total advantage. There would not be an appreciable loss in globo, but a transference conducive to economic welfare." (490)

This should lead to a straightforward argument in favour of the increase in women's wages (assuming that their comparison". This allows him to envision "the aggregate economic welfare of a community as the sum of satisfactions enjoyed by the individual members" (487) and to speculate on the comparative gains or losses in welfare to separate individuals (eg men vs. women) brought about by specific policy measures.

14. This statement assumes a specific, flat, configuration of the maximum. That economic welfare maxima may have a "dimpling-shape" was speculated upon by Edgeworth in the 1922 article. (438-9)
present level results from a perfectly competitive market situation in the first place), or to the restoration of a competitive situation if it were ascertained that women's wages are the result of a non-competitive situation. This argument should be reinforced by Edgeworth's observation that "the gain to the women workers would not always involve an equal loss to the men [...] and so would result in an increase of the wealth to be distributed."  

(490)

As the community's economic welfare does not just depend on "the amount of wealth added or subtracted", but also on its distribution among individuals, (487) the outcome of an increase in women's labour income (and of an equal pay policy) could lead to a higher welfare maximum, especially if the utility received by women from increased income at the margin exceeds any consequent decrease in men's utility.  

A clear discussion of this question by Edgeworth would have been helpful, but whereas he engages

15. Edgeworth does not specifically address here whether the increase in women's wages (towards an equal pay goal, or with equal pay itself) would lead to a decrease in men's wages. His discussion focusses more on non-pecuniary changes resulting from the entry of women into industry and accommodation of their needs (facilities, labour saving appliances). Edgeworth here ignores the arguments of the feminists (B. Webb, Smart) that equal pay per se would increase total economic welfare.

16. That there might be a reduction in men's wages and utility as a consequence of increasing women's pay is asserted, not demonstrated.
in a discussion of the merits of marginal tax changes on
the basis of the relative utility of money of members of
different classes, he nowhere elaborates a hypothesis on
the relative utility of money of the two sexes. We can
only speculate on his thoughts on the matter.

In a footnote, Edgeworth elaborates a mathematical
argument which leads him to conclude that if women
(because they are weaker) suffer more disutility from
work, the condition to the minimisation of total
disutility (of men and women) is that women perform less
work than men. But, he adds, "it does not follow that
[the man's portion of goods produced] should be greater
than [the woman's]." (439n.) This is immediately
qualified by his assumption that men suffer no deduction
from their income "for the support of families (or other
public purposes)." This assumption being irrelevant to
the determination of optimal conditions of employment of
men and women, he should have used his demonstration to
make a case for equal pay for equal work at the margin
(i.e. on a time-wage basis).

His argument, like his conclusion, is incomplete. He
clearly assumes that women derive greater marginal
disutility from work than men do, but no assumption is
made on the relative utility they derive from consuming
the goods produced. Similarly, the actual distribution of goods produced between the two sexes is not considered as having an impact on the conditions of welfare maximisation. (489n.)

Edgeworth provides us here with another clear instance of a male economist making pronouncements about national economic welfare maximisation and the optimal distribution of work and income between the sexes while missing some crucial and obvious conclusions. Furthermore, his pronouncements are based on an argument which omits some crucial variables, among them the utility functions of half the nation's population. Nothing in the whole article indicates whether he believes women derive any utility from earning an income.

Furthermore, an assumption permeates Edgeworth's treatment of the question: women do not need an income while men do. This goes along with his further assumption that (all) men's income goes to the support of dependents while women's does not. Edgeworth totally disregards women's contributions to family subsistence needs which leads him to imply that any relative redistribution of

17. It is actually not clear what, in Edgeworth's mind, women use their income for since they are presumed not to derive utility from it and not to support dependents out of it. Do they just stash away their earnings, creating a net monetary leakage from the economy?
income from men to women would be detrimental to family support and to the economy as a whole.

He restates the case made in his 1922 article that equal pay for men and women would be unjust as "one of the parties is subject to unequal deductions from his pay", i.e., support of dependents is seen as a tax on men's income, and on their income only. This "injustice" is rightfully corrected by giving men an "advantage in the labour market".

In a manner much more explicit than in the previous article, Edgeworth disagrees with feminists, and among them, with Olive Schreiner whom he quotes. Paying women less for equal work, she says, "is the nearest approach to a willful and unqualified 'wrong' in the whole relations of women to Society to-day". The only 'wrong' he

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18. Quoted from Women and Labour, 1911, p. 24. Edgeworth does not mention the title of her book or give a whole reference for it. He further quotes: "That males of enlightenment and equity can for an hour tolerate the existence of this inequality has seemed to me always incomprehensible", but does not respond to Olive Schreiner's indignant statement, although he should have taken it personally.

Interestingly, he ignores other observations by Schreiner which may have given him a more balanced view of the relative burdens falling on men's and women's shoulders when it comes to family support. In the same passage, she denounces "the gigantic evils which arise from the fact that her labour, especially domestic labour, often the most wearisome and unending known to any section of the human race, is not adequately recognised and recompensed." (22)
acknowledges in the matter is the "infraction of laissez-
faire" inherent in the situation. "But", he adds, "it is
not "unqualified" in so far as it is calculated to correct
another sort of wrong", the "unequal deductions" from
men's pay.19 (493, emphasis added) Clearly, Edgeworth
compares the injustice present in the "infraction of
laissez-faire" to that present in the unequal 'taxation'
of men's income and decides that the latter deserves more
to be corrected, at the expense of the former. Nowhere
does he explain why he sees the correction of theses two
'injustices' as mutually exclusive.

We must realise at this point that the correction in
question is not that men get paid more than women for
doing the same work, but is "their advantage in the Labour
Market". (493) Edgeworth thereby supports the maintenance
of men's privileged treatment in the labour force. He is
oblivious to the implications that men are compensated
twice in his reasoning: with higher pay and with greater
opportunities for employment, training, etc.

In the 1923 article, as in the earlier (1922) one,
Edgeworth does not allow women improved access to

19. Apparently some invisible hand has computed the
extent to which laissez-faire should be restricted to
compensate the men while maintaining an overall welfare optimum.
occupations. The predicted débâcle would be detrimental to economic welfare:

"Moreover, those barriers against the entrance of women workers into certain occupations which are the main cause of different remuneration for the same effort appear to subserve the purpose of preventing the débâcle, ultimately ruinous alike to wealth and family life, which the hasty substitution of low-paid female operatives for well-paid men threatens to bring about." (493)

Thus, once again, a welfare maximising infraction to laissez-faire has been "calculated": the economy and the family must be protected against women. This is a more pressing imperative than the correction of the identified major cause of pay inequality.

Yet, elsewhere in the article, Edgeworth feels protective (and condescending) towards women. He deplores that "chivalry" is no longer part of social values and has been replaced by competition between the sexes. (492)

Following Walker's recommendations, he agrees that women could be allowed to enter more occupations and receive

20. Francis Walker, in The Wages Question, A Treatise on Wages and the Wages Class, 1906, London, MacMillan & Co., states that women's wages are "to a degree inadequate to the service rendered". (375) Walker did not endorse the demand for equal pay, believing that women's labour is worth less than men. He preferred, talking about industries where women and children were employed together: "that which is only a child's labour can be remunerated only by a child's wage". (373) The only thing that, in his eyes, prevents women's wages from reaching a more adequate level is a failure in the work of competition: women's labour suffers from immobility while "industries for which women are physiologically suited are highly localised". (375)
training for them. Yet, he is not convinced that they could do this on the basis of their own merit:

"On the ground of economic welfare it is now further demanded that women workers should at least have the benefit of any doubt that may arise with regard to the apportionment of industries between the sexes. If in effect [...] there comes in an element of chance in determinations about work and wages [...] let us weight the chances somewhat in favour of the weaker sex." (490, emphasis added)

He clearly does not propose that women have free access to all occupations and training, in competition with men. Instead, he suggests an expanded share for women in a segregated labour market, one that would not be decided by the women themselves, but by a patronising invisible hand "drawing lots".

This proposal would receive more support if children were provided for through a family allowance scheme:

"the case for unrestricted competition, without any provision for the endowment of families, is not so strong as it has been represented by advocates of equal pay. [...] The man who is hesitating between the older policy of exclusion and greater freedom of competition (safe-guarded by subsidies to families) is exalted to give, the benefit of the doubt to the course which makes for the higher remuneration and larger independence of the woman worker. To thwart her wishes and degrade her status would not be
consistent with economic chivalry." (493-4, emphasis added)

Chivalry is eminently consistent with the patriarchal outlook where women are not judged on their own capacities or merit, but allowed some privileges under strict control, lest they take advantage of them, where they are considered weak, unable to compete, and hence in need of protection, and where these very privileges and protection are misrepresented as proof of women's higher social status.

While Edgeworth is posturing as a supporter of expanded opportunities for women in the labour market, he is effectively questioning their abilities. He enjoins his readers to give them "the benefit of the doubt", but what is to be doubted? Haven't women proven themselves in industry during the war? And haven't the feminists stated that women do not want more protection, but equal treatment and equal opportunities?

Edgeworth equally displays condescension, chivalry and bad faith on the question of family allowances. With

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21. Credit to Marshall is given for the concept of "economic chivalry", along with an admonition to retain plain old chivalry: "And certainly if chivalry in the general sense of knightly virtue has been shown by another great economist to be compatible with modern industry, why would not this be true also of chivalry in that special sense which was the crown and glory of the knightly character?" (491)
the switch from wealth to economic welfare considerations, he has to concede that the case for family allowances is strengthened, (494) yet his argument relies again on "the benefit of the doubt".

He also - surprisingly - states unequivocally that family allowances "should be paid in the hands of the mother". (494) But he warns that "while the arguments in favour of family endowment are strengthened, the objections to its injudicious use are nowise weakened". (494) He suggests that state control may be needed to avoid "the evil effects on the future of population" and suggests that allowances may be given out only in cases "of births sanctioned by the authorities". (494) Eugenic and Malthusian concerns, as well as the fear of lost productivity,22 motivate the suggestion. Hence, while mothers would receive the payment, women would not be allowed free choice in their reproductive decisions.

In the conclusion of the 1923 article, Edgeworth exhorts social reformers to gradualism and reasserts his belief in the optimality of existing economic structures.

"But the economist, remembering how often the appearance of easy remedies to human ills, in

22 "It is a fearfully rash assumption that, because each man now generally works hard for the sake of his own wife and children, all men will work equally hard for all wives and children collectively." (494)
his sphere at least, have proven deceptive, will not expect much from a stroke, gentle or violent, intended to revolutionise established institutions which have worked well for the production of wealth and economic welfare. The only reform of such institutions which the economist can approve are tentative and gradual." (495)

Presuming to speak for the economic profession as a whole, this statement negates the possible presence in its midst of more daring reformers, or revolutionaries, and reasserts the essential conservatism of Edgeworth's colleagues and their apologetic defense of the capitalist and patriarchal status quo.

Edgeworth was probably prompted to write his two articles on the question of "equal pay for equal work" by the demands made by his feminist contemporaries, demands which he appeared to liberally support by giving some of the feminists space in the pages of the Economic Journal. It appears that his contemporaries also believed in his support for feminist ideas. Yet, reviewing his position, one must question his biographer's assertion that "no one has described more fully and faithfully than he the economic position of women and he favoured all their causes." (Bonar, 652) It is clear that he was more concerned by the defense of the privileges of men (as breadwinners) and of capitalist (hiding behind the perfect competition concept) than by the interests of women.
Indeed at no time does he represent their position or take up their point of view while he busily detracts or misrepresents feminists.

Edgeworth curiously ignores the feminists' definition of equal pay for equal work, one that takes the point of view of women and that would eminently make sense to an economist taking the perspective of maximising women's utility and incorporating it in overall welfare maximisation. Edgeworth's look at women's utility functions is narrowly restricted to their presumed disutility from work and is flawed by the assumption that it is greater than men's disutility from work.

Furthermore, given that a laissez-faire approach is not helpful to his objectives in the discussion, Edgeworth sees the necessity of shifting the argument to a "higher plane" of economic welfare where the infraction to the economic optimum of laissez-faire is secondary to a perceived need for justice for male workers whose incomes are "taxed" by dependent support.

All this is compounded by the unstated assumption that the status quo itself is an economic welfare optimum. This status quo includes the existing division of labour between the sexes (including female responsibility for
family care, reproductive and domestic labour), the existing distribution of income between the sexes and system of labour income determination, the patriarchal family as the basic socio-economic institution for the purposes of consumption, reproduction of labour and income earning, the breadwinner role for men and the definition of men's wages as a 'family wage' along with the presumption that men are solely responsible for dependents.

These assumptions inscribe themselves in a familialist ideology whereby the heterosexual patriarchal and nuclear family is the social norm, all men are defined as supporters of dependents, bachelors do not exist, \(^{23}\) all women are mothers and spinsters have no rights. \(^{24}\) Whereas the actual optimality of this status quo is never established, Edgeworth clearly sees any interference with it as threatening a welfare optimum.

\(^{23}\) Ironically, Edgeworth was a bachelor, yet the economic situation of bachelors and their existence, which presents a problem for his argument, are not addressed in his two articles.

\(^{24}\) In the 1923 article, Edgeworth expresses the concern that changes in labour income determination should not "alter the balance between the wages of spinsters and that of married men to the detriment of families". (493) On familialism, see Michèle Barrett and Mary McIntosh, \textit{The Anti-Social Family}, 1982, London, Verso.
While some elements of women's utility functions are invisible to Edgeworth, some women, viz. those who are not mothers, are themselves invisible to him. Edgeworth also consistently ignores studies that show that a significant proportion of women are either self-supporting or have partial or full responsibility for dependents. He chooses to neglect the part played by women in contributing to family incomes. Assuming that their income does not contribute to family welfare, he decries any relative redistribution of income from men to women as a severe threat to family well-being.

This warning parallels his hysterical fear of the débâcle. His initial concern that women should have greater mobility in the labour market, as a move towards equal pay as he defines it, is subsequently dropped and reduced to a very tentative recommendation to provide limited and controlled entry of women into some occupations. Free entry of women into occupations is, for the otherwise laissez-faire economist, too great a threat to the stability of the market, and to "family life". It is clear that Edgeworth sees women as a threat to society if they are allowed to stray from their patriarchally assigned role and place.
Overall, Edgeworth's treatment of the question of equal pay is based on and reinforces what Beatrice Webb has called "the Vested Interest of the Male". His rationale that men have to be compensated for their support of dependents makes him reassert men's rights to employment free from female competition and their right to a family wage. Consequently, in a baffling ideological twist, he implies that the feminist demand for equal pay is inequitable.

This implication is facilitated by his misrepresentation of the feminist position and his unwillingness to see the question from the point of view of women. Edgeworth's bias against feminist ideas leads to his denigration of feminist proposals and to an unscholarly and dishonest presentation of their views. Some of the proponents of equal pay are never mentioned in the two articles. Neither William Smart's nor Edward Cadbury's positions are referred to, yet they provided sensible economic arguments and factual data in support of equal pay which could hardly be ignored. Edgeworth's

25. The Cadbury study is mentioned only as a way to criticise the lack of good saving habits of "working girls". (1922, 456) It is also apparent that male economists who support equal pay are quoted by Edgeworth, when they are, not directly but through the writings of feminist writers, as if the implication was that the feminists are misusing them. (see quoting of Cannan, 1922, 442)
amnesia is an expedient way to avoid confronting their ideas. After all, male social scientist could not be misrepresented or derided as easily as feminist women.

In his 1922 article, Edgeworth uses Beatrice Webb’s socialism against her proposals: "The Socialist who aims at a closer approximation of pay to efforts and needs does not acquiesce in the present arrangements. [...] But these considerations lie outside pure economics, and must be postponed to our sequel." (447-8) Yet, her Minority Report is not discussed in the 1923 article.

In addition, Edgeworth elects to focus only on some elements of the feminist analysis of women's economic position. In particular, he completely ignores the demand for economic recognition of women's unpaid work in the home which forms part of the argument for family allowances. He sees family endowment schemes solely as a form of support for children.

Yet, the feminist analysis of women's unpaid economic contribution (which is developed, among the feminists he quotes, by Eleanor Rathbone, Olive Schreiner and Ellen Key) should have alerted the welfare economist to contributions to economic welfare by women which should be
taken into account in any discussion of overall welfare optima.

The only reference made to this particular feminist analysis is dismissive. At the end of the 1923 article, he quotes Ellen Key, whom he describes as "the Swedish sentimentalist", who advocated "economic appreciation of [women's] domestic work", "subsidy from the community for the bringing up of children", and society's maintenance of women similar to maintenance of "its army and navy". He comments: "Naturally conditions of wealth and economic welfare are not considered by reformers intent upon some object of a higher or at least a different order." (495) But these conditions definitely enter into consideration in the feminist writings. Edgeworth, afflicted with sexist myopia, just does not see it as such and typically dismisses the feminist proposal as one that is outside the realm of economics.

Hence, Edgeworth constructs an argument against equal pay entirely based on the need to compensate men for the deductions to their income resulting from their support of dependents. This one-sided approach to national economic welfare is even more apparent when one takes into account that women support dependents (and men), not only out of their meagre earnings, but also through the
performance of unpaid domestic and reproductive work. They receive no economic compensation for it and are further penalised in a labour market where their wages are not calculated on the basis of their contribution to production or on the basis of their own utility, (or of their own and their dependents' subsistence needs), and where their opportunities for employment are severely limited, compounding the inappropriate remuneration of their work.

In conclusion, it is imperative to question Edgeworth's reputation both as a welfare economist and as a supporter of "all [women's] causes". His approach to economic welfare in these two articles is nothing but a pure apology for the patriarchal status quo, and it is clear that he did not here "fully and faithfully [describe] the economic position of women".
The above three chapters trace the discussion of equal pay for equal work in economic writings by economists and by feminists over the time period 1890 to 1923. This time period saw the development and maturing of modern capitalist organisations, and, in particular, initial attempts to structure sex roles in society in a fashion that would serve the requirements of capital for labour power and for its effective reproduction.

The writings reviewed here reflect the tensions in society created by this evolution of capitalism: fledgling attempts by economists to participate in the rationalisation of women's place in capitalist society, feminist activism to challenge the inherited Victorian values and generate reforms towards the equality and recognition of women's participation in the economy, socialist and trade unions efforts to alter the course of capitalist development.

The positions reviewed thus represent various approaches and tendencies: from plain neo-classical, laissez faire economists (Cannan, Edgeworth) to the reform-minded or less dogmatically entrenched William Smart, from the mildly feminist Fabian socialist Sidney
Webb to the more resolute supporters of women's rights: Cadbury, Matheson and Shann, and with Beatrice Webb, Millicent Fawcett, Ada Heather-Bigg and Eleanor Rathbone representing diverse tendencies of feminism. The socialist approach is most strongly presented by Beatrice Webb, and to some extent by Cadbury, Matheson and Shann.

Retrospectively, we can deplore the failure of the feminists and their supporters to come to a common position and capitalise on the sympathetic public opinion of post-WWI Britain. The divisions within the women's movement on priorities left the stage open for a reassertion and strengthening of capitalist and patriarchal interests. The extent of reforms to the wage system implemented in the post-war era was limited and presented no challenge to the status quo of gender and class power imbalances. The ideology - if not the fact - of the norm of a family wage for male breadwinners and its correlative and consequence of economic dependence for women as wives and mothers were reinforced.

In the literature reviewed, the focus on the question of equal pay brought out the wider issues of women's economic role in capitalist society: women's access to employment and the conditions they face in the labour market; the family as commonly accepted locus of women's
existence; women's contribution - monetary and non-monetary - to its livelihood; the global reliance of the capitalist system on women's labour, paid and unpaid; and the connection between the hierarchical systems of class and sex in a patriarchal capitalist society.

The discussion shows, on the one hand, the beginnings of feminist theorising on the economic position of women in the labour force, and, on the other hand the characteristic tendency of mainstream/malestream economists to use their expert authority towards apologetic goals, which, in this particular case, serve a patriarchal order to a greater extent than a capitalist order. This tendency was not however shared by all the economists who wrote on the subject, in particular, Smart and Cadbury seem more committed to unbiased theorising than the rest of their male colleagues. The consequence of their earnest questioning of the dominant ideology was their erasure from the history of economic thought, their obliteration from patriarchal memory.¹

The major issue at stake in the debate was the remuneration of women's contribution to the economy, and more particularly of their contribution in the form of paid employment. The core of the question is whether

¹. Including the shorter term memories of Edgeworth and Pigou.
their wages represent an appropriate remuneration, i.e., whether the wage level represents women's contribution to production for some writers, and whether it constitutes a sufficient subsistence income for others. The two concepts of subsistence and productivity wages are present in the approaches of all writers.

Although strongly suggested in the early stages of the debate (Sidney Webb), the proposition that women's low wages reflect their low productivity does not appear to stand on its own in the opinions of the writers reviewed. That proposition is most of the time qualified by observations on the labour market conditions faced by working women: crowding, limited entry, limited access to skills, education and training. Consequently, none of the writers conclude that women's pay should remain what it is because it reflects their actual productivity. The focus of discussion is instead shifted to the merit of measures to alter labour market conditions to allow working women access to a full expression of their productive potential and to allow wages to freely reflect actual productivity.

Of all the writers, Edgeworth is the only one who does not clearly advocate either the equating of women's wages to the value of their marginal product, or the
alteration of market conditions to allow approximation of this perfectly competitive outcome (he endorses such alterations only if they are gradual). By asserting that women should get paid less than men because they don't have families to support, he is equivocal on the exact relationship that should exist between women's (and men's) wages and marginal productivity. At any rate, the whole debate (including Beatrice Webb's contribution) inscribes itself within an approach centered on the assumption that a free market (or, failing that, a set of conditions which approximate the free market) yields optimum levels of production and remuneration of factors.

Very characteristic of this approach is the overall lack of questioning (except by Eleanor Rathbone) of the basis of men's wages. They are assumed to reflect male productivity levels and to be the outcome of the free interaction of demand and supply for men's labour. This assumption reaches the height of absurdity with the rationale that the higher trade union bargained rates for male workers reflect their actual productivity levels (Smart). Men's wages, whether "family wages" or trade union "standard rates", are taken as the norm in the labour market and are, consequently and without second thoughts, equated with the orthodox theoretical concept of marginal productivity wages, which neo-classical theory
declares as the normal and optimal labour market outcome. Whereas some of the debaters may be plainly naive or unsophisticated in making such assumptions, this cannot be the case for Edgeworth who clearly muddies the issues not to have to confront the basic inconsistency and 'ad hocery' of this curious mixture of patriarchal and capitalist apologetics.

In contrast, Rathbone clearly questions the neo-classical dogma by stating that men's wages have more to do with the belief that they have families to support than with their actual productivity level. She subscribes to a subsistence needs approach to wage determination. Smart goes half-way by theorising that women's wages are subsistence based, which he denounces as an antiquated survival of early capitalist times, while men's are productivity based.

Some authors (Sidney Webb, Edgeworth) rationalise women's wage levels on the basis of their presumed low subsistence needs and lack of family responsibilities. The latter issue is itself the object of heated discussion and contradictory empirical measures. Meanwhile the feminists (Fawcett, Heather-Bigg, Cadbury, Beatrice Webb)

2. Amazingly, capitalist history is supposed to evolve as paradigms change.
denounce the perception of women's low subsistence needs as one of the causes for their low pay, and argue that this perception should be erased from public opinion. Beatrice Webb and William Smart go further, they challenge the ideology that women's subsistence needs are lower than men's. The overall debate reveals the centrality of the question of women's subsistence needs and of their relation to women's wage level. The issue presents a strong challenge to the validity and universality of the neo-classical theory of wage (and price) determination.

Besides the fundamental issues of productivity levels and subsistence requirements as determinants of women's wages, a number of other elements are identified by the various authors as intervening in the determination of women's wages. Subsequent to Sidney Webb's initial observation and Millicent Fawcett's ensuing elaboration of a theory of non-competing groups, all writers agree that a major obstacle for women is their lack of employment options, their restricted access to trades and to training, and the resulting crowding conditions they face.

The "make-weight" argument (women's subsistence being ensured by male family members) is referred to by Sidney Webb and Edgeworth while its exploitation by "parasitic
industries" is denounced by Beatrice Webb. The explanation of "market wages elsewhere" setting women's wages regardless of their actual productivity in the job is employed by Sidney Webb and Millicent Fawcett, with the additional observation that the set rate is close to if not below what a single woman would require for subsistence. Smart denounces this situation while using the concept of "customary wage" which may be another description of these "market wages elsewhere" but seems to comprise an element of tradition. Beatrice Webb locates customary practice in the setting of separate men's and women's rates. At the same time, she observes that the free "haggling of the market" in women's jobs is a main reason for below subsistence wage rates. She joins Fawcett, Rathbone and Sidney Webb in assigning further causality to women's weak bargaining power due to their restricted mobility and lack of trade union organisation.

Some newer and more challenging - although at times embryonic - observations were contributed by the feminist writers. Millicent Fawcett and Beatrice Webb observe a situation of male monopoly over remunerative employment, enforced through collective bargaining, and involving the obvious collusion of employers. The issue of economic power, held by men and enforced through labour market conditions which discriminate against women, is identified
by Ada Heather-Bigg. The question of the comparative
social value of women's work is raised, albeit
tangentially, by Rathbone, and in a much clearer fashion
by Cannan.

The solutions proposed differ widely due to the
varied political beliefs and theoretical approaches of the
debaters. Both Cannan and Edgeworth warn their readers
against any intervention in the labour market. Cannan
sees equal pay as detrimental to women's future in the
labour market and Edgeworth paints the increased access to
occupations by women as a threat to the stability of
capitalism and to the fabric of society. The other
writers however agree that the door preventing women's
access to trades, professions and training should be burst
open. With the identification of crowding as one of the
main causes for women's low wages, entry into new
occupations is seen as the necessary complement of
approaches giving women equal remuneration or wages
reflecting their actual productivity levels.

The support for an equal pay for equal work policy
seems to come from the least interventionists of the
supporters of women's equality (Fawcett and Smart). What
they advocate is essentially the application of the same
rule of marginal productivity wage determination to women
and men without being clear on the enforcement mechanisms required. By contrast, Cadbury et al., Rathbone and Beatrice Webb propose major revisions to the existing income distribution (based on the more or less free market). The proposals made by Rathbone and Beatrice Webb required definite state intervention and involve an alternative form of dependent support (family allowances). To this, Webb adds unemployment insurance, minimum wages and minimum standards, and cost of living adjustments. Her proposals go the farthest in challenging the income distribution "chaos" engendered by the free market.

Ultimately, the debate revealed the double standard existing in the capitalist labour market with respect to the determination of men's and women's wages. Rathbone put her finger on the reason for this double standard: the wages are based on the perceived average subsistence requirements of male and female workers. This position is not fundamentally denied by Edgeworth who rationalises the pay difference with an appeal to a higher concept of justice than provided by the working of the free market. The double standard is founded on the underlying patriarchal structure of capitalist society. In it men are "breadwinners" in charge of a family and women are
wives and mothers with no claim to access to their own means of subsistence through employment.

Edgeworth's position illustrates how the dogmatism of neo-classical economists and their profound and blind acceptance of the patriarchal structure of society lead to a completely incoherent theoretical position. Typically, their stubborn clinging to the marginal productivity theory of factor payments as unchallengeable dogma forces them to engage in acrobatic sophistry to "explain" women's wage rates. When the acrobatics become too painful (or the position too untenable) all pretense of theoretical consistency is abandoned to be replaced by outright normative edicts. When all else fails, patriarchal power raises its ugly head to simply assert "men ought to be paid more". Hence the need to reassert male rights under the onslaught of feminist attacks reveals the internal weakness and ideological nature of the cornerstone of neoclassical theory. Amazingly, the theoretical and ideological inadequacies of marginalism are admitted by the theorists themselves.

Yet, if the neo-classical economists end up with no clothes, they still can maintain their views as dominant,

3. A perfect illustration of this is also provided by Pigou, see chapter 6.
speaking from the side of the powerful in a capitalist and patriarchal society.

The feminists were able to initiate a challenge of male economic power and to question the differential impact the capitalist system has on women. The central questions are: Why, in modern society, should men control women's access to market production and income? And why should women's economic contributions be undervalued or altogether denied and made invisible? The main/malestream economists who participated in the debate do not directly address these fundamental questions, taking refuge behind vague pronouncements on the need to protect the economy and society against the disorders that economically free women would generate. These questions are more clearly addressed by two leading neo-classical economists: Alfred Marshall and A.C. Pigou.
PART II

WOMEN

IN THE ECONOMICS

OF MARSHALL AND PIGOU
Marshall and Pigou, like Edgeworth, did not involve themselves in political activism. They kept a lofty distance from the controversies initiated by the feminists, bridging this distance only occasionally to issue their learned opinion. Yet, their work contains pronouncements on the issues raised in the debate just reviewed. Furthermore, although at no point the place of women in society and their economic activities are given the specific focus of, say a full chapter or section in their work, one can find, in filigree, a consistent construct of opinions and prescriptions on these subjects. It is thus possible to analyse these economists' approaches to the place of women in a capitalist economy.

Marshall was one of the founders of neo-classical economics as well as an initiator of welfare economics, which was subsequently developed by Pigou. A study of their work is crucial to an understanding of the treatment of women in the hegemonic theoretical framework of contemporary neo-classical economics.

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1. One exception is Marshall's activism in the Cambridge "battle of the degree", on the "anti" side.
The following chapters will thus review Marshall and Pigou's approaches to the sexual division of labour, to women's economic contribution and remuneration. Their application of the principles of economic efficiency and welfare maximisation to women will be scrutinised. The configuration of their ideological approaches to an incipient human capital theory and to a state welfare system will be ascertained.
GENDER AND CLASS IN MARSHALL'S
PRINCIPLES OF ECONOMICS

Marshall held that economics was a positive and not a
normative science and emphasised the scientificity
imported to the discipline's approach and object by the
measurability of the phenomena observed, this
measurability being afforded (and limited) by the use of
money in economic transactions and decision-making.

1. This chapter was published in Cambridge Journal
of Economics 1984, 8, 217-234.

2. "Scientific inquiries are to be arranged with
reference not to the practical aim which they subserve,
but to the nature of the subjects with which they are
concerned" (Marshall, Principles of Economics, Macmillan,
1930, 8th ed. rep., p. 39. All references are to this edition).

3. "The raison d'être of economics as a separate
science is that it deals chiefly with that part of man's
action which is most under the control of measurable
motives; and which therefore lends itself better than any
other to systematic reasoning and analysis" (38-9).

4. "The methods and tests of science" are made
possible "as soon as the forces of a person's motives can
be approximately measured by the sum of money which he
will just give up in order to secure a desired
satisfaction; or again by the sum which is just required
to induce him to undergo a certain fatigue". (15).
Marshall's marginalist model rests on the assumption of individualistic rational economic behaviour, a behaviour directed at "the attainment and [...] the use of the material requisites of well being" (1) involving marginal calculations by the individual to reach a welfare optimum. In this model, income shares - and wages - are determined by the marginal product of the individual factors of production. Market mechanisms allow the maximisation of economic returns and the optimal state of economic welfare at the level of the nation and beyond.

Yet Marshall departs from that model in at least two instances. In particular, the unit to be considered for consumption, welfare decisions, income levels, etc... in many cases is not the individual, but the family. Interestingly, individualistic (selfish) economic motivations break down within the family unit, especially in the case of inter-generational transfers. (24) Elsewhere, Marshall breaks with the market-oriented laissez-faire tradition when he approves of state intervention (Factory Acts) and advocates further state involvement in the economy (education, family wage...).

As we shall see, these divergences from the model find a unity in the economist's treatment of the role of women in a capitalist economy.
Marshall's argument about women rests on his development of a 'human capital' theory in Book IV of his Principles. His intent there is to provide advice on how to improve the productivity of the working class. Education is a major element in his proposal. But, to enhance the environment in which male workers and their children live, and to generate greater health, "character and ability", working-class women are required to build a "true home". Marshall therefore opposes employment for married women and advocates a "family wage" paid to male workers to cover the subsistence requirement of a housebound wife and children. He consistently applies bourgeois Victorian values to the working class in a system where women are assigned to contributing their time to investments in the human capital of male workers without receiving a direct return for it.

Marshall's Human Capital Theory

Marshall states that, of the factors of production, labour has superior properties: it creates capital. As

5. "In a sense there are only two agents of production, nature and man. Capital and organisation are the results of the work of man aided by nature". (139)
such it deserves special study for so much of production and the welfare of society depends on it.

"The growth of mankind in number, in health and strength, in knowledge, ability, and in richness of character is the end of all our studies [...] We cannot avoid taking account of the direct agency of man in production, and of the conditions which govern his efficiency as a producer." (139)

The labour force of a country is clearly seen as its most important asset and as such requires proper investment to be maintained and augmented: "The most valuable capital is that invested in human beings". (564)

At the same time, this asset has to be shaped in a specific way, to meet the production requirements of an industrial society. The requisite qualities of the labour force are listed by Marshall:

"To be able to bear in mind many things at a time, to have everything ready when wanted, to act promptly and show resource when anything goes wrong, to accommodate oneself quickly to changes in detail of the work done, to be steady and trustworthy, to have always a reserve of force which will come out in emergency, these are the qualities which make a great industrial people. They are not peculiar to any occupations, but are wanted in all. (206-7)

In essence, for Marshall, the workers must show adaptable intelligence. 6

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6. It is interesting to note here that Marshall's argument about the education of workers leads him to speculate on a transformation of the class structure of society and the feasibility of 'worker self-management': "Ought we to rest content with the existing form of division of labour? Is it necessary that large numbers of people should be exclusively occupied with work that has
Marshall's approach to the study of labour, its characteristics and the determining factors of labour supply becomes more prescriptive than analytical, more normative than positive. The role of the economist, in his view, is to enlighten society as to how this asset (the labour force) must be maintained and improved through "human capital investment". Marshall's proposals include the following elements.

First of all, poverty must be eradicated to allow a better use of the labour potential of the poor.

"Prompt action is needed in regard to the large [...] 'Residuum' of persons who are physically, mentally or morally incapable of doing a good days' work with which to earn a good day's wage." (714)

"[...] there are vast numbers of people both in town and country who are brought up with insufficient food, clothing, and house-room; whose education is broken off early in order that they may go to work for wages; who henceforth are engaged during long hours in exhausting toil with imperfectly nourished bodies, and have therefore no chance to develop their higher mental faculties." (2)

Eradication of poverty requires the increase in incomes and wages of the poorer classes which will lower the death rate (529) and provide the poor with the subsistence no elevating character? Is it possible to educate gradually among the great mass of workers a new capacity for the higher kinds of work; and in particular for undertaking cooperatively the management of the business in which they are themselves employed?" (4) He does not, however, answer these questions.
levels required to improve their working ability: "[...] there is a certain consumption which is strictly necessary for each grade of work in this sense, that if any of it is curtailed the work cannot be done efficiently". (529) Marshall writes at length on the food requirements of various types of labourer (529-30) and on the other "necessaries": clothing, shorter hours and more healthy surroundings.

"Rest is essential for the growth of vigorous population [...] Overwork of every form lowers vitality; while anxiety, worrying, and excessive mental strain have a fatal influence in undermining the constitution, impairing fecundity and diminishing the vigour of the race." (197)
"At the beginning of this century the conditions of factory work were needlessly unhealthy and oppressive for all, and especially for young children." (198)

Marshall argues that such improvement will have cumulative effects on the workforce: "[...] an increase in wages unless earned under unwholesome conditions, almost always increases the strength, physical, mental, and even moral, of the coming generations." (532)

Marshall prescribes direct government intervention to achieve the above-stated goals. This includes the upholding of Factory Acts (198), the establishment of a "minimum wages [...] fixed by authority of government below which no man may work, and another below which no
woman may work", (715) and control by the state of childrearing in the Residuum class:

"The case of those, who are responsible for young children would call for greater expenditure of public funds, and a more strict subordination of personal freedom to public necessity. The most urgent among the first steps towards causing the Residuum to cease from the land, is to insist on regular school attendance in decent clothing, and with bodies clean and well fed. In case of failure the parents should be warned and advised: as a last resource the homes might be closed or regulated with some limitation of the freedom of the parents. The expense would be great, but there is no other so urgent need for bold expenditure. It would remove the great canker that infects the whole body of the nation." (714-5n., emphasis added)

The second set of measures proposed by Marshall to improve the country's supply of labour concerns the education of the working classes. Education is necessary to improve the supply of skilled labour: "the children of unskilled workers need similar means to be made capable of earning the wages of skilled work; and the children of skilled workers need similar means to be made capable of doing still more responsible work." (718) The main goal of education is clearly identified by Marshall as serving the needs of industry for a skilled labour force, to make the future workers "efficient producers". (720) To that effect,

"Education must be made more thorough. The schoolmaster must learn that his main duty is not to impart knowledge, for a few shillings will buy more printed knowledge than a man's
brain can hold. It is to educate character, faculties and activities." (717-8)

Providing education is "a national investment". (216) "To this end, public money must flow freely" (718) as it is "the most imperative duty of this generation [...] to provide for the young". (720) and as "the wisdom of expanding public and private funds on education is not to be measured by its direct fruits alone". (216) In effect, the benefits of working-class education will be cumulative over time as it will generate among more educated parents a greater willingness to educate their children and more resources to devote to that goal. (516-563, 718)

For, although benefits from education go in a great part to society at large and to private industry, the decision whether children should receive education, and what particular education rests with the parents.

"[...] the investment of capital in the rearing and early training of the workers of England is limited by the resources of parents on the various grades of society, by their power of forecasting the future, and by their willingness to sacrifice themselves for the sake of their children." (561)

While Marshall recognises that this "willingness to sacrifice" oneself for the sake of one's children does exist "now even among the poorer classes, so far as their means and the limits of their knowledge will allow", (563) he perceives that the propensity to provide education for
their offspring is stronger in "the higher grades" who
have more information on employment opportunities, who
"are generally willing and able to incur a considerable
expense for the purpose", and who are more able to
"distinctly realise the future", and "discount it at a low
rate of interest".  

Human capital investment by parents in their children
is obviously complicated by the generational transfers
involved. Unlike the case of physical capital where "he
who bears the expenses of production" receives all the
returns,

"Those who bear the expenses of rearing and
educating [the worker] receive but very little
of the price that is paid for his services in
later years [...] Consequently, the investment
of capital in him is limited by the means, the

7. "The professional classes especially, while
generally eager to save some capital for their children,
are even more on the alert for opportunities of investing
in them." (562)

8. "Most parents are willing enough to do for their
children what their own parents did for them; and perhaps
even to go a little beyond it if they find themselves
among neighbours who happen to have a rather high
standard. But to do more than this requires, in addition
to the moral qualities of unselfishness and a warmth of
affection that are perhaps not rare, a certain habit of
mind which is as yet not very common. It requires the
habit of distinctly realising the future, of regarding a
distant event as of nearly the same importance as if it
were close at hand (discounting the future at a low rate
of interest); this habit [...] is a product and cause] of
civilisation, and is seldom fully developed except among
the middle and upper classes of the more civilised
nations." (216-7)
forethought, and the unselfishness of his parents." (560-1)

Consequently, the proper habits and attitudes of parents must be generated within society. In a capitalist society, human capital investment depends entirely on the unselfishness of parents vis-à-vis their children, on their willingness to sacrifice themselves for their future, a behaviour quite contrary to the individual greed and selfishness that is assumed, in the marginalist model, to motivate rational economic decisions, yet entirely essential to the requirements of reproduction and growth of a capitalist society.

While Marshall takes for granted that the "willingness" to insure the "wellbeing of their children" is present among parents, "even among the poorest classes", (563) he makes it clear that this propensity should be increased through the education of the working classes, which, beyond providing greater incomes, some of which might be available for their children's education, will also generate the required "moral qualities" to instill proper behaviour. (561-3) What is to be obtained through education is a sense of social duty, of responsibility vis-à-vis the next generation's welfare:

"Education is a duty of parents." (216, emphasis added)
Women's duty to their family

This sense of duty is particularly required of women; mothers more than fathers are called upon to sacrifice themselves for the sake of their children. One thing women have to give up is employment: Marshall consistently maintains that women's employment is detrimental because "it tempts them to neglect their duty of building a true home, and investing their efforts in the personal capital of their children's character and abilities." (685)

In Marshall's opinion, a mother's care of her children is one of the most essential elements in the production of the human capital that is required by modern industry:

"If we compare [countries, regions, trades] we find that the degradation of the working classes varies almost uniformly with the amount of rough work done by women. The most valuable of all capital is that invested in human beings; and of that capital, the most precious part is the results of the care and influence of the mother, so long as she retains her tender and unselfish instincts, and has not been hardened by the strain and stress of unfeminine work." (564)

While Marshall exposes his sympathies for the 'cult of the Home' and the 'cult of true womanhood', he does not attempt to back up his assertions on the relation between "the degradation of the working classes" and the employment of women with any specific data. Neither does
he try to correlate other variables (e.g. wage levels, length of the working day, diet) to that 'degradation' to test whether it could be attributed to women's employment alone.

The same criticism applies to Marshall's argument that infant mortality is directly linked to women's employment: infant mortality is higher in towns "especially where there are many mothers who neglect their parental duties in order to earn money wages"; (198)
"[...] an increase in wages is almost certain to diminish the death rate, unless it has been obtained at the price of the neglect by mothers of their duties to their children." (529) Here again, Marshall is found to depart significantly from his positivist posture.9

Furthermore, work interferes with an efficient use of women's reproductive capacity: on the one hand, over-work impairs fecundity (197), on the other hand, "the birth of

9. Contrast the above statement with the following methodological remark: "It must [...] always be remembered that though observation or history may tell us that one event happened at the same time as another, or after it, they cannot tell us whether the first was the cause of the second [...] wider experience, more careful inquiry, may show that the causes to which the event is attributed could not have produced it unaided; perhaps even that they hindered the event, which was brought about in spite of them by other causes that have escaped notice." (774)
children who die early from the want of care and adequate means is a useless strain to the mother." (202)

Work, especially if "unfeminine" (no example provided), is seen by Marshall as destructive of these qualities (tenderness and unselfishness) required for the building of a "true home" and the nurturing of children.¹⁰ These feminine qualities are an essential ingredient of the human capital investment in children: "general ability", i.e. the faculties and general knowledge and intelligence that must be developed among workers, "depends largely on the surroundings of childhood and youth. In this the first, and far the most powerful influence is that of the mother."¹¹ (207)

One further requirement is the mother's full-time presence in the home. "Able workers and good citizens are not likely to come from homes from which the mother is

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¹⁰ Although there were no children in the Marshall household, Marshall himself benefitted from the nurturing and the building of a true home by his wife Mary Paley Marshall. According to Keynes, "During forty-seven years of married life his dependence upon her devotion was complete. Her life was given to him and to his work". (Pigou (ed.) 1956, 15) Elsewhere he says: "Neither in Alfred's lifetime or afterwards did she ever ask, or expect, anything for herself." (Keynes, 1944)

¹¹ Marshall notes here that great men had great mothers; "an earnest mother leads her child to feel deeply about great things; and a thoughtful mother does not repress, but encourages that childish curiosity which is the raw material of scientific habits of thought." (207n)
absent during a great part of the day." (721) In this respect, the son of the artisan enjoys an advantage over the son of the unskilled worker:

"He generally lives in a better and cleaner house [...] His parents are likely to be better educated [...] and, last but not least, his mother is likely to be able to give more of her time to the care of her family." (563-4)

While Marshall holds that women have a "tender and unselfish instinct" to give priority to the care of their children, he does not seem to trust this natural character of women to be sufficient to generate in them the qualities and behaviour that will benefit industrial society the most. This can be helped by some form of state intervention.

In the first place, education is needed to make women better mothers and housewives. Better educated parents are, generally, more likely to generate a more adequate environment for their children. (563) Women in particular require education, not for the purpose of improving their skills as workers, but for the purpose of contributing to the human capital investment in their children.12

12. This applies to both male and female children. The educational investment in the male child is to prepare him for industrial work, the investment in the female child to prepare her for the future duties of housewife and mother. Marshall did not agree that women should have the same educational opportunities as men. Edgeworth points out in his "Reminiscences" of Alfred Marshall that "concern for the practice of family duties was the ground
Marshall insists that the need to educate men cannot be separated from the need to educate women, as a part of the social design of improving the workforce as a whole:

"[...] in estimating the cost of production of efficient labour, we must take as our unit the family. At all events, we cannot treat the cost of production of efficient men as an isolated problem; it must be taken as part of the broader problem of the cost of production of efficient men together with the women who are fitted to make their home happy, and to bring up their children vigorous in body and mind, truthful and cleanly, gentle and brave." (564)

The education of women must be directed towards developing specific skills and knowledge. The mother and

of Marshall's opposition to the granting of degrees to women" in a submission Marshall made to the Cambridge Senate in 1896. (Pigou (ed.), 1956, 72)

The paradox in this is that Mary Paley Marshall was one of the first women to receive an education at Cambridge (Marshall taught her economics) and taught economics to women at Oxford and Cambridge (Newham College) after marrying Marshall. She also co-authored with him the book *Economics of Industry* which she had actually been commissioned to write. Marshall opposed the reprinting of the book. Keynes comments: "It was, in fact, an extremely good book; nothing more serviceable for its purpose was produced for many years, if ever. I know that my father always felt that there was something ungenerous in Marshall's distaste for this book, which was originally hers, but was allowed to go out of print without a murmur of complaint from her when there was still a strong demand for it." (Keynes, 1944, 274-5)

By 1896, Marshall had come "increasingly to the conclusion that there was nothing useful to be made of women's intellect". (Keynes, 276) Yet, all his life he benefitted from the partnership, advice and help (particularly for the proofreading and indexing of his writings) of his educated and intelligent companion, "without whose understanding and devotion his work would not have fulfilled its fruitfulness". (Keynes, 268)
housewife must know how best to take care of her family. To this end, she requires, besides a knowledge of, among other things, healthcare and nutrition, some notion of household economy to make the best of the tight working-class household budget:

"[...] a skilled housewife with ten shillings a week to spend on food will often do more for the health and strength of her family than an unskilled one with twenty. The great mortality of infants among the poor is largely due to the want of care and judgement in preparing their food; and those who do not entirely succumb to this want of motherly care often grow up with enfeebled constitutions." (195-6)

The value of the housewife's skills to society seems therefore to be great. On the one hand they allow the production of a stronger, healthier and better prepared workforce; they prevent the social waste of infant and child mortality. On the other hand they provide industry with a quality workforce at reduced expense: subsistence wages paid to male workers can be lowered without negative consequences for their productivity.

In spite of this, Marshall does not prescribe any system to recognise socially the value of the housewife's contribution to industrial society, to reward it, or to induce the development of such skills by women. While, for instance, male workers benefit from the human capital invested in them as they earn better wages, women get no returns from their education (and a fortiori from their
contribution to the "investment" of human capital in their children). The "virtue of those who have aided [the worker in acquiring better skills] must remain for the greater part its own reward". 13 (564) For Marshall, "virtue", or the accomplishment of motherly or housewifely "duties", is a sufficient reward for women's contribution to society. He holds that women's "neglect of their duties" is reprehensible but refuses to devise an economic explanation for this "neglect" or an economic solution (e.g. monetary incentive) to it.

**Women's employment**

The only kind of monetary incentive prescribed by Marshall to generate the appropriate social behaviour among women is negative (and punitive). Women can be induced to stay home, discouraged from seeking the employment opportunities that will lead them to "neglect

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13. This quotation actually refers to the "virtue" of employers who undertake to train their workers to new skills while knowing that they will not keep all the returns from their investment (other employers will benefit). Marshall does not even acknowledge the similar (and greater) "virtue" of women who are called upon to sacrifice their self-interest for the future of their children and expect no return whatsoever from their "investment".
their duties", if the wages offered to women workers on
the job market are kept low.\textsuperscript{14}

Marshall implicitly advocates low wages for women
when he calls for women's minimum wage to be set at a
different level from that of men (715) and when he
describes as "injurious" a rise in women's wages relative
to men's: such a rise is detrimental, not only to men's
employment and relative earning capacity but also to the
performance of household duties by women.\textsuperscript{15} (685)

Besides keeping women's wages low, another way to
discourage and restrict their access to the job market is
through the Factory Acts. The Acts fit with Marshall's
overall proposal on the improvement of the working
classes. The restriction of women's and children's
employment will give the latter a better chance to be
educated and enjoy improved physical health while it will
prevent the disastrous effect of over-work on women's

\textsuperscript{14}. But, according to the hypothesis of a backward-
bending supply curve for labour, low wages could in fact
induce women to spend even more time in the job market.

\textsuperscript{15}. Marshall, in the same argument, and for similar
reasons, opposes high relative wages for children: they
would deter school attendance and human capital
investment. However, children are eventually to benefit
from abstention from work, through higher future earnings.
Women's exclusion from the job market will not bring them
a similar future recompense.
fecundity and increase the amount of time women will
consecrate to their "family duties".

To appease the opponents of the Acts Marshall
reassures them that "the temporary material loss" they
might generate "should be submitted to for the sake of a
higher and ultimate greater gain". No doubt he is talking
about production (the National Dividend) rather than the
incomes of women and children.\footnote{16} Yet, his official

\footnote{16} These are precisely what Harriet Martineau (and
other feminists) had in mind when opposing the Acts. But
Marshall disregards this particular element. Although
Marshall never conducts specific calculations to prove the
gain in production that is supposed to result from keeping
women and children away from employment, he tries to
discredit the opponents of the Factory Acts, and in
particular Harriet Martineau who is considered a precursor
of sociologists and published numerous essays, treaties
and pamphlets (e.g. Martineau 1832, 1833, 1834, 1838, 1855
and 1858). Marshall proclaims that her position is
prompted by her ignorance of economics: "Miss Martineau
was not an economist in the proper sense of the word: she
confessed that she never read more than one chapter of an
economic book at a time before writing a story to
illustrate economic principles, for fear that pressure on
her mind should be too great; and before her death she
expressed a just doubt whether the principles of economics
(as understood by her) had any validity." (763n., emphasis
added) Curiously, Marshall's treatment of Martineau grew
harsher with time. In the earlier editions of the
Principles, he quotes Martineau's own words: "In order to
save my nerves from being overwhelmed by the thought of
what I had undertaken, I resolved not to look beyond the
department on which I was engaged." (Principles,
paraphrasing and interpretation of that quote from the
Fifth edition is an attempt to discredit her completely.
By that time it seems that Marshall's opinion of women's
intellectual ability had overcome the requirements of
honest scholarship. Curiously, he never formulated
similarly scathing commentaries on J.S. Mill's or N.
Senior's opposition to the Factory Acts.
justification for the Acts is chivalrous: "the coming
generation is interested in the rescue of men, and still
more in that of women, from excessive work". (694,
emphasised added) The Factory Acts

"are imposed not as a means of class domination;
but with the purpose of defending the weak, and
especially the children and the mothers of
children, in matters in which they are not able
to use the forces of competition in their own
defence." (751, emphasis added)

Marshall does not say what renders women so "weak" once
they become mothers; nor whether he feels that women are
better protected in the home (e.g. against a physically
abusive husband); nor whether they are more able "to use
the forces of competition in their own defence" in that
environment; nor whether they will certainly work shorter
hours and perform less strenuous tasks when engaging full-
time in household drudgery.

His concern for the weak does not lead him, for
instance, to advocate some form of state intervention to
ensure fair rates of pay (i.e. equal to men's) for
children and women. He is here simply appealing to the
Victorian ideology (which equates women with children) to
support his proposal that women should dedicate
themselves to their "household duties".

The level and determination of women's wages are not
specially investigated in the Principles. By contrast, in
The Economics of Industry, (jointly written with Mary Paley Marshall), a couple of pages are devoted to this question. In particular, the authors observe:

"In England, many women get low wages, not because the value of the work they do is low, but because both they and their employers have been in the habit of taking it for granted that the wages of women must be low. Sometimes even when men and women do the same work in the same factory, not only the Time-wages, but also the Task-wages of the women are lower than those of the men." (175-6)

The Marshalls do not comment on this departure from a marginal productivity determination of wages. They only speculate on some of the possible reasons for the differential treatment of women. In particular, they note that the employer's demand price for women's labour is influenced by his perception that "the woman is of less service in the long run" owing to her responsibility for her family, and this influences the "general opinion on the value of women's work. 17

With respect to the question of the minimum wage, Marshall actually proposed "to adjust the minimum wage to the family instead of to the individual". (Pr., 715) A

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17. The Economics of Industry was first published in 1879 whereas the first edition of the Principles was in 1890. In contrast with the later developed opinions of Marshall on women's education, this early work identifies the education of women as one element that will fit "women to do more difficult work [...] making them more ready to demand, and employers more ready to grant them higher wages for it". (176)
nationally-set minimum wage for each sex is too rigid a concept as regional variations in the demand for the labour of each sex will create variations in the sexes' wage levels, which will "naturally" compensate one another if the family and not the individual is taken as the income unit.

"The family is, in the main, a single unit as regards geographical migration; and therefore the wages of men are relatively high, and those of women and children low where heavy iron and other industries preponderate, while in some other districts less than half the money income of the family is earned by the father, and men's wages are relatively low. This natural adjustment is socially beneficial; and rigid national rules as to minimum wages for men and for women, which ignore or oppose it, are to be deprecated." (751n.)

This approach asserts that all women should be in families and that their earnings — if any — have the sole purpose of complementing men's earnings towards a subsistence level of income for the family unit. One can further deduce from Marshall's statement that women's wages need not be related to their own subsistence requirements or to their own productivity, but are only to be related to the prevailing male wage rate in the area considered.18

18. Pigou states this more explicitly than Marshall: "women are the less likely to work at industry the more money their husbands are earning". He thus makes men's wages one of the arguments in his mathematical formulation of women's labour supply. (1952, 565-6)
Marshall's theory of wages deserves notice here:

"[...] demand and supply exert co-ordinate influences on wages: neither has a claim to predominance [...] wages tend to equal the net product of labour; its marginal productivity rules the demand price for it; and, on the other side, wages tend to retain a close though indirect and intricate relation with the cost of rearing, training, and sustaining the energy of efficient labour. The various elements of the problem mutually determine (in the sense of governing) one another; [...] this secures that supply-price and demand-price tend to equality." (532)

That "intricate relation" referred to above is in fact a very close relation of the supply price of labour to subsistence wage levels:

"[...] the earnings that are got by efficient labour are not much above the lowest earnings that are needed to cover the expenses of rearing and training efficient workers, and of sustaining and bringing into activity their full energies." (531, emphasis added)

Wages cannot go below that subsistence level, except at a cost to society: "[...] there is a certain consumption which is strictly necessary for each grade of work in the sense, that if any of it is curtailed, the work cannot be done efficiently".19 (529) Yet, if wages

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19. See also p. 69: "[...] the income of any class in the ranks of industry is below its necessary level, when any increase in their income would in the course of time produce a more than proportionate increase in their efficiency. [...] any stinting of necessaries is wasteful."
go beyond subsistence, industrial society suffers too. Labour is used efficiently and economically if its cost does not exceed the exact wage required to maintain its optimum productivity. In this context, consumption by workers beyond subsistence levels is considered wasteful. Talking about non-subistence "conventional necessaries and customary comforts", Marshall states: "the greater they are, the less economical is man as an agent of production". (530) Another argument in favour of subsistence-level wages is that wages kept at this level will generate a more elastic supply of labour: "[...] the question of how closely the supply of labour responds to the demand for it, is [...] resolved into the question how great a part of the present consumption of the people at large consists of necessaries, strictly so called." (530)

Overall, even though Marshall states his full acceptance of the marginal productivity theory of wages, he cannot depart from a subsistence theory. He goes on at

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20. Marshall for instance states that "every worker will in general be able with the earnings of a hundred days' labour to buy the net product of a hundred days' labour of other workers in the same grade with himself". (539) One can note a possible oversight in M's argument on the demand price for labour: while it is clear that no rational employer would hire - or continue to hire - a worker if her/his contribution to production is less than her/his wage, nothing, except particular market circumstances or the bargaining strength of the worker, will actually force the employer to pay a wage exactly equivalent to the marginal product contributed by the worker.
length parsimoniously listing the food and the non-food requirements of a representative working class family in different categories of employment:

"[...] the necessaries for the efficiency of an ordinary agricultural or of an unskilled town labourer and his family, in England, in this generation [...] consist of a well-drained dwelling with several rooms, warm clothing, with some changes of underclothing, pure water, a plentiful supply of cereal food, with a moderate allowance of meat and milk, and a little tea, etc., some education and some recreation, and lastly, sufficient freedom for his wife from other work to enable her to perform properly her maternal and her household duties." 21 (69, emphasis added)

Clearly, Marshall is advocating a family wage here, one which arises out of and is consistent with the view that the most efficient organisation for a capitalist society involves the household - made up of a nuclear family composed of a sole (male) breadwinner, a non-employed wife, and children pursuing education until adolescence - as a basic economic and reproduction unit.

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21. In a footnote, Marshall goes further and evaluates the necessaries for different classes of households: "[...] the strict necessaries for an average agricultural family are covered by fifteen or eighteen shillings a week [...] For the unskilled labourer in the town, a few shillings must be added [...] For the family of the skilled workman living in town, we may take twenty-five or thirty shillings for strict necessaries [...] For a man whose brain has to undergo great and continuous strain, the strict necessaries are perhaps two hundred or two hundred and fifty pounds per year if he is a bachelor." (70n.) Unfortunately, Marshall does not list the commodities he considers to be "strict necessaries" for any but the lower classes.
The concept of "necessaries" in Marshall's argument requires clarification. Why should it be a "necessary" for the male worker that his wife be house-bound full-time? And for the woman herself? Does Marshall subscribe to Veblen's theory and suggest that workers should accede to the leisure-class status by being able to afford and enjoy the luxury of the conspicuous leisure of the female household members? Far from it. This "necessary" conveys a benefit to industrial society by ensuring full-time supervision of, and contribution to the human capital investment in, working-class children as well as a more efficient and economical use of the family income to reproduce the family members.

The "necessaries are socially determined. They comprise what is required - from the "efficient" point of view of the capitalist's interests - to reproduce the labour power of the worker and the working class as a whole. They benefit the worker and his wife and children only insofar as he remains capable of earning a wage and insofar as the household is kept alive, and - for children - insofar as they will be able to work in the future.

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22. Presumably, the "sufficient freedom for his wife from other work" enters into the worker's consumption and utility function, and is hence the object of a utility maximising decision on his part. Unfortunately, Marshall does not explore the point.
One may wonder why Marshall takes such trouble determining exactly what the working class family's consumption basket should hold. His concern raises the question of whether he believes that workers can act rationally and maximise their own welfare. Although he does not explicitly address that question, he seems to hold that workers would pursue their own enjoyment by, for instance, engaging in drinking and smoking, and will even "sacrifice some things which are necessary for efficiency" to indulge in the "consumption of alcohol and tobacco".

(70) Such indulgence in wasteful commodities, and in frivolous expenses when access to luxury goods is permitted by the worker's wage level, contradicts the interests of industrial society by rendering labour an uneconomical factor of production.

Consequently, workers have to be guided (i.e. forced) towards the appropriate (non-wasteful) level of consumption and mix of consumption goods. To achieve this objective, wages have to be kept at the subsistence level required for efficiency - a level carefully calculated to cover the necessaries listed. In Marshall's view, this will ensure "rational" spending by workers.

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23. As he recognises that workers may sacrifice some of the strict necessaries to obtain these commodities, Marshall will - for the sake of efficiency - make allowance for them in the consumption basket.
within the constraint of subsistence wages, rational from the perspective of the maximisation of the 'welfare' of industrial society.

Working-class women are given even less opportunity to make their own utility-maximising decisions. They are not even allowed to choose the type of economic activity they want to engage in and, should they - just in case - decide to become independent and seek employment, they would soon find that their wages could not assure their own subsistence. In short, women have access to the utility-maximising marginal calculus only insofar as they have to allocate the meagre family budget among the various "necessaries", 24

Housework and the national dividend

While Marshall recognises and commends the great skill deployed by the housewife in getting the most necessaries out of a thin budget, and while he maintains that women are more useful to a capitalist society as mothers and housewives than as wage workers, he evades

24. It is ironic that Marshall uses the particular example of a "primitive housewife" allocating yarn between different uses to illustrate the principle of utility maximisation at the margin for, as he admits, this "illustration belongs indeed properly to domestic production rather than to domestic consumption". (117)
both the issue of whether their household activities ought to be considered productive, and the question of the valuation of women's economic contribution - in the form of household, motherly, or family "duties" - to society.

"If we had to make a fresh start", states Marshall, "it would be best to regard all labour as productive except that which failed to promote the aim towards which it was directed and so produced no utility." (65)

However, he quickly abandons this concept and defines productive labour as labour which produces "means of production and durable sources of enjoyment", or labour "productive of necessaries", the latter being defined as "all things required to meet wants which must be satisfied for existence and efficiency".25 (67-8) But while he contends that a house-bound wife is part of the "necessaries" which the wage should afford the male worker, Marshall avoids - at this point - determining whether housework and mothering are to be classed as "labour" and whether these activities are to be considered "productive".

Marshall also defines labour as any activity which contributes to "income", and he notes that income can be defined in two ways. On the one hand, it can be

25. Is the labour-producing housewife productive?
understood in the wide sense, as real income, that includes "all the benefits which mankind derive at any time from their efforts in the present, and in the past, to turn nature's resources to their best account". (76) Under this definition, it is possible to recognise the social contribution of housework activities - a point which Marshall acknowledges when he observes that, should a housewife work, "the loss resulting from any consequent neglect by the wife from her household duties" must be deducted from the family income. (556) On the other hand, income can be defined in the narrow sense, including only "those incomings which are in the form of money". (71) By this definition, which Marshall (in deference to "common practice") adopts in his analysis of National Income Accounts, the contribution of housework (to which no "money forms" attach) cannot be recognised.

With respect to services performed for self (and presumably for one's household), Marshall observes that: "no services that [a person] performs for himself are commonly reckoned as adding to his nominal income. But, though it is best generally to neglect them when they are trivial, account should, for consistency be taken of them, when they are of a kind which people commonly pay for
having done for them."\(^{26}\) He does not address the
question of whether all housework should be considered
trivial (his example of a trivial service is the brushing
of one's hat (79n.)) or whether it should be considered
as a service commonly paid for. In fact, such service is
"commonly paid for" in the upper classes (where it is
performed by domestics) but not in the lower classes.
Perhaps this distinction is enough — for Marshall — to
keep household services unacknowledged in the lower
classes.

Be that as it may, the question of household
activities "productiveness" does seem to trouble him. On
the one hand, he does not hesitate to declare (in
opposition to Adam Smith) that domestic workers are
productive.\(^{27}\) *The work of domestic servants is always

\(^{26}\) Elsewhere, Marshall considers the situation
where "a landowner with an annual income of 10,000, hires
a secretary at a salary of 500, who hires a servant at
wages of 50." All of these incomes are to be included in
the Net National Income without encountering the problem
of double counting because they represent real services
performed. "But if the landlord makes an allowance of
500 to his son, that must not be counted as an
independent income; because no services are rendered for
it." (80) Unfortunately, Marshall does not consider the
situation of services rendered without monetary
compensation in the home (housework, childrearing, etc.)
or does he even consider the case where the landlord
gives an allowance to his wife. Here, would Marshall
argue that the wife, like the son, renders or performs no
"real services" for the landlord and, hence, her
allowance should not be counted as income?

\(^{27}\) Is it because they receive a wage?
classed as 'labour' in the technical sense [...] and can be assessed en bloc at the value of their remuneration in money and in kind" and, hence, it can be included in national income. At the same time, however, he notes that there is "[...] some inconsistency in omitting the heavy domestic work which is done by women and other members of the household, where no servants are kept". (79-80)

Curiously, the resolution of this inconsistency by accounting for the work of the housewife by means of, e.g., "remuneration in kind" estimates is not explored by him.

Rather than seeking to establish consistency between work performed and goods and services produced, Marshall seeks to establish it by using the mode of measurement of economic activity, i.e., accounting for only that which has a monetary counterpart.²⁸

"It is best here to follow the common practice, and not count as part of the national income or dividend anything that is not commonly counted as part of the income of the individual. Thus [...] the services which a person renders to himself, and those which he renders gratuitously to members of his family or friends, the benefits which he derives from using his own personal goods, or public property [...] are not reckoned as parts of the national dividend, but are left to be accounted for separately." (524, emphasis added)

²⁸ Other non-monetary incomes he includes in national income are, besides payments in kind to domestics, the services rendered by a house to its owner, and the production for use by farm households.
Unfortunately, Marshall does not indicate how all these services and benefits can "be accounted for separately" and his followers quickly ignored this recommendation.

Notice that, in the end, Marshall abandons all pretense of "scientific method" in arriving at his National Income accounting scheme. Instead, he is guided by the views of "the world at large" and by "popular convention" as enshrined, in particular, in "the practice of the [British] income tax commissioners" (77-78) when determining what should and what should not be included in the National Income. In this way, Marshall helps to institutionalise in marginalist literature, as well as in national and international standards of income accounting, the practice of excluding from consideration (at the level of theory as well as practice) an important share of total

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29. In so doing, Marshall forgets that the serviceability of the practice of the income tax commissioners in relation to the task of meeting the revenue needs of the British state in no way guarantees the appropriateness of that practice in relation to the theoretical needs of economic analysis. Indeed, had economic theorists consistently deferred to such "common conventions" in their analytical constructions, the discipline would - by its own standards of scientificity - be judged a mere collection of superstitious beliefs.
production, \(^{30}\) viz. that share which is carried out for no monetary compensation by women in the home.

Marshall's decision to follow the tax collectors and include in the national dividend at least part of the value of household production in the middle and upper classes - via the inclusion of domestics' income in money and kind - and not to include the value of that production when it is carried out in households that cannot afford paid servants also reveals a definite class bias. Thus, the value of services to bourgeois households is recognised as being valuable to society while the services of working-class women to the members of their households (and through them, to capital) are not given any definite monetary or social recognition.

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\(^{30}\) Recent surveys estimate that housework (often narrowly defined) yields a total product equivalent to 30-40% of total GNP depending on estimate methods. One can surmise that, in Marshall's time, housework probably yielded an even greater total product in relation to the GNP. Although a much greater proportion of housework was performed by domestics (and included in the GNP), capitalist production had made little headway (compared to today) into the traditional fields of household production. See Du travail et de l'amour, les dessous de la production domestique by Louise Vandelac, avec la participation de Diane Belisle, Anne Gauthier et Yolande Pinard, 1985, Editions St Martin, Montreal, Quebec, for an excellent analysis of the issue of domestic production in capitalist society, in national income accounts and in economic theory.
Bourgeois Victorian values and the working class

The class bias is also present in Marshall's suggestion that what is appropriate for middle-class and upper-class women (gentility, protection, and above all, houseboundedness) is also appropriate for working-class women. It is present as well in his belief that working-class children should be cared for in the same manner as middle-class and upper-class children (viz. with a great deal of individual attention), and that the standards of home-care that apply in middle-class and upper-class households (re cleanliness, houseroom, fresh air, hygiene, and so on), should apply in the working-class home, etc.

In advocating the working-class woman's 'return' to the household, Marshall does not seem to worry about whether it is economically feasible for the working-class family to live on the single salary of the male member of the household. Indeed, at no point does he address the question of whether the wage levels extant at the time of his writing would 'permit' such a return (i.e., he does not compare the 'going' level of men's wages to his notion of the appropriate level of the family wage). He rather seems to assume that the housewife's skills (acquired immediately upon being transferred from full-time
employment to full-time housework?) will palliate the
(inevitable, at least in the immediate term) decrease in
family money income.31

When he argues that women and children should stay at
home for the purpose of the future improvement in workers'
welfare (and, of course, the future welfare of industry)
he does not seem to notice that this involves a cost in
terms of the present welfare of the working-class family
(a cost that would show up, e.g., as a decline in the
health and welfare of the present and future generations).
In fact, however, the only costs that "should be submitted
to" in Marshall's view are those incurred by industry
which result from the loss of a cheap supply of labour.

At the beginning of his Principles, Marshall argues
that economists should not "defend class privileges"; (47)
he declares that "economic studies call for and develop
the faculty of sympathy, and especially that rare sympathy
which enables people to put themselves in the place, not
only of their comrades, but also of other classes". (46,
emphasis added) But can sympathy replace, in serious

31. Marshall could have argued that the decrease in
the supply of labour caused by the massive withdrawal of
women and children from the labour market should induce a
rise in men's wages; but he does not.
scientific enquiry, the real practice of attempting to feed a whole family on ten shillings a week?

The intent of Marshall's sympathy (as well as his concern for the weak and for the future welfare of workers) is specific: it is needed to study "the ways in which the efficiency of a nation is strengthened by and strengthens the confidences and affections which hold together the members of each economic group - the family, employers and employees in the same business, citizens of the same country". (46) One wonders if the expression of Marshall's sympathy, i.e. his defence of a subsistence wage and his prescription that working-class women should be made into unpaid servants to their class, will reassure the poor and the working class that he does not defend the interests of the capitalist class, but that he is speaking for the interests of all.

It is perhaps this "sympathy" for members of the lower classes which guides Marshall in applying to them bourgeois standards or, more correctly, prescribing for them some of the canons of bourgeois behaviour without worrying about the financial consequences of their being followed. Such is Marshall's wish that the working class acquire "the habit of distinctly realising the future" (i.e., "discounting the future at a low interest rate") as
well as an eagerness to invest capital "in" their children, both of which he argues prevail among the middle and upper classes.

It seems that Marshall's use of such terminology as "human" or "personal" capital investment in human beings arises out of an attempt to apply a similar, 'symmetrical', theoretical approach to the two basic factors of production in the capitalist economy. Indeed, he contends that the two factors obey the same rules - rules which originate in the predominant social relations of the capitalist market. The motivations of the owners of the two factors of production and their behaviour can, in Marshall's view, be therefore treated in the same way, since they arise from such market phenomena as demand, supply, and prices. It is this 'symmetry' which provides the basis for the development of Marshall's 'human capital theory'.

32. It is obvious that the treatment is actually not symmetrical - but biased, since a capital-oriented terminology is applied to labour. Could the bias have been inverse? Probably not, since Marshall here is merely being a 'reflector' of the tendency of capital to objectify labour, to appropriate it, to dominate and control it, to transform it into part of itself, i.e., the secular tendency of capital to subsume labour. Hence, the 'essential' intent of Marshall's human capital theory is not only to fit labour into a capital framework, but also to transform it ultimately into capital.

33. Although Marshall is a precursor of the modern human capital theorists, his approach is slightly different than that of Becker. For Becker, human capital
The similarity between the two factors, according to Marshall, is revealed by the "general correspondence between the causes that govern the supply prices of material and personal capital".34

"Wages and other earnings of effort have much in common with interest on capital [...] the motives which induce a man to accumulate personal capital in his son's education are similar to those which control his accumulation of material capital for his son."35 (660-1)

is an asset for only a sole individual, viz. its owner, while Marshall has a more traditional (i.e. classical) view that human capital (population/labour force) is an asset to a particular country, i.e. a social asset. Becker denies the existence of externalities in the cost of production and the returns from human capital. For him, all costs are borne by the individual (forgone earnings) and all benefits (income streams) accrue to him/her. On the other hand, Marshall acknowledges the existence of externalities arising from the social and human character of the 'asset', regardless of how these externalities might be confusing for his treatment and might lead to inconsistencies in his paradigm. Thus he jettisons the assumption of selfishness to explain the intergenerational transfers of welfare, and abandons the notion that individuals - as opposed to families - are the basic economic units. Becker retains the assumptions of individualism and selfishness, and attempts to generate consistency within his model by introducing psychic, non-consumption-induced benefits to parents as a motivation for the sacrifice of consumption-oriented welfare by the present generation. (Becker, 1964, 1981)

34. Does Marshall mean that the supply price of capital is also governed by the "cost of rearing, training and sustaining [its] energy", (532) i.e. its subsistence level of consumption?

35. This point is further developed by Marshall when he applies to this matter his own view of economic gradualism: "There is a continuous transition from the father who works and waits in order that he may bequeath to his son a rich and firmly established manufacturing or trading business, to the one who works and waits in order
In his attempt to render the two factors of production identical, Marshall implies that all acts of investment are governed by a single motive, viz. providing returns to the next generation (or, more precisely, to the male element of that generation). While the motive has to be such in the case of human capital, since the return of a wage reflecting the amount of education, etc. received accrues only to the "son" of the worker, artisan, etc., this is not the case for physical capital. Here, the investor can—and expects to—receive all the returns during his lifetime. The bequeathing of physical capital to one's son is an action separate (and which responds to a motivation different) from the action of investment proper. Indeed, there is sufficient motivation for capital investment in the prospect of immediate personal returns; the capitalist will invest regardless of whether he has a son to provide for.

Marshall is aware of this difference, and at one point he contradicts himself by saying that "parents are to support his son while he is slowly acquiring a thorough medical education, and ultimately to buy for him a lucrative practice [...] to one who works and waits in order that his son may stay long at school." (661) These "continuous transitions" permit Marshall a wide generalisation of investment behaviour across social classes. At all levels of society, fathers "work and wait"—even if there is more "waiting" at the top and more "working" at the bottom. This generalisation gives the appearance that the sacrifices of all fathers are of the same "essential nature" and magnitude.
governed by motives different from those which induce a capitalist undertaker to erect a new machine". (571) He also acknowledges that the intergenerational transfer necessarily involved in the case of human capital investment will generate a less than optimal level of human capital stock. (560-1) This suboptimality also arises from the length of time required between the initial investment decision and the availability of the new skill developed. (474) From all this, one can infer that in fact the supplies of human and physical capital do not follow the same rules.

Moreover, Marshall is aware of another basic difference between the two factors, one which he sees as inherent in the character of labour, viz. it is human. "[H]uman agents of production are not bought and sold as machinery and other material agents of production are [...] the worker remains his own property." (560) From this perspective, it becomes doubtful whether the concept of investment is applicable at all to human beings.
What returns for women?

A final and, for the present purpose, most significant difference between human and physical capital — one which Marshall does not take into explicit account — is that all the transactions involved in physical capital investment are done through the capitalist market framework, whereas practically none of the elements of human capital investment (except the payment of a wage in exchange for work and skill once the investment has reached 'maturity') take place in the market. Along with this goes the complete absence of women as agents in physical capital investment while their role is of supreme importance in human capital formation.

Marshall is, characteristically, ambiguous on the exact role played by women in human capital investment. Whereas he clearly states that women have the duty of "investing their efforts in the personal capital of their children", (685) and that "the most precious part of the capital invested in human beings is the result of the care and influence of the mother", (564), Marshall forgets all this when he compares human and physical capital. Here, the father "works and waits" and invests in and for his son. Women, it seems, have no part in this process of
working and waiting. The emphasis on the monetary element involved in 'investment' is decisive: since the mother does not 'work' to earn the family income, she is not seen to partake in the sacrifice involved in not using that income for consumption, but instead to develop the children's education.

There is, of course, a definite 'cost' involved for the woman: she has to sacrifice - not only her consumption of goods bought out of the family budget - but also her whole being. She has to spend her whole life-activity "investing her efforts" into the human capital of her children. Her life and self-purpose is taken from her in the process. And, for that reason, it can be said that she bears the bulk of the costs involved in this 'investment'.

In terms of returns, it is clear that only male children (and capitalist employers) receive benefits from human capital investment, since only male children are called to become wage earners in Marshall's scheme. Female children must instead devote their adult life to the human capital investment of the next generation of males. Moreover, in Marshall's writings, the form of human capital investment women receive - to become skilled housewives and good mothers - does not yield them
any "real" return in the "form of money". Indeed, the only 'payment' associated with their efforts is self-denial.

If male workers get a return in the form of higher wages, industry also benefits from human capital investment by getting an improved, healthier, more skilled and adaptable supply of labour. In fact, in some cases, it seems that industry benefits more than workers do. As Marshall notes, an aggregate increase in human capital investment

"has resulted [in a] largely increased supply of trained abilities [...] but it has taken away from these trained abilities much of that scarcity value which they used to possess, and has lowered their earnings not indeed absolutely, but relatively to the general advance; and it has caused many occupations, which not long ago were accounted skilled and which are still spoken of as skilled, to rank with unskilled labour as regards wages." (681-2, emphasis added)

While capital was supplied in the process with increased quantities of skilled labour at a lower relative wage, it is not clear that the workers benefited since their wages failed to increase proportionately with the increase in their human capital. As for the parents of these workers, it seems that they "worked and waited" to see capital subsidised by their own earnings. Marshall, unfortunately, does not investigate the frequency of such
occurrences and the distribution of the returns between capital and labour.

To recapitulate, in Marshall's scheme of human capital investment, fathers are seen to be the main investors but mothers happen to bear a large share of the investment cost; male children are seen to receive the returns but capital potentially receives a large proportion of these returns; women get no return from the human capital invested in them, and a fortiori from that they invest in their children; their sole reward for a life of toil is virtue and abnegation; men do bear some of the costs of investment and they do receive some of the benefits on an intergenerational basis; capital bears none of the costs, or only in so far as some of the training may happen on the shop floor; its labour costs are subsidised by the workers, but it gets benefits from a more productive workforce - this however is not seen by Marshall, as his marginalist myopia leads him to recognise only the factor returns going to the individual factor owners. 36

36. The question raised by this complicated system of welfare transfer is: how can the appropriate level of human capital investment be insured? Given that the recipients of benefits and returns differ from those who bear the costs, and that most of the 'investment activity' does not happen through a market, marginal calculations and market mechanisms cannot be relied upon to yield this
In this chapter we have seen how Alfred Marshall, the leading British economist of his time and founder of the marginalist school, approaches the questions of women's role in the economy and of the production of the factor labour. It is clear that his approach not only reflects the influence of Victorian ideology but also contributes directly to its propagation by offering economic justifications for seemingly purely social propositions.

Thus he proposes and justifies the extension of the Victorian bourgeois sexual division of labour to the working class and to the poor. Working-class women are assigned to the home to nurture male human capital while men have to earn a 'family wage' in the labour market. In addition, a national human capital investment policy and a minimum wage policy are advocated. But the economic justification advanced by Marshall for these proposals does not focus on the maximisation of individual utility and on the returns to individual factors of production.

This leads to some considerations of state intervention through the education system and its state financing, factory legislation, minimum wages laws and through these, the setting and maintenance of an adequate family structure. State involvement in itself indicates that the social benefits from such a scheme are greater than individual benefits.
Rather, what is stressed is the economic benefits arising from such policies for capitalist society as a whole.

In a striking departure from the laissez-faire dogma that permeated the economic doctrines of his time, Marshall supports existing state intervention in the economy (e.g. the Factory Acts) and advances and constructs new proposals to expand such intervention into the autonomy of the labour market, into the autonomy of the family and of individuals, and into the mechanisms of determination and distribution of incomes. His proposals contribute to the development and reinforcement of socio-economic structures based on the institution of the nuclear family and on the economic dependence of women within that family - structures wherein appeals to "duty" rather than "economic motivation" serve as a basis for the allocation of women's labour to specific activities.

In Marshall's Principles, beneath the image of weakness and gentility projected on to working-class women - following the model set in higher classes - appears a heavy taxing of their life-activity. Under the categories of his national income, this activity appears to contribute nothing to the national dividend,\textsuperscript{37} whereas his entire human capital investment mechanism is fundamentally

\textsuperscript{37} But then, how can one compute the value of virtue?
dependent upon its performance. Under the guise of protection, women are assigned to the home and given a major responsibility of care for the family and human capital investment in children while constrained by a budget set at the minimum level for capitalist efficiency. And even though this requires a skilled exercise of economic rationality, women are not considered by Marshall to be economic beings.

It might be that the question of whether women are economic beings is irrelevant to Marshall because he carefully removes them from the economic sphere (as defined by economists) and turns them, in this theory, from economic actors into mere parameters in the decisions taken by other economic agents. It is more likely, however, that Marshall's position results from his careful calculation of the most economical (from whose point of view?) place for women in capitalist society.
A student of Alfred Marshall, Arthur Cecil Pigou succeeded him in his Chair in Economics at Cambridge University. Greatly influenced by Marshall, Pigou further developed his teacher's approach to the study of national wealth and welfare and elaborated, in his Economics of Welfare, the first systematic approach to what has now become the field of welfare economics.

Pigou defines "economic welfare" as "the subject matter of economic science." (11) His goal in the Economics of Welfare is defined thus:

"The purpose of this volume is to study certain important groups of causes that affect economic welfare in actual modern societies." (11) The "elements" of welfare, however, are quite subjective, "states of consciousness", (10) and, for the purpose of "scientific inquiry", Pigou finds it "necessary to limit

our subject matter" to ensure quantitative measurement of the phenomena studied. (11) Therefore he limits the definition of economic welfare to "that part of social welfare that can be brought directly or indirectly into relation with the measuring rod of money." (11)

For Pigou, the quantitative analytical unit which represents the total economic welfare of a nation is the national dividend, "that objective counterpart of economic welfare, that part of the objective income of the community which can be measured in money." (31) Once he has defined the national dividend and established its composition, Pigou sets out to investigate the impact of various economic factors on it. Having asserted that total welfare is directly correlated with economic welfare,² he enjoins policy makers to be concerned with a single goal: the maximisation of the national dividend. Under the guidance of this sole concern, his treatise "seeks to bring into clearer light some of the ways in which it now is, or eventually may become, feasible for governments to control the play of economic forces in such wise as to promote the economic welfare, and through that, the total welfare, of their citizens as a whole." (129-30)

² "When we have ascertained the effect of any cause on economic welfare, we may, unless, of course, there is evidence to the contrary, regard this effect as probably equivalent in direction, though not in magnitude, to the effect on total welfare." (20)
In the opening discussion, Pigou speculates on the probability that economic and social welfare would be affected in similar ways by particular events. Yet, in the above quote, he forgets that such parallelism was a speculation on his part and asserts that actions by governments to "promote economic welfare" will also improve "the total welfare of their citizens as a whole". In this, he does not consider the possibility that increased welfare for "citizens as a whole" might be obtained at the cost of reduced welfare for minority groups among them. Nor does he explore the implications of such a situation given that individual states of welfare cannot be compared.

It is in Pigou's treatment of women's economic and social activity in particular that certain problems inherent in this generalisation become apparent.

To correct the imperfections of the market system and to give direction to state policy-makers, Pigou devises a blue-print for a state-administered welfare system and constructs an economic rationale for each specific component of this system. His proposals are supposed to facilitate the achievement of a more optimal state of economic welfare.
These proposals include attempts to counter the harmful effects of market power and to modify the distribution of income in favour of the lowest income classes in society. Here, state intervention is oriented towards assuring "fair" payments for the resources supplied on the market by these classes. Where payment is already fair, or where it is absent, the state is to set up programmes designed to bring living standards up to a "living" level and to enhance the market productivity of these classes. This social "human capital" policy is necessary, Pigou contends, in order to redress the inadequate level of "investment" in the productivity of the poor caused by the discrepancy in social and private costs and benefits which attends the production of human resources.

Women have a distinct role in the Pigouvian conception of the economy and society. They are presumed to contribute more to the achievement of an optimal state of economic welfare by restricting themselves to the roles of housewife and mother, in charge of the welfare, health and education of their families, rather than by being employed in the labour market, contributing directly to the national dividend. It is this overall theme which

3 It is paradoxical that, in this system, to maximise the national dividend, women are assigned to household production which does not enter into the calculations of
informs Pigou's entire treatment of women's economic activity.

The following analysis of Pigou's welfare system is divided into two chapters. In the first, the focus is on his treatment of women's employment in the labour market and, in particular, on the questions of the wages paid to women and their access to employment opportunities. In the second, women's place in Pigou's welfare system as a whole is assessed.
Pigou devotes a good deal of space in *The Economics of Welfare* to the analysis of unequal wages for men and women — indeed a lot more space than allocated by earlier economists in their main theoretical works. In addition, he wrote an essay entitled "Men's and Women's Wages".  

In this chapter, Pigou's approach to the concept of "fair wages" and its application to women is reviewed. His analysis of the demand and supply factors that determine women's wages is then assessed. Finally, his position on whether women workers should receive a "living wage" is examined.

This study allows us to test the internal consistency of the marginalist approach followed by Pigou (and other neo-classical economists). His treatment of the case of

women's wages will be found opportunistic rather than rigorous, informed by a sexist bias which leads him to predetermined theoretical positions and contradictory policy recommendations.

Fair and unfair wages

In The Economics of Welfare, Pigou begins his discussion of women's wages with the statement:

"The common idea is that women are normally paid less than men because men's wages have, in general to support a family while women's wages have only to support themselves. This is very superficial." (565)

This is so because, for him, wages are based on marginal productivity, not on subsistence requirements. Thus, he maintains that:

"Whatever methods [of remuneration] are adopted in any industry, the general tendency of economic forces will be to cause the wages offered for each class of workpeople to approximate [...] to the value of marginal social net product of that class." (473)

However, real life may stray from this general tendency and wages might differ from the value of the marginal product of the worker. For policy purposes, Pigou differentiates between fair and unfair wages in such cases.
"Fair wages" will result from (1) the payment of wages "to workpeople in all places and occupations [...] equal to the value of the marginal net product of their work", and (2) "the distribution of all grades of workpeople among different occupations [...] such as to maximise the national dividend". (549) Wages are fair when they "are proportioned to "efficiency"; the efficiency of a worker being measured by his net product conceived as marginal, multiplied by the price of that product."² (550)

Pigou identifies two types of "unfair wages". The first is when, even "though they are equal to the value of the marginal net product of the labour" in a particular "place or occupation", they are not "equal to the value of the marginal net product, and, therefore, to the wage rate, of similar labour assembled elsewhere." (551) Note here that Pigou's definition of "unfair wages" implies comparison with marginal productivity wages as they are determined "elsewhere" in the overall labour market for

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² Pigou also quotes Marshall in his definition of the concept of "fair wages": Wages in any occupation are fair when, "allowances being made for the steadiness of the demand for labour, "they are about on a level with the payment made for labour in different tasks in other trades which are of equal difficulty and disagreeableness, which require equal natural abilities and an equally expensive training."" (549)
the particular type of labour considered. (813-4) This concept is further illustrated in Fig. 1 below:

**FIG 1: UNFAIR WAGES**

For "similar labour", $S_N$ and $S_L$ are, respectively the national and local supply curves of labour, $D_N$ and $D_L$ the national and local demand curves. $W_L$, the local, marginal productivity wage is "unfair" because lower than $W_N$ which is the nationally determined "fair" wage. Among specific groups he identifies as receiving unfair wages, Pigou lists women workers who, because they are tied to their family, display little geographic mobility; and also "married women or widows" who engage in homework because
they "are tied by the non-economic compulsion of family cares". (553)

Pigou's main concern being for the impact on the national dividend of any interference with market forces, he advocates not to raise wages in this case as they result from localised market conditions.

The second case of unfair wages involves "exploitation": where "workpeople are exploited in the sense that they are paid less than the value which their marginal product has to the firms employing them." (551) The concept of 'Pigouvian exploitation' involves a comparison between the workers' wages and the value of their marginal net product. It is not a relative concept like the preceding case of "unfair wages". Pigou illustrates exploitation as follows: (Fig. 2)

FIG. 2: PIGOUVIAN EXPLOITATION
S and D being respectively the supply and demand for labour, the (free competitive) market equilibrium brings a wage of \( W_M \) which is a marginal productivity wage. \( OM \) is the quantity of labour hired at this wage. According to Pigou, "there is necessarily exploitation if the employers succeed in paying a wage less than \( PM \)." If "they succeed in paying a wage \( RM' \) [and] obtain an amount of labour represented by \( OM' \), then the measure of unfairness in the wage is the excess of \( PM \) over \( RM' \), but the measure of exploitation is the excess of \( KM' \) over \( RM' \)." 3 (814)

Pigou argued that, once established in an industry, exploitative situations (which result in higher than normal profit levels) tend to perpetuate themselves due to the character of the labour supply found in such situations.

3. Pigou remarks that "whether and how far [...] exploitation will actually take place, depends partly on the relative bargaining power of the employers and workpeople concerned [...] where the workpeople have been able to organise themselves in strong Trade Unions [...] exploitation] is not even probable". (559) So, it seems that trade unions are necessary to the optimal allocation of resources in capitalism, as they improve the workers' bargaining power without which, in most cases, wages could be set by employers below the value of the marginal net product of labour. See on this Joseph Persky and Herbert Tsang, "Pigouvian Exploitation of Labor", *Review of Economics and Statistics*, 56(1), Feb. 1974, pp. 52-57.

What is not clear is whether Pigou includes trade unions in the "general tendency of economic forces" that equate wages with the value of marginal product.

In the remainder of this chapter, the terms "exploited" and "exploitation" are used in their Pigouvian sense.
industries. In this regard, he sees women and children as particularly vulnerable to "exploitation": due to their relatively new or temporary attachment to the workforce or to a particular workplace, they are less likely to "combine" or have less experience in bargaining against employers to obtain wages "corresponding" to the value of their marginal product.\(^4\) (559)

In the case of "exploitation", Pigou approves of intervention to raise wages to the level of the value of marginal product. He sees the interference as "desirable" on the grounds that exploitation generates a sub-optimal allocation of resources for a number of reasons: most workers refuse such exploitative employment, causing a lower than normal supply of labour to the exploitative industries; the workers accepting such employment are not mobile and/or do not have bargaining power (here, the case of women and children is referred to); a higher than normal profit rate in these industries maintains "in business" "incompetent or badly situated employers"; and, the capital-labour ratio is lower than the optimal level which would prevail without exploitation. (562-3)

\(^4\) The consequence of this "exploitation" is to induce workers to work longer hours, which Pigou finds "especially bad where the persons affected are women and younger persons, whose aggregate efficiency throughout life is liable to suffer greatly from over-strain in youth". (467)
After analyzing these two general exceptions to fair wages, Pigou states that his discussion up to this point was of "quite general application". But he adds: there still remains a special problem arising out of the relation between men's wages and women's wages". (564, his emphasis) For him, what makes the problem "special" is that women cannot be treated as normal workers. The two categories of unfair wages reviewed so far cannot, therefore, provide an adequate analytical framework for their special case.

"Fair Wages for Women"

When he addresses the case of women's wages, the ground of Pigou's discussion of "fair wages" shift. A special category of "fair wages", viz. "fair wages for women", is fabricated by the economist.

"It may happen that women's wages in some place or occupation are fair relatively to women's wages in other places or occupations, but unfair relatively to men's wages in that place or occupation." (564)

From this, one can conclude that the definition of fair wages, which seemed to be universal up to this point - applying to "workpeople in all places or occupations" - must in fact be understood as applying within specific,
separate groups of workers - in this case working men and working women - each group commanding a different level of "fair wages".

Pigou discusses the "special problem" of men's and women's wages by focusing on the case of the "marginal occupations" in which men's and women's efficiencies bear to one another the same ratio as their respective day wages. In these occupations, "the efficiency wages of the two sexes are equal" which "means, with certain allowances, equality of piece-wages." Pigou is careful here not to state that efficiency wages, or piece-wages, are equal or should be equal. Rather, he suggests that "the play of economic forces" can bring about relative wage equality between the two sexes.

However, this situation is not seen as "fair" in all senses: in the marginal industries, women's wages are

5 The definite implication of this is that a universal system of wage determination is threatened as soon as the working class is divided in separate groups. One could conceive the "workpeople" to be composed of as many different groups as there are individual workers, each getting paid a "fair wage", as long as their wage is not compared to that of others.

6 Pigou calls these "marginal occupations" because his evidence (gathered from the Poor Law Commission Report, S. and B. Webb's Industrial Democracy, and W. Smart's Economic Studies) shows that there are very few of them. (567n.)
"unfairly high" compared to women's wages elsewhere but fair compared to men's wages in the same occupation.

Pigou acknowledges that "the play of economic forces" does not always bring about this outcome, "in real life". Thus,

"in particular occupations employers may pay to women workers an efficiency wage, which, though fair relative to women's wages elsewhere, is less than the efficiency wage they are paying to men workers, and yet may still employ some men. They may do this either for a short time, while they are in process of substituting the one sex for the other; or for a long time, because trade union pressure or customs either compels the retention of some men, or vetoes the entry of more than a limited number of women." (568-9)

When this is the case, Pigou asks: "is the claim 'equal pay for workers of equal efficiency' justified? In what way would interference to raise the women's efficiency wage to the level of the men's affect the national dividend?" (569)

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7. Pigou does not clarify how unequal wages could be paid to two separate individuals displaying equal efficiency. Also note that Pigou implies that this state of things is independent of the will of the employer - who, as a rational capitalist, would rather employ only women if they are paid a lower efficiency wage. The capitalist, far from being depicted as the source of discrimination against women, is presented as the progressive element in society, who attempts to "break down the customs and rules that hinder" the hiring of women. (570) Nothing is said of the profit motive that pushes him to do so.
In his view, the national dividend will not be affected by this intervention if "neither the number of women attached to the occupation [...] nor the number of women employed there" changes. But he estimates that "this, however, is a very improbable state of affairs".

On the one hand, even if there is no change in the number of women employed in the occupation, more women, attracted by the higher wages, will acquire skills for and hence become attached to - this occupation. These skills will be wasted and the national dividend will suffer from the misallocation of resources. ⁸ (569)

On the other hand, it is likely that employers will refrain from hiring more women into the occupation given the change in the comparative efficiency-wage ratio of the two sexes. The major incentive for employers, the financial advantage afforded by the hiring of women workers, will have disappeared.

"Generally speaking, to compel the payment to [women] of an efficiency wage equal to that paid to men in occupations which they are seeking to enter, and in which such a rate would give them higher earnings than similar women can obtain elsewhere, must obstruct their entry directly or indirectly by relaxing employers' efforts to

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³. Curiously, the father of welfare economics fails to address the fact that pre-existing low wages must have generated a loss in national dividend and a misallocation of resources in the first place.
break down the customs and rules that hinder it." (569-70)

Consequently, women lose employment opportunities.

Pigou extends this argument to the non-marginal occupations where women have an efficiency advantage. There, the payment to women of a wage reflecting their comparative efficiency would hinder their employment in these occupations and hence the national dividend. (570)

What he seems to suggest here is that employers would switch to relatively less efficient men once a policy of "equal pay for workers of equal efficiency" is imposed.

In concluding his discussion on equal pay for men and women of equal efficiency, Pigou states:

"Hence, generally speaking, interference designed to enforce the payment to them [women] of a "fair" wage, as compared with the wages paid to men, in circumstances where this means an unfairly high wage as compared with women's wages elsewhere, would injure the national dividend."9 (570)

The difference between the discussion of men's and women's wages and that of the two general cases of unfair wages reviewed earlier is striking. Indeed, Pigou does

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9. Pigou adds that even if the intention of an equal pay policy was to actually "exclude women from industry", it still would be economically unsustainable for, beyond decreasing the number of women in industry, it would also generate a misallocation of the labour of the remaining women among different occupations.
not specifically relate the two. Rather, he shifts the basis for determination of fairness and unfairness from the nature of the labour market in specific industries and occupations to the gender of the workers. Hence, instead of having a single level of "fair wages" for the workers in a particular industry or occupation, he has two: one for each sex.

In fact, Pigou never refers to women's wages as simply "unfair" - which would imply that the definitions established earlier apply - but always as "unfair relative to men's wages", or "unfairly high relative to women's wages elsewhere". He also never addresses the question of whether "exploitation" is involved in the case of women workers. This is curious because it is clear from his definition of exploitation that women who get lower wages than men when they display equal efficiency are exploited: whether the men themselves are paid a fair wage or not, women are paid less. Yet, no intervention is recommended. On the contrary, Pigou argues that a policy of equal wages for equal efficiency will in fact cause harm to the national dividend - an argument entirely inconsistent with his treatment of exploitation.

Pigou's argument against equal wages for equal efficiency is very weak. It is based entirely on his
speculations on changes in the level of women's employment if their wages were raised to the level of men's. These speculations do not take into account the overall conditions of the supply of labour. Pigou does not consider also the negative impact on economic welfare generated by payments to factors below the value of their marginal product — something he is keen to point out in other instances. He also disregards the potential social and individual, short and long run, benefits of higher wage employment for women and only takes into account the short run, supposedly negative, impact of an equal pay policy. Finally, he limits his speculations on the impact of an equal pay policy to its implementation in a single industry or occupation, which, for obvious reasons, is inadequate.

But the most remarkable argument advanced by Pigou against equal pay is that in which he quotes Cannan who asserts: "the most powerful lever for increasing the opportunities of women is taken away if they are not allowed to do the work cheaper." (569) Here, unequal pay for equal efficiency is seen as a necessary condition for

10. In comparison, Marshall justified the Factory Acts on the basis of their long run benefits exceeding their short run costs; Pigou himself does not even address the question of the short term costs of his own welfare proposals.

11. This industry or occupation could not fail to suffer in competition from relatively higher costs.
women's entry into fields of employment from which, due to customs, traditions, trade union resistance, etc. they have been excluded. Thus, the perpetuation of a status quo of unequal pay is made to appear as beneficial to women. But the only benefit women derive from it is that of being exploited (in the Pigouvian sense) not just in the short run (upon entry in a particular industry), but forever. Indeed, since women are seen by Pigou as unable to organise or to bargain successfully for wages reflecting their productivity, and since he advocates no intervention by the state to bring their wages up to that level, there is no indication in his approach as to how the wage inequality suffered by women will ever be abolished.

Pigou's conclusion is that keeping women's wages lower than men's is welfare maximising. But one must ask: "for whom?" The answer is evidently for the employers of women who reap perennially higher than normal profits.

We noted earlier that he ruled out the proposition that women's wages were lower than men's due to their lower subsistence needs. He proposed instead that the value of their marginal product was the determinant of their wages. Yet, his discussion of fair wages for men and women suggests that women's wages are not necessarily
based on their marginal productivity. The question we must consider then is: how are women's wages determined in Pigou's economic theory?

For him, demand and supply factors "together govern and determine the relation between the general level of wages per day paid to representative members of the two sexes." (566). In this approach, where he focuses on "day wages" paid to "representative" men and women, Pigou departs from the concept of efficiency wage (based on individual marginal productivity), or individual fair wages. Day wages are market wages, and different equilibrium levels of day wages obtain for men and women. The determining factors for women's day wages are, on the demand side, women's productivity levels and the "value of a woman" to employers, and on the supply side, the elements influencing the labour force participation of women.

Productivity

Pigou does not carry out a thorough investigation of women's productivity. Rather, he consistently asserts that women are generally less productive than men and lists a number of reasons why he believes this is the case.
On the one hand, the type of work which women do is classified as unskilled, as in the case of "simple sewing at home".\(^{12}\) On the other hand, women are concentrated in low productivity trades or industries "in which even the normal so-called able-bodied workers are of an exceedingly low grade", \(^{607}\) where work does not "provide persons of average capacity in full employment [...] with fairly adequate earnings." \(^{723}\)

Beyond this, Pigou advances another reason for women's low productivity: their "primary role" as housewives and mothers.\(^{13}\)

\(^{12}\) It is interesting to see how women's work such as "simple sewing" is described (still today - and to it can be added such work as that of typists, file clerks, homemakers, etc.) as unskilled, and paid accordingly. Pigou here adopts the maxim that "any woman can sew", and thus sees sewing as a natural, innate endowment, even if it actually takes lengthy training to acquire and perfect such a skill. Women's skills and trades have thus been systematically depreciated. This argument is developed by Anne Phillips and Barbara Taylor in "Sex and Skill: Notes Towards a Feminist Economics", Feminist Review, No. 6, 1980, pp. 79-88. If unskilled work is defined as work that can be decently performed with minimum (say a day's or even a week's) training, it is doubtful that even "simple sewing" could be qualified as such. Could Pigou have sown as well as any cottage seamstress after such minimum training?

\(^{13}\) This argument is very similar to that developed more recently by adherents to the human capital school. There, women are depicted as having a choice between housework and market work and accordingly investing in their human capital. Women's "lack of attachment to the labour force" is seen as a cause for low human capital investment and consequently low returns. See for
"Women, looking forward as they do, to matrimony and a life in the home, are not trained to industry as men are, and do not devote to it that period of their lives when they are strongest and most capable." (564, emphasis added)

Here, Pigou blames women, "women who do not expect to continue in industry after marriage", (559) for their lack of training, their low productivity and their low wages. He implies that women simply choose home over employment and hence do not acquire the skills and training appropriate for better paying jobs.

He identifies a specific life-cycle of labour force participation for women and links it to low skill acquisition and low productivity:

"between the age periods of 18-20 and 25-35 there is a great decrease in the percentage of women who are engaged in wage-earning occupations, and this is due, no doubt to the withdrawal of many of them at marriage." (564). "In the period 45-55, and, still more markedly, in the period of 55-65, while the percentage of "occupied" men declines very rapidly, the percentage of "occupied" women hardly declines at all, the explanation being that many women

Here, Pigou displays a "modern" insight into women's labour force behaviour (although his analysis focuses on the presence of husbands and not children). Like today's neoclassical economists he uses it to 'explain', or rather justify, women's low productivity levels and low employment income. And, like them, he does not take into account the structural and economic factors which dictate this particular pattern of labour force behaviour to women.\textsuperscript{15}

While he attributes this outcome to women's decisions, it is clear that Pigou does not disapprove of women's behaviour. Women are, in his view, more needed by society in the home as reproducers than in the factories as producers, especially during "that period of their lives when they are strongest and most capable." (564)

\textsuperscript{14} The second part of this quote appears in the Second Edition of Pigou's \textit{Economics of Welfare}, 1924, p. 535, but not in the Fourth Edition (1932) where it has been replaced by a vague footnote. It is possible that, by then, Pigou could not find statistical substantiation to his hypothesis on women's labour force participation behaviour.

\textsuperscript{15} Pigou does not propose solutions to the inadequate skill acquisition by women which results from this pattern. He never prescribes special training or education programmes for women to make them more productive and to allow them access to industrial skills. The only training he ever advocates for them is directed at improving their homemaking skills.
Pigou concludes his observations on women's pattern of labour force behaviour as follows:

"In these circumstances, even though women's endowments of mind and muscle were equal to men, which, on the average they are not, it would be surprising if their day wages were not lower." (564)

This reveals that, for him, women's lack of continuous involvement in the labour force is secondary to what he sees as the real reason for women's lower productivity: they are nominally inferior to men, not only in physical strength but also in mental ability. Of course, at no point does he advance proof for this assertion.

This belief biases Pigou's analysis of wage differences between men and women. Here, he uses the argument of the average endowments and abilities of women relative to men to account for universal differences in wages between the two sexes. This allows him to incorporate common-place prejudices on women's productive ability directly in his discussion.

By building his 'analysis' of women's wages on the basis of the fictional "average" or "representative woman", he sets the stage for a justification of "fair wages for women" which are universally lower than "fair wages for men", his position being that they are
determined on the basis of the presumed lower average level of productive efficiency of women compared to men, regardless of the individuals' own relative endowments and abilities, whatever their sex. This, of course, contradicts Pigou's general definition of "fair wages", which is based on the value of the individual worker's marginal product.

In the essay "Men's and Women's Wages", which is based on Pigou's submission to the Royal Commission on Equal Pay, his bias on women's productivity becomes entrenched in the model he constructs to determine whether men and women ought to receive equal pay. At the start, Pigou advises the commissioners to consider

"only the relation between men's and women's wages - the significance for wage rates of maleness and femaleness as such. A method of approach is therefore, legitimate [...] - the device, namely, of thinking away all differences save this particular difference, [...] to construct for ourselves a model world in which all men are exactly alike and so are all women [...].] in spite of the fact that the actual world is made up of a great variety of different sorts of men and different sorts of women. For it is only the differences between the sexes, not the differences within the sexes that concern us." (Essays, 218)

Pigou then presents a model where, "since all men [...] are exactly alike, men's weekly wages are the same in all centres where they are employed; and similarly women's wages are the same in all centres where they are
employed." (Essays, 219) Having assumed homogeneity of characteristics within each sex, a uniform wage rate for each sex follows axiomatically.

Hence, a model is constructed where the average is made universal, where all men are assumed to possess a particular level of skills and productivity and all women another - no doubt lower, since Pigou believes their endowments and abilities to be lower "on the average" than men's.

It is not surprising then that Pigou should infer from such a model findings that precisely reproduce the bias inherent in the starting assumptions. By assuming away all intra-gender differences, he forgets that he usually defines productivity - and fair wages - on the basis of individual rather than average characteristics. He also ignores that there are within a particular group, wide variations from the average.

This leads him to ignore those specific "real world" cases (which may not be a negligible occurrence) which stand in direct contradiction to his model. In particular, since he never relaxes his 'simplifying'

16. The circularity, the unrealistic assumptions and the foregone conclusions of this model make it a perfect caricature of standard neo-classical economic modelling.
assumptions, Pigou avoids dealing analytically with the cases of women receiving lower wages than men while displaying equal or superior productivity which - it seems - is something he should be concerned with in a submission to the Royal Commission on Equal Pay.

Pigou's approach leads him to the conclusion that women's lower wages are justified. But, rather than being based on realistic observation, it is the product of an analysis of a biased caricature of reality.

His assumptions and the conclusions they inspire are apparently shared by employers who, it seems, judge the productive capacity of a prospective female employee and base a decision to hire or not to hire, and the determination of pay levels, on the presumed average characteristics of women as opposed to the specific characteristics of the applicant herself.17

Such apparent behaviour of employers is given credibility by Pigou's analysis, regardless of its merit. This is further enhanced when he adds another element to

his theory of demand for women's labour: "the value of a
woman" to the employer.

"The Value of a Woman to the Employer"

In *The Economics of Welfare*, employers' decisions to hire
are, seemingly, solely based on the comparative efficiency
of employees. The employer allegedly compares the ratio
of men's and women's efficiencies to the ratio $W_M/W_F$ of
the day wages of the "representative men" and the
"representative women".18 Thus,

"men alone are employed in all occupations where
the ratio of their efficiency to women's
efficiency exceeds the ratio of their day wages
to women's day wages; women alone in all
occupations in opposite case; and men and women
indifferently in the marginal occupations in
which their respective efficiencies bear to one
another the same ratio as their respective day
wages."19 (567)

18. The day wages $W_M$ and $W_F$ are the outcome of the
market: "In equilibrium, there is one general rate of
representative men's day wages and one general rate of
representative women's day wages, the one or the other
being higher according to the circumstances of supply, and
according as the commodities demanded by the public are
chiefly commodities for the manufacture of which the one
or the other sex is especially well fitted." (566)

19. Note here that $W=V=W F$ for each worker (i.e. day
wages = efficiency wages) is a sufficient condition for
the equation

$$W_M = \frac{VMNP}{W_M}$$

$$W_F = \frac{VMNP}{W_F}$$

If day wages were equal to the value of the workers'
marginal product everywhere, all industries would belong
to the "marginal type", marginal occupations would be the
While, according to Pigou's analysis, in these "marginal occupations [...] the efficiency wages of the two sexes are equal", (567) he indicates that they may not be equal in practice. Consequently, he introduces some extra-economic elements to justify wage differences which are not based on productivity differences.

"In these marginal occupations [...] equality of efficiency wages means, with certain allowances, equality of piece wages. The principal allowances are, first, a small extra for men, because, since, at need, they can be put on night work and can be worn at more comfortably, it is rather more convenient to employ them."20 (567)

Pigou does not make clear exactly how the 'bonus' men receive for being more "convenient" employees than women is determined. It does seem that this bonus would set men's rate above the level called for by their marginal product, at a level where the employer's profit is not maximised. Alternatively, if men are being paid according to their marginal product, it signifies that women are being "exploited".

One may wonder here why Pigou so easily jettisons the short-run profit maximising criterion, cornerstone of employers' behaviour in marginalist writings, to shift to

rule rather than the exception. (567n)

20. A second type of allowance applies to the "more skillful workers" of both sexes who occupy the machinery for a shorter period of time than the average workers.
the extra-economic motive of "convenience", and why he so readily accepts that men's and women's wages should differ, in spite of equal productivity.

Whereas extra-economic considerations by employers don't hold a prominent place in *The Economics of Welfare*, they are introduced in a direct manner in the essay on "Men's and Women's Wages" under the form of a new concept, that of "the value of a man" or "the value of a woman" to the employer.

In the essay, the employer's hiring decision depends on \( v \), the ratio of "the value of a man [...] to the employer [...] divided by the value of a woman". The employer is faced with a theoretical 'continuum' in the values of \( v \):

"These values of \( v \) will vary from occupations where a man is worth much more than a woman, say, coal-heaving, so that \( v \) is much larger than unity, through occupations in which their values are close together, to occupations, such as nursing and looking after young children, in which a woman is more valuable than a man, so that \( v \) is much less than unity." (Essays, 219)

The employer compares \( v \) to the ratio of male to female wages \( \frac{W_m}{W_f} \). Men only are hired where \( v > \frac{W_m}{W_f} \), women
only where \( v < \frac{W_m}{W_f} \), and men and women "indifferently"
where \( v = \frac{W_m}{W_f} \). 21 (Essays, 219).

But, while this could be equivalent to the comparison
of the ratio of day wages to the ratio of efficiencies of
men and women found in The Economics of Welfare, Pigou
clarifies that "these relative values to employers do not
depend simply on the comparative capacities of men and
women [...] to produce current physical output." (Essays, 220) He goes as far as giving a series of examples of
what may enter in the employer's 'evaluation' of a
prospective employee:

"[The employer] may prefer a man because in some
businesses it is an advantage to have a staff
whose members give long service, and women are
likely to leave on marriage. [...] he may
believe [...] that, though men and women are
equally good workers in ordinary times, men are
less likely to panic or become hysterical in a
危机; or that women will be absent from work
more often than men through temporary ill-
health; or that he is not so likely to find
among women employees as among men people
suitable for promotion to higher posts; or,
maybe, because he and his foremen enjoy an
occasional burst of swearing, and swearing is
more enjoyable in male than in female company
[...] If in any occupation they value a woman

21. Note here that \( \frac{W_m}{W_f} \) is a constant for all
occupations as Pigou has derived a single wage rate for
each sex from his assumption on intra-gender homogeneity.
Given a presumed inequality of wages between the sexes, \( v \)
will have to be much greater than 1 for an employer to
choose to hire a man. For instance, if \( W_f = 60\% \) of \( W_m \), \( v \)
will have to exceed \( \frac{W_m}{W_f} = 1.67 \). Hence, if employers
keep hiring men in the majority of jobs, one must deduce
from Pigou's model that the "comparative value of a man"
must be amazingly high.
worker less highly than a man because they believe that she would faint at the sight of a spider or a mouse, this opinion plays its part in the general wage set-up equally whether it is true or false." (Essays, 220-1)

Most of these elements are the expression of social or individual prejudices towards women, or, in some cases, farfetched occurrences (fainting, hysteria) of which the frequency and actual impact on long run productivity are not empirically documented,22 or, in other cases, actions procuring "enjoyment" to employers and foremen (swearing) without particular demonstrated effect on production.23 Pigou gives them full credibility by tying them to employers' presumed calculations of long run returns.

22 One should remember that this submission was made in 1946, after British women had proven their ability to attain and maintain high levels of productivity in the crisis situation of two successive wars.

23. Pigou's argument on swearing appears in both texts. He could have argued that swearing is useful for maintaining or enhancing productivity when it is used on the shop floor to admonish workers to maintain workspace, etc. Instead, on two separate occasions, he links swearing to the comfort, convenience and enjoyment of the employers and/or foremen. Gary Becker has developed this argument by setting such extra-economic elements as employers' comfort and enjoyment in an economic framework and by arguing that employers are motivated by utility maximisation rather than simple profit maximisation when they satisfy their "taste" for discrimination. In this latter approach, no disguises are needed; personal or social prejudices become accepted by economists as a normal component of the capitalist's decision-making process. See G. Becker, Economics of Discrimination, 1957, University of Chicago Press.
Thus, any irrational belief or irrelevant action of an otherwise presumed rational, profit-maximising, capitalist employer gains, through the writing of the economist, the same status as rational marginal calculations.

It is indeed revealing that after this description of employers' behaviour, and his acknowledgement that some of these valuations by employers may not be "reasonable or soundly based", (Essays, 220) Pigou does not engage in a discussion of their potentially detrimental effect on market mechanisms, on the resulting sub-optimal prices and resource allocation. Whether these elements may only be pretexts for segregating the workforce, paying women less, or reaping extra profits, they are readily accepted by Pigou and are seen to require no policy control. Instead, he argues that wider social considerations should transcend the "narrow" economic focus on this matter and that economists should not interfere with the present state of things because it is "outside their scope". (Essays, 224-5)
Labour Market Segregation

The denial of employment opportunities to women is seen by Pigou as having a negative impact on women's wages. In the Essay on "Men's and Women's Wages", he states that:

"pressures and contentions tending to exclude women from certain occupations [...] force them away from centres where their capacities relatively to men are larger and in centres where they are relatively smaller. Thus they [...] reduce the weekly wage rates of women relatively to those of men throughout the whole economy." (Essays, 222)

To avoid such a situation, Pigou argues that women should be allowed to freely compete with men for all jobs in the labour market.24

Yet, Pigou himself holds the view that women's productivity level is such that they could not be hired in jobs presently held by men, except at a cost to economic

24. For Pigou, the main perpetrators of discrimination against women are male employees who fear being undercut by women and organise against allowing women into their trade. He contends that they would persevere in excluding women even if faced with an equal pay for equal work policy due to their fear that competition from women will generate lower overall wages as well as increased unemployment for men. (Economics, 508, Essays, 223) The possibility that employers may discriminate against women is not mentioned in the Essay. In The Economics of Welfare, the employers who hire women to undercut higher paid, skilled and organised male workers are described as factors of progress. (508)
efficiency. He maintains that "there are industries which are properly women's industries", (Essays, 225) and that, even in the "marginal occupations" held by both sexes (eg. teaching) the women do not do "precisely the same job" as the men. (Essays, 218) The clear suggestion here is that gender conditions, if not predetermines, which type of occupation or industry a worker may enter. This amounts to a denial that competition for jobs between men and women on the labour market could really take place.

This view underlies the models Pigou constructs where hiring decisions by employers are based on the comparative efficiencies and wage ratios of the two sexes. In these models, the labour market is de facto structured into separate components where occupations and industries are organised into a spectrum based on the perceived relative efficiency of the (average or representative) members of the two sexes. (567)

In this exercise (and in a similar one carried out in the Essay), the argument of a segregation in employment is used in support of Pigou's rationalisation of unequal pay between men and women. At the same time, in a purely tautological manner, inequality in the "fair wages" for the two sexes itself determines labour market segregation. As a result, women are paid women's wages in women's
industries and occupations. New industries open up to women when the lower wage rates induce employers to switch from male to female employees. And, in the "marginal occupations", the argument that women do not do "precisely the same job" as men "explains" pay differences between the two sexes.

In addressing the question of unequal pay for men and women, Pigou concentrates exclusively on discrimination in wages, while ignoring that discrimination against women with respect to hiring or employment opportunities is relevant to the question as well. Accordingly, in the Essay, he argues that where employers substitute women for men in a particular field "there will be no discrimination because no men are left there." (Essays, 225) The question of whether this results from discrimination in pay (paying women less than men for the same work) and whether it reinforces a situation where women receive lower pay than men across the board is not addressed by Pigou. Indeed, it appears from this passage that the economist would see no harm in a situation of completely segregated employment for men and women, as the thorny problem of unequal pay for the same work would not arise at all. As a matter of fact, his analysis would require such a situation to prevail.
Women's Labour Supply

Pigou begins his analysis of women's labour supply by noting that the relative supply of men's and women's labour "is determined partly by the physiological fact that male and female children survive in nearly equal numbers", a fact independent of the comparative wages paid to men and women. (565) While, in itself, this physiological fact should lead to equal labour force participation by the two sexes, Pigou observes that this is not the case, but he does not elaborate on the precise reasons for the discrepancy. Indeed, physiology is never mentioned again and one wonders why it was brought up in the first place.25

One obvious cause for lesser participation in the labour force by women, their other "job" at home, is not mentioned at all by Pigou in his discussion of female labour supply. Yet, he is aware of a specific pattern of labour force participation by women (see above): they seek employment when they are young, leave it upon marriage,

25. Perhaps this is linked to the lack of a real analysis of the labour supply in general by Pigou. The only definite statements he makes on its determination is that workpeople work and that the supply of labour increases "through the addition to the number of workpeople or through an addition to their average capacity." (664)
and return, if in need, when older. But he identifies this pattern only in reference to the effect on women's productivity which result from it. It is never used to develop an analysis of women's availability for employment.

Presuming that women's supply of labour is positively related to price, Pigou mentions "women's wages" as a factor determining that supply. It is, however, a minor factor. In fact, what he sees as the major determinant of women's labour supply is their husband's labour income.

"The proportions, respectively of the men and women in existence who offer their work in industry depend, not only on the wages offered to members of either sex separately, but also, since women are less likely to work at industry the more money husbands are earning, on the aggregate amount of joint family income." (565)

All women are presumed to be part of a nuclear family in which they are economically dependent on male household members (husbands, fathers,...). They are forced into the labour force only due to financial need resulting from the male household member's absence or failure to earn a "living wage". 26

26. A "living wage" is defined by Pigou as yielding "a decent subsistence for the average worker", the concept of "average worker" meaning a worker with an average size family. (597-8)
The level of the husband's income is consistently identified by Pigou as the main determinant of women's (presumably married) labour supply (87n., 565-6, 600, 707, Essays, 221). In comparison, the level of wages that women can expect to receive in the labour market is mentioned only once. (565)

In a footnote on the mathematical formulation of labour supply and demand, (566) Pigou specifies the female labour supply as \( f_1(w_1, w_2) \), a function of \( w_1 \), women's wage rate and \( w_2 \), men's wage rate. The first derivative with respect to men's wages, \( \frac{\delta f_1(w_1, w_2)}{\delta w_2} \), is described as negative, indicating a downward slope of women's labour supply when plotted against men's wages.\(^{27}\) That function is not specified further. Nothing is said about continuity, monotony, and the possibility of a perfectly elastic portion in that curve, where male income is nil. Yet, from Pigou's discussion of the question, one can infer that, besides a downward slope, the curve features such an elastic portion, as illustrated below. (Fig.3)

\(^{27}\). Curiously, the supply function of men's labour is specified in the same footnote as \( f_2(w_1, w_2) \), with a negative first derivative with respect to women's wages, \( \frac{\delta f_2(w_1, w_2)}{\delta w_1} \).

Pigou does not explain anywhere in the footnote or in the text the reason for this formulation. At no point does he say that men's labour supply depends on women's wages. One can hypothesise that men's labour supply is specified in this fashion only for the sake of symmetry.
In Figure 3, the number of women, $N$, is plotted on the abscissa, against the level of men's wages, $w_2$, on the ordinate. $N_m$ and $N_r$ represent respectively the numbers of married women and of all women of working age, $w_r$ is the level of the "family wage", earned by male household members, above which women need not seek employment. Between $w_2 = w_r$ and $w_2 = 0$, women's labour supply is downward sloping. Where $w_2 = 0$, it becomes perfectly elastic.
With respect to women's wages, the first derivative of the supply function, \( \frac{\partial f(w_1, w_2)}{\partial w_1} \), is, according to Pigou, positive, which implies an upward sloping supply curve for female labour. This is the only place where Pigou indicates how he perceives the relation between women's wages and their supply of labour which, he asserts, follows the standard "law of supply" where quantities supplied increase with prices.

Yet, within the framework of Pigou's analysis, where he identifies the level of men's wages as the major determinant of female labour supply, his assertion of an upward sloping supply curve of women's labour is questionable, or, more correctly, it may be applicable only to women whose labour force participation is not necessitated by insufficient family income, but is due rather to other factors. In the general case, depending on the level of men's wages, it is possible (indeed likely) that women would work for any wage when household income is below subsistence requirements, generating a perfectly elastic supply curve. It is possible too that women might increase their supply of labour in the face of a decrease in their wages to maintain their contribution to family income, which would make the supply curve downward sloping. And, more generally, women might
decrease their labour force involvement as their wages increase.

While Pigou ignores these possibilities, his observation on women's labour force involvement, in a discussion on the effects of "wage subsidies" (i.e., "poor rates") on the supply of labour, confirms them. In this discussion, he argues that subsidies do not lead workers to accept lower wages for their work, but, on the contrary, it helps them select better-paying jobs. One of the illustrations he offers in support of his argument is the example of women married to men who earn good incomes.

"It is not the fact that the wife of a man in good work is likely to accept abnormally low wages. On the contrary, the woman who, for this or any other reason, can afford to "stand out," is, in general, among those who resist such wages most strenuously." (707-8)

This observation is consistent with Pigou's overall view that what drives married women to the labour market is the insufficient incomes of their husbands. But what he does not explain here is why a well-off wife would want to work at all.28 Indeed, in Pigou's text there is no mention of

28. This may arise from the fact that the chapter from which the above quote is taken (Part IV, Ch. VII: Subsidies to Wages) is a late addition to The Economics of Welfare. It does not appear in the 2nd Edition (1924) but is included in the last Edition (1932). When writing it, Pigou might have "forgotten" what he so far has held to be the reason for women's employment.
any other motivation than economic need for women's labour force participation.

Among other things, this means that women's labour supply is, for him, not determined by individual needs, but rather by the needs of a collective entity: the family. As well, the major explanatory variable for that labour supply is not the supplier's own wages but someone else's wages - namely those of the male head of household. Women's labour supply is not self-determined, but derived.

Having looked at Pigou's treatment of the determinants of the demand and supply of women's labour, it is not obvious how precisely they "together govern and determine the relation between the general level of wages paid to representative members of the two sexes." (566) Indeed, it is not clear how Pigou's discussion of these factors provides the alternative explanation of the relative level of women's wages which he promised to provide at the beginning when he dismissed the subsistence-based explanation of men's and women's wages.

On the supply side, Pigou actually identifies the subsistence needs of the family and of women themselves as the major reason for women's labour force participation.
On the demand side, he does not establish a straightforward relation between women's wages and their productivity levels. In fact, he constantly refers to the "fair wages for women" or to their market-determined day wages as an element entering in the hiring decision of employers. But the specific determination of these wages is never elucidated. A direct relation between wages and productivity is either asserted or absent. And, when it is absent, Pigou rationalises below-productivity wages on the basis of the subjective values employers assign to women's labour.

The range of factors that enter into the employer's "value" for women's labour is so wide that it can lead only to arbitrariness in their assessment of women's capacities and in their decisions with respect to the hiring and remuneration of women. This range can include, in particular, an assessment of how much female workers can be "exploited" given specific market conditions, i.e., an assessment of the lowest wage level an employer could offer without losing the services of the worker. The wages offered can be particularly low and bear little relationship to productivity if the employer knows that they do not have to provide for the full subsistence requirements of the worker.
Subsidisation of women's employers?

Pigou rejects an argument, advanced in the *New Statesman*, which refers to employers whose labour costs are "subsidised" by the fathers and husbands of their female employees:

"An industry, which uses up the human capital without replacing it, is not self-supporting and does positive harm to the community. When therefore, a woman is partially maintained by some other source, such as by a father, husband, etc., the industry which employs her is being subsidised from these sources to the extent by which her wages fall short of proper maintenance." (600)

He does not deny that such "subsidies" exist - i.e., that where employers pay wages below what a woman's subsistence would require, "other sources" cover the difference. He, however, does not see these occurrences as problematic as long as the women are paid at least as much as what they would earn elsewhere on the market, that is, as long as they are paid the so-called "fair wages for women". (600-2) "[I]f they were not engaged in this industry," reasons Pigou, "they would still have to be "subsidised" to at least as great an extent" when taking employment elsewhere.

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29. The date specified: February 21, 1914, but no author is indicated. No such article was found in this particular issue of *The New Statesman*. The argument of "industrial parasitism" which Pigou addresses here was developed by the Webbs in *Industrial Democracy*, 1897.
or when staying at home. He arrives at this conclusion by focusing on the subsidy to the female worker by their male family members rather than on the subsidy to their employers.

Whether women's subsistence needs are subsidised is irrelevant as long as their labour is not misallocated as a result. A waste of productive power, according to him, occurs only if women are employed at a wage below the market wage, or if they are not employed at all.

The only "true parasitism" Pigou acknowledges is where the employer profits from paying their workers "less than they could and would earn elsewhere." Accordingly,

"[w]hen this is not happening, there is no parasitism even though workers are being paid much less than is required to maintain them in independent self-support." (601)

Thus, Pigou begs the question posed by the New Statesman, i.e., whether it is economically justifiable that the labour costs of all the industries employing women should be subsidised by their workers' male relatives. He does not determine what the implication of

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30. Pigou's view that working women are subsidised by their husbands and their fathers regardless is curious in view of his treatment of women's labour supply where economic need, i.e., the need to complement or provide a "living wage" for themselves and their families, is identified as the major determining factor.
such a situation is for the allocation of productive resources and the present and future national dividend. He also ignores some of the implications of his conclusions: for instance, why would women supply their labour to the market for less than a living wage and why is women's presumed productivity level consistently too low to earn them at least a full subsistence wage?31

Predictably, Pigou opposes increasing the wages in these industries, asserting that such a move would throw the women out of work. He argues that the wages they receive are already fair and that the women's low productivity levels does not warrant higher ones. Throughout this discussion, he maintains that women are "workpeople who are in fact worth, for all purposes, less than a living wage." (601)

It is clear from Pigou's discussion that nothing obliges employers to pay a living wage to their female workers, i.e., there is no market mechanism to ensure payment of a living wage to women. Moreover, women are

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31. It is striking that, in his whole discussion of women's wages, Pigou never reflects on its underlying proposition that, in industrial society, women's productivity level is consistently too low to earn them a full subsistence wage whereas men's productivity level is consistently high enough to earn them a wage not only sufficient for their own subsistence, but also to provide partly or wholly for the support of a family.
seen as having insufficient bargaining power and organisation to push their wages up. This situation allows employers to pay women a wage as low as they will accept (this level being determined by wages in alternative employment), not only regardless of the level required for their subsistence, but also regardless of their productivity level.  

Pigou only acknowledges isolated instances of "parasitism" when specific employers pay wages below the "fair wages for women". These only arise where employers enjoy specific market conditions (monopoly being one such case). By seeing "parasitism" as exceptional, Pigou avoids discussing the possible existence of generalised parasitism.  

Generalised parasitism would prevail where there is a common practice by employers of paying their female employees less than a subsistence wage, regardless of their marginal productivities. This practice would be

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32. The belief (and the social reality) that women are supported by husbands/fathers may be part of the reason for the weakness of women's bargaining power vis à vis their employers, and for employers abuse of the situation.

33. In one instance Pigou refers to a situation where a worker is willing to work for less than his subsistence requirements when "confronted by an employer occupying towards him the position of a monopolist." (707)
facilitated by employers market power and the lack of bargaining power of female workers.  

Whether such a situation can actually be observed in the labour market is not addressed in Pigou's Economics of Welfare. However, in his essay on "Men's and Women's Wages", he explicitly refers to employers' collusion with respect to women's wages. He asks:

"What of the effect of conventions and understandings among employers that lead to their offering lower rates of pay relatively to their worth to women than they offer to men?" (Essays, 225)

and he recognises that if such conventions spread "over the generality of employment", women "will have to suffer under-payment everywhere." (Essays, 225)

Yet, whereas he does not deny that such a possibility exists, he claims that he cannot determine its actual existence and extent:

"Whether there is in fact a widespread anti-feminist convention of this kind and, if so, how

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34. Joan Robinson, in The Economics of Imperfect Competition, 1954, London, MacMillan, Ch. 26, developed the theory of monopsony-caused discrimination and applied it to specific groups in the labour market such as women who face distinctive conditions affecting their labour supply. More recently, Janice Madden has argued that labour market conditions faced by women can be analysed as a case of generalised monopsony, see "Discrimination - a Manifestation of Male Market Power?", in Cynthia B. Lloyd, editor, Sex, Discrimination and the Division of Labor, 1975, Columbia University Press, pp. 146-173.
large its effects are, I have no means of judging." (225)

Having identified the possibility of employers' collusion in the essay and the rationale they can use to justify their actions in *The Economics of Welfare*, he, surprisingly, stops short of putting the two elements together to develop an in depth analysis of wage discrimination and Pigouvian exploitation of female workers.35

Instead, it seems that Pigou readily accepts his own rationalisation for the inequality of men's and women's wages. He adopts as fact his own assumption about the low productivity level of women workers. He legitimizes the discriminatory behaviour of employers as a normal part of their economic decision making. He does not question, from the point of view of economic welfare and the national dividend, the implications of the low labour income earned by women. Indeed, it seems that he holds the belief that women's insufficient level of labour income does not bear any major economic or social consequence, since - under 'normal' circumstances - they

35. Pigou's submission to the royal commission on Equal Pay, which is the basis for the Essay on "Men's and Women's Wages", was delivered in 1946 while the Fourth and last edition of *The Economics of Welfare* was published in 1932. Yet, the discussion on the subsidy to women's subsistence which appears in *The Economics of Welfare* is not included in the Essay.
derive their main source of livelihood, not from employment, but from economic dependence on men. He never ponders where that leaves "self-supporting" single women.

The above considerations clarify the meaning of Pigou's concept of "fair wages for women", which, he proffers, is the major guiding element in the determination of women's wages. The "fair wages for women" do not seem to have any particular connection with the productivity of individual women workers. As a matter of fact, women who happen to receive a productivity wage higher than the "fair wages for women" - be it because they are employed with men and get paid the same wages - are seen by Pigou to receive "unfairly high" wages. At best, if they are at all linked to productivity, the "fair wages for women" are linked to the average productivity level of working women as a group.

Beside the presumption of the low average productivity of women, two other elements seem to decisively influence the determination of the "fair wages for women". On the part of the employers, the concept

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36. This expression seems to more appropriately reflect the point of view of employers in those industries who may consider their situation "unfair" compared to that of other employers who only have to pay the - lower - "fair wages for women" to their female employees.
seems to be linked to their "general understanding" that women do not need a full "living wage", as they are presumed to be supported by their husbands and fathers. On the part of the working women, the specific conditions of their labour supply (i.e., the requirement to provide for their family and their own subsistence needs), and their lack of bargaining power vis-à-vis employers (as well as their limited mobility), would tend to generate a situation of acceptance by women of wages which stand below their own productivity levels and below their individual subsistence needs.

Thus, the concept of "fair wages for women", would tend to reflect particular social assumptions on women's needs and how they are provided for, as well as the specific constraints women face in the labour market, rather than their actual, individual productivity levels. It would tend to reflect a level of pay which would consistently stand below the subsistence requirements of a self-supporting woman. This is, in essence, the "common idea" on women's wages that Pigou rejected and termed "superficial".

His approach to men's and women's wages leads him to accept a dual system where the institutionalised - and market reinforced - "subsidy" of women workers by their
male relatives is actually grounded in a double standard of wage payment, with a "living wage" for men (providing subsistence for themselves and an average-size family, i.e., a "family wage"). and below-subsistence earnings for women.

More significantly, the argument of separate "fair wages" for the two sexes leads to the question of the applicability of marginalist theory to wage determination in general. Is marginalism applicable solely to the determination of men's wages? If such is the case, what justifies that women be excluded from the scope of the theory? And how valid is marginalism if it applies only to a portion—though a majority—of the workforce (if it applies to it at all)?

The implications of these questions for the neoclassical paradigm (to which elaboration Pigou largely contributed) are indeed serious. Pigou's tortured discussion of the question of women's wages is a sign that he was probably aware of this. This is also reflected in the questions he excluded from consideration. He shuns away from considering the matter of the exploitation of women workers (on a grand scale). He does not investigate the extent of the "abnormal" profits received by employers from the system of "fair wages for women" and
how such a system operates an effective redistribution of the product of industry from female workers to their capitalist employers. Furthermore, his assessment of the effects of this wage system on the national dividend is incomplete and one-sided.

The neo-classical model coupled with Pigou's welfare economics approach, if rigorously applied to the question of women's wages, would normally lead to an indictment of employers' practices and to the recommendation of state intervention to ensure that women receive wages according to their marginal product. This, however, would threaten the position of women's employers on the market. It would also encourage women to enter the labour market. Pigou finds such an outcome undesirable and he says as much, when he invokes the "general" welfare of society as opposed to "economic welfare".37

"We must not assume that arrangements which are disadvantageous from an economic point of view are necessarily disadvantageous on the whole. "Improvements" in the organisation of wages, if they divert women into industrial activity away from home-making, child-rearing and child-bearing may have implications which extend much beyond the sphere of economics and about which

37. At the beginning of The Economics of Welfare, Pigou asserted that economic welfare was the measurable part of total welfare, and that "the effect of any cause on economic welfare [...] is probably equivalent in direction, though not in magnitude, to the effect on total welfare." (20) Here, however, he identifies a particular situation where an increase in economic welfare would - in his view - generate a decrease in total welfare.
economists as such have no qualifications to speak." (Essays, 224-5)

The implications for women workers of the present system are not taken into consideration in an approach where their exploitation by employers and their economic dependence on male family members are seen as optimal for society. In view of this, Pigou only makes a standard "free market" recommendation to the Royal Commission on Equal Pay which completely ignores his own demonstration that free market conditions are not present when it comes to women's work:

"It is, in general, safer to concentrate on removing barriers and taboos that obstruct the flow of women into industries suitable for them, leaving wage rates [...] to look after themselves." (Essays, 226)

Given Pigou's position that, with respect to women, economic considerations come only second to social considerations, the questions arise of why he took the time to address the Royal Commission as an economist and why he claimed that economists have a better explanation for women's wages than the socially held "common idea" he first rejected. It is clear that the objective effect of his intervention is to reinforce and legitimise the "unfair" treatment of women in the labour market.
Pigou's treatment of the question of women's wages has to be situated within his overall approach to women's place in the economy. In The Economics of Welfare, he develops a blueprint for improvements in the efficiency of capitalist societies which includes an elaborate state-run welfare system. The major intent of this system is to rehabilitate the poorer portion of the working class and make it productive.

In this system, women are assigned to non-market reproductive work, a type of activity which is not recognised as contributing to the nation's economic welfare and which is not paid. Women must therefore rely on male family members' income and on state welfare payments for subsistence. Employed women are not guaranteed access to a living income as Pigou rejects the concept of a minimum wage. He advocates a national human
capital investment policy but restricts its scope to the improvement of male workers' skills. For him, the focus of women's education should be their domestic "duties".

Women's Work and the National Dividend

Pigou defines economic welfare as "that part of social welfare that can be brought directly or indirectly into relation with the measuring rod of money." (11, emphasis added). While this definition could allow him consideration of economic activities which are not strictly speaking monetary (as long as their outcome could be measured in money terms), he chooses to restrict his attention to economic activity which directly generates a monetary outcome. In particular, following Marshall and the British Income Tax Commissioners, he excludes women's non-market work from inclusion in the national dividend.

Pigou is aware of the inconsistency which this choice generates in his analysis:

"The bought and the unbought kinds [of services] do not differ from one another in any fundamental respect, and frequently an unbought service is transformed in a bought one and vice-versa. This leads to a number of violent paradoxes. [...] the services rendered by women enter into the dividend when they are rendered in exchange for wages, whether in the factory or in the home, but do not enter into it when they are rendered by mothers and wives gratuitously"
for their own families. Thus, if a man marries
his housekeeper or his cook, the national
dividend is diminished. These things are
paradoxes.¹ (32-3)

In a similar vein, Pigou acknowledges that, when
women are barred from employment by the Poor Laws or the
Factory Legislations and "diverted from factory work or
paid home-work to unpaid home-work, in attendance of their
children, preparation of family meals, repair of the
family clothes, thoughtful expenditure of housekeeping
money, and so on", activities which he obviously considers
as work and as productive of utility, "the national
dividend suffers a loss against which there is to be set
no compensating gain." (33) Here, the national dividend suffers because the other activities women undertake when barred from employment are not acknowledged in it. For the same reason, a shift in a woman's activity from
domestic to market work will generate an increase in the
national dividend. But in this case, Pigou does not argue, as Marshall did, that the decrease in domestic

¹. It is strange that Pigou should declare
"paradoxes" phenomena created by his own definition. In similar ways, the work and life-activity of the majority of women have been ritually dismissed in most economic textbooks and by most economic lecturers since Pigou, by the means of a worn-out sexist joke. Samuelson, in a fit of tokenism, used role reversal to recycle the joke for the XIth Edition of his Economics (1980): "When a woman marries her chef..."
production should be counted against the increase in the
national dividend.²

This difference between Marshall and Pigou is not an
oversight on the latter's part. While Marshall could not
decide whether housework was productive, or, for that
matter, what specific criteria should be used in making
such a decision, Pigou "resolved" the problem by linking
the concept of productivity to the national dividend. For
him, the value of the marginal product of a given unit of
a factor of production corresponds to its net contribution
to the national dividend. (131-5) By this definition,
housework, even though it is work, is not "productive".

At the same time, Pigou does not deny the "economic"
character of housework. This is apparent when he compares
the productive efficiency of housework and market work:

². In one instance, Pigou argues that the sudden
influx of women into the labour force should be counted as
a net contribution to the national dividend. During the
First World War, he asserts, such an influx did not
generate a decrease in domestic production as (1)
previously idle women went into the labour force; (2)
previously idle women replaced domestic producers who went
into the labour force; (3) the total amount of housework
required decreased due to the absence of men from their
homes. (33n.) Pigou does not recognise the double workday
of women workers (and its effect on their productivity).
He also forgets to mention additions to the national
dividend from the provision of market or government-
produced services (childcare, cooking, laundry) during the
war.
"In occupations where commodities are produced, not for sale in the market, but for domestic consumption, and where, therefore, the competitive struggle is relaxed, the standard of competence tends, other things being equal, to be lowered." (754-5)

He also recognises the useful character of housework, particularly when it assumes specific forms: when it is performed by the mother, when it follows certain standards, and when it is the primary activity of women. Hence, one of his consistent positions is that women should not be prevented - in particular by economic need - from performing adequate amounts of domestic work. As a result, he argues that impoverished women, especially if they are mothers, should receive state funds rather than having to seek employment to support themselves and their families. To bring the performance of housework to certain standards, Pigou advocates the expenditure of state funds on the "training of the girls of the present generation to become competent mothers and housewives". (100n.) He also rejects, when a mother is employed, the

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3. In this argument, market work is the norm against which housework is measured. It is inspired by W. O. Mitchell who remarked that the lack of competition between housewives leads to inefficiencies in domestic production. ("The Backward Art of Spending Money", American Economic Review, No. 2, 1912) Similarly, the members of the home economics school and economists such as Margaret Reid (The Economics of Household Production, 1934) deplored that specialisation of labour and the techniques of scientific management and Taylorism could not be fully applied to housework. These views can be contrasted with those expressed by J.S. Mill on the efficiency of the domestic work process. (Principles, 127-8)
performance of childrearing by other persons and, to
justify this, asserts that "a woman's work has a special
personal value in respect to her own children". (188n.)

Given that housework cannot be readily excluded from
the realm of economic welfare, Pigou is hard pressed to
find a rationale for his position that it should not enter
into national dividend calculations. Services rendered by
housewives and mothers can be measured in money terms.4

Yet, he wants to develop a precise definition of the
national dividend. There can be objections arising
"against any definition of the national dividend except
one that coincided in range with the whole annual flow of
goods and services". Yet, this unobjectionable definition
is unacceptable to Pigou as "it would be tantamount to
abandoning dependence upon the measuring rod of money",
which "would certainly arouse distrust even though it led
to no confusion."5 Hence, a "compromise" is required: "It
is only possible to define [the national dividend]

4. This he acknowledges when he states that "the
concept of economic welfare is essentially elastic. The
same measure of elasticity belongs to the concept of the
national dividend." (31)

5. Pigou does not specify who would distrust a
comprehensive definition of the national dividend. Is the
question of scientific measurement at stake? Or is it
rather the inclusion of such "trivial" economic activity
as that performed by women at home that would discredit
the economist?
precisely by introducing an arbitrary line into the
continuum presented by nature." (31-33) Here, in the name
of precision Pigou resorts to arbitrariness in his
limitation of the field covered by his basic quantitative
measure of aggregate economic welfare. 6

After a lengthy justification of the need for such
arbitrariness, Pigou declares that the "arbitrary line"
falls between "the services that a man obtains from a
house owned and inhabited by himself" which are somehow
monetarily assessed and included in the national dividend,
and the services gratuitously rendered by women to their
families, which are not included. (33-4) Pigou concludes
by asserting that, however unsatisfactory his compromise
might be, "nothing better appears to be available". (34)

Economic Welfare and Women's Work

Pigou's major preoccupation in The Economics of
Welfare being the enhancement of economic welfare, which
he equates with the national dividend, one might expect

6 Also to be noted is Pigou's dubious perception of
a "continuum" in nature where in fact, it is he, the
economist as a would-be positive scientist (i.e., one who
is not supposed to meddle with the object of one's
inquiry), who re-arranges nature and ranks its phenomena
with respect to the measuring rod of money, from the
measurable to the non-measurable, in a "continuum".
him to show little concern for domestic production which he excluded from the aggregate. One might also logically expect him to argue in favour of the expansion of women's activity in the labour market at the expense of their non-market activity. It is therefore surprising to see him advocate the restriction of women's market activity.

In his discussion of the effects of the length of the workday on workers' productivity and on the national dividend, Pigou's immediate concern is not so much the welfare of the workers, viz. their access to greater leisure for themselves, but rather the maximisation of the national dividend. For him, workers' leisure contributes to the national dividend only indirectly and in as much as it is not spent "in mere dissipation" but rather in activities which restore their productive powers.\(^7\) The optimal length of the workday, then, is "the exact length of the workday beyond which an increase would contract the national dividend." (462)

\(^7\) Following the marginalist maximising logic, Pigou could have argued that the appropriate length for the workday is that at which the marginal change in income exactly balances the marginal change in the worker's disutility from work. But, like Marshall, Pigou is not interested in the workers' own welfare maximising choices. Since, apparently, there might be a contradiction between the maximising of the workers' welfare and the maximising of the national dividend, and since the workers cannot be trusted to choose the latter over the former, Pigou sees a need for some intervention in their decision making.
In the case of women workers, a shorter workday is required to ensure that they have adequate time to perform "their household duties".

"children and women, and particularly women who, besides industrial work, have also the burden of looking after their homes can, in general, stand less than adult men. Further leisure for them yields a bigger return - for children in opportunities for healthy sleep and play, for women in opportunities for better care of their homes."8 (463)

Pigou does not mention who is the recipient of this "bigger return". Is it a benefit to the housewife that she should have more time to care for her home and family? or does it rather benefit her family, the country as a whole (although this "bigger return" is not recorded in the national dividend), or capital? Whereas the above statement acknowledges employed women's double workday and its negative impact on their productivity level, it exposes Pigou's position that domestic work should be their main activity.

His statement is very problematic from an orthodox economics point of view: he utilises market-based economic concepts (returns, productivity) to direct women to non-market work. Hence Pigou's vagueness, for, having

8. He does not seem to be aware of the irony of his proposal that women fill the leisure time he wants them to have with work in the home. If domestic work is leisure, why are men so reluctant to engage in it? and why do the rich hire domestic help to perform it?
excluded housework from the realm of economic welfare and national dividend calculations, he cannot provide a specific economic rationale for the reduction of women's workday in the labour market.

To support this argument, Pigou quotes statistics gathered among munitions workers in 1916.9 Curiously, the specific circumstances of this data gathering (the war) do not suggest to him an alternative solution to the strain on women's productivity resulting from the double day: that of a reduction in the amount of housework required of women, eg., through the socialised provision of childcare centres and other services.

Whereas the negative effect of an excessive workday on the national dividend can be assessed (and controlled) in the case of male wage labourers who exclusively engage in market work, this cannot be done with female workers who also perform domestic work. Changes in economic (and general) welfare caused by variations in women's wage workdays will only partially be recorded in the changes in total commodity output. Repercussions on women's domestic output and on the economic - and non-economic - welfare of

9. "... the hours of work yielding maximum output were, for men "on very heavy work" about 60 hours, for men on "light work" about 70 hours, for women on "moderately heavy" work 56 hours, and for women on "light work" 60 hours." (464)
themselves and their families will not be recorded in the national dividend.

Elsewhere, Pigou asserts that "work done by women in factories, particularly during the periods immediately preceding and succeeding confinement" is a cause of higher infant mortality and is injurious to the health of mothers and children. Yet, the only empirical evidence he possesses is of a significantly lower rate of infant mortality in districts where women are employed. He dismisses this evidence in the following fashion:

"The reality of this evil is not disproved by the low, and even negative, correlation which sometimes is found to exist between the factory work of mothers and the rate of infant mortality. For in districts where women's work of this kind prevails there is presumably - and this is the cause of women's work - great poverty. This poverty, which is injurious to children's health, is likely, other things being equal, to be greater than elsewhere in families where the mother declines factory work, and it may be that the evil of the extra poverty is greater than that of the factory work. This consideration explains the statistical facts that are known. They therefore, militate in no way against the view that, other things equal, the factory work of mothers is injurious." (187)

By "other things equal", Pigou no doubt means that the variations in family income level caused by the employment or non-employment of women/mothers should be disregarded in the search for the causes of infant mortality. Pigou's treatment of the question has the effect of assigning the blame for infant mortality to the mothers - who 'insist'
upon working when the family income is low – whereas, by so doing, they precisely attempt to remedy the cause of the evil: poverty.

Having thus asserted that women's work was the cause of infant mortality "other things equal", Pigou proposes a single solution: "prohibition of such work". (187) More humane than Marshall, he prescribes that it should be accompanied by state-funded compensation for the lost income in the form of "relief to those families whom the prohibition renders necessitous". (188) He obviously did not imagine that these state funds could also be used to provide professional childcare, improved medical care, or household help, alleviating the demands on women's time and leaving them free to decide between employment, partial employment, or staying at home.

While he makes it clear that wage work should not interfere with women's household "duties", Pigou is evasive on the question of whether women have a place in the labour market at all. His position seems to rest on the argument that women should not be forced into the workforce by economic need, thereby being "free" to give priority to their home and family. This is possible, in his ideal society, if women are freed from economic need
through reliance on the income of male family members, or, failing that, reliance on state welfare.

Not only are "financially secure" women able to choose whether to seek employment, they can also be selective in the type of employment they will take. Thus, "in districts where men's wages are good, women only work at industry if they themselves can obtain well-paid jobs", (87n.) and "the woman who [...] can afford to "stand out" is, in general, among those who resist such [low] wages most strenuously." (708)

Here again, Pigou assumes as normal that safeguard from economic need for women nominally requires reliance on another financial source besides their own income from employment.

Pigou's Blueprint for a Welfare State System

A major portion of The Economics of Welfare is dedicated to the elaboration of what Pigou sees as an ideal state-funded and administered welfare system with the purpose of correcting the imperfections of the market, in particular with respect to income distribution and the supply of labour factors on the market. The structure of
Pigou's system reflects his concern that the proposed welfare schemes do not distort the market and negatively affect the country's economic welfare (i.e., the national dividend). Such a system would attempt to provide a sufficient income level to shield the working class from poverty and its negative impact on productivity levels. It would also endeavour to enhance the productive capacity of current and future workers.

In an elaborate, lengthy discussion, Pigou reviews all the possible forms of state assistance to the poor to determine which forms of assistance would generate the greater increase to the national dividend while minimising the "idleness and the thriftiness" of the recipients.

(720)

His typology yields two 'desirable' categories of "transferences". The first kind includes those which "differentiate against idleness and thriftiness" with payments conditional upon individuals making efforts to provide for themselves or to maintain set levels of productivity, and those which induce new needs among the recipients and thus increase their willingness to work.

Specific examples of such transfers are free medical treatment and free education for children. These, Pigou
speculates, will lead parents, and particularly mothers, to take a more active interest in their children's wellbeing and education, inspiring them to contribute more of their time and activity to the goals of these programmes, co-operating with the schools and increasing housekeeping and childrearing standards at home. (727)

However, it is clear that the effects of these transfers on the national dividend are only indirect and realisable in the future since the increase in mothers' reproductive work will not be included in it.

The effect of free but compulsory education for children is described as follows:

"Since [...] their parents are deprived of the wages they [the children] might otherwise have obtained, it may be that, even when to free education free meals are added, there is no net lightening of the cost of living to parents, and, therefore, no diminution in the contribution of work and waiting which they find it profitable to make. In these circumstances the expectation of this variety of neutral transference will leave the size of the national dividend unaltered." (726)

Indeed, the size of the national dividend may actually increase if parents end up "contributing" more through "work and waiting" to make up the lost income and satisfy the new needs created by their children's education.

The second type of desirable transfers involves those which Pigou calls "neutral" because they do not induce any
change in the productivity level and the willingness to work of the poor, and hence in the national dividend. He argues that only universal transfer payments, those which are "dependent on some condition, not capable of being varied by voluntary action in the economic sphere," (722) fit this definition. Hence such payments must not be linked to income levels - which would induce the poor to stay poor (and unproductive), an effect achieved by the Poor Laws - but to "conditions" such as motherhood, old age, widowhood, sickness, schooling age, etc. Instances of such transfer payments are the "universal endowment for motherhood" and universal old-age pensions.

In these, Pigou discovers the ideal compromise for liberal economists: state intervention to improve the poor's standard of living and productivity without the introduction of "distortions" to the market. These transfers aim at increasing the supply of poor people's labour without requiring an increase in the wages paid to them. The only acceptable "distortions" are those which tend to increase quantitatively and qualitatively (in improved productivity) the labour supply.

If such transfers do not "distort the market", they also do not distort the structure of income distribution
since all, poor and rich alikes, qualify for them. The "work and waiting" of the rich is not distorted either.

The "universal endowment for motherhood (dependent only on the fact of motherhood)" (722) is the specific form of state intervention proposed to restore working class families' incomes to a "living standard" when mothers are prohibited to work. Pigou justifies the need for this transfer on the basis of his own indictment of women's work "in factories shortly before and shortly after confinement". (760) In very strong terms, he advocates, in this particular case and in the case of Factory Acts,¹⁰ that the state should "not remit the law" and allow women to work, where legislation prohibits it, so that more income is earned where families "suffer shocking poverty". (760) In such instances, Pigou insists that it is the state's "duty" to "defend those affected by it from this evil consequences" through the means of transfer payments.

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¹⁰. Where the Factory Acts prohibit or restrict the employment of women and children, Pigou argues that the law should not be waived in specific cases to accommodate the income needs of workers (and the labour force needs of employers). Nevertheless, he maintains that, as a result, present and future workers should not be left to starve. We can here again contrast Pigou's prescriptions with Marshall's who had no concern for the decreased working class incomes resulting from the Acts.
What is curious here is that seemingly compassionate positions: an argument in favour of a minimum living standard for the poor and a case for compensatory payments to poor families when they lose income due to state legislation, are used to justify a proposal for a universal transfer payment. The rationale of a compensation for lost income obscures the real intent of the "universal endowment of motherhood": a direct payment for women's reproductive work, going to every mother, regardless of financial need and previous participation in the labour force.\footnote{11. This is precisely the form adopted in the family allowances which were implemented in Great Britain and other western countries at the end of World War II.}

Pigou's other justification of universal transfers: that they will not distort the market, does not seem to apply here in the case of the endowment for motherhood. Indeed, the labour market would suffer distortions (a decrease in the labour supply) as a result of Pigou's proposal of a strict prohibition of employment for mothers. It is likely that the motherhood allowance would further reinforce these distortions by removing an incentive for mothers to work extra-legal.

Pigou shows particular concern for the case of widows who have children. He recognises that
"Whereas most of the regular trades followed by men provide persons of average capacity [...] with fairly adequate earnings, most women's trades do not do this. It is not at all obvious that a widow of ordinary ability, even without children, can, with reasonable hours [...] earn enough to "maintain herself and provide for the ordinary vicissitudes of life"." (723)

Yet, they should not be allowed to remedy their insufficient income by working beyond the limits set by the Factory Acts, or by sending their children to work. This would jeopardise the practical intent of these laws: school attendance by children and the performance of a given standard of housework and childcare by mothers.

Here again, the remedy offered is not of specific welfare payments to needy households, but "universal" transfers: universal widow and old age pensions, free education for all children along with the provision of free meals at school.12 Here too, it is likely that these universal transfer payments will in fact "distort" the labour market by diverting women and children from it.

Motherhood allowances and widows' pensions have, in addition, a differential effect on men and women, inducing women and not men (eg., widowers, with or without

12. The latter proposal is justified as a way to assist the needy children while avoiding the "social awkwardness [...] and also the practical difficulty of determining which parents can, and which cannot, afford to pay." (729-30)
children) to stay out of the labour market. For rich and poor alike, such universal transfers tend to enforce a particular role for women in a capitalist society: that of the housebound wife and mother. It also forces working class women to orient their activities towards the reproduction of future generations of workers.

While Pigou goes much further than Marshall in his advocacy of welfare-oriented reforms and government intervention, the intent and the practical result of the programmes he advocates do not depart from Marshall's own position relative to the 'upgrading' of the poor classes' human capital, the appropriate sexual division of labour and distribution of income, and the desirable place for women in a capitalist society.

A national minimum income?

While Pigou strongly defended the above proposals, a number of which still have to be implemented in western capitalist countries, he discusses a further welfare proposition which is still currently the object of debate among economists: the concept of a national minimum income, or, in his words, "the universal gift to everybody
of a sum deemed sufficient to furnish by itself the essential means of subsistence." (722)

He adopts Marshall's insistence that the real income of working class families should be sufficient to provide for (physiological) subsistence. However, he does not subscribe to Marshall's proposal of a "family wage" paid to male workers, since this would distort the market, put excessive constraints on the employers who would be required to pay such a wage, and lead to discrimination against married men with families. In addition, he argues that such an artificial increase in wages would lead employers to substitute other factors of production for labour. Hence, the opposite effect would be obtained: a higher rate of unemployment and lower real incomes in general, and among men with large families in particular. 13

Pigou defines the minimum standard of real income "below which [the state] refuses to allow any citizen in

13. This argument is developed in pp. 603-06 of The Economics of Welfare and also in the essay "Eugenics and some Wage Problems", Essays in Applied Economics, 1924, P.S. King & Sons, London. Note here that Pigou assumes that the family wage would be paid only to men with families, rather than to all men regardless of family status, which would have avoided the cause for discrimination by employers. He generally rejects all schemes that would lead to across-the-board wage increases as distorting the market.
any circumstances to fall" (759) as an "objective minimum of conditions" rather than a "subjective minimum of satisfaction". That is, such standard is to be determined not by individual workers in relation to their self-defined and perceived needs and welfare, but by state authorities in relation to state defined standards required for optimal population growth, labour productivity and overall 'improvement' of the labour force. In other words, workers cannot be trusted to make use of transfer money income in the best way:

"it is idle to expect that resources transferred to poor persons in the form of general purchasing power will be employed by them exclusively in the openings that are likely to yield the largest return of capacity." (756)

Accordingly, Pigou does not define his minimum standard in terms of money, but in terms of goods and conditions required to maintain it: "some defined quantity and quality of house accommodation, of medical care, of education, of food, of leisure, of the apparatus of sanitary convenience and safety where work is carried on, and so on." (759)

Moreover, not only are these standards defined without the workers concerned, by the state, they are to be imposed upon them and strictly enforced. As we found

14. Pigou states this three times, in forceful terms, in the same page, for example: "the minimum is absolute [... the state] will not allow [a citizen] to
in Marshall, not only are workers not trusted to make the "right" decisions when maximising their own welfare, they are not even allowed the right to independent, self-oriented welfare maximisation. Pigou's departure from liberal economics reflects his belief that, in capitalism, the working class exists only for capital.

Yet, he is aware of the problem involved in his advocacy of state intervention:

"There is indeed, some danger in this policy. It is a very delicate matter for the state to determine authoritatively in what way poor people shall distribute scanty resources among various competing needs [...] This danger must be recognised; but the public spirit of the time demands that it shall be faced." (759-60)

The interest of the country (and capital) are foremost in this matter.

The same authoritative prescriptions prevail, as we have seen, in the prohibition of women's and children's work, but also in the education of "the normal children of the poor" where Pigou advocates that children be taken away from their homes as it would be self-defeating to educate them "while leaving them the prey of demoralising home conditions." (751) Needless to say that, for him, the direct care of poor mothers for their own children has save money for a carouse at the cost of living in a room unfit for human habitation." (759)
lost the "special personal value" that characterises that of other mothers.

Pigou even advocates coercing workers into the proper work attitudes and patterns of consumption with threats of withdrawing state help from those unwilling to conform or to maintain employment or specific levels of productivity. (732-4) This could go as far as "disciplinary measures [...] detention under control [...] long periods of detention in labour colonies." (735)

While endorsing the need to establish and enforce a minimum standard of real income for the poor, Pigou rejects the concept of a minimum money income. Not only would it give too much autonomy to poor people and risk the squandering of state funds, but it might also negatively affect the labour supply.15 Equally, it might generate political opposition from "practical politicians" who dislike "universalising grants to large categories of persons". (730)

15. Pigou does not explore to what extent such effects would occur and remains vague on the question. For instance, in his 1914 essay "Some Aspects of the Housing Problem", in Essays, op.cit., he states that "in view of the fact that good conditions of life undoubtedly increase the efficiency of those who enjoy them, state assistance might [...] be given in considerable measure before [...] gravely injurious reactions [upon the production of wealth] were set up." (123-4)
Pigou does not try to "strike a balance between the conflicting considerations" involved or to determine the costs and benefits (in terms of the national dividend) of a national minimum income scheme. Instead, he advocates a more "practical" and "politically prudent" approach to the objectives of ensuring a "minimum standard of real income" for all: by "enlarging the scope of neutral transferences" to the point where "the elementary needs of practically all persons, whatever their income, are met through them".

(728)

Flowers and labour colonies

In summary, Pigou's welfare system encompasses a threefold programme: (1) universal neutral transfer payments: pensions, motherhood endowment, free education, free school meals; (2) transfers in kind which ensure the satisfaction of some of the "needs", as perceived by the state, of the poor,16 while avoiding misdirected spending and squandering of state funds by them; (726) and (3) financial help associated with deterrent conditions (to avoid idleness) or outright coercion, for the remainder of the welfare cases.

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16. These include "public parks for the collective use of the poor, or flowers for their private use". (726)
Pigou goes on to describe an "optimal" scheme for the funding of such programmes. Rather than relying on the taxation of the rich, he suggests that the poor and the working class finance these programs, imposed upon them without any input and defined by interests alien to their class, through a 'social insurance' system. His argument is that workers will be less inclined to idleness if pensions, sickness benefits and unemployment insurance are financed by themselves through premiums paid out of their own income, and consequently are presented to them as the result of their own savings. (730-1) One thing which is left in the dark however is the financing of the universal endowment for motherhood.

Having theoretically elaborated and rationalised such a system, Pigou remains very vague on the ways and means to practically implement and enforce it. For instance, he is silent on what the (relative) amount of transfers should be to fulfill the goals of providing a subsistence income.17 He is also silent on how such a complex system could be made to work with the degree of precision he insists upon, giving as sole guidance a vague proposal of

17. The reason might be that their costs would be too high. In today's welfare systems, such payments as family allowances, state pensions, welfare, unemployment insurance, have fallen far short of the required level of subsistence income Pigou argued they should provide.
"enlarging the scope" of transfers to meet "the elementary needs of practically all persons".¹⁸ (728)

Notwithstanding such practical shortcomings, Pigou did develop a comprehensive proposal for a capitalist state welfare system, using as a starting point and justification the existence of poverty and the need to eradicate the resulting waste of productive resources. This "optimal" arrangement includes: minimum taxation of the rich with the financing of the proposed welfare through income transfers within the working class; minimum disruption of the labour market; minimum injury to the national dividend with programs which do not distort the market and do not detract the rich from investing; productivity incentives for the poor; and the enrolment (forceful or not) of a large portion of the "parasite" elements of society" in the workforce. Whereas Pigou emphasises the positive aspects of his proposals, he does not investigate the impact of income redistribution, and in particular, of the new taxes levied to finance the programmes, on the working class as a whole.

¹⁸. This is tantamount to leaving it to the invisible hand to administer a multitude of state payments and programmes and wishing for a miraculous fulfillment of the goals set.
Minimum income and minimum wage

One might expect to find that Pigou's proposed system of a "national minimum standard of real income" for all would include a proposal for a minimum labour income, since this could provide a basis for a minimum subsistence income which would then only require to be complemented by specific transfer payments (e.g. pensions, motherhood allowance, unemployment insurance, ...) for those who are not employed. A minimum labour income could ensure access to minimum subsistence for those who stand at the bottom of the labour force, in particular women, but also older, disabled or unskilled men.

However, Pigou specifically rejects the concept of a minimum wage system, arguing that his complex "minimum standard of real income" provides a superior approach to a minimum subsistence for all. He asserts that, the implementation of a minimum standard of real income for all working class families is the best way to ensure the satisfaction of the subsistence needs of all, and of women in particular - who no doubt constitute a majority of the low wage working class. (618) For him, the actual wages received by women - which he recognises as insufficient for the subsistence requirements of even a
single person - should not be a concern for state welfare planners.

His 'prescribed approach' to ensuring women's livelihood is the development of a welfare system focusing on family needs. He thus presupposes that all women are economically situated within a family and essentially dependent on a male income earner. Where this is not the case, he proposes the patriarchal substitute of a state-administered welfare system. Women's livelihood must not derive from employment, but from dependence on men and on the state.

Nevertheless, Pigou discusses extensively the question of a minimum wage. He states straightforwardly that the levels of subsistence incomes for men and women should differ, implying inherent differences in the needs and family responsibilities of the two sexes.

His discussion begins with a methodical analysis of situations of fair and unfair wages and the consequences of state intervention to regulate wages. As we have seen in the previous chapter, he agrees to state intervention to raise wages from unfair to fair levels in the case of male workers only. Where wages are "fair", according to his own definition, he opposes any intervention. He then
proceeds to review various approaches to subsistence incomes: a "living wage", a "living income", and a "minimum time-wage".

The "living wage"

The first concept of subsistence wage discussed by Pigou is that of the "living wage" which he defines as yielding "a decent subsistence to the average worker". (597) He immediately proceeds to define two categories of "average worker": male and female.

"[A] "decent subsistence" for the average man and the average woman respectively being interpreted in the light of the fact that the former has, and the latter has not, to support a family." (597)

To illustrate the point, he details the instances of various states and countries where the concept of a differential living wage for male and female workers has been explicitly endorsed and implemented. Unfortunately Pigou does little more than simply list these instances. While he might have used them to investigate the impact of implementing a living wage policy on the level of employment of workers of both sexes and on the national dividend,19 he neglects this opportunity for "empirical

19. Later in the text, he uses the limited size of industry in Australia to dismiss the evidence that little harm was done to the national dividend by these laws in
testing" and satisfies himself with general theorising on the effects of the implementation of living wage policies on economic welfare.

Such effects depend on the possibilities for reallocation of the workers affected within the labour market. In his assessment, Pigou assumes that living wage rates will be attached to specific occupations where "low grade workers" have been heretofore employed. A raising of the wage rate (presumed "fair" initially) to a living wage level would generate a redistribution of "inferior workpeople away from the occupations in which they are specially privileged, leaving these occupations to be occupied exclusively by more capable men." (602) As a result, the "inferior" workers, shifted to other low wage occupations, will not benefit from the policy. In such cases, the national dividend will not suffer if all wages paid to those who remain employed still reflect marginal productivity.

Where reallocation of workers between jobs cannot take place - which Pigou assumes to be the general case - the result of this living wage policy will be that "some labour is ejected from employment in the industry where that country. (603) However, he does not even mention what evidence may exist on the impact of minimum wage laws for women in America.
wages have been raised [...] unless the demand for labour is inelastic." (602) These workers will end up either unemployed or employed elsewhere, where "the value of the net product of [their labour] is less than it was."

Suggesting (through stated and unstated assumptions) that this would be the general case, Pigou concludes:

"The inference is that, [...] to force up wages to a "living" standard in an industry where the fair wage is less than a living wage must injure the national dividend." (602)

Furthermore, the harm to the national dividend will increase more than proportionately to the extent of the interference (i.e., the scope of the incidence of living wage policies) as alternative productive employment for the "ejected" labour becomes less available. (603)

Clearly, Pigou is here concerned with a very restricted type of living wage policy, one which is applied only to specific jobs where pay happens to be below the level of a living wage. What he calls "evasion" of the policy can then occur. However, very specific conditions are necessary to allow such evasion: in particular, the existence of even lower "grades" of employment not affected by the policy, to which the "inferior" workers can be shifted, a situation of less than full-employment, and an elastic supply of "more capable men" to fill the jobs thus vacated. He ignores that there may be logistical problems in shifting men to
women's jobs, where the pay rate have been set at the "living wage for women" level. His main shortcoming is that he neglects to consider the effects of a policy (as in all the real instances he detailed) where the living wage is not attached to specific areas of employment, but applies to the labour market as a whole.

A "living income"

A "living wage", says Pigou, will not yield a "good life" to a "man with a family in excess of the average or subjected to an unusual amount of sickness". In contrast, a "living income" (elsewhere called "family wage") is defined as a level of pay geared to individual/family requirements, rather than to average requirements. (599) Levels of "living income" required vary with the number of relatives supported. Variations occur also as "the wives of some workpeople contribute nothing towards the family income, while those of others contribute largely". (599)

In the case of women workers, Pigou adds:

"the connection between living wage and living income is even more remote [than in the case of men], in view of the great differences between the positions of women mainly supported by their husbands, self-supporting women, and women who are themselves the principal breadwinners of a family." (599-600)
Here, he seems to suggest that the variation found in the personal situation of women is greater (as well as more 'extraordinary') than in the case of men, making a "living income" policy more "cumbersome" to establish.

A policy of providing a living income to all workers is rejected by Pigou on the grounds that it would be inconvenient to implement and, if implemented, it would generate discrimination between equally productive workers:

"These proposals involved a departure from the ideal of fair wages even larger than is involved in the policy of "a living wage" as described above. For they require that different men of equal quality shall be paid wages that differ in accordance with the number of children that they have." (604)

Pigou is quick to point out that this would create a situation where unemployment is "concentrated upon men with large families", (604) defeating the very purpose of a "living income" or "family wage" policy. Women would presumably retain employment along with bachelors, at the expense of men with large families to support.

It would seem that the underlying purpose of Pigou's discussion of "living income" policies is to make a case against "living wage" policies. Given in particular the wide variation in levels of required "living income" depending on the family situation of the individual male
(or female) workers, the case for a "living wage" policy
cannot be based on the rationale of providing adequate
subsistence income for everyone:

"These various considerations [...] make it
plain that the enforcement in any industry of a
living wage, in any plausible sense of that
term, would go a very little way towards
ensuring a "living income" even to those
workpeople who regularly receive it. Our
natural desire to ensure in every industry a
living income is thus not really relevant to the
"living wage"." (600)

Having thus discarded the major argument advanced by
reformers in support of a living wage policy, he states
that:

"The policy of forcing up wage rates in industries
employing workpeople of such a low grade that fair rates
[...] are less than living rates [...] has [...] to be
considered on its own merits." (600) In these words, the
initial rationale for interferences to raise wages where
they are already fair (viz. in order to provide for a
subsistence income) is summarily dismissed. It is
subsequently not surprising to find Pigou concluding that
"on its own merits", i.e., on purely economic grounds,
such a policy is harmful to economic welfare as it
"injures the national dividend". (602)
A "minimum time-wage"

The last minimum wage policy examined by Pigou is that of a "minimum time wage" or "national minimum day-wage below which no workman whatever can legally be engaged." (613) If such a policy were implemented at the national level, Pigou warns that no fields of employment will be left "into which low-grade workers can be pushed to be paid a derisory wage". (614) This eliminates the possibility of labour reallocation between fields of employment to adjust the quality of labour to the wage level imposed. As a consequence, Pigou predicts that "the effect produced upon the national dividend may prove serious and substantial". (614-5)

However the expected effects on economic welfare are not entirely negative. Pigou foresees two areas of potential benefit. First, the policy "will incidentally prevent the payment of certain low wages that are unfair, in the sense that they are the result of exploitation". Consequently, the national dividend will benefit from "strengthening competent employers in their competition with incompetent rivals". (615) Secondly, Pigou notes that the policy could have positive effects where low wages are fair if an increase in these wages generates higher productive capacity. But, here again, he attaches
little significance to such positive influences on the national dividend: "obviously, however, these are mere incidents, by-products as it were, of the establishment of a minimum wage, and not the main consequence of it." (615)

Pigou elaborates that the "main consequence is the expulsion from private industry of a number of low-grade workers", this number being directly proportional to the size of the wage increase. (615) The policy would thus generate "considerable" unemployment among the low-grade workers, defeating its purpose. (616)

Pigou mentions that in the long run, the damage might be alleviated by means of state policies to set up a "well-organised system of care for the poor" alongside the provision "in farm colonies or elsewhere, [of] an economic training of which they can afterwards make use". But,

"[t]he benefit to be looked for in this connection is more apparent than real. The establishment of a national minimum time-wage would accomplish very little more than would be accomplished without it." (616-7)

That is, the contribution to general economic welfare provided by a state programme of care and training for the poor does not have to be linked to a minimum wage policy: its positive achievements will occur whether such a policy is present or not. In short, Pigou prefers state welfare programmes to minimum wage policies of any kind.
Exempting Women from Minimum Wage Laws

The last argument Pigou advances against a minimum time-wage policy concerns women more specifically (along with other types of, in his words, "low-grade workers" such as "old men" and "state pensioners"). According to him, "elderly women home workers and younger women workers in factories, who are of low capacity and are partly supported by husbands and fathers" will not be "in a position to derive benefit from State training". (617) No particular reason for this is given, but the consequence predicted is that a policy of minimum time-wage will drive "these persons into idleness" and "inflict definite and uncompensated damage upon the national dividend". (617) Therefore, should a minimum time-wage policy be adopted, Pigou recommends as "essential" that "provisions [...] be made for excepting from its operation would be workers of the above type, whom there is no serious prospect of rendering more efficient by training". (618) He concludes:

"No doubt, in the absence of such a minimum a number of low-grade workers, particularly low-grade women workers with families, will be left in private industry with earnings insufficient to maintain a decent life. This evil [...] it is imperative to remedy. But the cure for it consists, not in establishing a minimum time-wage at a level that will drive low-grade women
workers out of private industry altogether, but by the direct action of the State, in securing, for all families of its citizens, with the help, if necessary, of State funds, an adequate minimum standard in every department of life."

Pigou's biases, rather than facts or economic justice, seem to inform his position. By stating that women workers depend on economic support from husbands and fathers, whether this is the case for all women workers or not, he denies any urgency to the proposition that they should receive a minimum subsistence wage. By insisting that women are "low-grade workers", he implies that their level of productivity can seldom justify wages higher than those they presently receive, and he questions the utility of state programmes to improve women's productivity.

Pigou also emphasises the necessity to preserve areas of low-grade employment where workers (particularly women) displaced by minimum wage policies, or exempted from their impact as he proposes - can retain employment. Underlying his expressed concern for women workers is a greater concern for the employers in the sweated industries who would either be forced out of business or suffer a drop in profit.

Incidentally, Pigou does not consider the possibility that "more capable" women workers might be attracted to
industry with the implementation of a minimum wage policy. As a result, the national dividend should increase, due to their shift from housework to remunerated market work, and to their higher than average productivity levels.

Pigou's silence on this point makes one wonder whether he is attempting to prejudice the reader. One might surmise that he sees such a consequence of a minimum wage policy as "undesirable", preferring women to be at home rather than in the workplace, even at the cost of a lower national dividend.

Pigou's whole discussion of the various minimum wage schemes reveals a strong bias against their implementation. He marshals selective "economic" arguments to oppose them, ignoring or down-playing any positive impact on economic welfare which might result from them while emphasising their potential negative impact on "economic efficiency". Moreover, he strenuously advances the position that, even if such policies were implemented, they should not be made universal: "low-grade workers", and women in particular, should be exempted from their scope.

Interestingly, Pigou does not apply the same arguments and approaches to the policy he favours: that of
a state implemented and enforced "minimum standard of real income". Here, he is less worried about the "inefficient allocation of resources" this policy might generate. Indeed, he attempts to reassure his readers that such inefficiencies will not arise. In part, this position is rooted in the mode of financing of his plan: it involves cross-subsidisation among members of the working class as opposed to a pressure on employers to increase wages. Yet, there can be little doubt that transfer payments to individuals and families would have an effect on the supply of labour to industry. Specifically, payments to widows and motherhood allowances would likely result in a sizeable exit of women from "low-grade employment". This would certainly affect the sweated industries, possibly forcing them to recruit "higher-grade, higher-wage" workers, or to find other (possibly less efficient) sources of cheap labour.

The impact Pigou's minimum standard of real income policy would have on the economic and social situation of women cannot be ignored. Women's roles as wives, housewives and mothers would be clearly reinforced as women with children are ideally prevented from having to seek employment in order to feed their families. Similarly, older women and widows, by becoming the recipients of pensions, would not have to rely on
employment. However, a pool of women would be left in the labour force: the young and childless. Since the proposed welfare policies do not affect the income of these women, they would still be forced to seek employment to attempt to make a living, unless they could rely on the support of fathers, brothers, or husbands. Yet, nothing in Pigou's proposals insures that they would be earning a living wage from employment. Indeed, the presumption of partial economic support from male relatives alleviates any pressure on employers to pay their female workers anything remotely connected to an individual living wage. Thus, in the final analysis, one of the outcomes of Pigou's welfare proposals would be to insure the continued existence of a supply of low-wage female labour for the employers in the sweated industries.

Pigou's argument favouring welfare payment over subsistence labour incomes assigns women to a life-cycle pattern of involvement in the labour force at a low wage level when young, followed by marriage (no doubt motivated in part by the need for more economic security), and from then on, attachment to housework and the reproduction of family members with, if need be, financial support from the state. Therefore, the absence of provisions in Pigou's welfare system which encourage women to develop
skills for life-long labour force participation should come as no surprise.

Training and Women’s Productivity

In the course of his discussion on women’s wages, Pigou repetitively states that women’s low employment income stems from their overall low productivity, their lower (average or absolute?) productive capacity, both physical and mental, when compared to men, their employment in unskilled jobs, or their concentration in low-productivity trades and industries. Yet, he does not propose as a remedy to this situation the upgrading of women’s productive efficiency, as if he believed their low productivity was gender specific and inevitable.

In particular, in his argument on minimum wage policies, he dismisses the idea that the marginal physical product of women workers could be raised to the level appropriate to the minimum wage with a programme of state sponsored and funded training. Two elements seem to enter into this judgement. First, Pigou asserts - without further elaboration - that the "low capacity" of "elderly women home workers and younger women workers in factories" will stand in the way of these workers'
willingness and ability to "derive benefit from State training". (616) His second argument is more explicit: the dependent status of women, "who [...] belong to families able and willing to support them" strips them of all motivation to improve their earning power. (616) Thus he suggests that women consciously choose to remain employed in low-productivity, low-wage jobs and have no desire for improvement in their wages and productive capacity because they rely on other sources of income for their subsistence. Curiously, this contradicts Pigou's argument elsewhere (707-8) that subsidies to individuals' wages do not lead them to accept lower wages for their work, but instead allow them to "stand out" and look for better-paying work.

What is also curious is that Pigou states elsewhere his belief that most persons' (does he mean only male?) productive ability can in fact be improved through state training and transfer payments. According to him, the exceptions "constitute only a small part of the whole body of poor persons", (746) whom he characterises as "morally, mentally or physically degenerate". (745) Concerning this group he states: "The transference of resources to these persons, [...] may be extremely desirable for other reasons, but it cannot yield any significant return in industrial capacity." (746) Thus, when he asserts that
the productive capacity of women workers cannot be improved, Pigou implicitly lumps them with people who cannot be 'rehabilitated' for the purposes of capitalist production.

Whereas he specifically acknowledges that women are a major component of the low-wage, low-productivity workforce, and whereas he makes extensive prescriptions on the training of the poor to make them more industrially efficient, Pigou never proposes to improve the schooling and the industrial training of women. When he talks explicitly about "investing capital" in human beings as well as in physical means of production up to the point where returns on the investment are equal at the margin, he limits the discussion to the male gender: "... between men with different degrees of the same kind of capacity - duke's sons and cook's sons alike - more would be invested in the abler than in the less able." (746, emphasis added)

Indeed, the only place where Pigou addresses the question of the education of girls and women is where it has absolutely nothing to do with employment - and everything to do with housework and reproductive activities. He advocates "the expenditure of State funds upon training the girls of the present generation to become competent mothers and housewives". (114N) In spite
of his observation that, on the average, women spend a number of years in the labour force, (564) he promotes the improvement of their "human capital" only for the portion of their active life which is spent at home, engaging in reproductive activities. This indicates that, for him, however great women's contribution to industry and the national dividend, their sole social and economic usefulness is as reproducers, this role being the only one justifying state expenditure.

The Role of Women in Pigou's Human Capital Theory

The absence of recommendations regarding the improvement of women's productive capacity outside the home is striking given the amount of space Pigou dedicates to policy proposals geared to developing the "human capital" of the nation. Indeed, the major rationale for the welfare system he develops is the improvement in the productive capacity of the people affected by it (i.e., those in the poorer classes of society). He argues that overall economic welfare will increase with redistribution of income to the poor classes by means of welfare payments and a minimum standard of real income. As a result of such transfers, not only will overall satisfaction (utility) be increased (Part I, Ch. VII-IX), but also
overall productive capacity will augment, generating an increase in the national dividend (Part III, Ch. XVIII).

In describing investment of capital in human productive capacity, Pigou employs the terminology developed by Marshall.20

"In a perfectly adjusted community capital would be invested in the nurture, education and training of different persons, no matter in what class they were born, in such wise that, given the existing state of capital supply, the existing relative demand for services requiring different sorts of ability, and the existing state of industrial technique, the values of the marginal net product yielded by it would be equal everywhere." (746)  

Thus, from a social point of view, equal attention should be given to investments in "human" and in physical capital, the allocation of investment funds being directed by standard maximisation rules (equal returns at the margin to the last unit of investment).

Yet, Pigou observes that investment in the "human capital" of the poor has been less than what an optimal allocation of capital funds would require:

"There is, however, reason to believe that the ordinary play of economic forces tends unduly to contract investment in the persons of the normal poor, with the result that the marginal return to resources invested [...] in a great number of the poor and their children is higher than the marginal return to resources invested in machines." (746)

20. See Principles, Book VI, Ch. IV, V & XI.
This is due to two factors. The first is the inability of the poor to "invest adequately in their own and their children's capacities" due to their insufficient income level, lack of education and information, etc. The second is the lack of investment into their capacities by others in society, especially by their employers as

"in the actual world [as opposed to a slave society] there is no easy way in which capitalists can ensure that any considerable part of the return of money invested by them in the capacities of the poor shall accrue to themselves." (746-7)

Insufficient investment in the capacities of the poor thus arises from the discrepancy between the social returns from this investment, including returns to the poor themselves, and the private returns to the investors.

In light of this situation, which is detrimental to maximum economic welfare, Pigou calls for the transfer of a "moderate amount of resources [...] from the relatively rich to the relatively poor" to be "invested in poor persons with a single-eyed regard to rendering the poor in general as efficient as possible." (747) This requires state intervention through programmes to eliminate poverty and to educate and train the poor. Like Marshall, he insists that the benefits to national economic welfare

resulting from such programmes will be cumulative, being compounded with each successive generation.

In the course of his argument, Pigou involves himself in the contemporary controversy on eugenics. The eugenicists argued that human capacity can be improved only through genetic selection, by suppressing reproduction among human beings of "inferior stock" (which in their eyes include the poor) and encouraging reproduction among those of "superior stock" (including the rich). Consequently, they opposed any economic or welfare policy which they thought would encourage population growth among the poor, such as income redistribution and welfare programmes in their favour.

In defense of his welfare proposals, Pigou argued that "environments and ideas" have an influence on people's capacity, and that this influence is cumulative over the successive generations, even if it is not genetically transmitted. He thus applies a version of evolutionary theory to social progress and economic welfare, and maintains that the impact of such elements on "human stock" are of equivalent strength:

"We conclude, then, that there is no fundamental difference [...] between causes operating on acquired, and causes operating on inborn, qualities. The two are of co-ordinate importance; and the students of neither have a
right to belittle the work of those who study the other.\footnote{22} (116)

While stating that eugenic considerations are "outside the sphere of economics",\footnote{23} (110) Pigou makes certain recommendations of eugenic inspiration in his welfare proposals:

"it must be admitted [...] that there are certain classes of poor persons whom no transference of resource could render appreciably more efficient. These classes include the great mass of those who are morally, mentally, or physically degenerate [...] [s]ociety is faced with a certain number of incurables. For such persons [...] the utmost that can be done is to seclude them permanently from opportunities of parasitism upon others, of spreading their moral contagion, and of breeding offspring of like character to themselves. [...] our main effort must be, by education and, still more, by restricting propagation among the mentally and physically unfit, to cut off at the source this stream of tainted lives. Here [...] from the standpoint of investment, the soil is barren." (745-6)

Thus Pigou seems to believe that, in some cases, poverty
and low productive capacity are linked with "inferior" genes which are transmittable genetically.

However, he also believes in the influence of environments on the development of human capacity. Consequently, he is sympathetic to the severing of the children of the poor from their environment of origin:

"It is useless [...] to spend money on educating children while leaving them the prey of demoralising home conditions. If they are not properly looked after at home, a part of the transference to them must be utilised in boarding them out with carefully chosen families, or in sending them compulsorily to an institution or industrial school."²⁴ (751)

For similar reasons, Pigou requisitions the time of working class women, whom he assigns to the production of an appropriate environment. He advocates a reduction in the industrial work week of women to improve their delivery of reproductive services. (463-4) He also endorses the prohibition of factory work for mothers as a means to reduce infant mortality.²⁵ (187)

He argues that women have to be trained to become good mothers and housewives. In this regard, he advocates

²⁴. This authoritarian posture follows that of Marshall who advocates the closing of homes and the "limitation of the freedom of the parents" of poor children. Principles, 714-5N.

²⁵. As he states: "under the term environment I include the physical circumstances of the mother before, and immediately after, childbirth." (116)
"the expenditure of state funds upon training the girls of the present generation to become competent mothers and housewives, because, if only one generation were so taught, a family tradition would very probably become established and the knowledge given in the first instance at public cost would propagate itself through successive generations without any further cost to anybody." (114N)

Interestingly, Pigou scrupulously attempts to minimise the expenditure of state funds on women's education, even when he approves of its goal. This one-shot human capital investment is supposed to have a double return for society: appropriate nurture of families, and the human capital otherwise invested in them, in the present generation, as well as training the mothers and housewives of the next generation, free of charge. This proposal is based on a blatant oversight of the costs borne by women (present mothers and future generations) in terms of denial or lost opportunities for alternative training and occupation, and the fact that they will not reap any personal benefit.

Pigou's social Darwinism also surfaces in his belief that improvements in the conditions of the present generation (its living environment, health, education, skills, leisure activities, and real income level) will partly or wholly be transmitted to the next generation with a cumulative effect.

"[The environment of one generation can produce a lasting result, because it can affect the
environment of future generations.
Environments, in short, as well as people, have children. [...] ideas, once produced or once accepted by a particular generation [...] may not only remodel from its very base the environment which succeeding generations enjoy, but may also pave the way for further advance." (113-4)

The impact of increased real income for the poor will also be cumulative. Initiated by the means of transfer payments, whether monetary (allowances, pensions) or in kind (training, education, leisure activities, improved housing), higher real income will generate increased productivity among the direct recipients of these transfers and among their (male) children. This, in turn, will lead to the ability to earn a higher real income which can be spent on better food, housing, healthcare, leisure, etc., generating further increases in productivity. (609-10)

Pigou stresses that specific conditions have to obtain in order for transfers to the poor to be "most

26 To reassure the eugenicists and other critics, Pigou speculates that such transfers will not immediately induce idleness among the poor: "State assistance [...] might be given in large quantity before negative effects show up". ("Some Aspects of the Housing Problem", Essays in Applied Economics, 1924, P.S. King & Sons, London). He also argues that transfers of funds to the poor will not increase their fertility rate, citing Brentano's argument that increased income generates a decrease in fertility. "Hence, it would seem, an improvement in the distribution of the dividend may be expected actually to diminish the proportion of children born from inferior stock." (212, see also 766-7)
productive of efficiency". These include a list of measures focusing on compulsory education for boys, free school lunches, "rational sorting of children of different intellectual qualities", and [...] guiding them into lines of work for which their several qualities are fitted". (494)

Yet, all these elements constitute necessary but not sufficient conditions for the enhancement of human capital. The resources transferred by the state to poor families will be wasted unless they are put to fruition by the appropriate reproductive care of women. To generate such care, Pigou insists that mothers should spend more time at home and that income be raised under his proposed system of a minimum standard of real income "so that the wife [is] less burdened with work and worry." (754)

Another important factor is education as "many poor persons are unable, through lack of knowledge, to invest resources in themselves and their children in the best way." (753) For instance, Pigou argues that the malnutrition of children is due, not so much to the lack of income of poor families, but to improper budgeting and ignorance of the principles of nutrition. Consequently, improvements in the children's health could be obtained simply "if their parents could be taught or persuaded to
spend the same in a more enlightened and suitable manner."

To further support his call for the specialisation of women in housework and the development of their education in household matters, Pigou cites W.O Mitchell's argument that people - across the whole class spectrum - have insufficiently developed "the art of spending money", in part due to the lack of market-like competition among housewives. He implies that great savings in funds transferred to the poor and lower cost enhancements to their human capital can be obtained through a better training of housewives as consumers. (755-6)

It is clear that Pigou's blueprint for the enhancement of human capital reserves a specific, sex-determined, role to women. Only persons of the male gender are to be recipients of productivity-oriented human capital investment. Women are not seen as direct beneficiaries of human capital investment by the state, but rather as instruments enabling the fruition of the investment bestowed on the male producers, present and

27. This is reminiscent of Marshall's proposition that "a skilled housewife with ten shillings a week to spend on food will often do more for the health and strength of her family than an unskilled one with twenty." (Principles, 195)
future. This involves a redirection of women’s activity from market work to housework and motherhood, as well as a redefinition of the education young women receive from the state (and from their mothers), to reflect their predestined occupation. In this light, one can see that the place of women in Pigou’s Economics of Welfare forms part of a logically consistent, although not necessarily economically coherent, whole.
Pigou's views on women were undistinguishable from the most retrogressive Victorian ideology. He believed that women were weak creatures, incapable of heavy work, with inferior "natural endowments of mind and muscle", and whose health would be damaged by "unduly long hours". He presumed that his ideas were widely accepted:

"Nobody would seriously wish to have women working at the coal face or at iron puddling, even if they were good at these jobs and could earn high weekly wages at them. The adverse reactions on their own health and general well-being and on that of their families would far outweigh any narrow economic advantage that there might be." (Essays, 224)

He saw them as incapable of protecting themselves, of organising to build up their bargaining power and improve their working conditions and pay.\(^1\) He instead supported the Factory Acts, and felt that women would be safer in the home, under the protection of a husband.\(^2\)

Pigou saw women's reproductive functions as paramount. In his mind, women ought to be mothers because

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1. It is amazing that Pigou failed to notice that women could successfully organise as attested by the Women's Suffrage Movement, to mention only the best known and documented organisational attempt by women.

2. He obviously was unaware that the home is not a safe place for women, even though his predecessor, John Stuart Mill, had repeatedly denounced the physical and sexual abuse women suffer at the hand of their fathers and husbands: "The so-called protectors are now the only persons against whom [...] protection is needed. The brutality and tyranny with which every police report is filled, are those of husband to wife, of parents to children." (Principles, 761)
they were endowed with special nurturing abilities: "a woman's work has a special personal value in respect of her own children".\(^3\)\(^{(188)}\) He therefore assigned women their "natural" place: the home, where their reproductive function could not be neglected and their reproductive health threatened.

Pigou's treatment of women in *The Economics of Welfare* is thus grounded in his adherence to an ideology where they are not seen as independent, self-contained and self-determined human beings, but rather as entirely subsumed in the family unit,\(^4\) with indirect claims to economic support from a husband or the state, contingent on their performance of reproductive work.

Pigou's beliefs become explicit or implicit assumptions which are used towards justifications and proposals reinforcing a status quo in the sexual division

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3. He never reconciles this assertion with his remark that mothers neglect their children when they take up factory work and with his recommendation to sever poor children from their natural families.

4. In his essay on the "Report of the Royal Commission on Income Tax", Pigou strongly supports taxation of the household as a unit and opposes the feminist demand that wives be allowed to file for their income tax separately. He describes this demand as "plainly unreasonable".\(^{(129)}\) In the essay "Eugenics and Some Wage Problems", he states his support for systems of income and taxation which "encourage family building" (89). *Essays in Applied Economics*, 1924; P. King & Sons.
of labour (women at home, men in the workplace) and in
women's conditions of employment (low wages,
discrimination, short term participation). This ideology,
while conveniently reinforcing a given socio-economic
order, is integrated into the basis for a body of
political economic thought. Following in Marshall's
tracks, Pigou solidly anchors his major contribution - his
welfare economics - in Victorian values.

This ideological structure is retained and re-
asserted in Pigou's writings, in the face of major social
change, well into the middle of this century, as attested
by his 1946 essay on "Men's and Women's Wages".5

His beliefs lead him to approaches and proposals
which conflict with the principle of economic rationality,
with the basic method of marginalist economics, and with
the very goals of his system of economic welfare. The
strength of his credo make him forcefully defend proposals
which radically contradict his own definition of optimum

5. Pigou witnessed such changes as women's suffrage,
their increased involvement in the workforce, especially
during the two world wars, and reforms in their property
rights. He was no doubt a witness to the ongoing feminist
and progressive demands for a complete overhaul of the
social and economic situation of women. It should be
noted too that, in his work, he strenuously argued against
a whole set of Victorian values (which upheld the income
inequality and social inferiority of the poor) while fully
adopting and reinforcing the Victorian ideology on the
status of women.
economic welfare. This is the case with, for instance, his rationalization of wages below the value of marginal product of labour, the maintenance of normally inefficient industries, or the denial of human capital investment policies to women and girls. He can only attempt to defend these untenable positions by appealing to a "superior", yet unspecified, concept of social welfare.

It is actually striking that, in Pigou's system, women's economic activity presents the sole, albeit generalised, exception to his asserted conjunction between social and economic welfare. He attempts to obliterate this major inconsistency by systematic obfuscation with the help of seemingly scientific economic reasoning. This indeed is the "violent paradox" of Pigou's system.

Economic thought historians have characterised Pigou's work as a coherent, all-inclusive whole providing a comprehensive approach to the abnormalities of capitalism. In it, public intervention is reconciled

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with the workings of the free market - in contrast to the Smithian tradition where intervention was made anathema. Indeed, his proposals are always aimed, he pleads, at perfecting and correcting the market rather than at constraining it. The policies propounded attempt to fill the gap between private and social costs and benefits. Hence, his human capital approach aims at generating better levels of health, education and skills among people - the poor - who do not have a sufficient income to "invest" in these items to a point of individual and social optima. In another instance, restriction of employers' powers is advocated where employees lack bargaining power, resulting in sub-optimal economic welfare situations.

In the treatment of women's economic activity, Pigou's coherent system falls apart. The state is not enjoined to "invest" in women's human capital, or to correct the sexist barriers to the development of their abilities. Employers' profits take precedence over women's subsistence needs and over the satisfaction of marginal conditions for an economic welfare optimum. The individual is replaced by a group - the family - as the basic unit for economic decision making. Women's individual utility functions must not exist in Pigou's mind, for they are never mentioned. If they exist at all,
they are subsumed under or traded-off against the "superior" utility functions of the family or of capitalist/patriarchal society as a whole.

The ideology Pigou subscribes to makes him assert the superiority of a social system which is at odds with the pursuit of economic optimum. The true economic nature of this social system is not analysed as Pigou declares himself incompetent, as economist, to dwell in social matters. Furthermore, the question of why, in this particular case, social welfare is to take precedence over economic welfare is not debated.

One could excuse Pigou when he does not want to discuss matters that he sees as relevant to the social as opposed to the economic realm, although his motives are more opportunistic than genuine. But what is not excusable is the liberty the economist takes with matters that are relevant to the economic realm. Such liberty is taken when the economic individuality of women is negated, when they are not seen as human beings who can, in their own right, engage in the economic decision making process and the rational maximisation of their own welfare, and, further to this, when they are not allowed

7. This does not prevent him, throughout, from incorporating in his approach a number of normative assumption of a social character.
access to these processes. By defining women as economic dependents of men (or of the state), he makes their interests secondary in the process of economic decision making and makes a mere parameter of their individual welfare, whether in the welfare function of the family or of society as a whole.

Furthermore, by defining women as dependents, Pigou makes interpersonal welfare comparisons and subjectively ranks the welfare functions of individuals in society. In this ranking, women are placed at the bottom (along with children and "the unfit"). His assignment of women to domesticity and motherhood is contrary to the most basic hedonist principle. He does not presume that there could even be a conjunction between their individual interests and those of society or that they might get some satisfaction in the performance of their "duties". In his eyes, it is enough that their assigned purpose is "good for the nation as a whole".

As for the appropriate reward to women for these activities, it is not the least discussed. The conditions under which women supply their labour present enormous theoretical anomalies when analysed within the marginalist paradigm: in the labour market, they perform work even though the payment they receive should not induce them to
supply their labour; in the home they perform work for no payment at all. These challenges to the consistency of the neo-classical paradigm and to its theorisation of the basic *modus operandi* of the capitalist system are purposefully ignored by Pigou who chooses to defer to something beyond his purview: the dominant social organisation and social values.

In Pigou's welfare economics, the advance over the *laissez-faire* doctrine is the proposal of corrective intervention by the state in cases where individual welfare maximisation impairs overall economic welfare and where economic power is imbalanced. These corrective interventions necessarily attempt to restrain the economic power, and the advantage and gain, of the powerful party and to generate greater benefits to the abused party. However, in the case of women, in spite of his ready acknowledgement that they are one of the groups in society with the least access to organisation and economic power, which lends them to be easy victims to their employers' greed, Pigou forcefully opposes intervention.

His *Economics of Welfare* provided theoretical rationalisations for the new trends in post-WWI capitalism. In it, a model of "welfare capitalism" is elaborated where improvements over the outcome of
unbridled capitalism are sought in particular with respect to income distribution, the reproduction of the workforce, and the pricing of production factors. Whereas these policies appeared to be more humane towards the working class and the poor, with a focus on redistributing income without tampering with the economic incentives of the market, they entrenched the domestic and reproductive roles of women.

Pigou's system includes a double standard in wage payments, where men receive "fair wages" which somehow provide them with a family subsistence income, while women's wages are kept at an exploitative level, below men's wages and below the subsistence requirements for a single person. Pigou's rationalisation of this inequality exposes his belief that women's labour income can only be supplementary to a man's "family wage" and that a - by definition - dependent woman does not need an income which would make her economically self-sufficient. The state transfer payments proposed by Pigou complement this situation. Not merely intended to supplement male labour

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8. Between WWI and the late 1940's, major reforms establishing the "welfare state" were enacted in western capitalist countries. Most of these find a theoretical rationale in Pigou's work. Exceptions are his opposition to policies of minimum wages for all workers, or particularly for women, and to minimum money incomes ("family wage" or living wage"), the latter still remaining at the level of a concept.
income, they are also meant to reinforce the roles assigned to the sexes in a perfected capitalist social order.

The conjunction of low market wages and transfer payments in support of women's reproductive activities (the "universal endowment for motherhood") are economic "incentives" used to direct women to remain in the family as dependent reproducers, while not altogether depriving employers from a cheap workforce. The economic nature of the coercion exerted on women is reinforced by social or ideological elements such as, for instance, the denial of women's access to education, except for the acquisition of domestic skills.

Pigou advocates the involvement of the state in the determination of income distribution, in particular by redistributing income to the poor, although not necessarily from the rich. At the same time he gives the state wide-ranging power to control the determination and use of household income. The state is hence directed to intervene, not only into the autonomy of market mechanisms, but also into the autonomy of individual decision making by interfering in their choice between employment and reproductive activities, their acquisition of human capital, their expenditure of income, etc.
The justification for such intervention is of an altogether different nature than that used to justify interference into market mechanisms: in the neo-classical paradigm, there is no such thing as a "perfect" outcome of individual decision-making since such outcome results theoretically from autonomous individual utility functions, preferences and choices. An argument in favour of intervention into individual utility rankings and individual decision-making can only be informed by normative value judgments implying the negation of individual values and welfare maximisation in the name of what is pronounced to be a "higher" order of values and welfare.

What informs this most serious deviation from the neo-classical paradigm on Pigou's part is his perception that autonomous utility functions and decision-making on the part of the class which supplies productive labour and on the part of the sex which supplies reproductive labour in capitalist society will not lead to a situation where individual welfare maximisation is congruent with the interests of the capitalist class: the "invisible hand" left to its own devices is unable to effect a reconciliation between the interests of workers, women and capitalists.
Pigou's definition of an optimum state of economic welfare for the country as a whole encompasses, beyond the maximisation of the national dividend - or, in other words, capitalist commodity production, a set of conditions necessary to the reproduction of a working class whereby the greatest level of labour market productivity is obtained at the least social cost. The maximisation of "capitalist welfare" therefore requires conditions permitting population growth as well as improvements in the human capital of the male working class and a reduction in the "waste" of potential human capital presented by the existence of the unproductive poor.

Crucial to this goal is the requisition of women's life activity. To that end, women are denied to a further degree than working class men access to autonomous welfare maximisation. This is obtained through a reinforcement of patriarchal and economic controls over their destiny.

Pigou's welfare economics have been interpreted as providing humane solutions to poverty and the most predatory aspects of the capitalist free market. Yet, a careful study of his views and proposals relating to women's social role and economic activity has allowed us
to throw some light on the particular intent of his reformism. Behind the humanitarian façade are hidden proposals that reinforce the authority of the state, the power of capital and the lack of options for the working class, the poor, and particularly, women.
CONCLUSION

In this study, we were able to gain some insight into the patriarchal bias which informs mainstream economic theory. This bias is at the origin of the specific treatment given to women by economists, treatment which can be appropriately characterised by using Marshall's concept of "economic chivalry". It is based on a point of view which excludes women from the sphere of economic rationality: they are construed as not belonging in the market sphere and as unmotivated by self interest. The treatment of women is rationalised by an ideology of femininity which excludes them from the strife of the market under the guise of protecting them. The principles of economic efficiency are thus not seen as applicable to them. Yet, as providers of reproductive services which are essential to the nature of capitalist production and social relations, and as (unwelcome) participants in some of the production processes, their exclusion from the
realm of economic rationality yields contradictory situations.

The entrenched resolution of these contradictions by the early neo-classical economists involves the subscription to, and integration into economic writings of, the dominant (i.e. bourgeois Victorian) ideology of sex roles. This resolution explicitly calls for the restriction of women's "economic" activity (as defined by the economists), under the guise of "protecting" women and the family/home against the harshness of the market, and for the safeguard of the supply by women of qualitatively appropriate reproductive services. Ideology is therefore used to control the economic status of women and to ensure their participation in a specific economic order where their own contributions are declared un-economic while being unambiguously seen as necessary to the overall economy.

Going back to Adam Smith allowed us to ascertain that the division between the public and the private sphere and the attendant neglect of economic activities, productive and reproductive, performed by women in the private sphere inscribe themselves within the ideological traditions initiated by the 18th Century political philosophers. The entrenchment of women's invisibility by the classical
economists was insufficiently challenged by John Stuart Mill. From a feminist perspective, his attempt was flawed due to his adherence to a Victorian view of women and their role in society. Notwithstanding Mill's limitations, it is clear that his feminism, and that of the late 19th century and early 20th century writers, failed to acquire even a semblance of legitimacy within the orthodox economics discourse.

The review of the debate on equal pay brings to light a shift, on the part of male economists, from an initial 
bona fide interest in the issue, involving a sincere attempt at theoretical developments and policy propositions, to the mystifying apologetic exercise of Edgeworth. While initially taken earnestly into consideration, the feminist positions, which prove the most developed and sensible approaches, are either ignored or derided by Edgeworth. It is noteworthy that the debate seems to be cut off once Edgeworth has stated his position, viz. that men's rights to a family wage and to employment supercedes women's right to equality. Clearly, power is wielded by the economist, as the editor of the Economic Journal, and as the recognised "expert" on economic matters.
The writings of Marshall and Pigou reveal that economists' treatment of women is informed by their belief that they do not belong in what they call the economic sphere. Without any demonstration of whether that proposition maximises economic or social welfare, women are assigned to the home. Both writers forcefully assert that there they "contribute more" as unpaid reproducers and as nurturers of "human capital". Not only are women denied any freedom of choice, but precisely because they have no choice the provision of economic rewards or incentives for their "contribution" is viewed as totally unnecessary by the economists.

A singular theme therefore emerges in the history of main/malestream economic thought: women belong in the private sphere and should, as much as possible, stay out of the market sphere - their presence there being allowed only in so far as it does not endanger their reproductive abilities and threaten their assigned nurturing role. The reason for this position, contrary to appearances, has nothing to do with women's actual productive capacity or with their ability to behave as rational economic beings, both of these rationalisations being ideological assertions rather than demonstrated facts. Rather, it is deeply anchored in the patriarchal beliefs of the male economic or political theorists, beliefs which reflect the
economic reality of designated sex roles in a patriarchal capitalist society, and which, in turn, led them to construct and entrench the sexual division of labour in their theory. Hence, from Smith to Pigou, women are required to stay home to raise "able workers and good citizens" (Marshall, Principles, 721) and to provide there the congenial moral environment necessary to the fruitfulness of what the economists define as the "human" part of capital.

As women are not encouraged to participate in capitalist production, and as they are construed as dependents, they are not seen to require appropriate remuneration. The feminist demands for equal pay and equal treatment in the market sphere are thus dismissed. In turn, the ideology informing the rejection of feminist claims serves to reinforce the status quo: as economic dependents, women are not seen to require alternative sources of viable income or economic incentive to provide reproductive services in the home. Meanwhile, starvation wages and the lack of employment opportunities provide strong dissuasion to employment. With no viable alternative to domesticity and dependency, dependence can be further maintained with the non-recognition and non-remuneration of domestic production and reproduction. The fine interaction of the ideology and reality of women's
position in patriarchal capitalism provides a stable equilibrium of female oppression.

Women are thus completely excluded from the sphere of economic rationality, not on the basis of their physical or mental make up, but because they are socially and ideologically defined outside this sphere. At the same time, the private sphere is defined as non-economic. In short, it is not that women are not economic beings, they just are not allowed to be. Their access to self interest, to economic maximisation, to free choice would in fact threaten the whole economic and social structure, as is inferred by Edgeworth, Marshall and Pigou. This explains these economists' forceful opposition to women's attempt to gain recognition of their economic status. In a modern version of the same approach, the "new home economics", it is asserted that economic efficiency and joint utility maximisation in the household require women's continued "specialisation" in the homemaking role. The circularity and the sexist assumptions of this later

1. Economic rationality can be defined as the pursuit of self interest, see Folbre and Hartmann, "The Rhetoric of Self Interest: Ideology and Gender in Economic Theory", 1986, 4-11.

2. Mill offers the sole exception to the ideological stance of the profession as he proposes that women should be allowed the choice, albeit only once in their lifetime, between employment and marriage.
model are, therefore, not an accident or an unintentional flaw, but a deliberate exercise in ideology.

This study has allowed us to observe the evolution of the definition of women's role in the history of mainstream economic thought in relation to the development of a feminist challenge of women's place in society. In the classical times, before the emergence of a consistent and "rational" questioning by feminists of women's economic position, it was sufficient to appeal to an idealised vision of women and the home, a vision which even Mill adhered to in spite of his feminism. By the First World War, this vision no longer suffices and the early neo-classical economists have to resort to a forceful expression of patriarchal ideology. However, their position could not be sustained within the logic and methodology of the paradigm, requiring at times purposefully confusing exercises in ratiocination and modelling.

The "economy of women" issue lay dormant until rekindled by the second women's movement with renewed demands for equal pay, along with demands for "wages for housework" and analyses of the articulation of housework to capitalist production, among other challenges to the

status quo. The mainstream economics reaction has taken the shape of the "new home economics" and the Beckerian version of human capital theory. In the latter, the marginal productivity theory of wages is reasserted, and women's level of pay and their limited range of occupations are rationalised. In the former, neoclassical economics "moves into" the household to "demonstrate" the economic efficiency of the traditional sexual division of labour.\(^4\) The feminist analysis of the construction of these new theoretical developments and of their implications is presently unfolding.\(^5\) It is not, however, the object of the present thesis.

It is not clear whether the new inroads of neoclassical economics into the previously non-economic

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\(^4\) The "new home economics" signifies a complete about face of economic theorising which had so far kept its distance from what goes on within the household. As noted by Folbre and Hartmann, (5-6) Smith's division between public and private spheres allowed economists to conveniently dismiss what went on in the home as not-economics, as relevant to the realm of morality and benevolence. Beckerians now claim this domain as part of the economists' terrain. Altruism (Smith's benevolence) itself becomes the object of economic theorising. The joint utility function is the sophisticated formalisation of James Mill's concept that women receive protection within the family in exchange for their benevolence. Yet not much has changed: now as before power relations between the sexes are ignored.

sphere (which, by the way, still does not gain economic status in spite of the new attention it receives) allows women entry into the world of rationality. The discipline's traditional exclusion of women from the sphere of rationality, along with the denial of their individuality and the subsumption of their interest into that of the larger socio-economic units of the family or the economy as a whole, poses interesting questions. Since no specific reason is given by the economists, one can only conclude that rationality comes with the job, i.e., with direct contact with the world of money and capital, world from which women have traditionally been excluded. But, given the conditions of reproduction of the capitalist system, one must ask: is the rationality of the market sphere based on and dependent upon the irrationality of the private sphere? Can self interest be pursued in the market only under the condition that benevolence prevail at home? And, if benevolence/altruism are "natural", if mothering is what "women do best", why wouldn't self-interest (and the invisible hand) work for them? Why the need for coercion? This questioning exposes male bias in the construct of the concept of economic

6. Or is it the economists themselves who run out of theoretical rationality when they discuss the situation of women, when they impose on them "choices" which go against individual and social economic welfare maximisation, when their famed logic makes way to unsophisticated acrobatic sophistry, when their ideologically inspired policy prescriptions contradict their own theoretical bases?
rationality, and of the necessity, in patriarchal capitalism, of such an ideological construct to obtain a specific behaviour from women. We are thus brought to the realisation that both the rationality of the market sphere and the non-rationality of the private sphere are but ideological constructions, constructions grounded in masculinist epistemology and patriarchal capitalist interests.  

One certainty emerges from this epistemological questioning: In the economist's eye, conditions of reproduction of the capitalist system would not obtain if left to the free play of women's self interest ("irrationality" for the economist). This certainty is reinforced when we go beneath the surface of appearances, bolstered by the mystifying magic of money in capitalism and the tales of the illusionist economists, to answer the question of who really depends on whom in the patriarchal capitalist organisation of production and reproduction.  


Our study demonstrates the need for a feminist epistemology in the social sciences, for further feminist critiques of malestream economic theory and for the building of a feminist economics. It shows that the process of building these also involves the documenting and recognition of a past history of feminist challenges to patriarchal economic theory. It stresses the need to reject from theory limiting ideological concepts such as "economic rationality" and to base theory in the material reality of women's lives. And, beyond this, it requires that a feminist economics be intrinsically linked to the reality of women's freeing themselves from the material and ideological straight jacket cum chastity belt which has maintained us as prisoners in the "sphere" of benevolence.
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