

## **Chapter Eight: Care, Gender and Property-Owning Democracy**

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In this chapter I ask what the impact a regime-shift from a capitalist welfare state to a property-owning democracy would have on gender justice and on caregivers and dependents.<sup>1</sup> Would property-owning democracy serve the interests of caregivers' and their dependents better and would it be a more gender-just economic system than current forms of capitalism and the different varieties of the welfare state that we currently know?

As Ben Jackson's contribution to this volume makes clear, the term 'property-owning democracy' has historically been used in a variety of ways, including proposals from both conservative and egalitarian strands (Jackson, Chapter Two). My analysis will focus only on the egalitarian versions of property-owning democracy, in particular on John Rawls's proposal (Rawls 2001). An egalitarian property-owning democracy can be summarized as a socio-economic regime that involves the private ownership of productive assets and a widespread distribution of human capital. In a property-owning democracy the background institutions aim at dispersing the ownership of wealth, thereby preventing a small group in society from controlling the economy, and indirectly political life as well (Rawls 2001: 139).

My analysis will proceed as follows. In the first section I briefly sketch the empirical background of care work and gender relations in contemporary liberal-democratic societies (especially Europe and North-America). These empirical facts tend to be poorly known, but they provide us crucial information if we want to properly evaluate the gender and care effects of different socio-economic regimes. Section 2 then draws on the literature on justice, care and gender to sketch what properties a socio-economic regime should have in order to properly account for care work and move towards gender justice. I will present a typology of care regimes that would meet the needs of caregivers, and describe how they differ in terms of their impact on the gender constellation, and also on the kind of social policies and institutions that they require. Section 3 then moves to answering the core question of this chapter: what are the effects of implementing a property-owning democracy on

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caregivers and dependents and on gender relations? I will argue that property-owning democracy would present some improvement for caregivers, dependents and gender egalitarians in comparison with a capitalist society with weak labor market protection and public provision for care work. However, if we also want property-owning democracy to meet the needs of caregivers and make significant progress towards gender justice, an additional set of policies (not intrinsic to property-owning democracy) need to be added. In analytical terms, we need a philosophical and political-economic approach that conceptualizes “the economy” in terms of both production *and social reproduction*, and that incorporates an informed view on the nature of gender. Since both the policies required for a property-owning democracy in the strict sense, and the policies aiming to provide gender justice and meeting the needs of care require significant redistribution and/or expenditures, this raises difficult questions about economic and political feasibility. Proponents of a property-owning democracy therefore need to investigate whether it is feasible to combine the social institutions and policies of a property-owning democracy with those of a decent care regime.

### **1. Care and Gender in Contemporary Capitalist Societies**

Human beings are not born as capable, autonomous, individual adults who can provide and care for themselves. Rather, we are born as extremely vulnerable babies who are fully dependent on the care given to us by others. We cannot survive if we are not given dedicated, time-intensive attention and hands-on care in the first years of our lives, and we continue to be dependent on care work by others throughout our lives, possibly again becoming heavily dependent on hands-on care at old age or in periods of illness and disability. Some human beings remain dependent on fulltime care throughout their lives, such as the severely disabled (Feder 1999).

Part of the hands-on care for dependents is done by care workers who perform care work as a profession: nannies, elderly carers, disability carers, babysitters, and so forth. In addition to the hands-on care that is done by care workers, much of the care that dependents receive is unpaid work done by caregivers. These are generally relatives (parents or adult children), friends, neighbors and volunteers. It is often, whether exclusively or partly, a labor of love: it is something that caregivers primarily

do out of love, sympathy and commitment for those who are dependent on them.<sup>2</sup> But the fact that it has these other-regarding motives does not mean that it is not “work”, at least not in the loose sense in which we talk about “work” in daily life: it has to be done by someone, and it requires time, energy, skills and dedication by the worker.<sup>3</sup> Care work is needed to keep our society and our economies going: without raising children, there won’t be a next generation of workers who will keep the economic system (whether capitalist or otherwise) going.

Care work takes different forms. In policy discussions the notion is invoked much more narrowly than in daily life, where it is used to include relational aspects of friendship, self-care, and care for animals and the natural environment. For present purposes I will focus on childcare, elderly care, care for the ill and for the disabled. Hands-on care is a large part of those forms of care, and we know from time budget studies that for persons with care responsibilities, this kind of care strongly competes in terms of time allocation with other types of work, especially paid work on the labor market. Put differently, people with care responsibilities for children, the elderly and the disabled, are very likely to be in a time-crunch if they are struggling to combine hands-on care with holding a job (independent of whether having a job is only motivated by the income it generates, or also by other aspirations, such as playing a role in public life or developing a professional identity.)

About half the work that people do in post-industrial societies is unpaid work, which consists of unpaid care work and household work.<sup>4</sup> Adults spend much time on unpaid care work, and this represents a significant cost in terms of devoted time and lost opportunities to them. The cost of care work can be illustrated by Nancy Folbre’s illuminating estimates of the cost of raising a child, based on US time budget data for 2000 (Folbre 2008). The costs of raising a child fall into two main categories:

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<sup>2</sup> Obviously the distinction between paid care workers and unpaid caregivers is a categorical distinction that will not always entirely match reality. Some caregivers may be paid in an indirect way, for example by an exchange of favours or an intertemporal exchange of care (e.g. healthy grandparents caring for their grandchild who will in turn be cared for by those grandchildren or their parents when they are older and frail).

<sup>3</sup> There may be a theoretical difficulty in conceptualising care work such that it neatly fits a precise definition of “work” – but that problem would take us too far here, and its examination will have to await another occasion. In this chapter I will use “work” in a looser understanding. I thank Anca Gheaus for discussion of these issues.

<sup>4</sup> I will not explicitly discuss household work in this chapter. To the extent that household work is done for people who cannot do this work themselves (young children, frail elderly, severely disabled, ill people), it falls under my discussion of care work. The household work that healthy adults do for themselves will not be considered here, since I believe that it is unclear to what extent it raises any normative issues for the analysis of socio-economic systems, and a proper analysis of gender and care issues is much more urgent.

expenditures and care work (which includes child-related household work). Annual per-child expenditures range from US\$6,700 per infant in families with three or more children to just over US\$12,000 for teenagers in one-child families (Folbre 2008: 74).<sup>5</sup> Yet the time cost of parental care is even bigger than the expenditures on children.<sup>6</sup> Parents, especially mothers, spend an extra-ordinarily large amount of time caring for their children, indeed often many more hours than that they spend in paid work. A child with two parents present enjoys on average 32 hours a week of active parental care (with either or both of the parents present) whereas for children of single parents this amounts to 23 hours. Translating this into a monetary value is not straightforward, since there are different ways to put a monetary value on family care work. Under very modest assumptions,<sup>7</sup> the annual cost of parental family care in a two-parent two-child household is estimated to amount to US\$13,352; in a one-parent family US\$11,024 (Folbre 2008: 130).

Care work is confronted with a problem in the structure of its costs, which other types of work do not face to the same degree. In most post-industrial societies, care work is expensive relative to other types of work, because it is highly labor-intensive, and labor costs are increasingly more important in determining the relative cost of a product or service than other costs (such as capital costs, raw or intermediate material resources, or technology). Moreover, the Baumol effect (also known as Baumol's cost disease) can explain why in real terms the cost of care work (and thus the shadow-cost or the opportunity cost of unpaid care work) is going up over time. In many economic sectors, the productivity of workers increases with technological change and innovation: for example, a car mechanic in the UK has a much higher productivity than a century ago, thanks to the new technologies that she can use. Yet for workers in the care sector, the possibilities of labor productivity increases through technological innovation are very limited. However, if relative wages increase in other sectors (since productivity goes up), the wages of care workers will increase too,

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<sup>5</sup> In a one-child family, the total cost of expenditures for a child during his/her entire childhood will amount to US\$205,383. For a child in a family with three or more children, this decreases to just under US\$128,000.

<sup>6</sup> The time cost of parenting takes about 60 to 65 percent of this total cost.

<sup>7</sup> Folbre argues that the replacement cost approach is the most appropriate way of valuing labor inputs: she recommends using the wage rate required to hire a replacement for the work done, rather than the actual or potential wage rate of the person doing the work. Folbre opts for a lower bound estimate. In her estimates she values the hours of active care by the hourly wages of an average childcare worker (US\$7.43 in 2000, which is low compared to the median for all workers at US\$13.74). For the passive care hours she uses the federal minimum wage. In both cases she assumes the presence of two children. She does not include sleeping time and overlapping parental time in these estimates.

without the corresponding increase in productivity. Since productivity gains in care work are very hard to establish, care work will become increasingly expensive in comparison to other types of work.

A very harsh capitalist society, with only a very low minimum wage (or no minimum wage at all), with many poorly skilled people who have few options, and where the power balance between labor and capital strongly favors the latter, is probably an exception to the above analysis. Many states of the USA seem to qualify for this category. In those societies, care work is performed by poorly skilled people, who work for very low wages, and who cannot expect a wage increase if the productivity in the economy overall increases. If a society has a large army of unskilled and poor people, who desperately need a job, then care services will be relatively cheap. This would make the cost of care, all other things equal, cheaper for people buying those care services, but I don't see how one can regard such a societal arrangement as just at all. Such societies should be evaluated as unjust, since they allow hardworking people to remain poor while others, who are not harder working, to be excessively rich. I should therefore qualify my conclusion: In societies with social institutions guaranteeing all citizens access to education that qualifies them for a minimally decent jobs, with procedures to safeguard that the balance of power between capital and labor remains minimally fair, and with labor market regulations or welfare state provisions which guarantee that those who work are not poor, we can expect that care work is expensive and will in relative terms become more expensive as the high-tech post-industrial economy continues to develop.

Thus, given the very limited possibilities of productivity increases, the relative unit cost of care work is increasing over time. If we add to this the increased predicted need of elderly care in OECD countries, due to the aging of the population and the longer longevity of the elderly, it should be clear that we should give the provision of care work a central place in the design of any future socio-economic system. However, as I will argue throughout this chapter, care work and care giving have been rather neglected in the discussion of alternative socio-economic systems, and the scholarly debate on property-owning democracy is not very different in this respect.

Clearly, a society can choose to partly socialize the cost of raising children and caring for other dependents. Socializing these costs can be done by providing direct transfers to parents and other guardians of children, by providing free education,

generously subsidized parental leave and other care leaves, and by providing public child care facilities, or regulating and subsidizing private child care facilities.

Yet what all societies have in common – whether the costs are socialized or not, and whether the wages for careworkers are low or not, is that roughly half the work people do is unpaid work, and most of that unpaid work is care work (Goldschmidt-Clermont and Pagnossin-Aligisakis 1996, Gershuny 2000, Picchio 2003). The large share of unpaid work in the total amount of work we do, is a fact that needs to be taken on board when evaluating existing or developing alternative visions of welfare regimes and socio-economic systems.

What does gender have to do with all this? I am taking a constructivist perspective on gender, whereby “gender” stands to “culture” as “sex” stands to “nature” (Robeyns 2007). Gender refers to the differences between men and women that are socially constructed, rather than given by nature. Sally Haslanger (2000) defines gender in terms of the social positions that men and women occupy. A person belongs to a gender because she is thought to have certain bodily features that reveal her reproductive capacities. These bodily features function as markers for evaluating individuals as either men or women, and for justifying their respective social positions. Gender is thus a social category, with in the dominant social discourse of most societies two modes, man and woman.<sup>8</sup> Observations or imaginations of sexual characteristics serve as markers to classify individuals in different social positions. The social category ‘gender’ thus becomes projected on the biological category ‘sex’. The point about the concept of gender is that women and men are treated according to their social category (gender) for reasons that have nothing, or only tangentially, to do with their biological category (sex).

One of the dimensions of gender is that women are believed to be better at care work, are socialized into care work, and are encouraged and expected to care. Men are believed to be less good at caring, are often discouraged from caring, and are in some circumstances discriminated against if they want to care.<sup>9</sup> The result is that on average women do much more care work than men (Robeyns 2007).

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<sup>8</sup> One could argue that transsexuals or people with ambiguous sexual identities form other modes in this conceptualisation of gender. Yet since this paper is about the analysis of socio-economic regimes and their treatment of caregivers and their dependents, it seems justified to focus on the most important categorical distinction at work in the distribution of care work – the categories of ‘men’ versus ‘women’.

<sup>9</sup> The different norms for men and women can be clearly seen in EU maternity and paternity leave legislation. See Foubert (2002) and Robeyns (2009).

It is a very difficult and contested discussion as to *why* it is the case that women do so much more care work than men. Some point to nature, which would have given women a ‘natural advantage’ to care, or which would give (the large majority of) women stronger desires or preferences to do unpaid care work rather than be employed (Becker 1991, Hakim 2000, Tooley 2002). Other arguments point to the social norms of caring, which encourage women to care and discourage men from caring (Badgett and Folbre 1999, Brighthouse and Wright 2008, Gheaus 2008, Gheaus and Robeyns 2011). In addition, in some countries the socio-economic institutions such as the structures of the labor market or conditions for health care insurance discourage couples from sharing paid and care work equally. One could also develop an argument that care is socially undervalued and financially a risky choice, and men are rational by not wanting to spend too much time on care and moreover are in the bargaining position that helps them to follow this low-risk path – a behavior we also observe among those women who are in a bargaining position to do so, due to their stronger human capital or financial position.

Whatever the correct explanations, it stands beyond doubt that the notions of gender and care are deeply intertwined. Since women are so much more engaged with unpaid care work, they have a much higher stake in how our social and economic institutions value, protect, subsidize and redistribute care work. Similarly, it is very unlikely that we can significantly move closer to a gender justice society without a shift to a socio-economic regime that takes care work seriously, and reconsiders its status, reward and redistribution (Okin 1989, Bubeck 1995, Wright 2009).

The available empirical evidence shows that a division of labor in a household whereby one partner (generally the man) specializes in paid market work, and the other partner (generally the woman) specializes in unpaid household and care work, is risky for the latter. Specialization in unpaid care and household labor leads to substantial *economic risks*, especially financial risks at divorce (Bergmann 1981). Empirical studies show that economic dependence on a breadwinner can have disadvantageous consequences in the case of marital breakdown. In the USA, women’s standards of living decline between 13 and 35% after divorce, while men’s standard of living increases by 11 to 13 percent (Peterson 1996). In Britain, the mean net income after divorce increases slightly for men, whereas it decreased with 14% for

women and 18% for children (Jarvis and Jenkins 1999).<sup>10</sup> If the specialization in care and household work takes the form of not quitting the labor market completely, but of holding a small part-time job, then in most countries this comes at the cost of lack of (or much more limited) health benefits and pension insurance. Women who quit the labor market may plan to take a break for merely a few years and then return to the labor market, yet this comes at the cost of lower life-time earnings: they are highly unlikely to return to the earnings which they could have earned had they stayed employed. A break away from the labor market thus has a depressing effect not just on immediate but also on *lifetime* earnings, even if the break is only for a few years.

Many people, including scholars, tend to downplay the size and importance of the care work that is done in society, and assume away the impact of gender on our lives, including the fact that care is a deeply gendered phenomenon.<sup>11</sup> Yet I believe it is very instructive to try to understand *why* gender, care and the family remain so detached from normative discussions about justice and the evaluation of socio-economic regimes. First, ‘the economy’ is often equated with ‘markets’ – whether they are labor markets, production markets, consumptions markets, or investment markets. In addition, many economists and (to a somewhat lesser degree) economic-political philosophers still have a romanticized view that care work is not real work – rather, it is assumed to fall into the category of leisure activities. While such an assumption is often defended on the grounds of the parsimony of the model or a libertarian outlook on the world, it has caused great harm to the analysis of the unpaid economy, and has introduced a deep gender and care bias in the analysis of socio-economic systems and theories of justice. Martha Nussbaum is thus right when she writes that “care for children, elderly people, and people with mental and physical disabilities is a major part of the work that needs to be done in any society, and in most societies it is a source of great injustice. Any theory of justice needs to think about the problem from the beginning, in the design of the basic institutional

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<sup>10</sup> While these studies are already somewhat older, and hence the exact percentages may have changed somewhat, I see no reason to assume that the order of magnitude of these empirical findings would no longer be valid.

<sup>11</sup> In Rawls’s work on justice, and his discussion of property-owning democracy, this is not much different. In the 514 pages devoted to *A Theory of Justice*, Rawls ignores care and gender issues entirely; and despite the elaborate criticism of feminist scholars such as Susan Okin (1989) in her path breaking book *Justice, Gender and the Family*. Rawls only offered a very brief section covering care, gender and the family in *Restatement*. Moreover, while Rawls may have thought he adequately responded to his feminist critics in *Restatement*, many contemporary feminist economic and political philosophers still find his work inadequate or puzzling in its dealing with issues of care, gender and the family. See, for example, Nussbaum (2006) and Robeyns (2010).



structure, and particularly in its theory of the primary goods.” (Nussbaum 2006: 127) The same can be said about any normative theory of a socio-economic system including proposals for a property-owning democracy. The question we need to ask is: will property-owning democracy be a regime that is more gender just and will it better meet the needs of caregivers and their dependents than the alternative economic systems? And a closely related question is: if property-owning democracy is a regime that we have good reasons to endorse independent of our concerns for care work and gender issues, what is needed to create a care-supportive and gender-just version of property-owning democracy? To answer these questions, we now turn to an analysis of what is needed to move towards gender justice and provide more support for caregivers and dependents.

## **2. Supporting Care and Moving Towards Gender Justice**

If we analyze the virtues and pitfalls of different socio-economic regimes, then what features should those regimes have in order to be supportive for caregivers and dependents, while at the same time making societies more gender just?

Scholars have different views on how to do justice to (or: take proper care of) caregivers while at the same time reducing gender injustice (Robeyns 2008, Wright 2009). Although there are a variety of views, we could distinguish the following three ideal typical regimes for dealing with these issues.<sup>12</sup>

The first model is the “*full commodification of care*”-welfare regime: all working-age adults should be encouraged to work full time, and the state should make provisions or encourage the creation of a market to make this possible for those adults who have care responsibilities. In this regime, there will be no incentives at all for not being employed on the labor market, whether it is because one needs to care or rather wants to surf in Malibu. Care should be commodified to a large extent, perhaps even to the largest extent possible. This does *not* imply that this care work should be left to the market, let alone to the unregulated market: the commodification of care could be either unregulated and unsubsidized, hence completely left to the working of the markets; or it could be regulated but unsubsidized, which would imply that the quality would be controlled but those in need of care (or their parents or family members)

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<sup>12</sup> The models I present map rather closely to the three models defended by Nancy Fraser (1994) in her article “After the Family Wage: Gender Equity and the Welfare State.” The model which Fraser favours corresponds to the ‘synchronically combined welfare regime’ in my terminology.

would pay the full cost of it; or the commodification of care could be both regulated and subsidized, in which case the quality would be controlled and the costs of care work would be (in part or completely) borne by tax-payers. Most defenders of this full commodification of care regime, such as the feminist economist Barbara Bergmann, plead for high-quality and highly subsidized public provisions for care (Bergmann 1998, Bergmann 2008).

The second model is the *family care welfare regime*, which strives for care to be done as much as possible by relatives or friends. A welfare state endorsing this model can support family caregivers in a variety of ways. For example the labor regulations could stipulate that parents are allowed to quit their jobs for 3 or 5 years when their children are young while being guaranteed that they have access to the same job upon their return. Or the state could implement generous tax breaks for parents of young children who do not earn an income of their own, thereby effectively supporting stay-at-home caregivers. The bottom line is that women and men who want to provide care by themselves, should be financially supported in doing so.

The third model is the *combined welfare regime*, and combines elements of the commodification of care model and the family care model either synchronically, diachronically, or combined. The *diachronically combined welfare regime* endorses the family care welfare model when the child is a baby, and shifts to the commodification of care welfare model when the children become older. For example, a welfare state which endorses this model gives parents generously paid parental leaves when the child is younger than one year, but does not encourage (or even actively discourages) part-time work or non-participation on the labor market in other circumstances. For other types of care, similar provisions are made. The diachronically combined care model would provide for full time paid leave when a child would be ill or an older family member very seriously ill, for example by providing protected care leaves. The *synchronically combined welfare regime* provides incentives and support for continuous but only part-time allowances to care over a long period, for example by allowing parents to take one day a week parental leave for several years, or by structuring the labor market in such a way that there are plenty high-quality part-time jobs of 12, 24 or 32 hours a week, with *pro ratio* the same benefits and protection as full time jobs.

How do these models fare on accounts of support for care needs and for tackling gender injustice? Of course, to a large extent this depends on the level of

financial support in those regimes. If, for example, parental leave is a right for many consecutive years, but only at a very low lump-sum grant, then the support is extensive in time but limited in its level. Still, bracketing the issue of the level of the financial compensation for a moment, it is possible to make some general remarks on the effects of these models on care and gender issues.

Some feminists support the commodification of care model, and have argued for an extensive commodification of care work and household work (cooking, cleaning, etc.), since otherwise women will keep being pushed back into the domestic sphere, whether with a low or high reward and status. The commodification of care model may improve gender equality, but only if the working conditions of the (overwhelmingly female) workers who do the commodified care are good; otherwise it may only be an improvement for the financially better-off women. In addition, it is important to note that the style of this gender equality is “total androgyny, male style” as Barbara Bergmann (1998) has called it: men and women should roughly behave the same on the labor market, with women effectively becoming as oriented towards paid work as men are nowadays. In other words, this model evaluates gender equality in terms of being part of the world of commerce, exchange and production. It leaves the labor market virtually untouched, since it does not require that firms and organizations reorganize their structures so as to take into account that many employees are workers who carry the ultimate responsibilities for dependents, and who may indeed also have a paramount need to spend time caring for those dependents..

The commodification of care regime implicitly assumes that all care work *can* be outsourced: it is believed that it does not matter who does the care work – whether it is done by a committed parent or parental figure, or a student in a gap year, or a nanny who will leave next year and/or who is terribly missing her own children thousand miles away. This assumption can be attacked on two grounds. Firstly, there is ample evidence from development psychology that it does matter that children can spend enough time with their parents for their healthy development. Children want to be with their parents, and they actually need their parents (or other adults with whom they form years-long stable caring relationships) for a minimal time on a daily, weekly, monthly and yearly basis. The exact quantification of this need is a matter of great dispute, but no one denies that children need to spend some time with their parents. Secondly, most parents want to spend some time with their children, and one

could even argue that this is a need on their part. The commodification of care model does not, in general, recognize those needs. It rather only recognizes, or at least prioritizes, the needs by parents to earn a living and/or to be a working adult. Moreover, it is a model that few women and men actually want. As John Baker puts it, “an attempt to address the gendered division of labor by externalizing and commodifying care while pushing carers into paid employment runs against its members’ deeply ingrained understandings of human relationships and frustrates their needs for love and care.” (Baker 2008: 6)

The family care regime takes the other extreme. It improves the rewards, and probably the social status, of family caregivers, and recognizes that care dependents (especially children) need time with their caregivers. But it does not recognize that there are benefits to both some dependents (especially children) and to the caregivers if the caregivers are also enabled to hold jobs, and if the dependents are able to be cared for by care workers (for example, children attending high-quality nurseries). Still, there are good arguments for giving children not only time with their parents, but also non-parental care (Gheaus 2011). The benefits of qualitative non-parental care for children are well-documented for all ages of certain groups of vulnerable dependents, and for older children of all social backgrounds. The main area of dispute is the balance of benefits and risks to children younger than one. A recent American study found that for working mothers who work under suitable circumstances, the net benefits are neutral, and indeed are positive for the subgroup of mothers who don’t work more than 30 hours a week (Brooks-Gunn et al 2010).<sup>13</sup> Moreover, the proponents of the family care model tend to ignore the well-documented risks that the corresponding gender division of paid labor and work pose to women’s quality of life and long-term vulnerabilities (Okin 1989, Bergmann 1998, Bergmann 2008, Robeyns 2001).

The mixed model endorses the claims that it is not desirable that all care is commodified, and that caregivers have a variety of needs, including needs to provide hands-on care, but also needs to do other types of activities, such as paid work. The mixed regime also accounts for some empirical findings from human capital studies in labor economics, which have demonstrated that the economic security and life-long income generation capacities of workers are best protected if they don’t completely

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<sup>13</sup> Note that to the best of my knowledge no research is being done on the possible harm and benefits of fathers working full-time, part-time and not being employed.

quit the labor market for too long. Political parties and groups that oppose the mixed models do this in most cases either based on a comprehensive notion of the good life (such as the earlier mentioned view of Barbara Bergmann's that it would be better if we would all behave in the way most men are currently behaving on the labor market), or based on a worldview that prioritizes GDP growth and people's economic contribution above other goals, including those people's quality of life understood in a broader and not purely materialistic sense.

While all three models have their advocates and opponents, my understanding of the relevant scholarly literatures is that the mixed care regime succeeds best, all things considered, to balance all relevant interests. Clearly, the mixed care model comes in versions that accept some gender injustices in order to protect other relevant values, such as the freedom to choose one's own way of living, but also in more radical versions that do more to destabilize the gender order.

What lessons for the analysis of property-owning democracy can we learn from this brief sketch of the debate on care-friendly and gender-destabilizing regimes? First, it is instructive to see that there is a huge literature and an extensive debate on how a just and good society would deal with issues of care and dependency (a debate which I have only been able here to sketch in a rather brutish way). It is regrettable that most insights of this debate are missing in the discussion of socio-economic regimes, where the implicit and non-analyzed assumptions remain that (a) care work is not real work, and thus does not belong in a discussion of economic systems, and (b) women do more care work than men, but since this is what they choose we should not be morally or politically worried about that. I have only been able to briefly touch upon the enormous literature that criticizes, and in my view successfully demolishes, both assumptions, yet it is sobering to see that we haven't, in my view at least, made that much progress since the path breaking publication on gender justice by Susan Okin (1989) over 20 years ago.

Second, the brief overview also shows that all of the models proposed to address the needs of caregivers and to reduce gender injustice require active intervention by the government. Moreover, all except the most minimalist model (being the commodification model which regulates commodified care but doesn't subsidize it) require state intervention and financial redistribution. Indeed, many of the policies in these models require rather far-going labor market regulation (e.g. right to care for a sick child, right to parental leave) and are very costly. The lesson to take

home is: reducing gender injustice to a significant degree, and doing justice to caregivers costs a lot of money--for the simple reason that care work is very time intensive, and thus either requires a paid labor force doing that work, or else requires an unpaid care giver to forgo her labor market income.

This brings us, finally, to the questions which this chapter aims to address: what would the impact of a regime-shift from a capitalist welfare state to a property-owning democracy be on gender justice and on caregivers and dependents? Would property-owning democracy serve the interests of caregivers' and their dependents better and would it be a more gender-just economic system than current forms of capitalism and than the different varieties of the welfare state that we currently know?

### **3. The Consequences of Property-Owning Democracy for Gender and Care**

Property-owning democracy is a socio-economic regime that involves the private ownership of productive assets and a widespread distribution of human capital, whereby the background institutions aim at dispersing the ownership of wealth, thereby preventing a small group in society from controlling the economy. It is thus a market economy in which the distribution of different forms of capital is as equal as possible. Yet as Thad Williamson and Martin O'Neill (2009) note, the notion of property-owning democracy has not been extensively studied, and the general notion needs to be unpacked or translated in order to understand which social policies and institutions it would require in advanced post-industrialized societies.

Property-owning democracy is in many ways similar to the welfare state, since it also tries to protect the fair value of political liberties and protect the interests of the worst-off social class. Yet property-owning democracy is "a regime that broadens property ownership directly, rather than a welfare state dependent on large-scale *ex post* redistributions to limit inequalities." (Williamson and O'Neill 2009: 4) Rawls (and others) believe that a property-owning democracy has a crucial advantage over a welfare state, in at least two respects. First, the welfare state with its focus on *ex-post* redistribution does nothing to prevent a strong concentration of capital in the hands of a few, and this will lead to a disproportional influence in politics and hence a corresponding concentration of political power. Second, the welfare state regards the net recipients of financial redistributions as passive victims of socio-economic injustice that needs to be rectified, rather than as agents of change. The intent of a property-owning democracy "is not simply to assist those who lose out through

accident or misfortune (although that must be done), but rather to put all citizens in a position to manage their own affairs on a footing of a suitable degree of social and economic equality.” (Rawls 2001: 139)

How does this translate in terms of more concrete socio-economic policies and institutions? O’Neill and Williamson neatly summarize these as follows:

- (1) Wide Dispersal of Capital: The *sine qua non* of a property-owning democracy is that it would entail the wide dispersal of the ownership of the means of production, with individual citizens controlling productive capital, both in terms of human and non-human capital (and perhaps with an opportunity to control their own working conditions).
- (2) Blocking the Intergenerational Transmission of Advantage: A property-owning democracy would also involve the enactment of significant estate, inheritance and gift taxes, acting to limit the largest inequalities of wealth, especially from one generation to the next.
- (3) Safeguards against the Corruption of Politics: A property-owning democracy would seek to limit the effects of private and corporate wealth on politics, through campaign finance reform, public funding of political parties, public provisions of forums for political debate, and other measures to block the influence of wealth on politics (perhaps including publicly funded elections). (Williamson and O’Neill 2009: 5)

What, if any, would be the gender-effects, and the effects on caregivers, of those three sets of policies?

Let me start with the third effect, the Safeguard against the Corruption of Politics. We could expect this set of measures to have a gender effect, since women are less likely to be able to buy their way in politics. In a nutshell, there are many fewer wealthy women than wealthy men, and if the influence of wealth on politics is limited, then this should decrease the relative power of men in politics, and thus increase the power of women. The effects on caregivers are very difficult to predict: if a property-owning democracy would trigger all sorts of radical and egalitarian virtues in people, and lead to a more critical and self-reflective society which would embrace a caring and egalitarian ethos, then it may, in a very indirect way, also benefit caregivers since the injustice in the distribution of care and its reward and social status could be more democratically debated in society. But frankly, such a prediction would

be a rather wild speculation; we don't know whether the policies and institutions that would aim at safeguarding the corruption of politics would make any tangible difference for caregivers.

The policies aiming at the Wide Dispersal of Capital would have three effects. First, they would have a slight, and only indirect, beneficial effect on gender justice and for caregivers. The effect would be indirect via the lesser degree of inequality in wealth, and thus, derivatively, in income from wealth. Women tend to hold much less financial wealth and other forms of non-human capital than men, and thus any additional redistribution would benefit women in this regard. Yet a redistribution of wealth would do nothing to accommodate caregivers in the sense of redistributing care between men and women, or improving the status and reward of care giving.

The second possible effect of the policies aimed at a wide dispersal of capital would depend on the question whether or not property-owning democracy always comes with increased workplace democracy. *If* a property-owning democracy would also *guarantee* an opportunity to control one's working conditions, than that would be a major advantage for caregivers, since all versions of the mixed care regime models assume that the workplace adapts (to some extent) to the needs of the family, for example by offering a high-quality nursery on the site of the workplace, by introducing the rights to part-time work (on *pro rata* similar conditions), or by allowing flexible working hours or allowing workers to take time off to care for an ill dependent on short notice. This would not only benefit women. Some evidence seems to suggest, for example, that men who are legally entitled to parental leave, are discriminated against if they take up that leave in comparison with men who do not (Albrecht et al 1999). Fathers also often claim on an anecdotal basis that they are confronted with social norms compelling them to not make use of their legal rights to parental leave. If workplaces were really democratic, then one would expect these injustices against male caregivers to wane over time. Hence a first conclusion that can be drawn is that those versions of a property-owning democracy that include full-ledged version of workplace democracy as an *essential* aspect of property-owning democracy should be more beneficial for the needs of caregivers and gender justice compared with a property-owning democracy that does not regard workplace democracy as an essential element.

The third and final effect of policies aimed at a wide dispersal of capital are to a large extent similar to what we have learnt in the last decade from the gender



analysis of an unconditional basic income or basic capital grant. If the wide dispersal of capital implies that everyone would, at some point in their lives, be given an unconditional stock of financial capital, or of other non-human capital which they could sell (like land, real estate, or stocks), then this capital stock could be used to generate an infinite income stream. Clearly, this will be a rather modest income stream, in all likelihood not enough to live on, let alone to raise a family. Yet in societies that do not have a commodification-of-care or a mixed care regime, the correspondent lack of public child care facilities may imply that this modest income stream would *de facto* function as a basic income. As I have argued in detail elsewhere, a small unconditional basic income, in combination with the existing gender norms and gender expectations, would strengthen the gender division of labor and thus worsen gender injustice, since it gives a financial incentive to withdraw from the labor market which increases the economic vulnerability, especially in the long-term when human capital has eroded (Robeyns 2001). Since in a property-owning democracy all citizens have decent or high levels of human capital, this implies that all mothers who use the basic income which is generated by their property-owning democracy-sponsored capital will lose out in terms of their current and future earnings, and their opportunities to flourish in the non-family sphere. Of course, if the specific rules of the property-owning democracy don't allow the possibility to turn one's property in an income stream, then this problem won't occur – but in that case the property transfer also can't contribute to lightening the burden of care for caregivers.

What about the second set of policies, those aiming at the Blocking of the Intergenerational Transmission of Advantage? Here, the same argument applies as for the Wide Dispersal of Capital: since women and especially caregivers are more concentrated at the bottom of the wealth distribution, there may be an indirect beneficial effect. However, it *may* be the case that a pitfall for caregivers lurks below the institutions that aim at blocking the intergenerational transmission of advantage. Whether this will be the case or not depends on whether the large inheritance and gift taxes that will be needed to reach this effect will come *on top of* large other forms of taxes, or rather *replace* these other forms of taxes (such as income tax, or consumption taxes). The reasoning is the following. In the previous sections of this chapter I have tried to show that the total package of social policies and institutions that are needed to meet the needs of caregivers is very expensive. In section 2 I

showed how costly caring is, especially if we do not want to engage in the use of commodified care which is paid an indecent wage. In section 3 I explained that all defensible forms of care regimes demand a large package of public policies. For example, Barbara Bergmann calculated that the Swedish welfare state, which corresponds to a high-quality diachronically mixed care model, costs about 60% of Swedish GDP, and thus taxation on labor and other forms of income is among the highest in the world (Bergmann 2008). The inheritance and gift taxes which are part and parcel of a property-owning democracy would presumably *not* be used to fund the policy package of a mixed care regime, since these taxes would be redistributed in order to spread the ownership of capital.

At best, a property-owning democracy would co-exist with the policies of the various possible care regimes. But this would imply two instances of high-level taxation: high level inheritance and gift taxes to encourage the wide dispersal of capital, and high level of other types of taxes (labor taxes, consumption taxes) to fund the policies that are needed for a decent care regime. The crucial question is whether that is what proponents of a property-owning democracy had in mind, and whether that makes the property-owning democracy proposal less feasible. The answer to the latter question at least in part depends, I believe, on the context. Financial inequality is in some countries extraordinarily large whereas GDP per capita is high. In those countries the introduction of a mixed care welfare regime together with a redistribution of wealth would be economically more feasible than in more egalitarian countries, where the inequality in money passed on from one generation to the next is much smaller. The figures on the situation in the US that are cited by Thad Williamson (Chapter Eleven) are simply stunning, and I don't think many (if any) feminists would object to the redistribution he proposes. Yet in other countries, such as many European countries, taxation on labor and inheritance is already so high, and financial inequality much lower, which drastically limits the scope for moving towards a property-owning democracy without jeopardizing the policies that are part of the mixed care regime. By introducing plain statistics, Williamson's chapter should remind us that the final verdict on the gender- and care effects of the move from the current situation to a property-owning democracy will depend from how that current situation exactly looks like, in terms of (a) the current levels of economic inequality, (b) the current package of care supporting policies, and (c) the political feasibility of

introducing the taxation that is needed to establish a property-owning democracy and to fund those care supporting policies that are still missing.

#### **4. Conclusion**

In this chapter I have developed a gender- and care analysis of property-owning democracy in three steps. First, I have summarize some essential facts and figures regarding the nature and magnitude of care work and care giving, and the nature of gender (section 2). Second, I have presented my reading of the literature on what gender justice and a proper acknowledgement of care would demand from socio-economic regimes (section 3). The bottom line taken from that overview was that any defensible care regime will be financially very costly, and will require a mix of labor market regulations, social security provisions, and public services (such as nurseries and care institutions for the elderly and the disabled) which are funded, and controlled or provided, by the government.

Third, from Rawlsian political philosophy I have taken the standard conceptualization of a property-owning democracy, and have asked whether property-owning democracy, so understood, would enhance gender justice and protect the interests of caregivers and dependents.

From a gender- and care perspective, the risks or potential negative effects of a property-owning democracy are limited to those constellations of property-owning democracy that allow citizens to turn their property into an indefinite income stream. If the property-owning democracy regulations allow citizens to use their capital to generate a basic income, then this could function as a financial incentive to withdraw from the labor market. Under those circumstances property-owning democracy would strengthen the gender division of labor, and thus strengthen gender injustice, rather than weakening it.

The benefits of a property-owning democracy are limited to the fact that women, as a group, are currently less politically powerful and less financially well-off in comparison with men, and thus *any* redistributive policy will benefit women in this respect (and the same can be said for caregivers). However, it is important to see that a property-owning democracy does not give us the social policies and institutions that caregivers really need in any of the welfare models that I discussed in section 3.

This should not really be a surprise if we look at property-owning democracy with the distinction between investment and consumption in mind. We could

understand the shift from a capitalist welfare state to a property owning democracy as a shift from a regime consisting primarily of redistribution of *consumption flows* (like in welfare benefits, and the provision of consumption services such as health care) to a regime that primarily redistributes *investment flows* (investments in all types of capital, such as human capital like education, and economic capital, like company co-ownership). The problem is that caregivers and dependents especially need a particular type of consumption flows, namely care provisioning in kind (child care, elderly care etc.), financial support for care leaves, and regulations of the labor market that should make the combination of paid work and family care more smoothly. The investment flows do not meet their needs as they should be met.

If proponents of a property-owning democracy care about gender justice and about meeting the needs of caregivers and their dependents, then they have to ask whether a property owning democracy can be combined with traditional welfare state policies that are especially important for caregivers. It is unclear to me whether this is either economically or politically feasible. If a proponent believes it is possible, then a more detailed plan of such a property-owning *and* care-supporting democracy will be needed to analyze its viability. If it turns out that it is not possible to combine a property-owning democracy with a decent care regime, then we have to decide where our priorities should lie.

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