

Gender and the household in the history of economics

3 – Division of labour

Carlo D'Ippoliti
Sapienza University of Rome



The Enlightenment



Charles Bastiat, Baron de Montesquieu (1689-1755)

- Contributed to the development of a theory of stages, according to which human societies undergo periods of development based on:
 1. Hunting
 2. Pastoral activities
 3. Agriculture
 4. Commerce
- He hints at differences in the organisation of families in the first two:
 - Hunters “wander and disperse themselves [...]. Marriage cannot there have the security which it has amongst us, where it is fixed by the habitation [...]; they may then more easily change their wives, possess many, and sometimes mix indifferently like brutes” (p. 277)
 - “Nations of herdsmen and shepherds cannot leave their cattle, which are their subsistence; neither can they separate themselves from their wives, who look after them. All this ought, then, to go together, especially as [...] their wives, their children, their flocks, may become prey of their enemies” (p. 277)

Persian Letters and The Spirit of the Laws

- If men and women are alike in all places, but their social roles differ across societies, we must resort to historical analysis: abstract theory is not sufficient
- Montesquieu was favourably accepted by Hume and Smith, who however relied much less on geography and climate
- As we will see, Hume and Smith will rather point to habits and institutions

Les économistes

the Physiocrats

- the first “school”, with a recognized leader and disciples
 - *Journal Oeconomique, Journal d'agriculture, du commerce, et des finances, Éphémérides du citoyen*
- Advocacy of *Free-trade*
- Only agriculture produces a surplus
 - Mirabeau: intrinsic to the fertility of the soil
 - Quesnay: given the technology and prices of agricultural and manufactured products
- Normative dimension:
 - French agriculture was inefficient and the object of heavy taxation and corvées
 - advocacy for a *grande culture* (higher capital intensity, efficient use of land)

Richard Cantillon (1680? – 1734)

- *Essai sur la nature du commerce en général* (1755), circulated as a manuscript and plagiarized (Gournay and Mirabeau): “precursor” of the Physiocrats
 - connection between the parts of the “body politic” due to the circulation of commodities
- ownership of land creates the three fundamental social classes
 - cities emerge from the aggregation of markets, where labourers find it profitable to reside
- hence, the overlapping of the subdivisions of society:
 - geography: countryside, village, town;
 - sectors: agriculture, manufacture, commerce;
 - social classes: landlords, farmers, workers (including traders and entrepreneurs)

Cantillon: theories of surplus

- agriculture is the crucial sector because it produces a **surplus**
- This surplus value must circulate through the economy by the expenditure of landlords
 - **Subjective theories of value** consider the single act of exchange: both parties gain a “surplus”. The seller is not a producer, quantities are given
- *Surplus (net income)* requires an **objective** theory of value
 - Distinction **riches** – **wealth** (value in use – value in exchange)
- **Costs of production** explain value, but they cannot be used to measure it: they cannot explain the *prices* of products, because they are determined as the sum of the *prices* of the means of production

Cantillon on Value

- Petty had solved the problem of circularity by employing labour and land as measures of value
 - Cantillon deems labour a renewable resource, and reduces it to its cost of production
- Land remains as the only **non-produced** means of production
 - Money is itself a produced commodity: its value is determined from the cost of production (metallist view)

François Quesnay (1694 – 1774)

- medical advisor to Mme de Pompadour
- philosopher of the Natural Law
 - *Physical Law* is “the regulated course of all physical events, which is evidently the most advantageous to mankind”
 - *Moral Law* is “the rule of every human action conforming to the physical order, evidently the most advantageous to mankind” (private property)
- Value: S&D in agriculture, production costs for manufactured products



Quesnay: the *Tableau économique* (1758-1759)

- *Tableau économique*: relations (flows of money and commodities) allowing the survival of society
 - Exchanges of consumption goods constitute a small fraction of total exchanges
 - Assumes *grande culture* and only *avances annuelles*
- Subdivision of sectors and social classes:
 - Productive class: farmers and peasants / agriculture
 - Sterile class: merchants, artisans and workers in manufacturing
 - Aristocratic class: landlords (nobility and clergy)

TABLEAU ÉCONOMIQUE.

Fournies par l'agriculture, prairies, pâtures, forêts, mines, pêche, &c. En grains, boillons, viandes, bois, bestiaux, matières premières des marchandises de main d'œuvre, &c.

Débit réciproque d'une classe de dépense à l'autre qui distribue le revenu de 600 liv. de part & d'autre, ce qui donne 300 liv. de chaque côté : outre les avances qui sont conservées. Le Propriétaire subsiste par les 600 liv. qu'il dépense. Les 300 livres distribuées à chaque classe de dépense peuvent y nourrir un homme dans l'une & dans l'autre : ainsi 600 livres de revenu peuvent faire subsister trois hommes chefs de famille. Sur ce pied 600 millions de revenu peuvent faire subsister 3 millions de familles estimées à 3 personnes, ~~ou de 2 millions~~, par famille. Les frais de la classe des dépenses productives qui renaisent aussi chaque année, & dont environ la moitié est en salaire pour le travail d'homme, ajoutent 300 millions qui peuvent faire subsister encore un million de chefs de famille à 300 liv. chacun. Ainsi ces 900 millions qui naissent annuellement des biens fonds, pourroient faire subsister 12 millions de personnes ~~dans~~ de ~~leur~~ ~~âge~~, conformément à cet ordre de circulation & de distribution des revenus annuels. Par circulation on entend ici les achats payés par le revenu, & la distribution qui partage le revenu entre les hommes par le paiement des achats de la première main, abstraction faite du commerce qui multiplie les ventes & les achats, sans multiplier les choses, & qui n'est qu'un surcroit de dépenses stériles.

DEPENSES PRODUCTIVES. **DEPENSES DU REVENU;** l'impôt prélevé, se partageant aux Dépenses productives & aux Dépenses stériles. **DEPENSES STÉRILES.**

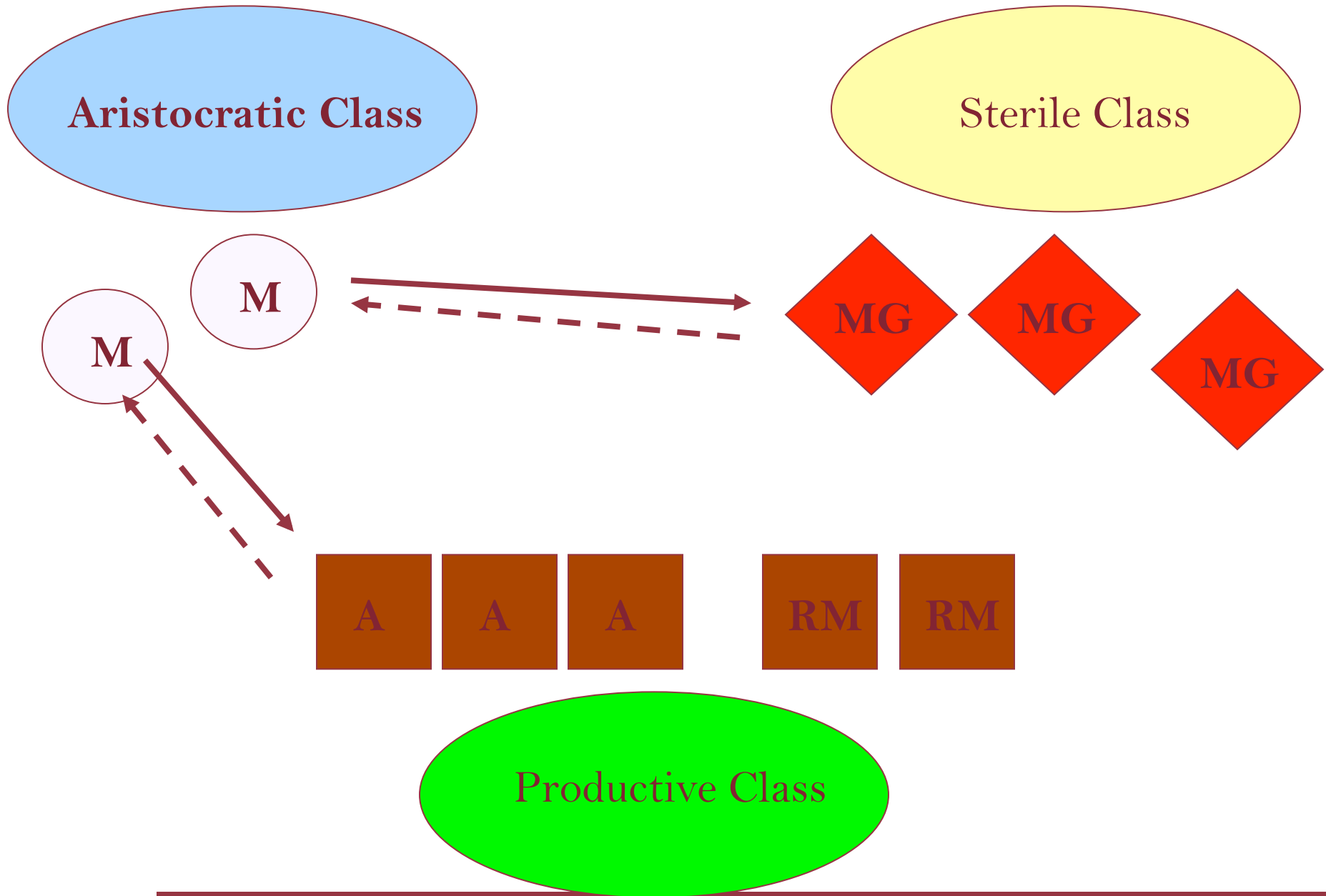
Avances annuelles.	Revenu.	Avances annuelles.
#	#	#
600 produisent.....	600	300
<i>Productions.</i>		<i>Ouvrages, &c.</i>
300 reproduisent net.....	300	300
150 reproduisent net.....	150	150
75 reproduisent net.....	75	75
37..10 reproduisent net.....	37..10	37..10
18..15 reproduisent net.....	18..15	18..15
9...7...6 reproduisent net..	9...7...6	9...7...6
4..13...9 reproduisent net..	4..13...9	4..13...9
2...6..10 reproduisent net..	2...6..10	2...6..10
1...3...5 reproduisent net..	1...3...5	1...3...5
0..11...8 reproduisent net..	0..11...8	0..11...8
0...5..10 reproduisent net..	0...5..10	0...5..10
0...2..11 reproduisent net..	0...2..11	0...2..11
0...1...5 reproduisent net...	0...1...5	0...1...5

#

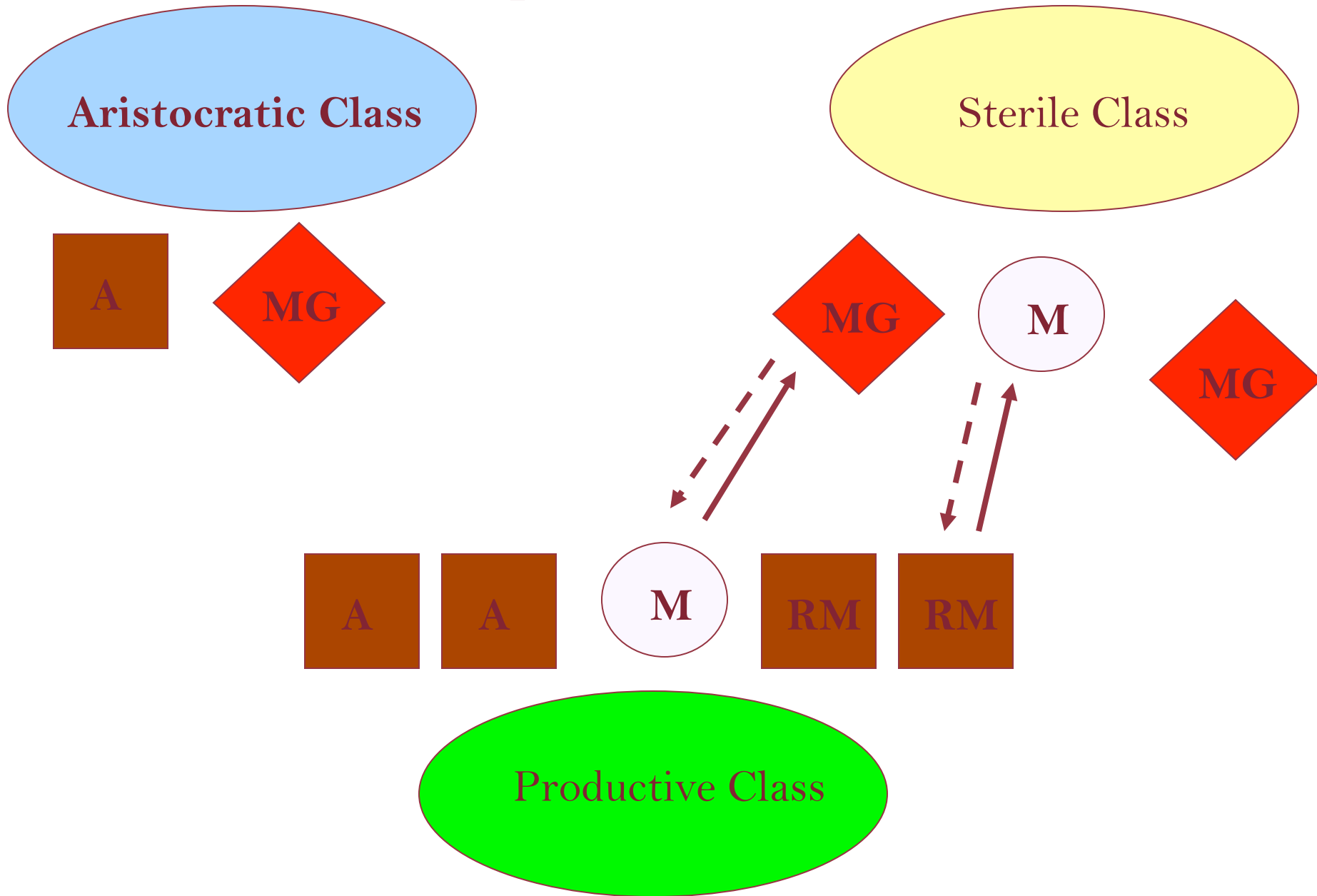
RÉPRODUIT total.....600 de revenu & les frais annuels d'agriculture de 600 livres que la Terre restitue. Ainsi la reproduction est de 1200 livres.

EN marchandises de main d'œuvre, logements, intérêts d'argent, moutures, frais de commerce, denrées étrangères. Les achats réciproques d'une classe de dépense à l'autre distribue le revenu de 600 liv. Les deux classes de dépenses sur elles-mêmes en partie réciproquement sur l'autre. La circulation port liv. à cette colonne, si il faut retirer les 300 b avances annuelles, re 300 liv. pour le salair L'impôt qui doit être porté à cette classe, e sur le revenu qui s'obtient les dépenses reproduit & vient se perdre dans la classe-ci, à la réserve de rentre dans la circulation où il renait dans le ordre que le revenu distribue de même aux classes. Mais il est to au préjudice du revenu propriétaires, ou des agriculteurs, ou de gte sur la consommation Dans les deux dernier est destructif, parce q minue d'autant la répartition; il en est de même qu'il en passe à l'étranger retour, & de ce qui arrêté par les fortunes niaires des traitans de de la perception & dépenses; car ces par l'impôt détournées oibées par l'épargne aux ses productives, ou p les avances des cultivateurs éteignent la reproduction retombent doublement perte sur les propriétaires détruisent enfin la m revenu qui fournit l' lequel ne doit porter le propriétaire, & nos dépenses reproductives il ruine le Cultivateur Propriétaire, & l'É

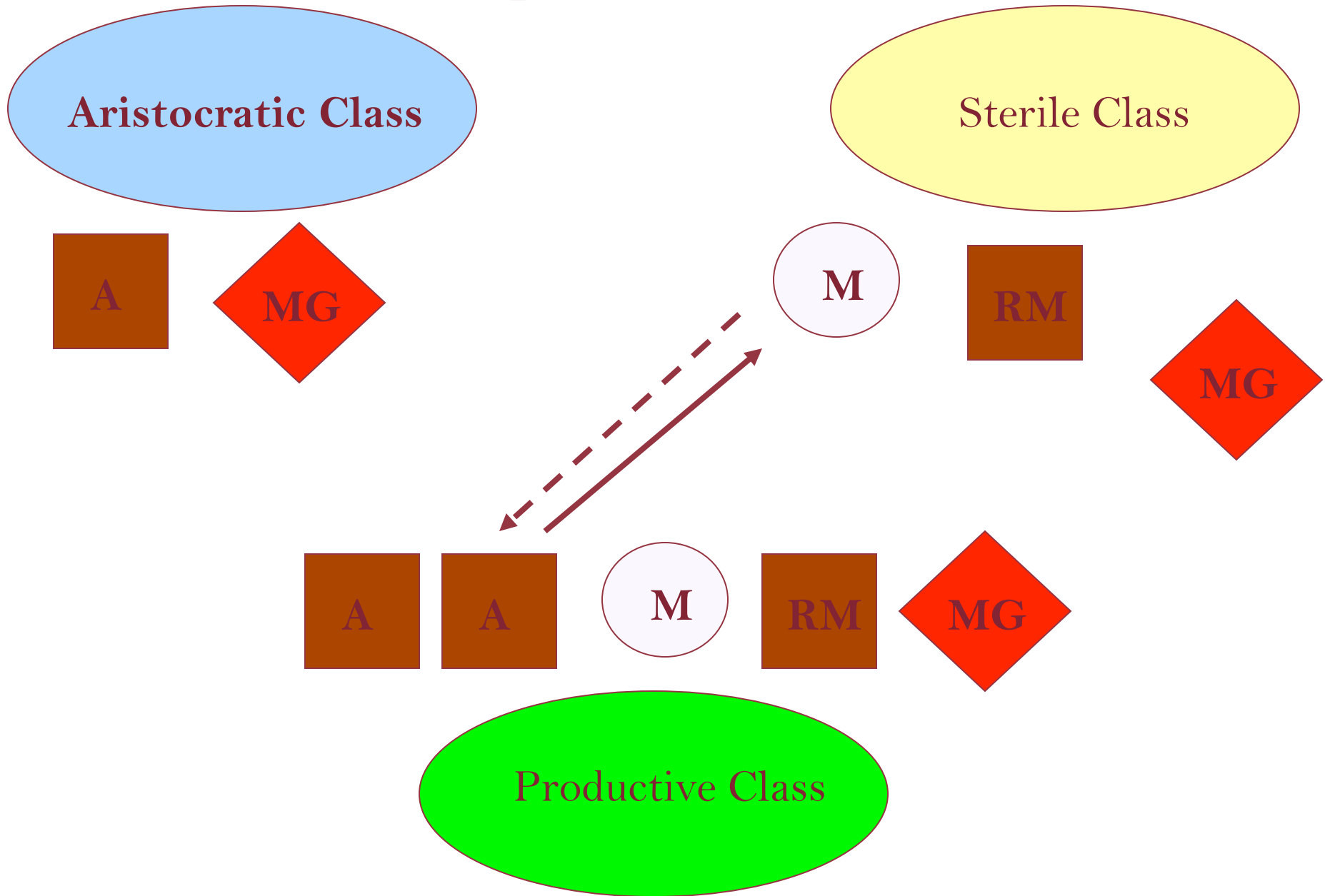
the *Tableau économique*



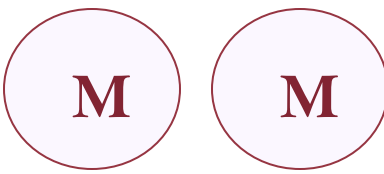
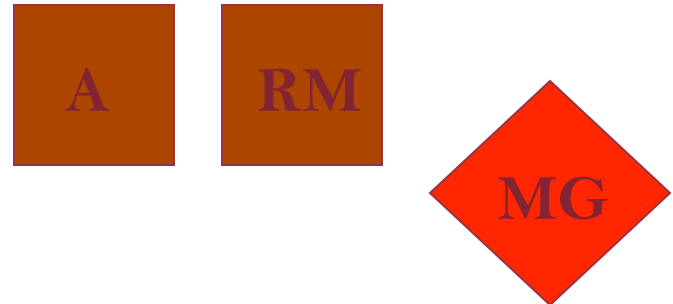
the *Tableau économique*



the *Tableau économique*



the *Tableau économique*



Cantillon (1755) on population

- Population was a relevant topic for the pamphleteers arguing for the power and greatness of a State.
 - “The number of labourers, handicraftsmen and others, who work in a State is naturally proportioned to the demand for them [...] if the Village continue in the same situation as regards employment, and derives its living from cultivating the same portion of Land, it will not increase in population in a thousand years” (p. 23)
- 2 determinants of the size of population:
 - demand for labour: “The natural and constant way of increasing Population in a State is to find employment for the People there, and to make the Land serve for the production of their Means of Support.” (p. 42)
 - and the composition of final demand: “if [...] the Prince, or the Proprietors of Land, cause the Land to be used for other purposes than the upkeep of the People: if by the Prices they offer in the Market for produce and Merchandise they determine the Farmers to employ the Land for other purposes than the Maintenance of Man [...] the People will necessarily diminish in number. Some will be forced to leave the country for lack of employment, others not seeing the necessary means of raising Children, will not marry or will only marry late” (p. 40)

Cantillon (1755) on population

- Apparently, he considers both migration and endogenous changes (births and deaths):
 - “If all the Labourers in a Village breed up several Sons [...] the surplus Adults must go to seek a livelihood elsewhere, [...] if some remain with their Fathers [...] they will live in great poverty and will not marry for lack of means to bring up children, or if they marry, the children who come will soon die of starvation with their Parents, as we see every day in France” (p. 23)
- ... but he focuses mostly on migration:
 - “when they have no work they quit the Villages, Towns or Cities where they live in such numbers that those who remain are always proportioned to the employment which suffices to maintain them; when there is a continuous increase of work there is gain to be made and enough others arrive to share in it.” (p. 25)

Cantillon (1755) on population

- There is a caveat
 - “The Women and Girls of this Village can, it is true, when they are not working in the fields, busy themselves in spinning, knitting or other work which can be sold in the Cities; but this rarely suffices to bring up the extra children, who leave the Village to seek their fortune elsewhere.” (p. 23)
- Implicit, are women’s lower wages

Cantillon (1755): the principle of population

- Cantillon anticipates Malthus' behavioural assumption:
 - “When I said that the Proprietors of Land might multiply the Population as far as the Land would support them, I assumed that most Men desire nothing better than to marry if they are set in a position to keep their Families in the same style as they are content to live themselves [...]
 - they would consider themselves to do an injustice to their Children if they brought them up to fall into a lower Class than themselves.” (p. 41)
- Because women bear children, Cantillon considers women's agency (a relatively rare approach)
 - “The reason why four Women out of six do not bear children every year is that they cannot marry because of the discouragements and difficulties in their way. A young Woman takes care not to become a Mother if she is not married; she cannot marry unless she finds a Man who is ready to run the risk of it” (p. 42)

Quesnay (1757-1758) on population

- “Hommes” (manuscript originally to be published in the *Encyclopédie*)
- Quesnay follows Cantillon in highlighting the close link between the economy and demography:
 - “Population growth entirely depends on the growth of wealth, the employment of men and the employment of wealth” (p. 38)
- He too points out both migrations and endogenous changes:
 - “Population grows in a State in proportion to the nation’s incomes, because incomes provide affluence and gains that keep and attract men; but the nation can only grow its incomes by the good employment of its men” (p. 7)
 - “Men gather and multiply wherever they may acquire wealth, live in affluence, own the riches that work and industry can provide to them” (p. 38)
- The essay provides a detailed analysis of how many men might then be employed in agriculture, and how many should:
 - “Should they be less, which is likely, women and children must stand in for them; in this case, these works are executed but very imperfectly; but still more imperfectly (they are executed) if the corvées, vexations and misery discourage the peasants” (pp. 9-10)

Quesnay (1757-1758) on wages and vice

- In the same essay Quesnay takes issue with the brutal men (*hommes féroces*) who recommend poverty to coerce the lower people to work
 - “Affluence encourages work, because men enjoy the wellbeing attached to it [...] and they fear poverty. They raise their children in the same habits of work and wellbeing [...]. Affluence never encourages idleness; this condition is too precious to loose. Besides the sweetness of domestic life, it is sustained by honour, passion and ambition: [...] these motives [...] make the lower people laborious” (p. 43-44)
- And this is also in the State’s interest, given Quesnay’s definition of value:
 - “When they are subjected to taxes, corvées and other burdens that erase the hope of being able to acquire the minimal comforts of life [...] they limit their work to the income that is strictly necessary to live [...]. Thus, they are not useful for the production or for their consumption. We must not, hence, include these men, or rather these families that fell in non-value, in the population profitable for the State.” (p. 42-43)
- Notice the very peculiar concept of value in use: “use” for the State!

British Classical Political Economists

Adam Smith (1723-1790)

Rendal (1987): Smith contributed to the demarcation of a “public” sphere of society (the market and the State) and a “private” sphere (the family)



- Pujol (1992):
 - *“It is possible to trace some of the roots of the current economic concepts and approaches to Adam Smith [...]. Among these is the tendency to pay scant attention to women’s work and to women’s place in and contribution to the capitalist economy”* (p. 16)
- Shah (2006):
 - *“Since he is generally acclaimed to be its founder, the presumption is that this lacuna had serious repercussions for the lack of recognition of women’s work in the discipline as it developed after Smith”* (p. 221)

An Inquiry Into the Nature and Causes of the Wealth of Nations (1776)

- Value in use: “utility” (*virtuositas*), is a **prerequisite** of value in exchange: “the power of purchasing other goods” (*riches vs wealth*)
 - ViU is the *source* of value. It may be “greater” or “smaller”, but it is not measurable, nor mono-dimensional
- According to Smith, ViE can be measured by the quantity of labour a commodity allows to buy (labour commanded)
 - In a society based on the division of labour, exchanges of commodities imply relationships among workers of different sectors
 - Choice is presented with philosophies of natural law, but it arises from the hp that only the value of labour does not change over time

Value and Labour

- **Necessary labour (labour embodied):**
 - “In that early and rude state of society which precedes both *the accumulation of stock and the appropriation of land* ... it is *natural* that what is usually the produce of two days or two hours labour, should be worth double of what is usually the produce of one day’s or one hour's labour” (opportunity cost)
- In a market society, this is insufficient: the owners of capital and land will demand a share of the value. Thus, the **natural price** is the value “neither more or less than what is sufficient to pay the rent of land, the wages of labour, and the profits of stock employed”
 - This can be measured by the “labour commanded”
 - Given the division of labour, the natural price is the value that allows production to be continued
 - It is proportional to the relative difficulty of production, due to competition among capitalists

(Un)productive Labour

- criticism of Quesnay:
 - the surplus does not arise in agriculture only (and it cannot be computed with reference to a single sector)
- **productive labour** reproduces the value of the capital that employs it, with a profit
- Smith associated this crucial distinction with other two:
 - Sometimes the definition was confused with the idea that productive labour produces physical goods
 - productive labour is paid out of capital (unproductive labour from income: e.g. personal servants)
 - productive labour produces **something that must be sold in the (capitalist) market**
- In any case, labour is “productive” of exchange value, hence women’s labour is not included, because it is carried out outside of the market economy

Smith on wages and women's labour

- Smith starts by noting that employers have more bargaining power
 - “there is however a certain rate below which it seems impossible to reduce, for any considerable time, the ordinary wages even of the lowest species of labour. A man must always live by his work, and his wages must at least be sufficient to maintain him. They must even upon most occasions be somewhat more; otherwise it would be impossible for him to bring up a family, and the race of such workmen could not last beyond the first generation.” (1776, pp. 69-70)
- He reports (?) on Cantillon's (1755, pp. 42-47) estimates
 - “Mr. Cantillon seems [...] to suppose that [...] the labour of the wife, on account of her necessary attendance on the children, being supposed no more than sufficient to provide for herself” (1776, p. 70)
- And concludes
 - “Thus far at least seems certain, that, in order to bring up a family, the labour of the husband and wife together must, even in the lowest species of common labour, be able to earn something more than what is precisely necessary for their own maintenance; but in what proportion [...] I shall not take upon me to determine.” (1776, p. 70)

Smith on population

- According to Smith, high wages are the drivers of population growth
 - “The liberal reward of labour, therefore, as it is the effect of increasing wealth, so it is the cause of increasing population. To complain of it, is to lament over the necessary effect and cause of the greatest public prosperity.” (1776, p. 83)
- In Smith’s view, poverty does not prevent marriages and births:
 - “Poverty, though it no doubt discourages, does not always prevent marriage. It seems even to be favourable to generation. [...] Luxury in the fair sex, while it inflames perhaps the passion for enjoyment, seems always to weaken, and frequently to destroy altogether, the powers of generation.” (1776, pp. 80-81)
- However, poverty impacts on child mortality:
 - “Every species of animals naturally multiplies in proportion to means of their subsistence, and no species can ever multiply beyond it. But in civilized society it is only among the inferior ranks of people that the scantiness of subsistence can set limits to the further multiplication of the human species; and it can do so in no other way than by destroying a great part of the children which their fruitful marriages produce. The liberal reward of labour, by enabling them to provide better for while the liberal reward of labour encourages it, their children, and consequently to bring up a greater number, naturally tends to widen and extend those limits.” (1776, p. 81)

The *Lectures in Jurisprudence*

- Smith considers the role of women in relation to family law
 - “The head of a family is the person on whom the others are all naturally in a great measure dependent for their support and defence” (p. 176)
 - “When a man takes a wife she comes to be altogether under his protection; she owes her safety and maintenance [...] intirely to her husband, and from this dependence it is that she is thought to be bound to be faithful and constant to him. [...] a female slave who cohabits with the male one has no such obligation” (p. 178)
- He points to a passage by David Hume:
 - “As marriage is an engagement entered into by mutual consent, and has for its end the propagation of the species, it is evident, that it must be susceptible of all the variety of conditions [...] and as the terms of his engagement, as well as the methods of subsisting his offspring, may be various, it is mere superstition to imagine, that marriage can be entirely uniform, and will admit only of one mode or form.” (pp. 231-232)
- However, Hume did not develop this argument much more
 - Smith draws from Turgot and Rousseau

The historical method

- Smith develops a theory along the same four stages proposed by Montesquieu, clarifying that stages are defined by the means through which a society produces the material requirements of life
 - Differently from Montesquieu, Smith does not seem to assume lower mental capacity on the side of women
- At earlier stages, women’s biology put them at a disadvantage, but as technology progresses lower bodily strength is increasingly less relevant
 - Will there be an end to men’s supremacy?
- According to Smith there are 4 sources of authority, which have variable relevance in the different stages of society:
 1. Age and the wisdom that it “generally” brings;
 2. Bodily strength;
 3. “Superior fortune”;
 4. “Superior antiquity” (“an old family excites no such jealousy as an upstart does”)

Stages of development

- 1. hunting:** women's lower physical strength implies that they could not match men as hunters and warriors, the primary sources of authority
- 2. pasture:** accumulation of capital (cattle) becomes possible => wealth the main source of power. Men gain public power, which they use "to curb the women as much as possible"
 - "the people would not submit themselves in that manner. The government therefore would find it necessary to take advantage of the superiority and authority of certain persons who were respected in the country and put the judicial power into their hands" (p. 187)
 - "That some sort of government [...] strengthened the authority of the father of the family, and gave him the power over his whole family as he thought proper [...] which was not much less than supreme" (p. 143-144)

Stages of development

3. **agriculture:** (early Greece and Rome, Western Europe after the collapse of the Roman Empire)

- small manufacturing sector implies scarcity of commodities to consume. Hence the surplus is used to control other people, also due to low opportunity for technical progress
- An important non-economic trend is the Catholic Church's power: "this rendering divorces not easily obtainable gave the wife a more respectable character, rendering her in a great measure independent on the husband for her support. She was accordingly considered as a considerable member of the family" (p. 47)

4. **commerce:** men's willingness to go to war falls. Moreover, women can inherit wealth:

- "the women [...] came to have large fortunes which they could confer on their husbands; they could not submit, nor would the friends allow it, to the subjection that attended the old form of marriage" (p. 66)
- A trend started among the higher classes, then imitated by the lower strata



Political and economic liberalism in Smith

- First readers did not see a distinction
 - critical of both feudal/absolutist institutions and capitalist concentrations of power (monopolies), Smith was considered as a progressive thinker (or a dangerous subversive)
 - Condorcet: optimism on the perfectibility of human being and society, by virtue of the application of reason
 - M. Wollstonecraft: “A vindication of the rights of women”
- Political liberalism:
 - Everyone is the best judge of his/her interests
 - Optimism on the human nature, granting an orderly society under sound institutions
 - Scepticism on the unlimited possibilities of Reason and on the true motivations of rulers

the French Revolution and Terror

- diffidence in Britain leads to radicalization
 - Conservative reinterpretation of Smith: economic liberalism as absolute liberty for the entrepreneurial class
 - Book IV: “the interest of the dealers ... is always in some respect different from, and even opposite to, that of the publick. [...] the proposal of any new law or regulation of commerce which comes from this order... comes from an order of men ... who have generally an interest to deceive and even to oppress the publick”
 - “No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable”
- Necker: the misery of the poor is a fact of nature, overpopulation will come to an end with sufferings and mortality (when population exceeds subsistence)
 - Vs. Condorcet: social problems stem from human institutions (reformism in broad sense)

The Poor Laws

- 1601: a tax administered locally
 - choice between **outdoor relief** (distribution of means of subsistence) and **indoor relief** (obligation to reside in workhouses)
 - The burden of local poor is on local taxpayers: they wanted to push the poor to emigrate
- Some authors claimed that income support was useless or even counterproductive
 - Defoe, Mandeville: it is an incentive to idleness
 - Senior: it reduces the incentives to work, hence efficiency, hence production and wages
- In 1772 migration of the poor is prohibited, indoor relief

Reverend Thomas Robert Malthus

- Frequent correspondence with David Ricardo
- Developed the theory of differential rent
- Inspired Charles Darwin
- Pujol (1992): “Malthus manages to consider women as mechanical reproducers” (p. 23)



An Essay on the Principle of Population (1798)

- “It is an obvious truth [...] that population must always be kept down to the level of the means of subsistence [...] which forms] the strongest obstacle in the way to any very great future improvement of society”
- “the power of population is indefinitely greater than the power in the earth to produce subsistence for man. Population, when unchecked, increases in a geometrical ratio. Subsistence increases only in an arithmetical ratio” (p. 5)
 - The population series is estimated on the basis of chronicles from the colonies (especially America, where the check is considered to be looser) and earlier statistical attempts by Euler and Petty: population doubles itself every 25 years
 - For food: “Let us suppose that the yearly additions which might be made to the former average produce, instead of decreasing, which they certainly would do, were to remain the same [...]. The most enthusiastic speculator cannot suppose a greater increase than this.” (p. 16)
 - “the human species would increase as the numbers, 1, 2, 4, 8, 16, 32, 64, 128, 256, and subsistence as 1, 2, 3, 4, 5, 6, 7, 8, 9.”

The main consequences

- The ultimate check is lack of food. But this is the immediate check only exceptionally, in cases of famine. The immediate checks are “customs and diseases” that reduce population
- The **preventive checks** are all means to prevent new births (Senior: “reduce fecundity”). They constitute either **vice** (e.g. contraception, abortion) or **unhappiness**, because “Whether the law of marriage be instituted, or not, the dictate of nature and virtue seems to be an early attachment to one woman” (p. 14)
- The **positive checks** are epidemics caused by **poverty** and misery (Senior: “reduce longevity”): e.g. in advanced economies population growth generates increases in food prices (reductions of wages), leading to lower birth rates and higher mortality rates

Implications of the principle

- **Iron law of wages:** in the long-run, wages necessarily oscillate around the (social) minimum of existence
- **Uselessness** of any attempt to improve the conditions of the poor
 - A rise in living standards would inevitably be followed by population growth, hence a reduction of real wages
- “conclusive” against the perfectibility of mankind
 - “the truth is, that though human institutions appear to be, and indeed often are, the obvious and obtrusive causes of much mischief to society, they are, in reality, light and superficial, in comparison with those deeper-seated causes of evil, which result from the laws of nature and the passions of mankind.” (B2, p. 13)
- irrationality of (wo)men calls for (men’s) control.
 - “The irremediableness to marriage, as it is at present constituted, undoubtedly deters many from entering into this state.” (B2, p. 14)

Pervasiveness of the consequences

- The necessity to increase food supplies makes private property unavoidable. Malthus imagines an utopian society to be realised. Even there,
 - “some of the principal laws, which at present govern civilized society, would be successively dictated by the most imperious necessity [...]. that imperious necessity seemed to dictate that a yearly increase of produce should, if possible, be obtained at all events; that in order to effect this first great and indispensable purpose, it would be advisable to make a more complete division of land, and to secure every man’s property against violation by the most powerful sanctions.” (B2, p. 17)
- In turn, this produces (unavoidable) inequality:
 - “as the fertility of the land increased, and various accidents occurred, the shares of some men might be much more than sufficient for their support; and that when the reign of self-love was once established, they would not distribute their surplus produce without some compensation in return.”

Necessity of capitalism

- The nuclear family too, is necessary:
 - “the most natural and obvious check seemed to be, to make every man provide for his own children [...] The institution of marriage, or at least of some express or implied obligation on every man to support his own children, seems to be the natural result of these reasonings in a community under the difficulties that we have supposed.”
- Therefore, the current capitalist system is necessary and unavoidable:
 - “When these two fundamental laws of society, the security of property, and the institution of marriage, were once established, inequality of conditions must necessarily follow. [...] And thus it appears that [even] a society constituted according to the most beautiful form that imagination can conceive [...] would, from the inevitable laws of nature, and not from any fault in human institutions, degenerate in a very short period into a society constructed upon a plan not essentially different from that which prevails in every known state at present; a society, divided into a class of proprietors and a class of labourers, and with self-love for the main-spring of the great machine.” (pp. 18-19)

The principle of population and poverty

- Positive checks are “confined chiefly, though perhaps not solely, to the lowest orders of society” (e.g. child mortality)
- The Poor Laws worsen the condition of the poor in two ways:
 - They remove or loosen the fear of destitution and thus the preventive check to population (“They may be said therefore in some measure to create the poor which they maintain”), besides lowering the incentives to work and save
 - They transfer resources to “a part of society that cannot in general be considered as the most valuable [...] and] reduce the share that would otherwise belong to more industrious and worthy members”
- Poverty (and fear thereof) necessary to induce virtue:
 - “the labour necessary to procure subsistence for an extended population will not be performed without the goad of necessity. If [...] this spur to industry be removed; if the idle and negligent be placed upon the same footing with regard to their credit and the future support of their wives and families, as the active and industrious; can we expect to see men exert that animated activity in bettering their condition, which now forms the master-spring of public prosperity?”

the Dismal Science

- The problem is not new, but had been given other solutions:
 - “M. Condorcet, however, goes on to say, that should the period which he conceives to be so distant, ever arrive, the human race, and the advocates of the perfectibility of man, need not be alarmed at it. He then proceeds to remove the difficulty in a manner which I profess not to understand. Having observed that the ridiculous prejudices of superstition would by that time have ceased to throw over morals a corrupt and degrading austerity, he alludes either to a **promiscuous concubinage**, which would prevent breeding, or to **something else as unnatural**. To remove the difficulty in this way will surely, in the opinion of most men, be to destroy that virtue and purity of manners, which the advocates of equality and of the perfectibility of man profess to be the end and object of their views.” (book 2, p. 7)
- Malthus’ approach has theoretical and empirical problems:
 - Schumpeter (1954): the two laws are not independent
 - Condorcet-Engels: science will proceed at least as quickly as population (second agricultural revolution)
 - Thompson: birth rates depend on the socioeconomic status and educational attainment of women

William Nassau Senior

- In his *Two Lectures on Population* (1831), and in correspondence with Malthus, he compares “savage” and “civilized” nations, and objects to the principle of population:
 1. That the current objective of agriculture is not to maximise output but profit
 2. That increases in “the productive powers of labour” allow more people to enjoy comforts
 3. That the desire to better one’s condition makes the preventive check very efficient, especially as incomes and education grow



Malthus replies

- The issue is historical (empirical):
 - “In no old country that I have yet heard of, have the wages of labour, so determined, been for any length of time such as to maintain with ease the largest families [...] Would history, in short, have been at all what it is?” (p. 65-66)
 - Cf. with “the laws of nature”, “the most imperious necessity”, “the natural result”, “the inevitable laws of nature, and not [...] any fault in human institutions” mentioned above
- Individual behaviour is the ultimate determinant of welfare:
 - “if in any country means of doubling the quantity of food were suddenly discovered, population would increase with extraordinary rapidity, so as to overtake, or nearly to overtake, the food; and [...] the permanent condition of the labouring classes would not depend upon such discovery, but exclusively on the question of the final increase of moral restraint, or the moral condition of the population” (p. 84)
 - **Senior:** “We agree [...] in believing [...] that the rate at which capital can be made to increase faster than population, or, in other words, the rate at which social improvement can proceed, principally depends upon the amount of that exertion and self-denial.” (p. 59)

Jean-Baptiste Say (1767-1832)



- Like Malthus, Say held a supply & demand theory of market prices
 - He linked demand to the utility of a good or service
 - Say identified productive labour with all the labour generating utility (not only physical goods)
 - Land, Capital and Labour all necessary requirements for production: “factors” of production on the same footing
- Say, supporting Smith’s views and against the Physiocrats, held that **supply creates its own demand (“Say’s Law”)**
 - production growth implies growth of purchasing power. It will be fully used, out of the desire to improve one’s living standards: growth of aggregate supply equals growth of aggregate demand
 - **Say’s identity:** aggregate demand necessarily equals aggregate supply (and it is determined by the latter)

Say on gender and the family

- *Olbie* (1800), an essay for a contest on “What are the means of transforming the morals of a nation?” – an imaginary nation that has just survived a revolution:
 - “Good principles of political economy having spread a little comfort in that [working] class, the women were no longer forced by indigence to share with men those difficult and disgusting occupations [...] they were able to give their time and their effort to the care of the households and their families [...] and they lost those masculine aspects which, in their sex, are something hideous” (p. 48)
 - “They are neither women or men those beings [...] who amidst the population of our cities, push ahead of men, either to insult them or to lead them by the hand. This is a third sex” (p. 48)
- Say is aware that some (“poor”) women may lack a husband to sustain them, e.g. widows. He proposes the establishment of a State-financed community where they could work as teachers and carers.
 - However, if they met with a man without the testimony of at least two “sisters”, they would be banished

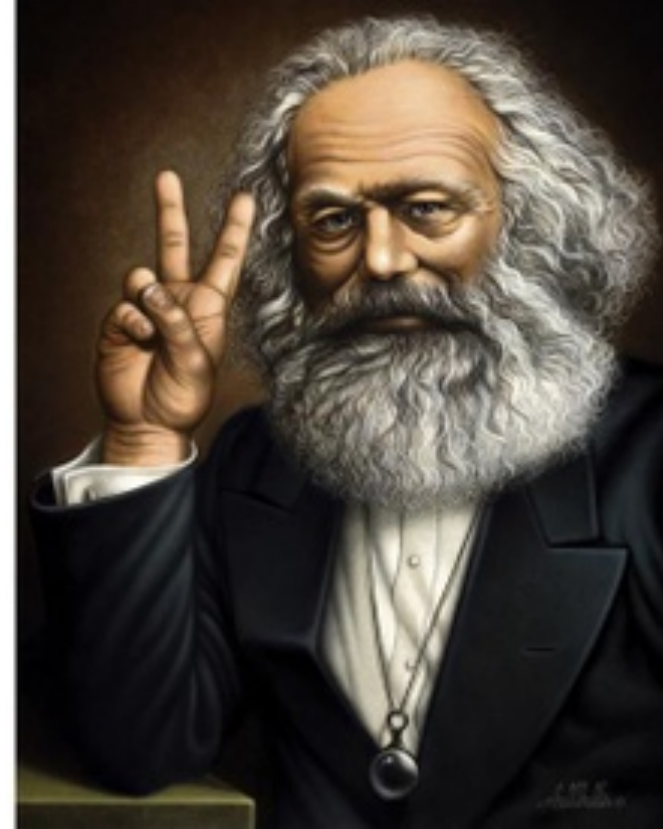
Say: Family = firm?

- In the *Cours complet* (), Say highlights that the division of labour is beneficial in a de-centered economy:
 - “In the State [...] the ideas that procure the support of the social body, the capital, the direction, are found among the governed. It is here that the thought and action rest; it is there that the laws of nature are studied and productive enterprises are born” (p. 561)
- However, families (and firms) do not benefit from decentralisation:
 - “In the family, all the means of subsistence come from the father; it is in his head that all useful thoughts are born; it is he that procures capital; it is he that works and directs the work of his children, who raises them” (p. 561)



Karl Marx (1818-1883)

“the history of all hitherto existing society is the history of class struggles”



“the communists openly declare that their ends can be attained only by the forcible overthrow of all existing social conditions.... The proletarians have nothing to lose but their chains. They have a world to win.”

Alienation

- The development from feudalism to capitalism implies a **primitive accumulation**
 - During this process, an organization of production based on the market and the private property of production emerges, together with a social class of free workers deprived of any means of production
- Tools, product, and the labour process appear to workers as extraneous entities, detached from them
 - (1) workers do not own the means of production, (2) they do not own the final product, (3) they do not control the organization of production
- As a consequence, labour is perceived as a necessary (and unpleasant) means to an end (survival)
 - Work is not voluntary, for its own sake (self-fulfilment): “it is not his own work, but work for someone else”
 - Forced labour: work is imposed by the condition of poverty (it is the only possible source of income for the proletarians)

Commodity Fetishism

- Fetishism is the belief that an object has a value or a power
- In the capitalist system, trade of products and means of production takes place in the market
 - the exchange of commodities becomes necessary for the reproduction of the system and for the survival of individuals
 - Ownership of exchange values, and not collaboration, becomes the end of individuals
 - Workers become a commodity as well, through the abstraction of labour power
- “a definite social relation between human beings ... in their eyes has here assumed the semblance of a relation between things”

the Critique of Socialism

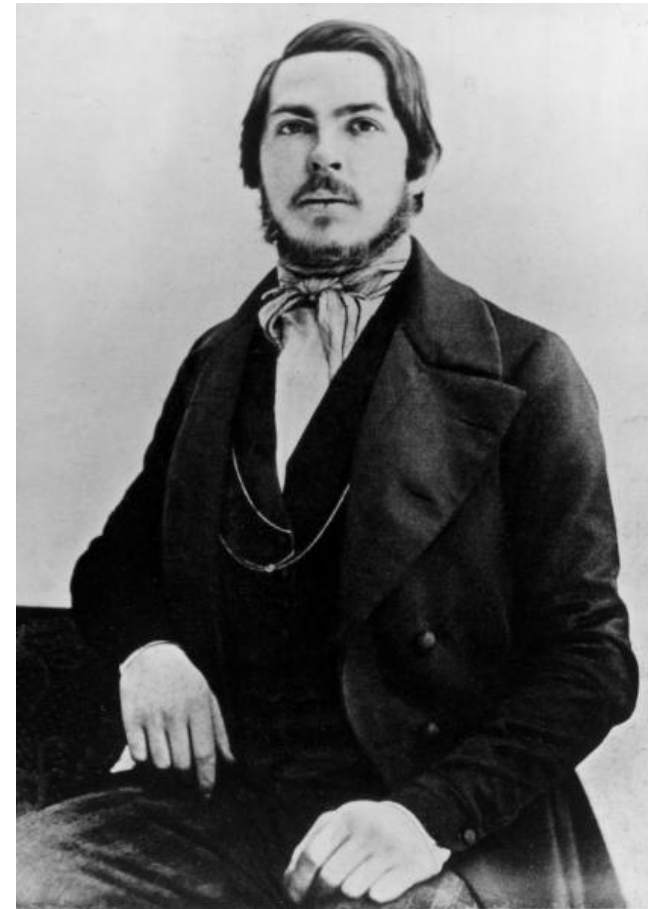
- According to the labour-theory of value, the price equals the labour directly and indirectly necessary to produce the commodity (Ricardo)
- In a free market, commutative justice holds: since exchanges are voluntary, the values exchanged are equal
- “Scientific socialism” recognizes that this value is fair, and there is no “theft” in the exchange
 - Exploitation of the working class takes place not in the circulation sphere, but in the production sphere
- It is necessary to distinguish: **Labour Power**, the potential to exercise a productive activity; and **Labour**: the exercise of an actual activity
 - Workers sell their *labour power* on the market, but capitalists employ workers’ *labour*

Exploitation

- The person who acquires the commodity is entitled to enjoy its value in use Thus, the capitalist can use labour's capacity to produce a surplus
- The working day can be divided into
 - **Necessary labour**, required to produce the means of subsistence of the workers (and the means of production)
 - **Surplus labour**, the rest.
- The product of surplus labour accrues to the capitalist
 - Profit corresponds to *unpaid labour*, hence it is the consequence of *exploitation*
 - Capitalists try increase their surplus value, by extending the working time (absolute s.v.) or by reducing the necessary labour time (relative s.v.)
 - Capital, the private ownership of means of production, is a social relation of production
- Apparently, Marx confines his attention to the market sphere, but various references to women's condition in *Capital*

Friedrich Engels (1820-1895)

- After Marx's death, Engels worked on Marx's comments of *Ancient Society* (by Lewis Henry Morgan, 1877) and wrote *The Origin of the Family, Private Property and the State* (1884)
- Engels begins by reviewing the nascent field of anthropology
 - from ethnographic studies of indigenous people in Asia, Africa and America, European tried to understand (infer) their past: “social fossils”
- Under capitalism women are oppressed by men; under socialism there will be equality
 - “The first class opposition that appears in history coincides with the development of the antagonism between man and woman in monogamous marriage, and the first class oppression coincides with that of the female sex by the male.” (ch 2, IV)



Bachofen (1861) *Mutterrecht*

1. Originally man lived in a state of sexual promiscuity, to describe which Bachofen uses the mistaken term “hetaerism”;
2. Such promiscuity excludes any certainty of paternity, and descent could therefore be reckoned only in the female line;
3. Thus women, as mothers, held a position of such high respect and honor that it became the foundation of a regular rule of women (gynaecocracy);
4. The transition to monogamy, where the woman belonged to one man exclusively, involved a violation of a primitive religious law => the woman had to surrender herself for a limited period.

Historical Materialism

- The sum of the **relations of production** (between people) constitutes the economic structure of society. This is the real foundation, on which rise legal and political **superstructures**, and to which correspond definite forms of social consciousness
 - Relation between structure and superstructure is similar to Hegel's *dialectical* method: thesis – antithesis – synthesis
 - Production relations are static –conservative– while the forces of production (developments of DL and technology) change –progress–
- Engels (1884) (re)defines it so:
 - “the determining factor in history is, in the final instance, the production and reproduction of the immediate essentials of life. This, again, is of a twofold character. On the one side, the production of the means of existence [...]; on the other side, the production of human beings themselves [...]. The social organization under which the people of a particular historical epoch and a particular country live is determined by both kinds of production: by the stage of development of labor on the one hand and of the family on the other.” (p. 1)

Epochs of human history

- There are three epochs of human society: savagery, barbarism and civilization; defined by the means of provisioning
 - “The development of the family takes a parallel course, but here the periods have not such striking marks of differentiation.” (ch. 1)
- 1. During the stages of lower, middle and upper savagery, men develop respectively speech, fishery and cooking, and hunting
- 2. Barbarism is defined by the domestication of animals and cultivation of plants (horticulture)
- 3. Barbarism ends with the discovery of smelting of the iron ore, and consequently the plough, “which made large-scale agriculture, the cultivation of fields, possible, and thus created a practically unrestricted food supply in comparison with previous conditions”



Savagery

- Following popular opinion, Engels believes that hunting was the major (thought not the only) source of food at this stage:
 - “The division of labor is purely primitive, between the sexes only. The man fights in the wars, goes hunting and fishing, procures the raw materials of food and the tools necessary for doing so. The woman looks after the house and the preparation of food and clothing, cooks, weaves, sews. They are each master in their own sphere: the man in the forest, the woman in the house. Each is owner of the instruments which he or she makes and uses [...]. Here therefore, and here alone, there still exists in actual fact that ‘property created by the owner’s labor’ which in civilized society is an ideal fiction of the jurists and economists” (ch. 9)
- At this stage, men and women would live in large communities, characterized by various forms of group marriage

The consanguine family

- Ethnographic research highlights complicated kinship relations among American Indians, Hawaiians, and Pacific tribes
 - Sex is not totally free, as it seemed to the first explorers, but it was obviously allowed within a large circle
 - Comparing tribes at different stages of development, Morgan (1877) developed the theory that marriage underwent a process of gradual restriction of the number of people involved, up to the couple
- Of a presumed stage of sexual freedom, we have no information. The first documented form is “consanguine family” in which a tribe is only divided into generations: within a generation, all are brothers and sisters and husband and wives
 - Thus, the first prohibitions restrict sexual intercourse between parents (mothers) and children

The gens

- At some point, brothers and sisters must have been excluded from marriage
 - This exclusion “affords, says Morgan, ‘a good illustration of the operation of the principle of natural selection’. There can be no question that the tribes among whom inbreeding was restricted by this advance were bound to develop more quickly and more fully than those among whom marriage between brothers and sisters remained the rule and the law” (ch. 2)
- And impacts on the way of living:
 - “The practice of living together in a primitive communistic household, which prevailed without exception till late in the middle stage of barbarism, set a limit [...] to the maximum size of the family community. As soon as the conception arose that sexual intercourse between children of the same mother was wrong, it was bound to exert its influence when the old households split up and new ones were founded [...]. One or more lines of sisters would form the nucleus of the one household and their own brothers the nucleus of the other”

Women's position during savagery

- “The communistic household, in which most or all of the women belong to one and the same gens, while the men come from various gentes, is the material foundation of **that supremacy of the women** which was general in primitive times, and which it is Bachofen's third great merit to have discovered. The reports of travelers and missionaries, I may add, to the effect that women among savages and barbarians are overburdened with work in no way contradict what has been said. **The division of labor between the two sexes is determined by quite other causes than by the position of woman in society.** Among peoples where the women have to work far harder than we think suitable, there is often much more real respect for women than among our Europeans.”

Barbarism

- With the ability to domesticate cattle and cultivate land, a surplus emerge, and the possibility to exchange commodities
 - It now became profitable to employ people => slavery (provided by war)
- This is the origin of women's oppression:
 - “To procure the necessities of life had always been the business of the man; he produced and owned the means of doing so. [...] To him, therefore, belonged the cattle, and to him the commodities and the slaves received in exchange for cattle. All the surplus [...] fell to the man; the woman shared in its enjoyment, but had no part in its ownership.” (ch. 9)
- Men's power allows them to increasingly restrict women's sexual promiscuity, in order to make paternity certain:
 - “In proportion as wealth increased, it made the man's position in the family more important than the woman's, and on the other hand created an impulse to exploit this strengthened position in order to overthrow, in favor of his children, the traditional order of inheritance. This, however, was impossible so long as descent was reckoned according to mother-right. Mother-right, therefore, had to be overthrown, and overthrown it was”

The pairing family and the monogamous family

- The increase in the number of prohibitions must have made group marriage impossible. Natural selection ensures that “Tribes with gentile constitution were thus bound to gain supremacy over more backward tribes, or else to carry them along by their example.”
- Marriage becomes primarily an economic matter
 - “In the beginning, people were already born married –married to an entire group of the opposite sex. [...] In the pairing marriage it was customary for the mothers to settle the marriages of their children; here, too, the decisive considerations are the new ties of kinship, which are to give the young pair a stronger position in the gens and tribe. And when, with the preponderance of private over communal property and the interest in its bequeathal, father-right and monogamy gained supremacy, the dependence of marriages on economic considerations became complete.”
- Hence, the transition to the monogamous family takes place when for women in particular it becomes increasingly difficult to dissolve marriage.

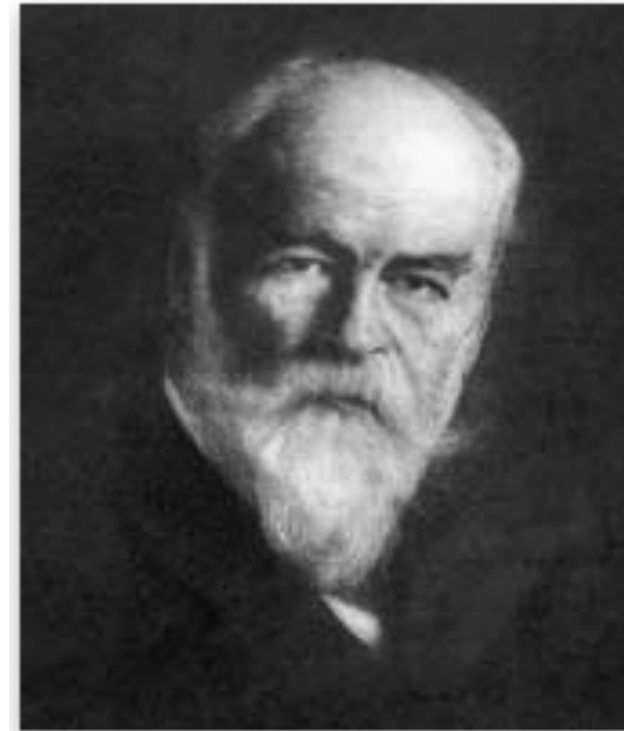
Within the family he is the bourgeois and she is the proletariat

- Women's oppression is due to structural factors:
 - “The same cause which had ensured to the woman her previous supremacy in the house – that her activity was confined to domestic labor – [...] now ensured the man's supremacy in the house: the domestic labor of the woman no longer counted beside the acquisition of the necessities of life by the man [...]. We can already see from this that to emancipate woman and make her the equal of the man is and remains an impossibility so long as the woman is shut out from social productive labor and restricted to private domestic labor.”
- Full freedom to marry, and equality of the sexes, will only be possible when marriage will no longer be regulated by property relations, i.e. under socialism
 - “by transforming by far the greater portion, at any rate, of permanent, heritable wealth – the means of production – into social property, the coming social revolution will reduce to a minimum all this anxiety about bequeathing and inheriting. [...] But what will there be new? That will be answered when a new generation has grown up”



Gustav von Schmoller

- leader of the Young German Historical School (GHS)
 - Pearson-Caldwell: “GHS”?
 - Schefold: one of the major organizers of research
- usually remembered for the *Methodenstreit*
 - primary interest not methodological
 - not strictly inductivist
- Historical method
 - theoretical relativism
 - evolutionism
- Stages
 - *ad hoc* vs. actual; *a priori* vs ex post; single vs. multi-criteria



Schmoller on the Division of Labour

- Schmoller takes on Say's position, to distinguish two sorts of DL:
 - a market-based DL: decentralised, emerging from the exchanges. Origin is the profit motive, condition is economic freedom
 - *Herrschaftliche*: “the natural systematic and unitarily directed division of labour” develops within firms, families, the public administration
- Thus, social roles depend on both the economic structure and power relations
- He conceives of the history of western societies as a process of gradual substitution of relations based on crude violence with relations based on social, political and economic power.
 - economic factors, and the division of labour in particular, tend to prevail in their explanation. However, Spiritual factors are relevant in legitimising and providing durability to the material developments
- stages of economic development: *Ancient times, Feudalism, Mercantilism, Phases of Capitalism*

Schmoller's contribution on gender

- Schmoller follows the evolutionary perspective initiated by Smith/Montesquieu. He defines a series of stages, deriving gender relations from the previous social development
 - however, reference to natural differences remain, when dealing with policy proposals
- He also trace back the current lower social position of women to a previous state of dependence and lack of power
- He conceives of the history of western societies as a process of gradual substitution of relations based on crude violence with relations based on social, political and economic power.
 - economic factors, and the division of labour in particular, tend to prevail in their explanation. However, Spiritual factors are relevant in legitimising and providing durability to the material developments

Schmoller's stages (1-2)

1. at the beginning of human history, women must have enjoyed a greater social prominence, because their parental linkage to the new generation was immediately recognised (*Mutterrecht*)
 - however, *Eigenwirtschaft* must have implied a DL, thus likely men's power over women due to their greater physical strength: matrilocality rather than matriarchy
2. Eventually, men must have taken over, due to DL and exogamy (*Vaterrecht*)
 - large kinships emerge as productive units and living arrangements, regulated by the authority of men
 - the *Herrschaftliche* DL within each kinship is a technological/organisational requirement
 - an exchange economy slowly develops only between kinships, not yet DL

Schmoller's stages (3)

3. gradually the parcelisation and specialisation of tasks (esp. among slaves) allows for the outsourcing of many economic activities, which start being carried on for “the market”
 - Thus, a market economy emerges as a process of gradual narrowing of the boundaries of the original extended family
- Men's control over women's, children's and serfs' labour allows them to devote time and resources to activities outside of the household
 - “The division of labour between men and women does not take place within the family, but between the family economy and the other social organisations”
- The emergence of a “private” sphere of life (i.e. autonomous productive units) and a “public” sphere are manifestations of a same process of sexual and social division of labour (“one needs the other”)

Schmoller's stages (4)

4. Gradually, the reduction of the number of activities carried out by the family and the reduction of its dimension allow for a less strictly hierarchical organisation
 - Women's position in the nuclear family improves
 - Women have more time to devote to higher occupations (“domestic arts”) and deserve men's respect
 - the Spirit and the Law follow this new trend
 - The family economy loses domains of production, but it remains auxiliary and necessary to the market economy
- However, Schmoller sees the risk of a final separation between the two spheres, if commodification becomes complete, in pursuit of profit and economies of scale
- Yet, he deems this process unlikely, due to low substitutability btw market and family production (care, emotional content, ...)

Concluding remarks: gender

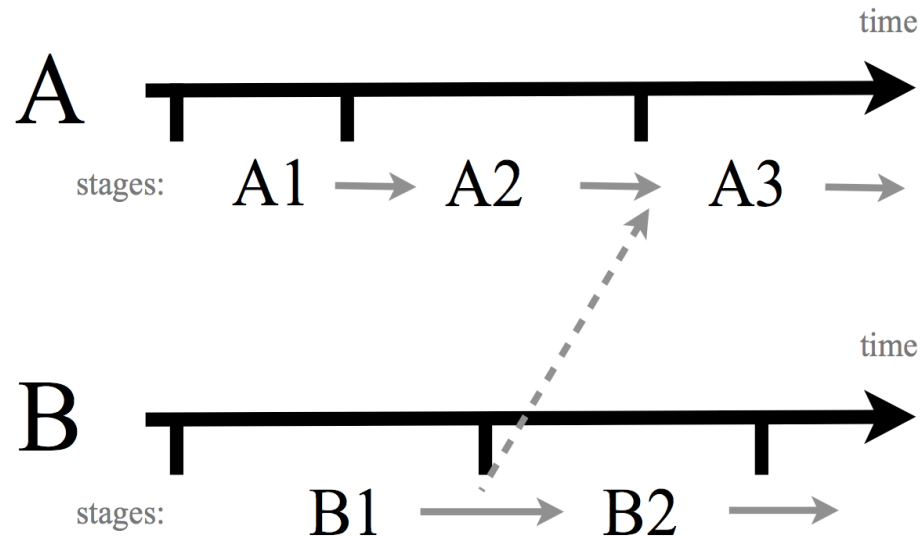
- Gender is a crucial economic category
 - Crucial economic concepts are at stake, such as institutions, individual and collective behaviour, societal capacity to reproduce itself, the division of labour
 - gender differences arise from the DL: origin of Women's lower status is not only inherited dependency, but to a necessity of hierarchical coordination within productive units
 - however, ambiguous on the role of innate (sexual) differences: “the wrong ideal of equality between men and women [...] forgets to show how can we make it, to have the functions of giving birth or bear arms to be undertaken by a man and a woman, respectively”
- Households' economic role fundamentally intertwined with capitalist development
 - “The whole local distribution of living quarters, of working places, of schools, etc., the whole distribution of timings, all the regulations that firms and the other organisations set up for themselves, should be properly coordinated, they should form a harmonic whole, if we want society to flourish, and that firms and families do not suffer from it”

Remarks on Schmoller's treatment

- Schmoller places the study of households' economic role at the centre of economic analysis, and that is the reason for handling the Frauenfrage as a legitimate economic issue
 - His policy proposals are aimed not only at facilitating women's conciliation, in case they cannot avoid working, but also at increasing men's and children's participation in the family life. They extend to time and urban space management
- Ultimately, gender differences arise from the DL
 - Schmoller locates the origin of Women's lower status not only to inherited dependency, but to a necessity of hierarchical co-ordination within productive units

Concluding remarks: method

- The theory of stages (*Mutterrecht, Vaterrecht, Extended Family - Emergence of trade, Nuclear Family - Capitalism*) is different from the stages of economic development (*Ancient times, Feudalism, Mercantilism, Phases of Capitalism*)



questions, comments, ...?

carlo.dippoliti@uniroma1.it



This presentation is being distributed under a Creative Commons Attribution-NonCommercial 4.0 International License. It can be used for non-commercial purposes, provided the source www.carlodippoliti.eu is mentioned. Please comment and help me improve it!