

THE INADEQUACY OF ECONOMICS

Economics as If Caring Matters

Riane Eisler

Why is caring for children not a more central part of economic models? Indeed, caring in general is undervalued and underpaid. Why is that, when it is so vital to both economic and social health? The author calls for a different model of sustainable growth and development.

ALL AROUND US, old economic structures are on the verge of collapse. While many people still anticipate a return to “normal,” there is growing talk of the need for new economic norms. Yet, other than calls for environmental protection, the emerging conversation about a new economics is still primarily based on the premise that capitalism and socialism are the only alternatives, with some writers again arguing that socialism should replace capitalism (Asimakopoulos 2011; Harrington 2011).

This limited discourse fails to take into account important lessons from history. Much has been written about the environmental destruction wreaked by unregulated capitalism and the unequal

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distribution of resources it fosters. But the environmental record of the two large-scale applications of socialism in the former Soviet Union and China is also abysmal, as evidenced by disasters such as the nuclear reactor explosion at Chernobyl and toxic waste dumped into Lake Baikal in the Soviet Union, and the air pollution, strip mining, and other calamities in China. Moreover, both these systems turned into totalitarian and violent regimes. And while both alleviated some economic disparities, they were hardly egalitarian. Under socialist rule in the Soviet Union, big gaps remained between most people and their rulers in the Kremlin.¹ In China today huge gaps have opened up between those on top and those on the bottom of the economic scale.

That neither capitalism nor socialism hold real promise for a truly new economic system is rooted in the foundations of capitalist and socialist theory. Both theories came out of conditions in the eighteenth and nineteenth centuries, and both were attempts to improve people's economic situation (Marx and Engels 1960; Smith 1937). Adam Smith believed that his economic proposals would lead to the greater good of all (Lux 1990; Martinelli and Smelser 1990). Karl Marx wanted to change the appalling poverty and exploitation of the working classes brought about by early industrial capitalism. However, as shown below, both Smith's and Marx's theories were constrained by the cultural environments in which they arose. And one of the most harmful limitations of these theories is that neither gives real value to the work of caring for either nature or people.

This paper proposes that the failure to recognize the real value of the work of caring and care giving has been a major obstacle to the development of a more equitable and sustainable approach to economics. It proposes that moving forward requires economic inventions—economic measurements, policies, and practices—that support caring for people, starting in early childhood, and caring for our natural environment. Even more specifically, it suggests that a key question for our future is what kind of economic system helps children to develop (or prevents them from developing) their full

potential for consciousness, caring, and creativity—the capacities that are essential in our rapidly changing world—indeed, the capacities that make us fully human.

Economics from a New Perspective

We are not accustomed to seeing economics and children in the same sentence. Neither have we been taught to think of economics from the perspective of caring for people or nature.

Citing Smith's frequent references to wealth as flowing from the land and labor of a nation, as well as his earlier writings on morality, attempts have been made to attribute concern for our natural environment to him (Frierson 2006). However, rather than recognizing environmental limitations, Smith's message was that wealth would grow endlessly thanks to the division of labor, technical advances, and the accumulation of capital governed by the invisible hand of the market powered by self-interest. Similarly, while some writers have attempted to attribute concern for our natural environment to Marx (Burkett 2009), his scientific socialism gives nearly exclusive importance to the commodification of labor, with hardly any attention to the devastating impact of industrialization on nature—an industrialization that was then vigorously pushed in the Soviet Union and China (Benton 1989; McLaughlin 1990; Polanyi 1944).

As for caring for people starting in childhood, Smith and Marx considered this “women's work” merely “reproductive” labor—not part of their “productive” economic equation. And unfortunately, this distinction between “productive” and “reproductive” labor has been at the core of both capitalist and socialist thinking.

This relegation of caring work to “reproduction” has been criticized, especially for how it perpetuates a gendered economy that severely disadvantages women and children. For example, Diane Elson notes that this gendered economy perpetuates what are considered appropriate male and female behaviors not only in families but also in businesses, governments, and other social institutions that structure how activities, resources, power, and authority are divided between women and

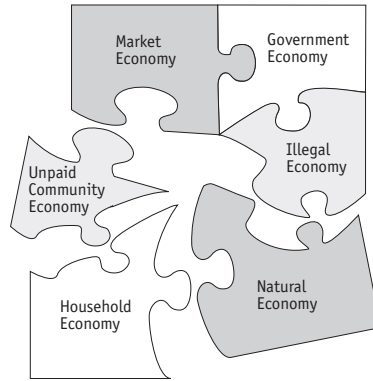


Figure 1. Old Economic Map

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men (Elson 1991; Norton and Elson 2002). Writing from a Marxist/feminist perspective, Rosemary Hennessy (2003) notes that although what is termed reproductive work is a necessary element of all modes of production, it is generally ignored by Marxist economists. Naila Kabeer (2003) argues that because what is considered reproductive work has not been economically rewarded or even counted, economic analyses and policies have focused only on what she calls the tip of the iceberg of what actually goes on by way of productive work.

Yet this distinction persists, despite its lack of accuracy, despite mounting evidence that not caring for our natural environment is potentially suicidal—and even despite findings from neuroscience that caring for people, starting in early childhood, is key to producing the “high-quality human capital” essential for the postindustrial knowledge/service economy.

When children—and hence human capacity development—are the starting point for economic thinking, we can see that a basic problem in capitalist and socialist theory is that neither is based on a *full-spectrum* economic map (Eisler 2007).

The focus of both capitalist and socialist thinking has been on only three sectors: the market economy, the government economy, and, more recently, also the illegal economy. This old economic map (Figure 1) fails to include the real value of the three life-sustaining

economic sectors: the household economy, the natural economy, and the volunteer economy. In other words, in accordance with the view that “productive” work is limited to paid work, the conventional economic map gives no visibility to the largely unpaid work that has been termed “reproductive” work. (See Figure 1.)

Therefore the first step toward a more systemic approach to economics is a new economic map that includes these sectors (Figure 2). Using this systemic perspective, we can begin to design an economic system that effectively addresses the unprecedented social, economic, and environmental challenges we face: a system that promotes not only human survival but also full human development.

This does not mean we should discard everything from earlier economic theories. But moving forward requires an economic system that gives real visibility and value to the most essential human work—the work of caring for our natural environment and caring for people, starting in childhood.

Moving forward also requires that we recognize that economic systems do not arise in a vacuum. They are influenced by, and in turn influence, the larger social system in which they are embedded.

The exclusion from economic theory of the value of caring and caregiving work was not accidental. It was the direct result of the larger social context out of which both capitalist and socialist theory arose.

However, looking at social contexts from the perspective of conventional social categories does not shed light on this exclusion. The reason is that none of these categories—religious or secular, rightist or leftist, Eastern or Western, industrial or postindustrial, and so forth—describe the totality of a society’s beliefs, institutions, and relationships.

To paraphrase Einstein, we cannot solve problems with the same thinking that created them. We need more systemic social categories that can help us answer a fundamental question: What kinds of beliefs and institutions—from the family, education, and religion to politics and economics—support or inhibit our human capacities for consciousness, caring, and creativity?

The categories of *partnership system* and *domination system* reveal

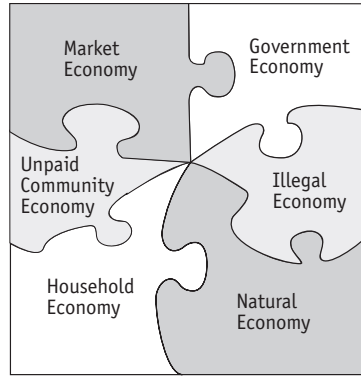


Figure 2. New Economic Map

Source: Reprinted with permission from Riane Eisler, *The Real Wealth of Nations: Creating a Caring Economics*, 2007, Berrett-Koehler Publishers (www.bkconnection.com).

the core configurations of societies with two very different kinds of beliefs and institutions that, in turn, support two very different kinds of family, educational, political, and economic structures and relations (Eisler 1987a, 2007).

The Interconnection of Economics and Societies

The configuration of the domination system supports relations of top-down rankings: man over man, man over woman, race over race, religion over religion, nation over nation, and man over nature. The partnership system's configuration supports relations of mutual respect, accountability, and benefit.

This does not mean that there is only cooperation in partnership systems; people cooperate all the time in domination systems: Monopolies cooperate, terrorists cooperate, criminal gangs cooperate, invading armies cooperate. Moreover, there are also hierarchies in partnership systems but, rather than *hierarchies of domination* where accountability, respect, and benefits only flow from the bottom up, partnership systems have *hierarchies of actualization*, where power is not used to disempower but to empower others (Eisler 2007).

If we reexamine the critique of capitalism as unjust and exploitive from the perspective of the domination system and the partnership

system, we see that it is in reality a critique of the beliefs, institutions, and relationships inherent in domination systems—be they ancient or modern, Western or Eastern, feudal, monarchic, or totalitarian. We see that long before capitalist billionaires amassed huge fortunes, Egyptian pharaohs and Chinese emperors hoarded their nations' wealth. Indian potentates demanded tributes of silver and gold while lower castes lived in abject poverty. Middle Eastern warlords pillaged, plundered, and terrorized their people. European feudal lords killed their neighbors and oppressed their subjects. In all these precapitalist times and places, the gap between haves and have-nots was astronomical, and the mass of people had little if any chance to improve their lot. In short, they were all rigid domination systems.

We also see that Smith developed capitalist theory in a time when ranking of “superiors” over “inferiors” was still the general norm—be it of kings over their “subjects,” men over the women and children in the “castles” of their homes, or “superior” races over “inferior” ones. In other words, capitalism was developed in times that were still oriented much more to the domination side of the partnership/domination continuum.

Similarly, while Marx's theories came out of times when there were already organized challenges to these rankings, they, too, reflected and perpetuated dominator assumptions—including the devaluation of women and anything stereotypically associated with women, such as caring and care giving. Moreover, when Marx's theories were applied in the Soviet Union and China, it was in cultures where rigid top-down rankings had long been the norm—cultures that still were oriented closely to the core configuration of the domination system.

The first part of this configuration is top-down authoritarian rankings in *both* the family and the state or tribe and all institutions in between. The second is the ranking of the male half of humanity over the female half—and with this, the devaluation by both men and women of anything stereotypically considered “feminine.” The third is a high degree of culturally accepted abuse and violence, from child and wife beating to pogroms, terrorism, or chronic warfare (Eisler 2007).

To illustrate, from the perspective of conventional categories, Hitler's

Germany (a technologically advanced, Western, rightist society), the Taliban of Afghanistan and fundamentalist Iran (two Eastern religious societies), and the would-be regime of the rightist-fundamentalist alliance in the United States seem totally different. But all have the mutually supporting core components of the domination system. They all have top-down control in both families and states or tribes; rigid male dominance; and the acceptance, even idealization, of violence as a means of imposing one's will on others (Eisler 1987a).

Neoliberalism, too, can best be understood in terms of these foundational components of domination systems. The policies advocated by this recent iteration of unregulated capitalism are designed to reconsolidate wealth and power in the hands of those on top (Harvey 2005, 2011).

While neoliberal rhetoric is about freedom, what this really means is freedom for those on top to do what they wish, free from government regulation (Harvey 2005, 2011). Its "trickle-down economics" is simply a return to the "traditional" order where those on bottom are socialized to content themselves with the crumbs dropping from their masters' opulent tables. The neoliberal promotion of the "preemptive war" against Iraq continued the traditional reliance of domination systems of violence.

The neoliberal's alliance with the so-called religious right reinforced still another core component of domination systems. This is a "traditional," highly punitive family where children learn that it is very painful to question orders, no matter how unjust, and where the ranking of one half of humanity over the other half is presented as normal and moral—a mental and emotional template for equating *all* differences with either superiority or inferiority, dominating or being dominated.

With this ranking of male over female comes another distinguishing feature of neoliberalism: its contempt for the "soft" or stereotypically "feminine," as in the vitriolic attacks on what they call the "nanny state." Accordingly, a key neoliberal requirement is that government programs designed to care for people, such as health care, child care, and aid to poor families, be defunded both in the United States and

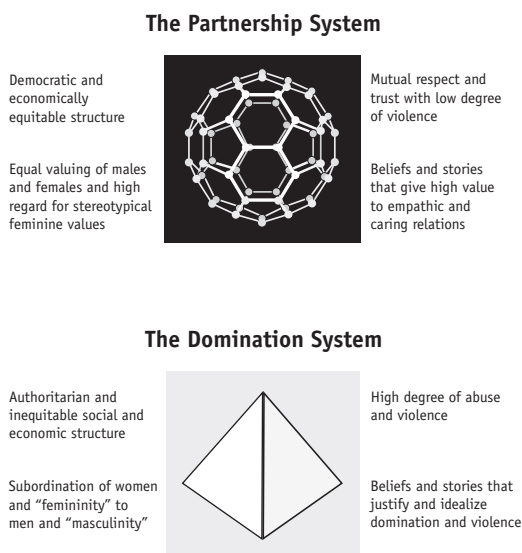


Figure 3. Comparison of the Partnership System with the Domination System

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through “structural adjustment policies” in the “developing” world. In short, neoliberalism is really the economics of domination.

By contrast, the partnership system has a very different core configuration. Its key elements are a democratic and egalitarian structure in *both* the family and state or tribe; equal partnership between women and men; and a low degree of abuse and violence because they are not needed to maintain rigid rankings of domination (Eisler 2007). (See Figure 3.)

No society is either a pure partnership or domination system, but the degree to which it is affects everything—including its guiding values.

Economics, Values, and Caring

Economics is, above all, about *values*. Classical economics say that value is determined by supply and demand—and this is certainly a factor. But more important are the underlying cultural values, and these are so taken for granted that they are often unconscious.

Hence changing economics requires reexamining underlying cultural beliefs about what is valuable or not valuable. And this, in turn, depends largely on the degree of orientation of a society to either end of the partnership/domination continuum.

The contemporary countries that have moved most closely to the partnership side of the partnership-domination continuum are Nordic countries such as Sweden, Norway, and Finland. Here we find more democracy and equality in both the family and the state; a higher status for women (approximately 40 percent of their national legislators are female); and concerted efforts to leave behind traditions of abuse and violence (they pioneered the first peace studies and the first laws prohibiting physical discipline of children in families, and have a strong men's movement to disentangle "masculinity" from its equation with domination and violence).²

Supported by this more partnership-oriented social configuration, they pioneered economic policies that combine positive elements of socialism and capitalism—but go beyond both by adopting economic inventions that give priority to caring for people and nature. These countries have government-supported child care, universal health care, stipends to help families care for children, elder care with dignity, and generous paid parental leave.

These more caring policies, in turn, were key in these countries' move from extreme poverty (famines in the early twentieth century) to today regularly ranking high in the United Nations' annual *Human Development Reports* in measures of quality of life as well as in the World Economic Forum's annual Global Competitiveness reports (Schwab 2011; UNDP 2010).

While they are not ideal societies, they have succeeded in providing a generally good living standard for all. They have low poverty and crime rates and high longevity rates. Because they also provide good family planning and encourage women to enter the paid labor force, their support for raising children has not led to a population explosion. Their children score high on international tests. These countries pioneered environmentally sound industrial approaches, such as the Swedish "Natural Step," and are ahead of most other countries in

meeting their goal of environmental sustainability. Some of the first experiments in industrial democracy came from Sweden and Norway, as did studies showing that a more participatory structure—where workers play a part in deciding how to organize tasks and what hours to work—can be extremely effective. Moreover, Nordic states have a long history of business cooperatives, jointly owned and democratically controlled enterprises that have included concern for the community in which they operate as one of their guiding principles.

With the ascendancy of neoliberalism and the globalization of unregulated capitalism over the last decades, Nordic nations, too, began to move somewhat toward more privatization. Nonetheless, they have been able to maintain most of their caring policies and hence their high rankings in international surveys of quality of life—ranging from environmental and human rights ratings to infant mortality rates, where the United States, by contrast, fell behind every industrialized country and even poor ones like Cuba (CIA 2011).

A basic reason is that these countries continue their investment of resources in caring for people and nature. Another reason sometimes given for the Nordic countries' greater investment in their human and environmental infrastructure is their relatively small and homogeneous populations. But smaller, even more homogeneous societies such as some oil-rich Middle Eastern countries where absolute conformity to one religious sect and one tribal or royal head is demanded have huge gaps between haves and have-nots, along with the rigid subordination of the female half of humanity and a heavy reliance on fear and force to maintain their domination systems. Also contrary to the argument that Nordic countries are more caring because they are more homogeneous, these states contribute a larger percentage of their gross domestic product than other developed countries to caring for people living in other countries: to fund and carry out programs working for fair economic development, environmental protection, and human rights.

So we have to look at other factors to understand why the Nordic countries moved out of poverty to develop a prosperous, more caring and equitable economic system in a relatively short time. And one of

these factors, still ignored in mainstream economic analyses, is greater equality between the male and female halves of humanity, as illustrated by the fact that women can, and do, occupy the highest political offices and comprise a large percentage of national legislatures.

While this was not the only factor, the higher status of Nordic women has had important consequences for the values that guide Nordic policies. In domination-oriented systems, men are socialized to distance themselves from women and anything stereotypically considered feminine, lest they be tagged with humiliating labels such as “wimp,” “sissy,” or “effeminate.” By contrast, in partnership-oriented cultures, men can give more value to caring, care giving, nonviolence, and other traits and activities deemed inappropriate for men in dominator societies because they are associated with “inferior” femininity. So, along with the higher status of Nordic women, many men and women support more caring policies—policies that give value and visibility to the work of caring for people and nature (Eisler 2007).

Making the Invisible Visible

The systemic devaluation of the activities that contribute the most to human welfare and development because they are still associated with women and the “soft” or “feminine” lies behind a kind of economic insanity. This insanity is still reflected in, and perpetuated by, conventional indicators of economic health such as gross domestic product (GDP) and gross national product (GNP).

As noted earlier, these measures actually place activities that harm life (like selling cigarettes and the medical and funeral costs from smoking) on the plus side. Yet they give absolutely no value to the life-sustaining activities of both the household economy and the natural economy. So, an old grove of trees is only included in GDP when it is cut down—whereas the fact that we need trees to breathe is ignored. Similarly, the caring and care-giving work performed in households is given no value whatsoever, and economists often speak of parents who do not hold outside jobs as “economically inactive”—

even though they often work from dawn to midnight.

It is sometimes argued that the value of this household work cannot be quantified. Certainly there are benefits such as the psychological well-being of both the person being cared for and the person doing the caring that cannot be assigned numerical value. But thanks to the activism of organizations worldwide, many countries now have “satellite” accounts that quantify the value of the work of caring for people and keeping healthy home environments. For example, a 2004 Swiss government report showed that if the unpaid “caring” household work still primarily performed by women were included, it would comprise almost half the reported Swiss GDP (Schiess and Schön-Bühlmann 2004).

Yet, as numerous scholars have noted, information about the enormous value of the work of caring is still not included in conventional economic treatises—be they capitalist or socialist (Brandt 1995; Crittenden 2001; Folbre 2001, 2010; Gornick and Meyers 2003; Henderson 1999; Jain and Banerjee 1985; Nelson 2006; Waring 1988). Moreover, even most indicators currently being developed as alternatives or supplements to GDP still fail to include this information.

In 2010, the Center for Partnership Studies (CPS) commissioned the Urban Institute in Washington, DC, to do a study of a cross section of these new economic indicators. Their report, *The State of Society: Measuring Economic Success and Human Well-Being*, found that these newer indicators still fail to give adequate visibility and value to the work of caring for people (de Leon and Boris 2010).

Part of the reason is that the contribution of the household economy is still not taken into account by current economic measurements and policies. Yet another reason is that even in the market economy, professions that involve care giving are paid far less than those that do not. So in the United States, people think nothing of paying plumbers, the people to whom we entrust our pipes, \$50 to \$100 per hour. But child-care workers, the people to whom we entrust our children, are paid an average of \$10 an hour, with no benefits (U.S. Bureau of Labor Statistics 2010). And we demand that plumbers have some training but not that all child-care workers have training.

To understand, and move beyond, this distorted system of values—and to effectively address seemingly intractable problems such as poverty and hunger—we again have to look at matters that are only visible once we recognize the configurations of the partnership system and the domination system.

Economic Policy, Poverty, and the Hidden System of Gendered Values

A major reason poverty has seemed so intractable is that policymakers have failed to take into account that women represent a disproportionate percentage of the poor worldwide. According to some estimates, 70 percent of those who live in absolute poverty, which means starvation or near starvation, are women (UN Women n.d.).

Even when women's poverty is discussed, it is generally in terms of workplace discrimination and the pay gap between women and men worldwide. But a major, still largely ignored, factor in women's poverty is that the work women do in families—including child care, health and elder care, housekeeping, cooking, and, in parts of the global south, collecting firewood, drawing and carrying water, and subsistence farming—is done for free.

In the rich United States, female-headed families are the lowest tier of the economic hierarchy. In addition, according to U.S. Census Bureau figures, the poverty rate of women over sixty-five is almost twice that of men over sixty-five (U.S. Census Bureau 2009). This is not only due to wage discrimination in the market economy; it is largely because these women are, or were for much of their lives, either full- or part-time caregivers—work that was neither paid nor later rewarded through Social Security or pensions.

This is not to say that economic inequities based on gender are more important than those based on class, race, or other factors. These inequalities are all inherent in domination systems. But a basic template for the division of humanity into “superiors” and “inferiors” that children in dominator families internalize early on is a male-superior/female-inferior model of our species. And this template can

then automatically be applied to ranking one race, religion, or ethnic group over a different one. Not only that, along with the ranking of male over female comes the devaluation not only of the female half of humanity but of anything stereotypically associated with the “feminine.”

If we look back just a few hundred years, we see this devaluation of the “soft” or “feminine” writ large. At that time, Western culture still looked like some of the most repressive societies do today. The norm was an authoritarian structure in both the family and the state. Wars and religious persecutions were chronic. And women and anything associated with them were so devalued that some theologians even debated whether woman has an immortal soul (Eisler 1987a).

Since then, albeit against enormous resistance and periodic regressions, there has obviously been movement toward the partnership side of the partnership-domination continuum. With this has come a greater valuing of women and the “feminine”—with benefits not only for women but also for men and children of both genders.

Economics and Gender

The study “Women, Men, and the Global Quality of Life” conducted by the Center for Partnership Studies compared statistical measures from eighty-nine countries on the status of women, with measures of quality of life such as infant mortality, human rights ratings, and environmental ratings. It found that in significant respects, the status of women can be a better predictor of quality of life than GDP (Eisler, Loye, and Norgaard 1995).

Since then, other studies have also verified the relationship between the status of women and a society’s general quality of life. The World Values Survey is the largest international survey of how attitudes correlate with economic development and political structure. In 2000, this survey focused attention on attitudes about gender for the first time. Based on data from sixty-five societies representing 80 percent of the world’s population, it found a strong relationship between support for gender

equality and a society's level of political rights, civil liberties, and quality of life (Inglehart, Norris, and Welzel 2002). More recently, the World Economic Forum's *Global Gender Gap Reports* show that the countries with the lowest gender gaps (such as Norway, Sweden, and Finland) are also countries that rank high in the World Economic Forum's Global Competitiveness Reports (Hausmann, Tyson, and Zahidi 2010).

There are many reasons for a correlation of the status of women with national economic success and quality of life for all. One, of course, is that women are half of humanity. But the reasons go much deeper, to the still largely unrecognized interconnected social and economic dynamics inherent in domination systems.

Here are two examples: (1) dominator male preference and (2) dominator intrahousehold resource allocation.

Dominator Male Preference

Not so long ago in the United States, when a girl baby was born, people used to say, "Hope next time it's a boy." In some world regions, this ranking of males over females is still so ingrained that parents (both mothers and fathers) not only often deny girls access to education and give them less health care but also use ultrasound to abort female fetuses, practice female infanticide, and feed girls less than boys (Eisler, in press).

These practices obviously have extremely adverse consequences for girls and women. Indeed, they are horrendous human rights violations. But giving less food to girls and women also adversely affects the development of boys, because children of malnourished women are often born with poor health and below-par brain development (Eisler 1987b).

So this gender-based nutritional and health-care discrimination robs *all* children, male or female, of their potential for optimal development. This in turn affects children's and later adults' abilities to adapt to new conditions, their tolerance of frustration, and their propensity to use violence—which impedes solutions to chronic hunger, poverty, and armed conflict, as well as chances for a more humane, prosperous, and peaceful world for all.

Dominator Intrahousehold Resource Allocation

The above is just one consequence of another important factor left out of conventional economic analyses: the patterns of intrahousehold resource allocation characteristic of domination systems.

There is empirical evidence across diverse cultures and income groups that women have a higher propensity than men to spend on goods that benefit children and enhance their capacities. In “Intra-Household Resource Allocation,” Duncan Thomas (1990) showed just how much higher. He found that in Brazil, \$1 in the hands of a Brazilian woman has the same effect on child survival as \$18 in the hands of a man. Similarly, Judith Bruce and Cynthia B. Lloyd (1997) found that in Guatemala an additional \$11.40 per month in a mother’s hands would achieve the same weight gain in a young child as an additional \$166 earned by the father.

Of course, even in rigidly male-dominated cultures, there are men who give primary importance to meeting their families’ needs. However, most men in such cultures are socialized to believe it is their prerogative to use their wages for nonfamily purposes, including drinking, smoking, and gambling, and that when women complain, they are seen as nagging and controlling. As Anugerah Pekerti (chair of World Vision, Indonesia) notes, many fathers seem to have no problem putting their immediate desires above the survival needs of their children (Kristof 1998).

Yet traditional economic theories are based on the assumption that the male head of household will expend the resources that he controls for the benefit of all family members. Not only that, development aid programs still allocate enormous funds to large-scale projects in which women have little or no say—and from which poor women and children derive few if any benefits (Afshar 1991; Boserup 1970; Buvinic et al. 2008; Jain and Banerjee 1985; Jaquette 1994; Mies 1986; Peterson and Runyan 1999; Ward 1990). Even microlending, or “village loan” programs that largely target women, generally provide only minimal amounts—often at exorbitant interest rates. And the bulk of large bank loans go to businesses owned by male elites or to male “heads of household.”

I want to emphasize again that what I am reporting is not intended to blame men for our world's economic ills. We are dealing with a system in which both women and men are socialized to accept the notion that half our species is on earth to be served and the other half to serve, and that mothers, not fathers, must subordinate their needs and desires to those of their families.

This economic double standard, and with it the subordination of the stereotypically feminine to the stereotypically masculine, not only hurts women. It hurts men in myriad ways—from the psychological pain of having to disassociate themselves from the “feminine,” including their own mothers, to the economic and political consequences of devaluing and subordinating women and anything associated with them. But perhaps, above all, this devaluation of women and the “soft” or “feminine” hurts children—both girls and boys and both present and future generations.

Man's Conquest of Nature

Even our environmental crisis is largely a symptom of the distorted values inherent in domination systems. We are often told that the Western scientific-industrial revolution that began to gain momentum along with the Enlightenment in the eighteenth century is to blame for the havoc we are wreaking on our natural life-support systems (Capra 1982). But the “conquest of nature” worldview goes back much further.

We have inherited an economics based on the premise that man is entitled to control both woman's and nature's life-sustaining activities. In Genesis 1:28, we read that man is to “subdue” the earth and have “dominion . . . over every living thing that moveth upon the earth.” In Genesis 3:16 we read that man is to rule over woman, who is to be his subordinate.

However, this notion of male control over nature and woman was *not* introduced in the Bible. We already find it millennia earlier. For example, the Babylonian *Enuma Elish* tells us that the war god Marduk created the world by dismembering the body of the Mother Goddess Tiamat. This myth superseded earlier myths about a Great Mother

who created nature, and humans as part of nature, through her life-giving powers with a story where the violence of a male deity brings forth the world. It not only signals the beginning of a period when female deities, along with women and anything associated with them, were subordinated; it also signals a shift to a domination system in which masculinity is equated with domination and conquest—be it of women or of nature (Kramer 1963).

This ethos of domination has caused enormous suffering and damage for thousands of years. But the plunder of nature, now aided by powerful technologies that cause terrible harm in a matter of years, even months and days, today threatens our planetary life-support systems (Brown 2009; Global Footprint Network 2010).

The mix of high technology and an ethos of domination is not sustainable. Therein lies the danger. But the upheavals and dislocations of our time also offer an opportunity to shift to economic institutions, rules, policies, and practices that support caring for ourselves, others, and nature in *both* the market and nonmarket economic sectors.

Redefining Productive Work

We already saw how caring policies in Nordic countries played a major role in their move from dire poverty to a high quality of life for all. Other examples abound, like the enormous financial benefits from investing in parenting education and assistance, as shown by the Canadian Healthy Babies, Healthy Children program (Ontario Ministry of Health and Long-Term Care 2003), and investing in high-quality early-childhood education, as shown by follow-up studies of the U.S. Abecedarian Project (Masse and Barnett 2011).

There are many ways of funding this investment in our world's human infrastructure—an investment that should be amortized over many years, as is done for investments in material infrastructure such as machines and buildings. One source is to shift funding from the heavy investment in weapons and wars characteristic of domination systems. Another is through the savings on the immense costs of *not* investing in caring and care giving: the huge expenditures of taxpayer

money on crime, courts, prisons, lost human potential, and environmental damage. Taxes on financial speculation and other harmful activities, such as making and selling junk food, can also fund investment in caring for people and our natural habitat.

As noted earlier, this investment is essential for economic success. Good care for children will ensure that we have the flexible, innovative, and caring people needed for the postindustrial workforce (Cleveland and Krashinsky 1998; Kershaw and Anderson 2010). Both psychology and neuroscience show that whether these capacities develop hinges largely on the quality of care that children receive. Indeed, neuroscience shows that quality of care and education affects nothing less than the neural structures of the brain (Niehoff 1999; Perry 2002).

With the aging of the world's population, on the one hand, and the enormous number of young people facing an ever more uncertain future in our globalized postindustrial economy, on the other, educating and remunerating people for care giving will not only help close the "caring gap"—the worldwide lack of care for children, the elderly, the disabled, and the sick and infirm. It will also eventually lead to a redefinition of "productivity" that gives visibility and value to what really makes us healthy and happy—and in the bargain leads to economic prosperity and ecological sustainability.

This redefinition of productive work is essential, given the rapidly changing job landscape. Robotics and other forms of automation have already altered this landscape in unprecedented ways, with the continuing loss of manufacturing and white-collar jobs and, increasingly, also of programming and other high-technology jobs. Predictions are that many mid- and high-level jobs also will disappear because of the expansion of automated intelligent systems capable of decision-making, advisory, and analytical functions. While these systems are not likely to replace humans altogether, they will markedly reduce the number of people needed to support business and government activities.

As we move further into the postindustrial economy, the industrial job base will shrink as radically as the agricultural job base shrank

earlier, from employing a majority of workers to less than 5 percent. But unlike industrialization, automation does not offer large numbers of replacement jobs, especially in the nonprofessional occupations that until now provided mass employment.

Foreseeing this problem, and the mass suffering accompanying it, liberal economists such as Robert Theobald proposed a guaranteed annual income to help those in need (van der Veen and van Parijs 1986). For similar reasons, and to prevent extensive violence and the collapse of social and economic infrastructures, conservative economists such as Milton Friedman proposed a negative income tax that would give people with no or low earnings a government stipend (Allen 2001).

But both these measures only entail doling out money and contribute nothing to either economic or personal development. They do not give recipients the opportunity to do meaningful work, and so rob people of the feeling that they are doing something of importance. Nor does a guaranteed annual income or a negative income tax discourage harmful behaviors and reward positive ones. Neither addresses uncaring economic policies and business practices. Neither takes into account the damage such policies and practices do to our health and our natural habitat, as well as the loss of human potential that they entail. And neither addresses the power imbalances that lie behind chronic economic inequity and inefficiency.

There is a more appropriate response to the challenges of the postindustrial world—policies that support and reward activities that machines and high-technology devices, no matter how sophisticated, cannot perform (Eisler 2007). But implementing this response requires recognizing that the distinction between “productive” and “reproductive” work is spurious, given the enormous economic contribution of the work of caring performed in the nonmarket household economic sector.

As many feminist writers have pointed out, since the work involved in taking care of children, the sick, the disabled, and the elderly creates a public good, caregivers (primarily women) should be fairly compensated by society or the state. Fortunately, there is movement in this direction not only through the work of feminist scholars such

as Mayra Buvinic (Buvinic et al. 2008), Ann Ferguson (Ferguson and Folbre 1981), Nancy Folbre (2001, 2010), Heidi Hartmann (1979), Julie Nelson (2006), Nel Noddings (2002), and many others but also through the work of men writing about the enormous value of caregiving work. For example, political scientist Paul Kershaw points out that care giving is civic work that produces public goods—and that support for this work is the most cost-effective investment a society can make (Kershaw 2005; Kershaw and Anderson 2009; Kershaw et al. 2009).

As mentioned earlier, this kind of investment should not be classified as an annual expense, thus adding to government deficits. Since it is an essential investment in a country's most important asset—its human infrastructure—it should be amortized over a generation, like investments in other infrastructure that make it possible for organizations to function effectively.

Conclusion

All around us are signs that the old economic approaches are not capable of adapting to new circumstances. The old idea of economic health and economic growth being identical is being shown to be not only antiquated but also inhuman, irrational, and, ultimately, suicidal.

First, economic growth is being measured in peculiar ways that bear little relationship to people's day-to-day realities. GDP pays no attention to poverty and hunger or the widening gaps between haves and have-nots. Nor does it consider the damage caused by many of the harmful activities it includes as "productive," which are still quaintly termed "externalities."

Second, "growth" is currently used to denote unlimited growth, and this is unsustainable. A degree of economic growth within the limits of ecological resilience makes sense. But even here the issue of what kinds of goods and services are part of growth must be considered.

Current production patterns, including the transportation of goods over huge distances, ecologically damaging packaging, and polluting

emissions, have devastating environmental impacts. Not only that, much of what is being consumed is harmful to consumers.

In the United States, consumer spending accounts for 70–80 percent of the U.S. economy. A large portion of goods and services, such as those produced by the billion-dollar fast food, chemical pesticide, and gun industries, cause disease and death. In addition, some consumer goods, such as those produced by the billion-dollar cigarette, alcohol, and prescription drug industries, which pump people full of often-incompatible and even disease-producing chemicals, are addictive. Others, such as the constantly redesigned appliances, electronics, and other products deliberately manufactured for planned obsolescence, not only pile up in our landfills but are, at best, only temporary substitutes for satisfying relationships and meaningful work—as demonstrated by studies showing that extreme affluence does not correlate with happiness (Layard 2005).

Moreover, the current definition of economic development is also dependent on ever-increasing consumption—on exporting these unhealthy and unsustainable lifestyles to the global south, rather than ending the enormous gaps between those on top and those on the bottom and providing access to family planning and empowering women—both demonstrated as essential to halt exponential population growth. This matter of population growth, which is today strangely missing from mainstream conversations about both economic justice and environmental sustainability, is still another major threat to our global future, linked to chronic poverty, disease, deforestation, water and food shortages, pollution, and other afflictions that current economic systems have not, and cannot, effectively resolve.

If we add to all this the accelerating shift to automation discussed earlier, it is even more evident that returning to the old normal is not an option. What is needed is a new normal—a new economic system that supports a more adaptive, responsible, and caring ethos for governments, businesses, science, and technology.

The challenge is how to develop such a truly new economic system. And here we return to the need to redefine “productive” work to in-

clude what has traditionally been termed “reproductive” work. We also return to the need for new economic indicators that demonstrate the enormous financial and social value of caring for people and nature in both the market and nonmarket sectors.

A growing number of groups are now working to lay foundations for such an economic system. For example, the Alliance for a Caring Economy (ACE) is a coalition of national and international organizations ranging from women’s, children’s, educational, and responsible business groups to academicians, faith communities, and environmental groups coordinated by the Center for Partnership Studies (CPS).³ The ACE Web site features the work of member organizations to build a more caring, just, and sustainable economy and focuses attention on the need for the development of new “social wealth” indicators that can help persuade governments and businesses to make a long-term investment in caring.

Especially in our time, when “high-quality human capital”—flexible, creative people who can work in teams and think in long-term, not only short-term, ways—is essential for economic success, it can be argued that the production of this capital through the care-giving activities still generally categorized as “reproductive work” is actually the most productive of all work. Similarly, caring for our natural environment is today a prerequisite not only for sustainability but also for humanity’s future survival.

A major contribution to a shift in economic priorities can be made in the academy by reframing the economic and policy conversation. And an important first step is moving past the conventional dichotomy between “productive” and “reproductive” labor.

This takes us to where we began, to the need for policies and practices that are good for children—today and for generations to come. If this goal guided government and business policies, continuing to use advanced technologies to pollute and destroy our natural habitat would be inconceivable. Also inconceivable would be the financial drain of chronic wars, corruption, and greed, and the unnecessary deaths of millions of children every year, not to speak of slashing government investment in child care, health, and education.

There will be those who say that a caring economic system guided by what is good for children is a utopian dream. But economic systems are human creations. Through new ways of thinking and new economic inventions, we can help pave the way for a future where all children have the opportunity to realize their potential for consciousness, empathy, caring, and creativity—the capacities that make us fully human.

Notes

1. The author experienced this in 1984 as one of two U.S. representatives to the Soviet Union in a delegation advocating an end to the nuclear arms race (after making the same appeal to the United States). While ordinary Soviet citizens lived in overcrowded quarters, often with two families crammed into a small apartment, we were put up in the royal suite of a luxury hotel with gilded furniture and a grand piano in its foyer. And while most Soviet citizens lacked even the most basic consumer goods, we and our Soviet hosts drank champagne and ate caviar.

2. This is not to say there is no violence in Nordic countries. This violence is, sadly, universal, because it is embedded in traditions of domination. As Jorgen Lorentzen and Per Are Lokke wrote, “Many men have come to believe that violence against a woman, child, or another man is an acceptable way to control another person. By remaining silent about the violence, we allow other men to poison our environments” (1997).

3. For more information, see www.partnershipway.org.

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