

Gendered Economics

The Unsustainability of Economic Man

Modern economics is not sufficiently accounting for the work women do or the damage done to the environment. To account for this, economics should focus on social and ecological wellbeing. But what would a sustainable, sufficiency economy look like?

By Mary Mellor

The unsustainability of 'Economic Man' lies in 'his' position as the construct of a gendered economic structure. In modern economies there is a hierarchical gendering of economic value that does not take account of much of women's work and lives, or the exploitation of, and damage to, the natural environment. It is this externalisation from economic value of vital aspects of human existence that forms the material basis of 'Economic Man's' unsustainability.

'Economic Man' can exist unsustainably because the burdens of the material costs of unsustainability are placed on to the natural environment and women's reproductive work. In this way 'Economic Man' can transcend human immanence, that is, the embeddedness of humanity in nature. To challenge the nature of 'Economic Man' it is necessary to explore the foundations of 'his' world, particularly the mechanism of gendered valuation, money (Mellor 2009, 2010a).

'Economic Man' – Transcending Immanence

'Economic Man' aims to maximise financial outcome and judges all economic activities solely on the basis of money value or money profit. 'He' (who may be a she) does not live within the immanent world of human life, the body and nature. 'His' economic world is disembodied from biological time and ecological time which represent the embodiment and embeddedness of humanity in nature. Biological time represents the daily cycle of the body and the human life cycle. 'Economic Man' does not sleep, grow old or infirm. 'He' was never young. 'Economic Man' is also disembodied from ecological time. Ecological time is represented by the seasons, but these are ignored as food is flown across the world or artificial environments are created. The natural world also needs time to replenish and regenerate, but this is ignored under economic pressure that leads to depletion, destruction and toxic breakdown. In order

to live 'his' disembodied and disembodied life, 'Economic Man' exploits the gendering of the economy. Essential work relating to biological time is undervalued as 'women's work', even if it is not done by women. Communal and reciprocal systems that human communities have created are also undermined. Ecological time is enabled by exploiting free or undervalued natural resources and the resilience of natural environment.

Women's Work – Living with Immanence

Women's work is the basic work that makes other forms of activity possible. It secures the human body and the community. If a woman enters 'the economy', she must leave her woman-life behind: childcare, domestic work, responsibility for elderly relatives, subsistence work, community activities. Women's work is not necessarily done by women, it has been, or can be, done by low status men (or higher status men by choice), by children or servants. The natural world also has to do 'work' if humanity is to survive. It has to provide resources, maintain fertility, biodegrade contaminants, recover, regrow.

What is relevant to sustainability in women's work is its embodiedness and embeddedness. Women's work is embodied because it is concerned with the human body and its basic needs. It maintains and sustains the human body through the cycle of the day and the cycle of life (birth to death). It is feeding, caring, nurturing and hygiene work: food growing, feeding, cleaning, childcare, sick care, aged care, animal care, community care (volunteering, relationship building), family care (listening, cuddling, sexual nurturing, esteem building). Women's work is embedded because it is, of necessity, local and communal, centred around the home. In subsistence economies it is embedded in the local ecosystem.

Externalising nature through women's work

The marginalisation of women's work is ecologically dangerous because women's lives as reflected in domestic and caring work represent the embodiedness of humanity, the link of humanity with its natural being. Women's work addresses the inconvenience of human existence. Moreover, the pattern of exclusion that affects women is, in turn, related to other exclusions and marginalisations, in particular those of non-western, non-commercial and non-white economies and people. The role of gender in the (un)sustainability of economic systems means that 'the economy' does not relate to the totality of human lives and the natural world, to all the (re-)productive work

“The marginalisation of women’s work is ecologically dangerous.”

that sustains human existence (Biesecker/Hofmeister 2010). What the modern economy represents, is a boundary around limited activities and functions in which the process of valuing and gender are connected. While the demands of ‘the economy’ exert overwhelming control of social and political processes, it represents only a small part of humanity’s existence in nature and in the wider social framework.

Gendered economies are unsustainable because dominant men (and women) can ignore the inconveniencies and consequences of their existence in nature (that is their embodiedness and embeddedness). These inconveniencies and consequences are borne or mediated by the natural environment, by women’s work and by others (for example low status people or other species). Inequalities such as gender encourage a false optimism that humans can transcend natural conditions, because dominant groups do not live within the real world of the body and the environment. The first challenge must be to the notion of the ‘economy’ itself. Why do some things lie within the boundary of money and value while other important aspects of human lives and the natural environment are excluded?

The Money Boundary

What nature and women’s work share is exclusion from value recognition within ‘the economy’. Modern economies are structured by value expressed in the money form. Human activities are only valued if they are exchanged for money and, in capitalist economies, if that exchange produces additional money value. The more work is valued by money, the more male-dominated it becomes. The more necessary and unremitting it is, the more female-dominated, low paid or unpaid it becomes (see table 1).

The market economy takes only what it needs from nature and human life to fuel its needs and only provides products and services that are profitable. Within a commodified economy, money is the means by which property and value are accumulated. The core feature of ‘total’ money economies, where most people have no direct access to the means of sustenance, is that most people have no choice but to engage in money-seeking ac-

tivities. They have to work for wages if they want to eat. Money is not just a useful medium of exchange, it enables the basic circuits of economic life.

Challenging Money

As money is so central to the unsustainability of gendered economies, it is important to ask some fundamental questions. Where does money come from? Who owns and controls it? How is it issued and circulated? The ‘origin story’ told by conventional economics is that money emerged to replace barter in trade. However, there is no historical record of widespread barter (Graeber 2011: 29). Also, gold and silver coinage, which emerged around 600 before common era, was largely monopolised by rulers rather than traders (Davies 2002: 82). Money has also taken many forms. As Davies points out, the cowrie shell has been used over greater space and time than precious metals (2002: 36). He defines money as ‘anything that is widely used for making payments and accounting for debts and credits’ (Davies 2002: 29).

The history of money is much more complex than conventional economics would have us believe, and reveals three distinct systems of money issue and circulation: social, public and commercial.

Social money has been used in many societies as a means of calculating relative values of debts and entitlements. Most of these were related to social and power relationships rather than trade. Examples are injury payments, tithes and dowries. Money has taken many forms, shells, stones, clay tablets, wood. Whatever form it took, social money was mainly used as a means of comparing values and establishing obligations and entitlements. Circulation was based on social agreement and trust. There are many contemporary examples of people setting up new forms of social money such as local currencies or socially organised exchange such as Local Exchange Trading Schemes or Time Banks.

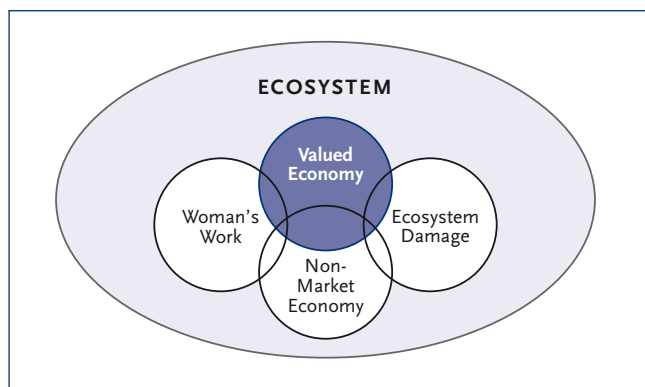


Figure 1: The valued economy

(Source: Mellor 2001)

HIGH VALUE	LOW/NO VALUE
Economic ‘Man’	Women’s work
Market value	Subsistence
Personal wealth	Social reciprocity
Labour/Intellect	Body
Skills/Tradeable Knowledge	Feelings, emotions, wisdom
Able-bodied workers	Sick, needy, old, young
Exploitable resources	Eco-systems, wild nature

Table 1: Value recognition within the economy

(Source: author)

“Humanity has to re-construct its relationship with nature based on immanence and social justice.”

Public money is money that is issued by a public authority or ruler. It can take many forms, but in modern times it has ranged from coinage (precious metal and base metal) through central bank notes to electronic money (quantitative easing). Public money was created and spent into circulation by the ruler or state and then taxed back, but never completely, so that coined money became extensively used in trade. This has tended to obscure its origin in public authority, but as Knapp has argued, money is a creature of law, not economics (Knapp 1924: 1). However, under the dominance of contemporary market-led economic thinking the concept of public money has been lost. State money issue is derided as ‘printing money’ and money for public expenditure has to be raised from taxes or ‘borrowed’ from the central bank or the commercial ‘money market’ through the selling of state debt.

Commercial money is the form of money that currently dominates economic theory and practice. Unlike social or public money, which is issued through distribution, allocation or expenditure, commercial money is always created as debt. Unlike coinage, commercial money did originate in trade. While traders used coinage, commercial money was a less tangible means of exchange. This took the form of debt and credit arrangements based on private agreements and promises. Where the issuer of these promises was seen as creditworthy, they could be circulated as money that is used as payment. This is the form that most new money issued takes today, a framework of debt and credit agreements represented in bank accounts. Banks create new commercial money by making new loans that, in turn, create new bank deposits. All the money created as debt must be returned to the issuing bank with interest.

There are many fundamental differences between commercial money and social and public money. Both social and public money are issued free of debt. There is no obligation to return the money with interest, although a portion may be taxed. The money does not have to be returned because social and public money is not created on a commercial basis. Social or public money does not have to ‘make money’; its sole aim is to enable the provision of goods and services (or fight wars, benefit privileged groups or give bribes; public money is not necessarily used well). Bank issued money, on the other hand, is only issued on a commercial basis (even if issued by a public, mutual or co-operative bank) and must all be repaid with interest.

The predominance of bank issued debt-based money in

modern money supply is critical to understanding the crisis we are experiencing. It is also critical to ecological sustainability. Commercial money created as debt is economically unsustainable because a constant expansion of money supply and economic growth is required if the debt to issuing banks is to be repaid with interest. It also has profound social and economic consequences because states have lost control of national money supply. Money is only issued on the promise of commercial outcomes, that is profitable activities, even if these are socially and ecologically destructive. As a result, expenditure on socially and environmentally beneficial activities is drastically cut on the basis that it cannot be ‘afforded’, even while financial speculation and resource exploitation increases. Governments’ hands are tied because of the dominance of a ‘handbag economics’ that rests on a gendered analogy that totally misunderstands the social and public nature of money.

Handbag Economics

Handbag economics divides economies into a profit-seeking ‘wealth-creating’ sector, the ‘value economy’, and an economically dependent social and public sector. The economic position of the state is expressed through the misleading analogy of a household. States are seen as having a limited income that is dependent on the success or otherwise of ‘the economy’.

Money issue and circulation are controlled by the financial sector as the state is denied its traditional role of issuing money free of debt. If states want more money, they must borrow from the financial sector, even if they are using the money to rescue the banks. With the money supply effectively privatised, the state is seen as a dependent housewife on a limited budget that must be ‘balanced’. Any additional public expenditure, debt or deficit is seen as ‘crowding out’ private sector capacity or as a burden on ‘the taxpayers’. At the same time, the consequence of reckless private debt-based money issue is falling upon the public through state bailouts of the banking sector. The state, and therefore the people, are then punished for overspending. State bailouts of the financial sector and consequent sovereign debt crises have led to drastic austerity measures causing great pain and distress with welfare, health and green policies hardest hit. This puts a heavy burden on women’s work and sustainability becomes a luxury.

Ecological Sustainability and Social Justice

Rather than an austerity programme that targets expenditure that is not deemed profitable, a socially just society that lives within its ecological means would require a conception of wealth that prioritises social and ecological wellbeing. To achieve this, it is necessary to challenge the money and profit boundary in economic thinking and the purely economic notion of wealth. The gendered economy needs to be freed from its narrow focus on markets and paid work, to embrace a much wider notion of human activities in meeting human needs and

sustaining the natural world. It needs to be recognised that the current economy based on money value and 'Economic Man' is parasitical upon other aspects of human and natural existence, particularly women's work. The failure of contemporary economies to acknowledge their true resource base means that these are both exploited and damaged. While the money system is not the only structure that influences economic direction and priorities, it is the one that creates the boundary between women's work and lives and the wider economy. In order to break down this boundary and build an economy that embraces the whole of human life in nature, a more useful concept than economy is 'provisioning' which covers all aspects of human needs, including nurturing and emotional support.

Understanding the three threads in money systems, social, public and commercial, is central to being able to establish socially just and ecologically sustainable provisioning economies. Current debt-based money systems distort human relationships and the relationship with nature. Economics should be about provisioning societies on a sustainable and socially just basis, rather than profit and speculation. Most importantly, money created as a social and public resource could create the possibility of a de-gendered 'sufficiency' economy (Mellor 2010b). For the growth dynamic to be removed from economic systems, the money supply must not be based on debt. Money must not be purely commercial, or even commercial at all. For an ecologically sustainable and socially just provisioning the two other sources of money, social and public, need to be prioritised as both can be issued free of debt. At present, whoever borrows the money supply into existence determines the direction of the economy, no matter how speculative or destructive. Yet, in a crisis it is the public collectively who have to rescue the money system from the consequences of excessive risk and over-indebtedness.

Rather than 'handbag economics' and austerity, social and public money should be treated as a source of common wealth, a public resource issued free of debt to enable the exchange of goods and services (Mellor 2010a). Such a democratised form of money issue could embrace paid and unpaid work (as in a citizen's income) and prioritise socially necessary expenditure. The environment could also be allocated an 'income' for its preservation. If money were issued first for social and environmental benefit, the financial sector could revert to doing what the textbooks say it does, collect up people's savings (earned from carrying out useful work) and invest or lend them (for ecologically sustainable activities). Taxation would no longer be based on extracting money from the so-called 'wealth-creating' sector, it would be used as a monetary instrument to withdraw money from circulation to keep the money supply in balance so that spending power represents overall provisioning capacity.

To make the issue and circulation of money subject to democratic control would not be a full solution to building an egalitarian and ecologically sustainable economy, but it could begin to challenge the destructive priorities of the current system. It would also challenge the false boundaries of money value and

begin the process of creating a provisioning system that will meet human needs and enhance human potential without destroying the life of the planet.

Conclusion: A Sufficiency Economy

The creation of a sustainable, sufficiency economy requires humanity to re-construct its relationship with nature based on immanence and social justice. A sufficiency provisioning economy would stress sufficiency rather than profit and growth and stress needs rather than wants. Sufficiency is most clearly defined by what it is not. It is not 'too much' or 'too little'. It must be socially just, as sufficiency for one must be sufficiency for all. An ecologically sustainable economy would start from the embodiment and embeddedness of human lives, from the life of the body and the ecosystem. This means that a provisioning economy would start from women's work and the vitality of the natural world. Prioritising the life-world of women's work would mean that patterns of work and consumption would be sensitive to the human life cycle. Necessary production and exchange would be fully integrated with the dynamics of the body and the environment. The provisioning of necessary goods and services would be the main focus of the economy in which all work would be fulfilling and shared. To achieve this it is necessary to challenge the gendered value systems of modern economies and the false transcendence of 'Economic Man'.

Anmerkung

Eine ausführliche Version dieses Beitrages erscheint Anfang 2014 in dem Sammelband „Nachhaltigkeit anders denken – Veränderungspotenziale durch die Geschlechterperspektive“ im VS Verlag.

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