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Intersections of gender and class in the distribution of income

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ABSTRACT
This article considers the intersection of gender and class in the distribution of income. The first section applies a gender lens to reread Piketty's *Capital in the Twenty-First Century*, showing how the analysis would be different if capitalism were recognized as not only patrimonial but also patriarchal. The second section discusses an OECD study that claimed, "More women in paid work means less income inequality," taking into account unpaid work as well as paid work. The third section discusses the claim that rising female labor force participation is associated with a rise in inequality between capital and labor. The final section considers strategies to reduce both gender inequality and class inequality.

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Introduction

In the last decade, economic inequality has come to the forefront of research by economists in academic institutions, NGOs, and international organizations. A book examining trends in the concentration of income and wealth in the century since 1910 in the hands of the top 1 percent of people in the United States, the United Kingdom, France, Germany, and Japan became an international bestseller (Piketty 2014). In the period from the early 1980s to around 2010, Piketty showed that inequality intensified—especially in the United States, where the top percentile's share of national income rose to nearly 20 percent, compared to around 14 percent in the United Kingdom, around 9 percent in France and Japan, and 11 percent in Germany (Piketty 2014: 316–317).

In a global study of recent experience in distribution of the fruits of economic growth, Oxfam showed that, although all income groups experienced positive growth in their real income between 1988 and 2011, the incomes of the poorest 10 percent of people increased by $65, equivalent to less than $3 extra a year, whereas the incomes of the richest 1 percent increased

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182 times as much, by $11,800 (Oxfam 2017). At the same time, the functional distribution of income changed in favor of capital. Drawing on ILO (2013) and Stockhammer (2013), the United Nations Development Program (UNDP) reported that in a group of 16 developed countries for which data were available, the labor share of national income declined from about 75 percent in the mid-1970s to 65 percent in the mid-2000s; and in a group of 16 developing and emerging economies for which data were available, average labor shares declined from around 62 percent of gross domestic product (GDP) in the early 1990s to 58 percent in the mid-2000s (UNDP 2015).

Evidence of growing inequality in the distribution of income between rich and poor people and between capital and labor has not only been produced by heterodox economists but also highlighted by mainstream organizations such as IMF and OECD in their reports. For instance, the IMF highlighted trends in income inequality between households in Group of 20 (G20) countries in a Policy Note to G20 governments, drawing attention to the disproportionately large share of income that has accrued to the top 1 percent of the income distribution (IMF 2017). In G20 countries, the combined labor share of low- and middle-skilled labor fell by more than 10 percentage points from 1995 to 2009, whereas that for highly skilled labor rose by more than 5 percentage points in "emerging G20" countries and by 10 percentage points in "advanced G20" countries (IMF 2017).

The focus on distribution of income and wealth inequality allows class to make some reappearance in economic discourse, even though such a focus does not probe the roots of class inequality in the capitalist system of production[1]. However, none of the measures of income and wealth distribution commonly used by economists explicitly address the gender dimension of economic inequality. Measures of inequality in income and wealth between "people" are actually measures of inequality between households, or between tax units (which may be individuals or couples)[2]. Inequality within households (or tax units) is ignored. The functional distribution measures income inequality between factors of production: labor (sometimes differentiated by skill levels[3]) and capital. When economists consider drivers of inequality, they mainly focus on processes of technical change, globalization, diverging returns to different skills, structures of property rights and inheritance, and the ability of the rich to capture economic policy making and shape it to serve their interests. On the whole, they do not situate economic inequality between people in the context of intersecting inequalities of gender, race/ethnicity, and location that shape the access that different people have to income and wealth.

This article considers the intersection of gender and class in the distribution of income and, to some extent, wealth. Gender is understood not as

an innate personal characteristic but as an unequal structure of social power that is always intertwined with other unequal structures of social power, such as class. A person's gender position shapes how he or she experiences class, and his or her class position shapes how he or she experiences gender (Beneria and Sen 1982). Structures of gender inequality intersect with income inequality, shaping inequality outcomes, with implications for men as well as for women. To fully understand economic inequality, we need to recognize that economies (and economic policies) are not gender neutral but have gender biases built into them (Elson 1991, 1999). Economies are gendered structures in which the public and private sectors depend on the process of social reproduction of people in the domestic sector of families and communities, through unpaid care and domestic work (Elson 1998)[4], a process not visible in most economy-wide analyses, but made visible in feminist analysis (Cagatay, Elson, and Grown 1995, 2000; Heintz 2019).

Trends in inequality between women and men in the labor market are not necessarily the same as trends in inequality between households and between labor and capital. For instance, UNDP (2015) provided an analysis of global trends in the period 1990–2010 of gender gaps in four labor market variables: employment-to-population ratios, 15 years and older; unemployment rates; wages; and shares of females and males employed in the industrial sector. It found that there has been a narrowing of the global mean gender gap in employment to population ratio; gender gap in unemployment rates fell in Asia but not in other regions; some progress—but very slow—in reducing the gender wage gap in OECD countries and fast-growing Asian economies; and defeminization of industrial sectors in many middle-income countries.

The first section of this article applies a gender lens to reread Piketty's *Capital in the Twenty-First Century,* showing how the analysis would be different if capitalism were recognized as not only patrimonial but also patriarchal. The second discusses the interaction of income inequality between households and gender inequality in labor markets, taking into account that some dimensions of gender inequality in labor markets have been falling. Research by the OECD on the distribution of income between households has found that rising female labor force participation has served to reduce the rise in inequality below what it would otherwise have been (OECD 2015). I ask whether the OECD conclusion that, "More women in paid work means less income inequality," tells the whole story. The third section discusses some academic research on the distribution of income between labor and capital that finds that rising female labor force participation is associated with a rise in inequality between capital and labor (Finnoff and Jayadev 2006; Guschanski and Onaran 2017; Braunstein

2019). The final section considers strategies to reduce both gender inequality and class inequality.

Patrimonialism without patriarchy

Piketty's global bestseller on rising economic inequality characterizes capitalism as a patrimonial system, in which inheritance is a key driver of wealth inequalities, although inequality in earnings is also important. "In all societies, there are two main ways of accumulating wealth: through work and through inheritance" (Piketty 2014, 379). Although theft and pillage are mentioned in footnotes as "not totally without historical significance," Piketty paid little attention to imperialism. His main concern was to displace ideas of "meritocratic" capitalism by showing that in the rich countries, inherited wealth was important in 18th and 19th centuries, declined in period from 1914 to 1970, and is once again increasing in importance. He did this in magnificent style, using easy-to-read charts that have captured public imagination.

Patrimonialism is not seen as gendered, even though many of the examples Piketty discussed from 19th-century novels show that patrimony was patriarchal: Women had fewer inheritance rights, and men controlled the property of their wives, who did not have their own earnings. Patriarchy today in the rich countries is more subtle and is not rooted in lack of legal rights but in the persistence of systems of social reproduction that assign the main responsibility for unpaid care and domestic work to women; and in the persistence of social norms about what is appropriate work for women and men, which confine the majority of women to low-pay, low-status occupations.

Piketty paid little attention to gender. He did note that, "in most countries … women are in fact significantly overrepresented in the bottom 50 percent of earners" (2014: 256) and that these were predominantly less skilled industrial workers in the 1920–1980 period and subsequently mainly restaurant and shop workers (2014: 279–80), but he did not see this as an outcome of a gendered labor market. Rather, he suggested that the earnings of low-income workers could be explained in terms of marginal productivity theory because their work—for instance, that of assembly line workers or fast food servers—is replicable (2014: 330–331). This is not the case, he argued, for top managers, and their salaries cannot be explained in terms of marginal productivity because their job functions are "unique" (i.e., top managers are not interchangeable in the way that assembly line workers or fast food servers are interchangeable). Piketty noted that the salaries of those he calls "supermanagers," such as CEOs, are set by corporate compensation committees, leaving considerable scope for social norms to shape

their pay (2014: 332). These social norms have evolved to support extremely high pay packages, especially in the United States and the United Kingdom after 1970, and to a lesser extent in Western Europe in the 1980s and 1990s. This is, argued Piketty, a key driver of the increasing inequality of labor incomes, although he did not have much to say about what shapes these social norms.

An approach to the labor market that starts from the perception that the labor market is a gendered institution (Elson 1998) challenges Piketty's assumption that the earnings of low-income workers are determined by their marginal productivity, seeing all earnings as shaped by institutions and social norms as well as technology. For instance, a key difference between low-income workers and supermanagers is that the earnings of the former are set by people who have more power than them and who are different from them, whereas the earnings of the supermanagers are set by their peers.

Perrons (2014) explored these issues by focusing on a group of low-income workers that Piketty did not mention: paid care workers. This is not a small group; paid care employment is as large as construction employment in many OECD countries (ITUC/WBG 2016). The pay of care workers is low, but care jobs are not mechanically replicable and workers are not interchangeable from the point of view of those receiving care. The continuity of a personal relation between carer and the person being cared for is a key factor in determining the quality of care (Himmelweit 2007). This means it is difficult to increase the productivity of a care worker by requiring him or her to look after more people at one time or by speeding up the care so that it is completed more quickly, without destroying the quality of care. Perrons (2014) pointed to the similarity between care workers and members of a string quartet, drawing on the famous example used by Baumol (1967). Just as doubling the speed at which the members of the quartet play, or reducing the quartet to a trio, worsens the performance of the music, the same is true of the performance of care.

As Perrons (2014) argued, the low pay of care workers can only be understood in terms of the way this work is gendered. It is seen as work women are "naturally" suited for, as they do similar work (although unpaid) for their families and communities; and as not requiring much formal training, and therefore "low skilled." In fact, it requires many tacit skills that women have acquired through their socialization at home and at school. But formal entry requirements are low in most countries, and it is open to women who have the least bargaining power (including ethnic minority women and migrant women) and the fewest alternative earning opportunities. Similar factors explain low pay in many other occupations in which women are concentrated.

Piketty (2014) showed that even more important than inequality in earnings is inequality in the ownership of wealth and in income from wealth. He showed that the reduction in equality in ownership of wealth and income from wealth in the leading rich countries "was the only reason why total income inequality diminished in the first half of the twentieth century" (2014: 336). Since then inequality in wealth and income from wealth has increased and "inherited wealth comes as close to being decisive at the beginning of the twenty-first century as it was in the age of Balzac" in 19th-century France (2014: 22).

Piketty's explanation for this has proved to be the most controversial part of his argument, subject to criticism by many heterodox economists (see, e.g., Galbraith 2014; Ghosh 2014). Here a feminist critique is developed. Piketty frames discussion of drivers of inequality in terms of the relation between rate of return on "capital" (r) and the rate of growth of output (g), arguing that in the long run r tends to be greater than g, leading through an "implacable logic" (2014: 27) to rising inequality. He claimed that r tends to persist on average at between 4 and 5 percent except when there is an "exogenous" shock (war, revolution, etc.), although it is not clear why this should be the case when he also conceded that r "depends on many technological, psychological, social and cultural factors' (2014: 361), all implied to be exogenous to economy. Unless the rate of growth of output, g, is higher than this, inherited wealth grows faster than output and income (2014: 26) and inequality rises; g depends on productivity and population increases (which are treated as exogenous), both of which are now falling in the rich countries. Piketty concluded, "Decreased growth—especially demographic growth—is thus responsible for capital's comeback' (2014: 166). His solution is a progressive global tax on capital, although he admitted that securing this would be very difficult, and his analysis indicated no intrinsic reason why the process of capital accumulation requires a fiscal process as well as a market process.

However, we can get new insights by looking at both r and g through a gender lens and examining their interaction with a part of the economy Piketty ignored, the social reproduction of labor, on an intergenerational and daily basis. Social reproduction of labor is at the core of feminist understandings of the economy, a process that is both shaped by and shapes capital accumulation (Picchio 1992; Folbre 1994; Heintz 2019). It shapes both the rate of economic growth and the rate of return on capital, but through complex, historically specific, and contradictory processes, not through "implacable logic." Recognition of this process suggests some reasons why taxation is endogenous, not exogenous, to the process of capital accumulation, although the distribution of tax obligations is a matter for social and political struggle. It also suggests that collective (as well as

private) ownership of assets has proved important for capital accumulation in 20th century.

For instance, Piketty treated population growth as exogenous, but fertility decisions are not simply private, individual, exogenous choices but depend on gendered economic institutions, such as women's access to public services (reproductive health services, care services, education services) and to women's earning opportunities. Perrons (2014) pointed out that European countries with better tax-funded childcare services (and thus less requirement for parents, especially mothers, to undertake unpaid childcare) have higher fertility rates than those that do not. Moreover, labor supply is not exogenously determined by population growth. Ghosh (2014) pointed out that capitalism has always generated a supply of labor to adjust to demand, including through changing labor force participation of women. When businesses need female labor, measures are taken by both governments and businesses to draw more women into the labor market, through provision of public transport, childcare, flexible shift patterns, outsourcing to home-based producers, facilitation of migration, and so on.

However, mobilizing the labor of women to ensure a desired rate of return on capital is not without contradictions. Other things being equal, the higher the rate of return on capital can secure and keep is higher, the more the costs of social reproduction of labor can be externalized to households and communities. There is a direct effect of externalization because this weakens the bargaining power of workers, especially women workers, and an indirect effect because there is less pressure for taxation of capital to fund public services and infrastructure (such as education, health, social care, housing, clean water and sanitation, electricity, transport) to reduce the burden of unpaid work. However, other things are not equal. Women's unpaid work is not able to completely substitute for goods and services bought in the market or supplied by the state (Elson 1991), especially when the rate of return on capital comes to depend on a supply of well-educated, healthy workers. The history of capitalist development in rich countries shows that provision of tax-funded public services became critical to secure the social reproduction of the kind of labor required by 20th-century industrialization (Harvey and Geras 2018). The sphere of social reproduction of labor now encompasses not only the household and community but also public services (Pearson and Elson 2015). The extent of tax-funded public services and the distribution of tax payments vary from country to country and over time, and pressures for externalization of costs of social reproduction (and possibilities for such externalization) vary over time, but a fiscal process is intrinsic to capital accumulation. Moreover, provision of public services implies various forms of collective ownership of assets, so that the realization of returns on private assets is nevertheless implicated

with some degree of collective ownership of assets. The process of capital accumulation is much more hybrid that Piketty allowed for—and, indeed, this is true of most economists, heterodox as well as mainstream.

Of course, social reproduction of labor is intrinsically a site of struggle, marked since the 1970s through offshoring and migration, which promote externalization of costs to other countries; and by marketization and privatization that intensify the externalization of their social reproduction to working-class people, especially working-class women. Not surprisingly, the share of taxes paid by rich people and businesses has tended to decline, but not to zero; and public investment and collective ownership of public assets have declined in size, but still remain indispensable. Trends in inequality cannot be adequately understood in terms of an abstract logic of whether r is greater than g. Attention needs to be paid to concrete struggles in which gender and class intersect. Policy responses do not have to be plucked exogenously from the minds of analysts but can be rooted in real contradictions of accumulation.

'More women in paid work means less income inequality': OECD analysis of interaction between class and gender

We now turn from the grand historical sweep of Piketty to a much more limited empirical study. In 2015, the OECD embraced the growing concern among mainstream economists about rising inequality with the publication of a report entitled, *In It Together: Why Less Inequality Benefits All*, which focused on inequality in household disposable income. The report noted that in the mid-1980s, the Gini coefficient stood at .29, on average, across OECD countries. By 2013, it had increased by about 10 percent (or 3 points) to .32, rising in 17 of the 22 OECD countries for which long-time series are available (OECD 2015: 23). Of course, the average conceals variations between the most unequal countries (Chile, Turkey, and the United States) and the least unequal (Slovenia, Norway, and Denmark) (OECD 2015: 56). Inequality in Japan was somewhat above the OECD average, at .34 in 2011, the same as in the United Kingdom. In both countries inequality had risen from its level in the mid-1980s (OECD 2015: 24).

The OECD report was unusual in examining the interaction between the rise in interhousehold inequality and reductions in some dimensions of gender inequality in OECD labor markets. Rising female labor force participation contributed to narrowing the gender gap in paid employment in all OECD countries, in the period 1992–2013, to 16 percent, on average; however, because many women work part-time, the hours-adjusted employment gap was wider, at almost 24 percent. Among full-time employees, the gender wage gap, on average, fell 4 percentage points in the period

2000–2013, but women still earned 15 percent less than men, on average (OECD 2015: 32). The gender wage gap was highest in Korea, Estonia and Japan, at between 26.6 percent and 36.6 percent (OECD 2015: 213). Occupational sex segregation persisted, both horizontally in terms of sectors and vertically in terms of position in job hierarchies. Some 83 percent of women work in the service sector, compared to 34 percent of men. Only just over one-third of managers are women (OECD 2015: 213). Thus, even though the gender employment gap has fallen, there is still substantial gender inequality in the labor market.

The increase in women's labor force participation means that women's contribution to household income has risen on average. Using data from the Luxembourg Income Survey—which covers 20 OECD countries, but does not include Japan—the OECD report found that the proportion of households with a woman in paid employment rose, on average, from 52 percent in the mid1980s/early 1990s to 61 percent in the late 2000s. The proportion of households in which women work full time also increased, and so did the proportion with women in higher-paying jobs. The proportion of households with a woman working in a professional/technical/managerial job increased, on average, from 14 percent in the mid 1980s/early 1990s to 24 percent in the late 2000s (OECD 2015: 219).

The OECD report did not investigate the drivers of these changes, which might include, on the supply side, "distress sales" by women in low-income households, resulting from falling employment and/or wages of men in their households, and new aspirations for paid professional work by women in high-income households. On the demand side, drivers might include structural changes in production, with expansion of employment in sectors of the economy that are more likely to employ women, given the prevailing pattern of gender segregation, such as education, health and care services, and retail trade.

These changes clearly reduce inequality in earnings *within* households. OECD (2015) investigated their implications for income inequality *between* households. The impact of a reduction of gender inequality in labor markets on interhousehold income inequality might be to increase or decrease such inequality. For instance, if women taking up higher-paying jobs are primarily in households where men have higher-paying jobs, this would tend to increase income inequality between households. On the other hand, more women taking up full-time work in lower-income households might reduce inequality between households below what it would otherwise have been.

Using data from the Luxembourg Income Study, OECD (2015: 223–226) estimated what the Gini coefficient would have been in 2007 (or latest available precrisis year) if households had the same female employment

characteristics as in the mid-1980s, and found that, overall, more women in paid work means less income inequality between households than would otherwise have been the case.

If the proportion of households with a woman in paid work had stayed as it was in the mid-1980s, the average Gini coefficient would have risen by an additional .8 points, from 28.2 to 31.6, instead of to 30.8. In some countries, the increase in proportion of households with women in full-time work is particularly important. For instance, in Canada, Ireland, the Netherlands, and the United States, the increase in women's full-time work is associated with a reduction in the Gini coefficient of between .6 and 1 points, compared to the Gini coefficient with no change. However, the increase in the proportion of households with women in higher-paying jobs is associated with a small rise in interhousehold inequality, .3 points, on average. But in almost all countries, the reduction of the gender wage gap on average served as a counterweight to rising household inequality. The combined impact of the reduction in gender inequality in labor markets reduced interhousehold income inequality below what it would otherwise have been, by about 2 Gini points on average. Thus, OECD (2015) found that reduction in gender gaps in employment and pay has mitigated, but has not outweighed, the tendency for income inequality between households to increase. The impact tends to be greatest where more women are employed full time.

This raises the question of whether the mitigating impact of the decrease in gender inequality in paid work is at the cost of more work in total for women, an extension of their total working day. Are women adding paid work to their existing unpaid care and domestic work for their families, or are men taking on more of this work, or are women in paid employment purchasing labor-saving technology or substituting paid services for their unpaid care and domestic work? The 2015 OECD study of income inequality did not examine inequality in unpaid work. The OECD Family Database does have some information on time spent in unpaid domestic work and care work,[5] but it is for latest available year in the period 1999–2012/2013 and does not have time series data. It has data for 24 OECD countries, including the United Kingdom and Japan. In all of them, women, on average, spend a greater share of the total time they have available (the 24 hours in each day) than men on unpaid domestic work and care work. For instance, in Japan men spend on average 4.7 percent of their time[6] on unpaid domestic work and .5 percent of their time on unpaid care work, whereas women spend 15.3 percent of their time on unpaid domestic work and 1.9 percent on unpaid care work. In the United Kingdom, men spend 9.5 percent of their time on unpaid domestic work and 1.6 percent of their time on unpaid care work, whereas women spend

16.6 percent of their time on unpaid domestic work and 3.6 percent on unpaid care work. Conversely, men spend a larger proportion of their time on paid work and study: in Japan, 26.3 percent, compared to 14.9 percent for women; in the United Kingdom, 20.1 percent compared to 11.9 percent for women (OECD Database Table LMF2.5.A).

Trends in women's shares of total paid work and of total unpaid work (domestic and care work) are presented by Gershuny 2018, using data from the Multinational Time Use Study, based at the Centre for Time Use Research at Oxford University. This includes most OECD countries but not Japan.[7] In most countries, women's share of paid work has increased from the mid-1970 s to around 2010, and women's share of unpaid work has decreased. But women still do between 60 and 75 percent of unpaid work.

Neither data on distribution of women's and men's time between paid and unpaid domestic and care work nor data on distribution of unpaid and paid work between women and men throw light on trends in the absolute amount of time women and men spend on these different types of work. Information on such trends for nonretired, nonstudent adults between ages of 21 and 65 in seven OECD countries (Australia, Canada, Finland, France, the Netherlands, Norway, and the United Kingdom) in the period from the1970s to the 1990s or 2000s was provided by Gimenez-Nada and Sevilla-Sanz (2012).

Except for France and the Netherlands, men decreased their paid work by an average of 4 hours and 45 minutes a week, which served to offset the increase in the time they devoted to unpaid domestic work (on average 3 hours and 35 minutes per week) and unpaid care work (1 hour per week). Men's total hours of work fell in Australia, Finland, and United Kingdom (calculated from Gimenez-Nada and Sevilla-Sanz 2012: 19, Table 3).

The experience of women was different. Women increased their paid work in six of the countries by an average of 6 hours and 35 minutes a week. The exception was Finland, where women already had the highest level of paid hours of work in the 1970s, but had reduced this by 5 hours and 15 minutes a week by the 1990s. Women also increased the time devoted to unpaid childcare in most countries, by an average of 1 hour and 20 minutes a week. Women did decrease the time they spent on unpaid domestic work by 5 hours and 45 minutes per week, but in most countries, this was not enough to offset the increases in time on paid work and unpaid childcare. In Australia, Canada, the Netherlands, Norway, and the United Kingdom, women's total hours of work went up (calculated from Gimenez-Nada and Sevilla-Sanz 2012: 19, Table 3). This suggests that in these countries the mitigating impact on interhousehold income inequality of reductions in gender equality in the labor market—which was particularly strong in the United Kingdom and Netherlands—came at the cost of

more work in total for working-age women, on the average. Moreover, the data set used by Gimenez- Nada and Sevilla-Sanz (2012) did not take into account possible increases in the unpaid domestic and care work of women above the age of 65, as grandmothers take over some of this work formerly done by their daughters.

The OECD conclusion, “More women in paid work means less income inequality” (OECD 2015: 33) failed to examine the costs of women’s increasing labor force participation in terms of the extension of women’s total working day. Moreover, it did not examine what more women in the labor market means in terms of inequality between labor and capital. Much more of the income created as a result of increases in women’s labor force participation may accrue to employers rather than to the households from which women come.

Decreasing gender inequality in labor markets but rising inequality between labor and capital

At same time as more women entered paid work, the share of national income going to labor in most OECD countries has decreased. In a pioneering study, using data for 1970–2000 for 23 OECD countries, Finnoff and Jayadev (2006) found that the female share of the labor force is robustly and strongly negatively correlated to the labor share of income (measured as ratio of compensation of employees to GDP, in which compensation includes wages and other benefits such as pensions). Controlling for factors such as GDP per capita, government share of GDP, trade taxes to trade ratio, capital account openness, unemployment, trade union membership, and ratio of part-time to full-time employment, they found that a 1 percent rise in the female share of the labor force is associated with a .2 percent to .6 percent decline in labor’s share of national income. This negative relationship persists when the share of labor is adjusted to take account of self-employment.

It is important to take care in the interpretation of these results. There has been a longstanding fear in labor movements that women’s entry into the labor market would undercut the bargaining power of male workers, and sometimes a wish to exclude married women from the labor force on these grounds. Finnoff and Jayadev (2006) did not conclude that there is an inherent and irreducible conflict between greater female participation in paid work and positive outcomes for workers. They noted the increase in competitive pressures arising from deregulation and globalization in the period covered by their research and suggested that, in the presence of continuing gender inequalities in labor markets, it is to the advantage of firms to use these inequalities in their interactions with labor. Such approaches,

of course, can only work so long as these inequalities persist, and thus eliminating the disadvantages of women workers can serve to strengthen labor in the capital–labor relationship. Finnoff and Jayadev found that higher trade union membership is strongly positively associated with higher labor shares, which suggests that the more extensive and effective attempts to organize women workers would have a payoff not only for women workers but for men workers as well. Moreover, as Finnoff and Jayadev (2006) recognized, it may be the reduction in labor's share of income that has led to an increased participation by women in the labor force rather than vice versa. Declines in the bargaining power of labor may not only have reduced labor's share in national income but also caused more women to enter the labor force in order to compensate their households for the declines in men's real earning growth.

Complementary results have been produced by a study using data for private sector manufacturing, construction, utilities, and other services for 14 OECD countries in the periods 1970–2007 and 2008–2014 (Guschanski and Onaran 2017). It found a decline in the share of labor compensation as a ratio to value added, adjusted for labor income of self-employed, across the majority of these activities. This was found to be mainly attributable to offshoring production, a decline in the bargaining power of labor (as measured by union density, i.e., union members as proportion of workforce), and a rise in female share of hours of employment[8] (which is seen as a marker of lower bargaining power, given the disadvantaged position of women in the labor market) (Guschanski and Onaran 2017). Guschanski and Onaran concluded that an increase in the female share of employment in the absence of strong collective representation of women workers is associated with a fall in the wage share. This conclusion could be put on a firmer footing by disaggregating female and male union density, but data may not be easily available.

Braunstein (2019) investigated the relationship between labor share of income and female employment for developing countries in the period 1991–2014, using data from a variety of sources[9]. She made the innovation of trying to capture differential bargaining power of different groups of women workers by distinguishing women's relative share of industrial employment (as measured by the ratio of the proportion of women's employment that is industrial employment to the proportion of men's employment that is industrial employment) from women's relative employment for the economy as a whole (as measured by women's employment-to-population ratio divided by men's employment-to-population ratio). Her argument is that, in the context of industrializing developing countries, women have more bargaining power in industry than in agriculture or "traditional" services. The key results of this study are in Table 2.

Braunstein (2019) found that higher total employment for women relative to men is associated across all regions with lower labor shares, comparing early 1990s to early 2010s, although the association is stronger in Africa, Latin America, and the Caribbean than in Asia. For developing countries as a group, women's employment relative to men increased by an average of 8.9 percentage points over the period and correlated with as much as 95.5 percent of the decline in labor's share. However, there has been a decline in women's relative share of the industrial labor force, which is correlated with as much as half of the decline in labor's share for developing countries as a whole. But this correlation only holds at the regional level for Africa, Latin America, and the Caribbean, not for Asia, a region where the transition to high value added "modern" services is under way.

Although the two variables Braunstein used to try to capture differences in women's bargaining power in different kinds of employment are very broad brush, her results suggest that this is a fruitful approach that could be further refined, perhaps by looking at variables such as the share of women in public sector employment and share of women in nonstandard or vulnerable employment. She concluded that if women are integrated into labor markets on terms that are systematically inferior to men, capital tends to benefit by taking higher shares of revenues as profits, and wage shares get suppressed, ultimately worsening labor market outcomes for both women and men.

Strategies for reducing both gender inequality and class inequality

Fiscal policy does have an important role to play, and feminists are active in international networks pressing for tax justice (Nelson 2015). But as well as redistribution through the fiscal system, it is essential to change the operation of labor markets and the creation of productive assets. To reduce gender inequality and class inequality simultaneously, policy measures are needed to increase employment returns for low-income women. One important measure is to strengthen women's bargaining power by supporting trade unions and organizations of self-employed women. In fact, even though trade union membership in aggregate has declined, more and more women have joined trade unions. In 2012, women comprised the majority of trade union members in one-third of the 39 developing and developed countries for which data exist. In 16 countries, women comprised more than 40 percent of total union membership (Cobble 2012). Moreover, trade unions are focusing much more on issues vital for gender equality, such as equal pay, work–life balance, and gender-based violence at work. In addition, trade union organizing increasingly involves informal and migrant workers, homebased outworkers, and paid domestic workers (Pillinger and

Wintour 2018). Globalization has brought new challenges to traditional bargaining models, because they are based on national industrial relations frameworks, whereas a transnational response is now required across global supply chains. Global framework agreements have been negotiated to try to address this in sectors such as export-orientated horticulture, garments, and electronics (Pillinger and Wintour 2018). Nevertheless, the vast majority of women in paid work do not benefit from collective bargaining coverage, particularly in developing countries.

Legislating for minimum wages that provide a decent living wage may improve the pay of women who do not enjoy collective bargaining rights. But there are challenges in enforcing minimum wages for informal workers, who do not enjoy formal employment contracts. Thus, measures to promote formal contracts are important, such as the introduction of model contracts for paid domestic workers (OECD 2015: 39).

Expansion of public sector employment can increase returns for low-income women insofar as pay and conditions of work in the public sector are better than in the private sector. A study of the potential of public investment in public provision of care services for children and adults to create jobs for low-income women in seven OECD countries (Australia, Denmark, Germany, Italy, Japan, the United Kingdom, and the United States) found that investing 2 percent of GDP would create thousands of jobs that would most likely employ low-income women. In the case of Japan, estimates suggest that such investment would create about 1,313,500 jobs, about 77 percent of which would go to women; and in the case of the United Kingdom, it would create around 608,320 jobs, about 80 percent of which would go to women (ITUC/WBG 2016: 20–21). The same investment in construction would create about 1,052, 600 jobs in Japan and 287,450 in the United Kingdom, which would mainly go to men. As well as jobs directly created, there would be indirect creation of jobs through demand-side multiplier effects and supply-side input–output effects. The total job creation (including men as well as women) was estimated to be greater for investment in care than in construction. Investment in care services would raise the employment rate of women in both Japan and the United Kingdom by 5.1 percentage points, and for men by 3.4 percentage points in Japan and 2.3 percent in the United Kingdom (ITUC/WBG 2016: 26). Of course, with a higher level of investment, not only could thousands of jobs be created but the training, pay and conditions of care workers could be improved to recognize that provision of high-quality care is a skilled task.

Public investment in care services has the potential not only to create more and better jobs for low-income women but also to address the root causes of low-income women's weak position in the labor market, which

lies in their continued disproportionate responsibility for ensuring the care of their families and communities. Such investment reduces women's unpaid care and domestic work (Elson 2017) and strengthens their bargaining position in the labor market.

It also contributes to the creation of collectively owned assets in which returns accrue to users of services for which they are not charged the full cost. Building support for public investment in collectively owned assets is critical for the reduction of both gender and class inequality, creating a counterweight to privately owned assets. It is important to create more of a sense that citizens own collective assets by setting up democratic systems for their management, involving both users and producers (Elson 1988). Piketty was right to draw attention to the increasing concentration of ownership of private assets, and the returns to such ownership do need to be more effectively taxed; but we also have to put back on the agenda the redistribution of assets. Focusing on provision of care—for children, for adults with chronic ill-health and disabilities, for elderly people—is a good place to start building a persuasive case for the creation of collective assets that would help to secure a reduction in both gender and class inequality.

Notes

1. Income is only one dimension of class. Occupation, education, and property ownership are other important dimensions.
2. For instance, as explained in the introduction of the book, Piketty (2014: 17–18) used data from income tax and estate tax records
3. Feminist economists regard skill as a problematic category. Identification of work as "skilled" tends to depend on social and economic power; and formal educational qualifications often serve, at least in part, as gatekeepers to entry into better-paying jobs. Tacit skills, which are acquired through experience, tend not to be recognized. Women tend to acquire tacit skills of various kinds through the way they are brought up in their families and communities, which prepares them for jobs requiring diligence, patience and empathy (see, e.g., Elson and Pearson 1981).
4. This article defines unpaid work as unpaid care and domestic work, following the terminology adopted internationally in the United Nations Sustainable Development Goals: Goal 5.4
5. OECD groups time use in six broad categories: work-related activities, unpaid work, care work, personal care, leisure, and unspecified time. The category "unpaid work" includes unpaid domestic activities such as cleaning, washing, repair work, shopping, and volunteer work but not time spent exclusively caring for a child or another person, and broadly corresponds to the concept of "unpaid domestic work" as used by the United Nations. The OECD category "care work" is unpaid time exclusively spent caring for a child or another adult, regardless of whether they live in the same household. This broadly corresponds to the concept of "unpaid care work." The OECD categories can be confusing, as much care work is paid and would be included

in "work-related activities" for people employed in private and public sector institutions.

6. In this paragraph, "their time" refers to the 24 hours in the day.
7. The Statistics Bureau of Japan has not made the time use data it collects available for inclusion in the open access data base of the Centre for Time Use Research, University of Oxford.
8. This is a better measure of female share of employment than female share of the labor force, as it takes account of fact that not all women participating in the labor force are employed, and many who are employed work part-time hours
9. Data on labor shares from Penn World Tables; on employment from ILO, World Development Indicators, and UN Statistical Division.

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