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Why is feminism essential in economics?

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Abstract

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This thesis consists of findings on the topic of feminist economics and why feminist perspectives are essential and still needed today. The paper argues that the gender gap leads to more inequality, which consequently affects the quality of life for all. There are some practical solutions to issues that societies face. There remain many who want to advocate a more conservative political or religious agenda with respect to gender roles by mispresenting statistical data or ignoring it fully. Because feminism still raises a lot of debates, it is an indicator that it is still very much needed. The thesis will give insight into gender inequality and, specifically, certain attitudes directed towards women. The thesis addresses real-world issues, and some practical solutions are provided. Women's economic empowerment cannot solve everything, of course, but it would represent a major contribution to improving overall economic wellbeing.

Keywords: feminist economics, economics, equality, feminism

Contents

1 Introduction to the thesis topic

The chosen thesis topic is the subject of feminist economics (FE). The intention of this bachelor's thesis is to further discover and explore the topic of feminist economics, why it is a necessary field of study, and why it needs to be included in economics education and policy practice. The main focus is on macro-level economics, especially considering how including feminism will make an enormous difference to societies, and therefore, affect the well-being of all of us. The research question is "Why are feminist perspectives essential to economics?".

The aim is to prove that excluding women from economic empowerment increases the hardship in the whole society more generally. By including women in the decision-making process and including feminist perspectives in the debates and decisions regarding important societal and political topics, we can enhance aggregate prosperity in the society, which will consequently benefit us all. It is important to state here that the thesis does not mean to support the assumption that the only reason we need equality between genders is for economic growth. There are many problems that women face, which cannot automatically be solved by simply increasing economic growth. After all, despite decades of economic growth since the Second World War, there remain significant inequalities that growth alone has not properly addressed.

In feminist economics (FE), there are many important topics worth researching. While there are quantitative methodologies available in FE (in recognition of feminist effort), the data collection method used in this thesis is qualitative. To analyse the data, a systematic, analytical review of relevant literature is applied.

1.1 Hypothesis

My hypothesis is as follows: by empowering women and embracing gender equality, our societies can prosper, and desired growth can be achieved. In the

process, so much more can be achieved that goes beyond merely increasing production and consumption. Consequently, empowering women will help us all in the long run.

In accordance with the hypothesis of this thesis, there will be presented evidence that increasing gender equality will make a huge difference to societies and therefore affect the well-being of us all by increasing life quality, such as by increasing employment and thereby empowerment and fulfilment. This would lead to higher living standards across the whole society.

2 Definition of the topics

2.1 Feminism

At its core, feminism is defined as follows: “feminism is about all genders having equal rights and opportunities” (IWDA, 2025). A feminist is a person who believes in social, economic, and political equality of genders. Fundamentally, “feminism wants, that everyone has the same and equal rights, regardless of a person’s social class, cultural background, gender or a person’s sexual orientation … Many still have prejudices about feminism, and that is exactly, why it is still needed” (Frondelius, 2023).

Feminism is an extremely broad subject, and depending on many factors, such as the specific features of the country, society, geographical location, race, ethnicity, and gender, feminism can shed light on a wide variety of important social, political and economic topics. There many serious matters taking place such as female genital mutilation, violence based on gender, discrimination based on sexual orientation and minority groups, and removal of rights to healthcare. These are all pressing issues, but this paper focuses only on the essentiality of feminist perspectives in economics, since economic tools and measures can be used to help the betterment of women. “Feminism is a collective or an individual endeavour of women or those who are concerned

about women's betterment, this can happen in a variety of ways, including using your economic tools and economic measures" (Patel, 2017).

2.2 Intersectional feminism

Intersectional feminism is a particularly important set of perspectives, as depending on race, nationality, language, sexuality and status in the society can further deepen the inequality that already exists in societies. The term intersectional feminism was coined by legal scholar Kimberlé Crenshaw in 1989. She described intersectionality as: "A prism for seeing the way in which various forms of inequality often operate together and exacerbate each other". Furthermore, intersectional feminism helps us recognise the differing standpoints, which is valuable for methodologically aware research in FE.

It is important we recognise the roles that give some privilege in society, while others are excluded. People from different backgrounds face different sets of problems. These differences influence how people interact with society, access opportunities, and overcome challenges. What may seem like a minor inconvenience to one person can be a major obstacle for another. Intersectional feminism allows "power to be distributed to marginalised groups, and through that, well-being can be shared more equally across society" (Jokelainen, 2024).

In the Western world, fourth-wave feminism has now recognised the significance of ethnic minorities and gender minorities and class. Fourth-wave feminism emphasizes individuality, focusing on personal choice and identity. By challenging traditional power structures, feminism also wants to help men: "(feminism) wants to broaden the role of a man, and give men space to breathe, too. It aims for a condition that everyone has a chance to be an individual, according to their own personality" (Frondelius, 2023).

2.3 Definition of gender

Gender is a social construct. Gender identity is a person's perception of self as psychologically male or female, or something in-between. Defining gender can

be important, as there are different gender roles and expectations, that differ regarding all genders. For example, girls and boys face a very different kind of code-of-conduct in societies and families and thus, gender defines how we are being treated in society. “Feminists have done considerable work in understanding the role that gender has played in affecting outcomes in concrete, specific historical instances” (Power, 2004). This crucial gender approach needs to be considered, when important policies are implemented in society.

Feminist economics “place gender as a central category of analysis” (Agenjo-Calderón, Gálvez-Muñoz, 2019). Gender analysis is one of these analytical tools. As an example, gender analysis helps us to understand the following:

> “the relationships between men and women, their access to resources, their activities, and the constraints they face relative to each other. Gender analysis provides information that recognizes that gender, and its relationship with race, ethnicity, culture, class, age, disability, and/or other status, is important in understanding the different patterns of involvement, behaviour and activities that women and men have in economic, social and legal structures. An analysis of gender relations provides information on the different conditions that women and men face” (Government of Canada, 2019).

In this paper the division of girls and boys is made, and women and men. There is no mention nor inclusion of non-binary nor other gender studies. “As we have learned repeatedly in women’s economic empowerment, gender-neutral programs end up benefiting men because they ignore the special disadvantages experienced by women” (Scott, 2022). This applies very much to the concept of "rational economic man" that informs the most basic economic models taught in introductory courses to illuminate the concepts of supply, demand, elasticity, and incentives. The basic unit is the individual, assumed to focused solely on achieving maximum utility (satisfaction) for as little cost as possible. There is no mention of any social commitments, such as children, elderly or sick dependants, or ethical dimensions, among others. The assumption is that all decision-makers are working-age adults, who simply decide what to do with their money. This is a very male-focused world because

it is based on assumptions that only professional men could have made, during times when men were presumed to be the "breadwinners" while women took care of the home. Despite key historical episodes where this was obviously not the case (e.g., world wars), the basic intellectual toolkit remained unchanged, and indeed became even more restrictive, as other types of economic analysis (institutional, historical, critical) were rejected in favour of greater application of the same neoclassical modelling.

2.4 Economics

Economics can also be defined as a social science. It is the study of how societies organise the production, distribution and consumption of goods and services. It is trying to understand people, how they behave and what sort of impact does that behaviour have on other people. It is a social science trying to understand social behaviour and social activities or practices, with a particular focus on social provisioning. That is to say, how societies organise the creation, distribution and consumption of value.

Societies need to make the decision on provision of goods and services:

- what to produce to meet consumer needs
- how to produce them
- for whom to produce

The list above is just an example of what economics is concerned with. In economies that are developing or already developed, these concerns can also include things like; education, access to infrastructure (roads and railways) public parks, clean water and access to hygiene. Taxes and how they are used for public welfare cause a big difference in different societies. Economics is a subject that tries to understand the answer to questions relating to these. Sometimes arguments rise, when people and economics are debating the economic issues. These economic issues can lead to the connection between

economics and politics. This is why Economics is sometimes referred to as Political Economy, and some argue that this is how it should be regarded (for example, Turner 2012: xi). If nothing else, there should be recognition of economic theory's social impact: "Economics as a discipline has an outside impact on society because of its advising governments" (Scott, 2022).

Since economics is concerned with creation, consumption and transfer of wealth, it is good to note that oftentimes societies are built very differently and differ on the decisions regarding wealth distribution. "Economic theory provides a range of examples of alternative approaches that may be of value to feminist economist" (Power, 2004).

2.5 Feminist economics

"Feminist economics is a school of economic thought and political action that gained important visibility during the 1990s, although its origins can be dated back to the mid-19th century. Since then, feminist economics has developed its own concepts, analytical frameworks, and methodologies. With gender as a central category, it seeks a more integral and humane comprehension of the economy and of the processes of inclusion and exclusion taking place in it" (Agenjo-Calderón; Gálvez-Muñoz, 2019). FE can also be described as "an academic discipline, a science concerned about women's equality with men and the development of women" (Patel, 2017). FE has many objectives, such as "to facilitate the process of understanding, analysing and critically reflecting on how economic growth on various sectors impacts men and women differentially due to gender" (Patel, 2017).

"From a political perspective, feminist economics is an economics that focuses on what is needed to produce a gender equal society" (Williams, 2018). This is crucial for the whole society in gaining gender equality and the desired growth.

2.5.1 Objectives of feminist economics

The list below has been collected from an online lecture video by Patel (2017) and gives further insight into some objectives of feminist economics.

- FE provides an analytical tool, a worldview to understand the status of women and an alternative viewpoint to existing knowledge construction.
- To facilitate the process of understanding, recognising and giving due importance to the contributions made by women and men.
- To examine the reasons for subordination of women and for male domination.
- To empower women to attain gender justice and an effective role in all decision-making processes.
- To evolve development alternatives with women.
- To ensure visibility of women as change agents for the enhancement of the status of women.
- To identify and understand roots of inequality that result in invisibility, marginalisation and exclusion of women from the intellectual world.

These are some of the important objectives that FE has. FE is “concerned with describing and analyzing the other economy, both, and as it interacts with the market economy” (Donath, 2000). Here Susan Donath refers to ‘the other economy’ as she insists that there are two equally important economic models. According to her, the market competition and the other economy exist simultaneously but the other economy is concerned, peculiarly, with the maintenance of human beings.

2.6 Feminist economics vs. mainstream economics

Economics can be described as: “the study of the incentives that shape and reconcile the decisions that individuals, businesses, governments and societies make, and the macroeconomic outcomes such as economic fluctuations, growth, unemployment and crises, which may arise from those decisions” (The University of Edinburgh, 2024).

Furthermore, Sandra Harding (1987) has argued that: “feminist research is distinctive in that it seeks to answer women’s questions. Because they pay attention to women and their economic situation”. Feminist economics believes that decisions should be made considering women’s betterment and gender equality.

FE “provides an analytical tool, a worldview to understand the status of women and an alternative viewpoint to existing knowledge construction” (Patel, 2017). FE is different to mainstream economics, since the analytical focus is different. FE is interested principally to “how economy affects women and how women affect the economy” (Donathan, 2000) and as Barbara Bergmann writes: “Feminist economists are increasingly interested in the way the economy provides or in many cases fails to provide, resources for the care of children” (1990).

Feminist economics focuses on topics that have been substantially neglected in the mainstream economics literature, such as unpaid care work, intimate partner violence, and the development of economic theories that incorporate existing gendered effects on paid and unpaid sectors. FE has some starting points such as the assumption that “human well-being should be a central measure of economic success” (Power, 2004), therefore FE as a discipline wants to combine qualitative analysis with ethical judgments.

> “From a political perspective, feminist economics is an economics that focuses on what is needed to produce a gender equal society. It argues that because modern economics is built around the idea of the “economic man”, it is ideologically weighted towards normalising men’s lives and

> subsequently ignores the experience of women. For instance, the typical "economic man" works to earn himself an income, engages in traditional market transactions and spends his money selfishly on consumption goods. This individual does not do any housework or have any caring responsibilities, and he certainly doesn't give birth! As a result, models which are based on "economic man" cannot be expected to understand or even notice gender inequalities, let alone create policies to alleviate them" (Williams, 2018).

Feminist economics scholars have criticised many of the economic theories as they are currently formulated and applied. Models such as the "economic man" do not work in practice as it assumes that people always act rationally. Scientific evidence has exposed this assumption as invalid, and that "most people actually make decisions based on emotions, cognitive biases, and social norms, rather than rationality" (Horton, 2022). The economic man theory also assumes that most people make decisions solely based on their self-interests, but for example, "women as a class, have severely constrained choices, have important information actively withheld from them, and are punished for showing anything like self-interest" (Scott, 2022).

3 The significance of the topic

Feminist economics provides an important and often absent perspective on economic life. Feminist economics scholars believe that existing economic theories could be bettered when the effect of gender on both paid and unpaid sectors is taken into consideration, for example. Because FE supports equality, it takes account of the whole society. "Feminist research has illuminated the greater complexity of human social, economic, and political organization" and in doing so "has resulted in a richer and deeper understanding of social organization and the roles that gender relations (in conjunction with other relations such as class and race-ethnicity) play" (Power, 2004). In addition, feminist economists believe that "ethical judgments are a valid, inescapable and in fact, desirable part of an economic analysis" (Power, 2004).

In economics, masculinity is often viewed superior regarding biases, models and topics of discussion. However, FE can shift the focus onto issues of

externalities, such as ecological issues, although a larger body of work is needed. “Despite a long tradition of feminist writing on environmental issues, there is still not an extensive body of work by feminist economics in this area” (Power, 2004), however “when women share in economic leadership we see better returns, lower risks, reduced environmental damage, and friendlier workplaces” (Scott, 2022). In recent years, however, there has been significant growth of ecofeminist theory and analysis (for example, Ruder and Sanniti, 2019).

Many institutions have failed to collect or analyse data by gender in the past. Absence of gender data can lead to many problems in the society, or an inability to recognise them. By excluding this important factor, the gender factor, policymakers often fail to see the bigger picture through the data. This often leads policymakers to make decisions that will more than likely fail at least half of the population.

> “At its roots, the global market’s economics philosophy can’t even address half the world’s population. As a female economist writing in the Financial Times warned: it is just as bad to have mainly male economic research and policy advice as it is to test medicine mainly on men. The results will fail at least half the population” (Scott, 2022).

4 The issues that societies can face

4.1 Gender based division of labour

Jayati Ghosh sheds light to the economic barriers that women face in society, especially in developing countries such as India. She is very concerned with how gender affects our economy. She argues that “you cannot absolutely understand economy without understanding the gender” (Ghosh, 2021). It is important to note that women’s contribution as flexible work reserve has been helpful to societies. “Women’s work has been important to the development of national economies, but it is seldom noticed and is usually ignored by historians” (Scott, 2022).

There are legal restrictions imposed on women and their mobility. It is often women who suffer the most: even when women are working with agriculture, they often end up with the least access to food and nutrition. Not to mention the growing worry of climate change and natural catastrophes that are happening globally. Often the environments and jobs that women work in, tend to be uncertain of nature, and put women at a higher risk of economic restraint and prevent economic empowerment. In addition,

> “Women continue to occupy a different position in the economy to that occupied by men. They generally comprise a lower proportion of the [paid] workforce, have lower incomes, work in highly segmented, and lower status, occupational and industry groupings, and undertake far greater share of the unpaid economic activities carried out in home” (Donath, 2000).

Equal standards between the genders should be set, and “there is a pressing need to challenge the idea that women do not need the same basic employment rights as men because their work is more likely to be part-time, intermittent or home-based” (Elson, 1999). Studies have also shown that, “growing marketization of natural resources has often benefited men while depriving women of common pool resources – firewood, fresh water, wild foods – upon which they rely to provide for their families” (Thomas-Slayter, 2003) even if women have worked in the same field, such as agriculture. “Women produce almost 50 % of worldwide agricultural output. Despite accounting for half the species, half the national income, and half the supply, women are nevertheless treated as bit players by economists and policymakers” (Scott, 2022).

There is a world-wide problem of women’s economic exclusion. This does not only affect the women in question but also the societies negatively.

> “Where women have no freedom, everyone suffers. In the poorest and most fragile countries, indicators of gender equality are lowest, and the effects of women’s economic exclusion are devastating, perpetuating poverty and contributing to violence, as well as increasing hunger, denying children’s needs, wasting resources, feeding slavery, and encouraging conflict. The destructive impact of

> extreme male dominance in these societies is felt by everyone on earth” (Scott, 2022).

4.2 Care work

Due to the economic disadvantage, feminist economists have raised the issue of care work and how the organisation of care work interacts with the paid economy. Care work can often be defined as administering care or as a service process done to others. This definition by itself, makes a complicating juxtaposition, as most often caring for others might not benefit an individual, in the most economically rational sense, as the economic man theory would require. The problem is that – often unpaid – care work cannot be left solely on those who want to do it by the goodness of their heart, as can be concluded from the logic employed by standard neoclassical economic theory. If rational economic man is motivated by utility maximisation at least cost, then care work would never be done! That it is done, despite the logic of mainstream economics, shows how inaccurate and limited this kind of analysis is in practice.

FE wants to bring more attention to the fact that “caring labor and domestic labor are vital parts of any economic system and should be incorporated into the analysis from the beginning, not shoehorned in as an afterthought” (Power, 2004). In addition, care work burden needs to be analysed further since “the gendered division of labor and unequal property rights by gender, women often experience a different relationship to their environment than men” (Agarwal, 1994; see also Waring, 1999; Hawthorne, 2002).

Nancy Folbre has brought up a lot of the issues of care work as it functions in society today. The economics of care is important to bring up, as we will all need care, paid or unpaid, in our lifetime. Unfortunately, although the economics of care interacts with the paid economy, the “invisible” care work is often not accounted for in society. This is due to the methods used for the measurements of economic success. These macroeconomic indicators often rely on the exchange of currency and has trouble recognising the unpaid labour, that often constraints the women in the societies. The societal and expected

gender roles on care work exploit, especially women in this current situation, and are not eventually sustainable.

There are also debates on how to estimate the real time spent on care work, and how easy it is to misjudge. Different people also have different perspectives on how to define care work and what really is included in the definition. Determining if there is an unequal share of mental and unpaid labour based on gender should be based on quantified data, rather than just a personal hunch or an experience and easily determined.

Measuring the efforts of so many women is not easy. As an example, Gross Domestic Product has been regularly criticised in multitude of ways, such as childcare and other domestic (unpaid) labour is not being included in it. In addition, “GDP statistics measure current economic activity, but ignore inequalities in income and wealth, destruction of the natural environment, longevity, or the quality of social relations” (Aitken, 2019).

According to FE, measuring unpaid work can be done for example, with time-studies, and it is important that FE comes up with more ways to measuring important topics, that are often easily neglected, since they are not measured as a market-based transaction. For instance, Marilyn Waring has drawn attention to the issue that GDP has a flaw in measuring progress, as it “made women invisible within national accounting systems by failing to account for unpaid work in the home” (Waring, 1988). As we are now aware, invisible, often women’s, work is not measured correctly while it should be widely recognised and accounted for.

4.3 Motherhood penalty

There are economic mechanisms that systematically keep women unequal to men in every nation. Research made in Denmark highlights the issue that many mothers face. The results demonstrate that “substantial gender inequality persists in all countries” (Kleven et al., 2018) despite Denmark being a highly developed country. Women, who have children are less likely to be hired, and

after having their first child, the mother's income falls. "The arrival of children creates a gender gap in earnings of around 20% in the long run" (Perry, 2018) (Appendix 1). This decrease in salary development does not happen in the wages of men. There are also discriminatory attitudes towards mothers that they are viewed "less competent and committed than other types of workers" (Benard et al., 2008). Women also face a huge opportunity cost, since "women may be reluctant to pursue gender equality if they fear for the well-being of children and other dependants" (Folbre, 2006). This highlights the importance of all genders being important agents of change when it comes to enhancing gender equality.

Even though having and raising children would benefit the aging population, the issue must be raised as to why is it women who get punished. FE scholars have heavily critiqued the breadwinner model, in which men are typically the ones to work outside the family and women are considered as homemakers. FE scholars argue that this model encourages that women should act more like men to get even close to what the men are making. Besides, if this kind of ideology is still intact, no true equality can be achieved, as it still imposes women to be financially dependent on the breadwinner, oftentimes that being the man of the family (in the heteronormative families with children). As Susan Donath points out: "Women's continuing responsibility is arguably one of the major sources of women's economic disadvantages relative to men (2000)."

There are also inequalities between different women. "Relatively well-educated, high-earning women are often able to engage in domestic outsourcing, purchasing substitutes for time they would otherwise have devoted to housework or childcare" (Folbre, 2006). It seems that poorly educated and low-earning women have less flexibility. Inequalities can be observed with respect to income, quality of environment, age, relatives and importantly, the social safety network.

4.4 Barriers of entry

Unfortunately, there are many barriers to women even in the field of economics. “Economics is the most male-oriented field in the universities worldwide” (Scott, 2022). Women have had to bear harassment, bullying and sexism. This has led to the lack of women in academia and prevented the question of are we all here and included, from arising. In addition, a “survey of economics association members finds 48 percent of women have been discriminated against on the basis of sex within the last 10 years” (Flaherty, 2019). This 48 % is compared to 3% of men experiencing sex-bias. They also found worrying results as the “non-white, disabled and LGBTQ economists are concerning, too” (Flaherty, 2019). Even during the women’s movement in the 1970’s, many disciplines did not give a thought on women, due to a lack of women in academia. “Women’s representation hasn’t improved in decades because economists don’t see a problem with their gender mix” (Scott, 2022). It has been acknowledged that “the misogyny in the field resulted in unacceptable behaviour [that] has been allowed to continue through tacit toleration. Leah Boustan, a Princeton economist, explains that economics professors see women as an inferior class whose entry into the discipline threatens their status. These academics therefore intimidate women, hoping they will leave – so as to keep their own prestige intact” (Scott, 2022).

“The Asia-Pacific Economic Cooperation (APEC) and the G20 may hold a women’s week, or start and engagement group, but they won’t accommodate the distinctive needs of half their citizenry in their plans. They refuse to learn how the exclusion of women hurts their economies or how including women in their national budgeting could bring the growth they so desperately seek” (Scott, 2022). It is crucial that the societies aim to remove economic barriers to women. Some literature points out how often the whole society benefits from women’s freedom, and “without a fair inclusion of women, countries would stagnate” (Scott, 2022). To gain growth and better success, societies need to focus on including women in their decision-making and policies.

One problem seems to be that since households and families are not subject to competitive forces the same way as firms and even though ”discrimination against women and girls in investment in education and training is inefficient in the long run”, predictably as a result of their methodological choices ”mainstream economists are inclined to see the root of such discrimination in the behaviour of households and families” (Elson, 1999).

5 Provided solution

5.1 Girls’ education

There are multiple things that societies can do to boost their economy and improve the gender equality. One practical example is to focus on girls’ education in developing countries. The longer the girls and women stay in school, this has been found to have a great economic boost to the societies. “Educated females add to the quality of the labour supply, as well as its size, which simulates the growth. Girls who complete their education also have their first child later and so have fewer children, which slows the overwhelming rate of population expansion. Educated women also raise their own children differently, insisting they finish school, eat well, and are given adequate healthcare” (Scott, 2020). Additionally,

> “The World Bank estimates that keeping girls in school through the twelfth grade would save poor countries between US$15 trillion and US$30 trillion in lost lifetime productivity and earnings. Child marriage costs the world about 1.4 percent of GDP annually. an average of US$4 trillion a year” (Scott, 2022).

There are many issues that girls’ education face: societal expectations and gender roles at home, that mostly girls face. There are also legal restraints and failing to facilitate the girls’ needs and even the threat of violence. To remove the barriers to girls’ education, societies should aim to create a safe way for girls to travel to school. The state can help by adding security and making sure the roads and infrastructure are built to enhance commuter safety. During school days, even as a simple way to make sure girls stay in school, would be

provision of free sanitary pads. This way girls will not face period poverty, thereby not put in a disadvantages position compared to boys and are more likely to show up, even during menstruation.

There are many sponsorships to monetarily support girls' education. There are now global organisations that provide platforms to help in this process. Getting girls more educated can help the societies to reach gender equality and shift power relations. "If the global community chose to dissolve the economic obstacles facing women, an unprecedented era of peace and prosperity would follow" (Scott, 2022). Freeing legal restrains imposed on girls and women would help the whole society to prosper.

5.2 Freedom of women

Patriarchal society is a system that exists in the society because of inequalities between the genders. Typically, men tend to have the dominant position and acquire the privilege within the societies. This dominance of men in the social and cultural setting means that they typically have the power and can use it to their own advantage. This male-dominated power structure is at play and must be taken into consideration in the societal issues and in the economics.

FE wants to make a distinction between capitalistic society and a patriarchal one. It is argued that the patriarchal system does not benefit most people. It also subjects women to economic dependence, violence, domestication, and the peripherals of decision-making. These societal and patriarchal constraints exist, regardless of capitalism. Allocating both unpaid and paid work differently would free women to work and remove the sole responsibility of providing from men.

There is a worldwide problem of women's economic exclusion. Women gaining financial freedom will help women help themselves and support this agenda.

> "Women's economic empowerment has been shown, many times, to be the best available weapon against poverty. Economically

> autonomous women can walk away from abuse. Providing young women with the means to earn shields them from human trafficking. Gender equality reduces violence of all kinds" (Scott, 2022).

Equality and its effects all parts of society and even reaches the employment. "There is growing body of theoretical and empirical evidence that suggests that more inclusive, democratic, and egalitarian ways of organising employment can both increase productivity and better serve human needs through promoting commitment and cooperative behaviour, encouraging workers to share information and give of their best" (Hodgson, 1984; Bowles and Gintis, 1993b, 1997; Pagano, 1991). In addition, "women's agency is furthered, by women's employment outside the home, literacy, ownership rights and active rights of citizenship" (Power, 2004)

Linda Scott has gathered many important perspectives on her book, "The Cost of Sexism: How the Economy is Built for Men and Why We Must Reshape It". She has pointed out data that states the following: "a striking correlation between gender equality and national economic viability" and that "…imply that women's freedoms have a positive effect on national wealth. Other data converged to reach the same conclusion" (Scott, 2022). It seems that the gender gap leads to more inequality and inequality to worse economic outcomes, which consequently affects the quality of life for all. It also affects the well-being of children. "Where women have no autonomy, the cost of death, property destruction, disease and trauma are incalculable. Children go hungry, sick and uneducated because their mothers have no economic power" (Scott, 2022).

"Enabling women is now a proven strategy in the fight against suffering. As study after study has taught us, there is no tool for development more effective than the empowerment of women, wrote Kofi Annan in the opening of UNICEF'S report The State of the World's Children, in 2007" (Scott, 2022). It is because "females are unequal in every group that a program to better include women economically would benefit all segments of the world population, including the most marginalized people" (Scott, 2022).

5.2 State action and decision-making

Power and access to power is considered a methodological starting point for FE. “Human agency is important. Processes as well as outcomes should be examined in evaluating an economic event. This emphasis on agency means, that questions of power, and unequal access to power, are part of the analysis from the beginning” (Albelda, 2003; Hill, 2003; Peter 2003).

Progressive taxation helps the society so that things like government services do not burden disproportionately those earning lower incomes. Education, healthcare and childcare services, or more precisely, cuts on these sectors, will most often affect women, and the burden they carry on care work. Public healthcare services not only affect the individuals receiving the care, but in addition, the jobs on these sectors tend to be done mostly by women. This means that budget cuts on these fields affect the women’s job and once again increases women’s job uncertainty. While this is often the nature of work that women tend to work in, feminist economists want to highlight that the lack of care in the healthcare industry spills over to the domestic sphere, with a relative expected to care for an individual. This now invisible care work does not suddenly disappear, once it is moved over to the household.

By paying the taxes, the individuals can support and help this sector to function, but it only goes as far, as the government is willing to fund the field. This is where the political decision-making and including enough people from different backgrounds come to play an important role and directly affects both micro- and macro-level economics. Government spending can be arranged by redistribution of taxes and supporting care services.

While” the distribution of income is of crucial importance in determining whether personal services are affordable”, it is a worthwhile point that “without the state intervention, low paid parents will never be able to afford to buy good quality childcare” (Donath, 2000). Paid parenting leave from work should be arranged, ideally without the additional cost for the employer, and this would lessen the

motherhood penalty. The state can offer its support to parents' family allowances and publicly supported childcare and education through taxation, instead of privatising daycare, as an example.

The issue persists, when policymakers fail to see the real data. "The allocation of women's money and time affects their ability to develop their own capabilities – and that of their children. It also affects their relative standard of living, as measured by national income statistics. Reliance of estimates of total value of marketed output fail to capture important dimensions of women's experience" (Folbre, 2006). Since "the conventional statistics obscure the realm of unpaid work, making it easier for policymakers to ignore the negative effects of cutbacks in public services that affect the provision of care to children, the sick and the elderly" (Folbre, 2006). This is why the policymakers should aim to see the long-term, social effects that their policies would, inevitably, lead. Including women in the decision-making process would help to increase the awareness and support beneficial policies for all.

"Nothing will change, if power is simply transferred to those, who already have the most of it. Those most excluded from power will continue to remain just as marginalised as before" (Jokelainen, 2024). This is why we must include intersectional feminism in our decision making and include people from different backgrounds in the decision-making rooms. We can change the gender balance within a group by increasing the number of women in the group, which immediately will be a helpful tool. "According to research at about 40 percent (of women) the problem has nearly disappeared" (Scott, 2022). In fact, there is "considerable, evidentiary support, that excessive male dominance is actually a destabilizing factor that reduces the chances for survival, especially because it so often leads to conflict" (Scott, 2022).

Government can do its share by setting laws and structure set to take place to increase transparency. With transparency regulations, the state and workplace can ensure that the gender equality will take place. Transparency can also be

“increased by including women in the financial system, (which) contributes to institutional profit and also reduces risk” (Scott, 2022).

In addition, according to Nancy Folbre: “policies could encourage both women and men to combine paid work with family care.” This would free up time and allow women to work more in the paid sector and increase the economic situation and would not take away from the men; “the data shows that women’s entry into labor force is additive” and “does not result in employment losses for men, as it is often feared” (Scott, 2022).

5.3 Attitudes

Gender defines how we are being treated in the society, and this is why issues and problems of patriarchy are significant topics to be discussed in the society. Men and women are given sets of different social expectations. There are gender relations that exist in the society on a socio-economic, political and cultural level and they create different power relations. These attitudes directed towards women, which contributes to relational inequality. Relational inequality means the power that another person has over another. This power can also cross categories, such as gender. This is important since this is where the decisions play out and consequently, this has a very strong economic impact. In fact, the World Economic Forum’s annual Global Gender Gap report took the stance that “without fair inclusion of women, countries would stagnate. The solution for poor countries, therefore, was to emulate the rich nations by embracing gender equality” (Scott, 2022). “The lesson implied: it’s not that the rich nations could afford to set their women free, but that setting the women free made them rich” (Scott, 2022) (Appendix 2).

While “the employer/employee relation is not gender-ascriptive in that way”, one’s workplace can be described as “bearer of gender”. Workplace can be considered as a social institute, in which formal and informal rules are imbedded. “They reflect existing problems of gender domination and subordination, and also tensions” but there is also “potential for change, which

is characteristic of any pattern of gender relation, no matter how unequally power is distributed" (Elson, 1999). It is important that women, who mostly work part-time and in uncertain work environment unionise and take matters to their own hands. "To this day, women in the United States are paid more than non-union women, but substantially less than ununionized men" (Scott, 2022).

Since societal and patriarchal constrains are often imposed on girls and women, we need to shift attitudes in society together with personal level. There is a lot to deconstruct. Because of the code of conduct, media and family affect the expectations imposed on young girls. By dismantling expected gender roles and raising children as individuals, instead of with a gender-based approach, can this make a huge difference and create a solution with the help of gender equality. Patriarchal system is not needed; if it was a "natural order", it would not require that much violence and hatred to maintain its power. By dismantling patriarchal constraints; individuals in the society will be freer.

5.3.1 The Temptation of Theory

Since the change in attitudes must also happen on an individual level, it is important to be aware of the temptation of theory, which means that "The moment a person forms a theory this imagination sees in every object only the traits which favor that theory" (Jefferson, 1787). While theories are essential for understanding our complex world, particularly in Economics, there are ways to try to eliminate the temptation of theory. Analytic tools that FE uses, such as Gender Analysis, can help to showcase how gender relations affect different groups. These feminist insights "can help in the analysis of this situation, and in shaping economic practices that can better help address the real ethical and practical questions humanity urgently needs to face" (Nelson, 2008).

There is a need to be aware that people are constantly being stereotyped through the perspective of gender. Increased knowledge, constant re-learning and being open to change are also important tools that an individual can use. The temptation of theory could be one factor why it has taken such a long time

for the change to happen. Another reason can be according to Diane Elson: “Discrimination against women may persist because, in the absence of institutional changes, it is profitable” (1999). Additionally, “research shows that aggressive male behavior will continue for as long as its rewarded” (Scott, 2022).

While change takes time, today the information travels faster than ever due to our developed and fast technology. Most people will be introduced to different viewpoints which can support to change their perspective. “Without this, economic agents remain locked into and inherited set of gendered roles and behaviours in the context of labor market institutions which are bearers of gender relations” (Elson, 1999). This transformation “strengthens women’s bargaining power in the workplace, the home and marketplace” (Elson, 1999). This is yet another important reason, why we must increase the awareness of important feminist issues and challenge any harmful code-of-conduct that might be taking place in the society. For the change of attitude in a patriarchal society, individuals and organisations must be able to challenge the occurring attitudes and have will and strength to change the prevailing systems that are in place.

6 Conclusion

Since Economics is a social science, it would be thoroughly unreasonable, not to mention anti-progressive, to not consider half of the population. It is a reasonable demand that societies consider the basic problem of limited resources while trying to respond to the need of progression of societies. Adding the element of ethical judgment and qualitative analysis from feminist economics, we can reach a conclusion that is better suited for a social study, such as economics.

For the whole society to gain the desired growth, it is crucial for the whole society, to gain gender equality first. Understanding the root of inequality gives us the tools to help tackle the social and societal issues. Feminist economics helps to support the social actions aimed at equality, and by doing so, promotes

economic development, education, peace and economic welfare in society. Since economics is concerned with creation, consumption and transfer or wealth and economist are always looking into distributive inequality, feminist economics and its ethics should always be included.

By sharing the unpaid care work within the home and allocating the work anew, we can free women to work and strengthen their economic empowerment. A lot of the societal constraints fall onto women and attitudes are difficult to break. However, if we aim to dismantle the patriarchal constructs that hold women down, we could see a more progressive direction of social change. Most importantly, we should always listen to those affected by the gender discrimination. We need to continue sharing education on the importance of feminism and gender equality. By sharing the knowledge in the society and bringing up feminist issues such as those mentioned on this paper, can help to shift the much-needed focus in societies.

Remembering that sexism still exists and that gender perspective continues to have constraints, shows us, that the job is not yet done. Men and women are given different social and societal expectations, as seen on research done on the Motherhood Penalty, in Denmark. Equality alone does not help the growth. Misogyny prevents growth and opportunities for us all. These expectations are often biased but since they are human made, can we also dismantle these socially constructed expectations by increasing gender sensitivity and awareness.

By better understanding the economic power relations that play in societies, we can modify the models in action. This is why public taxation, basic access to healthcare, work allocation and many more topics should be viewed from feminist point of view. There is a crucial gender approach, that needs to be considered when important policies are made in society. By including women in the decision-making process and viewing important topics from feminist point of view, we can enhance the prosperity in the society and that will, consequently, benefit us all and increase the quality of life.

While multiple explanations can coexist at the same time; based on the literature review conducted for this thesis, we fail to reject the hypothesis and accept the following, introduced hypothesis: by empowering women and embracing gender equality, the societies can prosper, and desired growth can be achieved. Consequently, empowering women will help us all in the long run.

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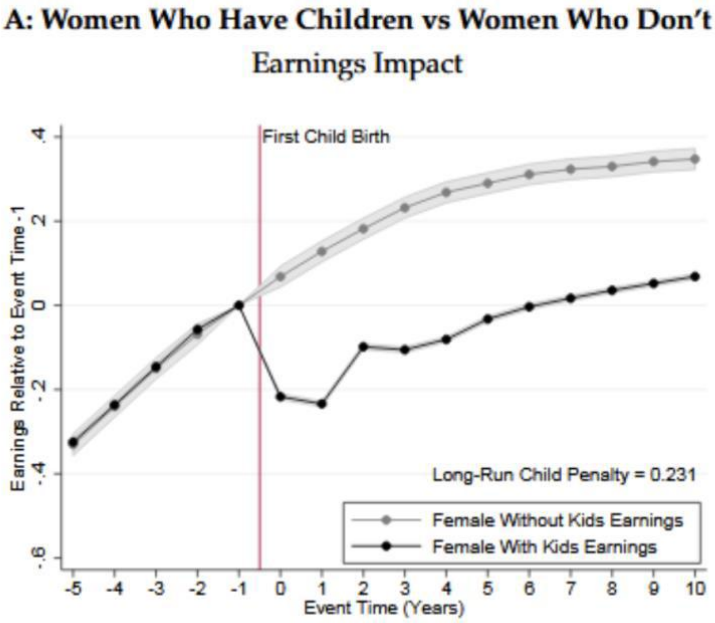
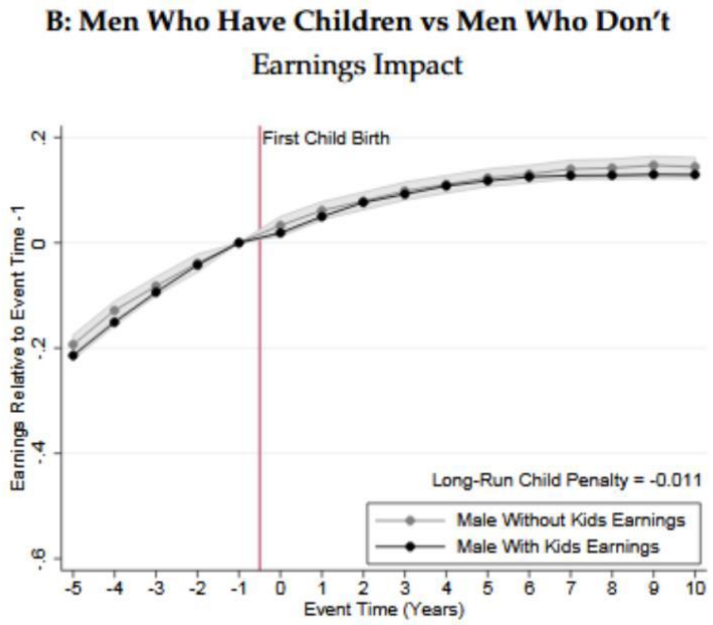
Appendices

Appendix 1: Research from Denmark: Children and Gender Inequality





Appendix 2: The positive effect of women's freedom on national wealth

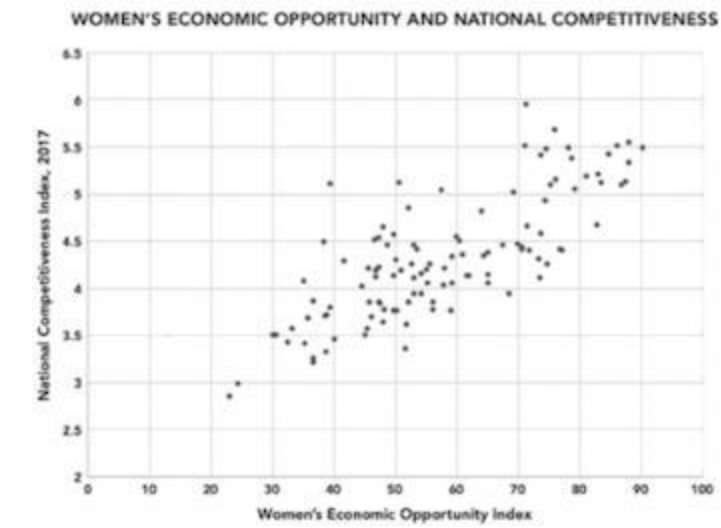


FIGURE 1. Each dot on the two graphs shown here represents a country's Women's Economic Opportunity Index score as related to either readiness for growth (top) or GDP (bottom). There are approximately one hundred nations shown in each graph; all those for which the data was available were included. In the top graph, the upward-right direction of the dots indicates that more economic freedom for women corresponds positively to national competitiveness, a measure of a country's readiness for growth. On the bottom, there is a similar pattern between GDP per capita and women's economic empowerment. These two graphs taken together, showing the "before" and "after" of