

Columbia University

From the Selected Works of Tamara Lothian

Fall 1996

Women's Rights and Political Economy

Tamara Lothian, *Columbia Law School*



Available at: https://works.bepress.com/tamara_lothian/7/

WOMEN'S RIGHTS AND POLITICAL ECONOMY

*by Tamara Lothian **

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I. INTRODUCTION

There is a great effervescence in the world today of group politics and group movements. This historical trend creates two characteristic dilemmas. The first dilemma has to do with the problem of incorporation. For a marginal group, the struggle for greater power, privilege or autonomy, typically takes the form of a quest for incorporation into the existing social order. This struggle for incorporation seems to propel the group in an inherently conservative direction. The strategy is conservative both in its attitude toward existing social arrangements and in the distributive consequences which typically follow the struggle for group preferment. Bene-

* Director, Emerging Markets Investment Banking, Bank of Boston.

fits generated by the strategy are disproportionately captured by elites within the group—by corporate and professional elites best able to capture and deploy the instruments of group preferment.¹

The second dilemma associated with the rise of group politics stems from the tension between the defense of group interests and the debate over institutional alternatives. The two perspectives seem, at first, to be mutually incompatible. In the first setting, group interests are paramount, but to the exclusion of an institutional program. In the second case, institutional criticism and analysis receive pride of place, but group interests are either smothered or submerged beneath the weight of the institutional discussion.

II. WOMEN'S RIGHTS AND THE POLITICAL ECONOMY IN THE EMERGING MARKETS OF EASTERN EUROPE

As the past three days of this Symposium have illustrated, the relation between women's issues and political economy is obscure. Although we all believe, intuitively, that the choice of economic arrangements determines, at least in part, the relative circumstances of social groups, it is difficult to specify in any detail the content of this relation or the mechanism(s) of reciprocal influence.

This difficulty was illustrated in case after case, as panelists set for themselves the task of discussing the situation of women's rights in the emerging economies of Eastern Europe. Two basic strategies emerged. In the majority of panels, political economy remained in the background, vaguely threatening, yet unconnected to the analysis of women's concerns. Thus, members of the panel on "Women in the Workplace" reviewed the impact in women of economic changes associated with the withdrawal of social support and the repeal of "discriminatory legislation" (establishing job quotas in favor of women based on the ideal of socialist equality), but provided no analysis of the role these measures played in the new market orders. Similarly, participants in the panel on "Women and Violence" speculated on the relation between increasing violence against women and increasing economic insecurity in Eastern Europe, but without any real discussion of the economic forms or conditions allegedly involved in the situation.

A second strategy emerged at the very end of the conference in the panel entitled "Markets, Human Development and Democracy". In this panel,

1. For a general treatment of the problem of multi-culturalism in contemporary politics, see CHARLES TAYLOR, *MULTICULTURALISM AND "THE POLITICS OF RECOGNITION"* (Amy Gutman ed., 1992).

exceptionally, the relation between women's rights and political economy occupied center stage. But even here, the analysis remained undeveloped. For one thing, the discussion was marked by basic conceptual confusion: panelists differed on whether there might be one or more than one kind of "market economy". On the other hand, the discussion was still very much geared to the traditional conception of women's issues—family, abortion, etc.—and how the introduction of market forms would effect these issues. The focus was certainly not the analysis of women at work under the new market forms, or on the transformation of the circumstance of women since the breakdown of the former communist regimes.

How can we explain this perplexing situation? I think there are two basic explanations. First, there is an obvious difficulty in seeking to connect the two languages. In the one case (economics, political economy) the language seems technical and obscure, of little relevance to the daily struggles and concerns of social groups or movements. Nor is there any obvious passage from the analytical categories of economics to the traditional language of women's rights. From the standpoint of political economy, ethnic minorities, religious factions, and feminist protest groups are equally irrelevant to the basic categories and concerns of economic analysis both in and out of the new market economies.

But there is a second reason which may be equally important in explaining this situation. Both the traditional defense of women's issues and the orthodox style of political economy share a crucial premise: the tacit acceptance of existing political and economic arrangements. Equally resigned (or equally blind) to the institutional practices which shape the circumstance and identity of social groups, neither can begin to make connection between social values and ideals and the arrangements which undermine or support them. Yet this is exactly what is needed - for the sake of women's rights as well as the future of political economy. Women must be concerned with the organization of economic activity and its impact on the circumstance of women and the conditions of group solidarity. Political economists must be concerned with the consequences of alternative economic arrangements for the structure of social groups and the enabling conditions of democracy.

An alternative approach would take this point of departure, using the defense of group interests as an occasion not to ignore existing arrangements, but rather to consider and criticize prevailing arrangements. The standard for evaluating alternative arrangements must involve the question of impact on individual members of the group and on the particular community as a whole. Only in this way can we respond to the fundamental paradox of contemporary group politics. Only in this way can the defense of group

interests be freed from the defense of the existing social order and be made available to the larger current of politics and ideological debate,

III. WOMEN'S RIGHTS, POLITICAL ECONOMY, AND THE PROBLEM OF ECONOMIC DUALISM

To illustrate the point, consider the problem of economic dualism, one of the central issues in international political economy today. Dualism refers to the coexistence within economies of two distinct realms of production: an advanced sector, marked by access to capital, technology and markets; and a rearguard sector, based on unskilled labor, primitive technology and limited market potential. Dualism is a problem for politics as well as for political economy. The internal division of the national economy helps reproduce a steeply hierarchical profile of production and consumption. More generally, dualism acts as a constraint on innovation, narrowing the range of technological and organizational forms available in the national economy. Nor do the majority of people enjoy greater wealth and freedom as a consequence of development in the vanguard sector. The dual economy condemns most to a life of drudgery and degradation, especially in the poorer of developing countries.²

Dualism is perhaps best known as a Latin American phenomenon. There, in the post-war period, state-led programs of industrialization (sometimes known as "import-substituting industrialization") encouraged the growth of modern, industrial sectors within societies otherwise marked by extreme poverty and underdevelopment. But, dualism is not just a Latin American phenomenon. It exists in the advanced (OECD) economies as well as in the economies of the former communist regimes. In the economies of Central and Eastern Europe, dualism has emerged both as a legacy of the communist past (traditional fordist-style mass production vs. Pockets of advanced technology anchored in the so-called "military industrial complexes"³) and as an omen of the neo-liberal market future, with the masses forced to fend for themselves outside the channels of public patronage and private investment.

For humanitarians and social critics, dualism has long been viewed as a gaping wound in developing countries. But dualism must also be seen as a distinctively women's issue. It is a woman's issue because the great majority of women (in advanced and developing countries) live and work in the rearguard sector, in the "second economy" of stunted lives and limited

2. See Tamara Lothian, *The Democratized Market Economy in Latin America (and elsewhere): An Exercise in Institutional Thinking within Law and Political Economy*, 28 CORNELL INT'L L.J. 169, 171-72 (1995).

3. *Id.* at 193.

wages. From Mexico and Brazil to the Philippines and Indonesia, to Poland and Russia, "women's work" is typically the work of lower skilled, undercapitalized, primitive production processes. Society suffers as a whole, but women suffer disproportionately—their circumstances, roles and life chances constrained by the economic dualism in these countries.⁴

The interpretation and response to a problem such as dualism thus provides one key to reconceiving the relation between women's issues and political economy. In confronting the problem of dualism, the interests of women and political economists meet. For women, dualism represents the experience of daily life and the structural limits to women's individual and collective well-being. For economists and political economists, the experience of women in dual economies may provide the impulse and perspective needed to propel the search for an anti-dualist trajectory of economic development and institutional change.

IV. DUALISM AND THE CRITIQUE OF ECONOMIC ORTHODOXY

Two main responses have been given to the problem of dualism in developing countries. The first response has been for the government to provide little if any support to individuals and firms imprisoned in the rearguard sector. This approach has been accompanied often by a naive faith that more primitive forms of production and organization would gradually disappear as economies moved along the path of normal evolution. In Latin America and Eastern Europe, neoliberal policies and ideas have provided the clearest rationale for this current of politics and opinion, encouraging a specific trajectory of institutional change and providing the justification.

A second response has been more affirmative in content. This response, characteristic of countries such as Mexico and Chile in the past few years, has relied on social programs to moderate the effects of dualism, either through outright compensatory assistance or through programs of technical, financial and commercial support oriented to individuals and firms in poorer areas. Examples of the former include "Solidaridad" in Chile and Mexico, government-sponsored antipoverty programs intended to redistribute financial resources to areas of greatest need.⁵ Examples of the latter include Nafinsa in Mexico and BNDES in Brazil (the national development banks in Mexico and Brazil, respectively).⁶

4. See WORLD BANK, ENHANCING WOMEN'S PARTICIPATION IN ECONOMIC DEVELOPMENT (1994).

5. See JOSE WURGAFT, FONDOS DE INVERSION SOCIAL EN AMERICA LATINA (1993).

6. See MARTIN MAYDON GARZA, LA BANCA DE FOMENTO EN MEXICO: EXPERIENCES DE INGENIERI FINANCIERA (1994).

Of these two options, the second is certainly better than the first. At least the effort to channel government assistance to people in poorer, less organized regions, serves to acknowledge the structural problem and to provide a deliberate response. But the problem with this approach is that it does nothing to alter or displace the fundamental dualism in the economy. The programs described are defective in two main respects: first, they do nothing to incorporate their beneficiaries (inhabitants of the second world) into the basic structure of production. Second, as a consequence of the first problem, the programs are not economically viable. Instead of altering the relation between the two parts of the economy, compensatory assistance programs deepen the dependence of the second world on the first, like a poor cousin who must be tolerated and sustained, but fails to contribute economically to the well-being of the family.

The effort to deal with the inadequacies of this second approach leads to the search for an alternative to economic orthodoxy in the emerging market countries. Such an alternative must begin by rejecting current practices and ideas which ignore or reinforce economic dualism in these countries. An alternative approach must define as its central objective the need to overcome the practice and arrangements which support dualism and the social hierarchies and divisions which accompany dualism. In the delineation and defense of this alternative, no group has more at stake than the contemporary women's movement.

V. WOMEN'S RIGHTS AND DEMOCRATIC ALTERNATIVES TO STRUCTURAL ADJUSTMENT

In this section I sketch one alternative institutional response to the problem of dualism described above. The approach has two main objectives. The first objective is to develop and defend an alternative program of political economy for the emerging market economies in Eastern Europe. The second objective is to suggest how women's concerns contribute to the analysis and defense of this program. In developing the example, I intend to illustrate the point with which I began: that we may begin to recast the relation between women's rights and political economy by emphasizing their shared concern with institutional criticism and interpretation.

The guiding impulse behind this alternative is the effort to use the state actively to overcome the problem of dualism. To be adequate to the circumstances of Eastern Europe, the alternative must also address some of the main structural issues facing the former communist regimes, including: (1) the extremely centralized and bureaucratic character of the state apparatus formerly responsible for the management of public firms and the or-

ganization of production; and (2) the absence of a tradition of an organized and energetic civil society, providing the social density and cultural support needed for decentralized economic initiative.

Four main features define the alternative⁷:

(1) A wide array of government-business partnerships across the economy, oriented to technological and organizational innovation and to establishing links between vanguard and rearguard sectors of the economy;

(2) The formation of cooperative-competitive networks of small and medium-sized producers, typically anchored in particular regions of the economy (regional economies within a nation).

(3) Public investment in infrastructural and human resources, including education, training and the social supports needed to allow children, and adults, to stay in school. A system of taxation capable of generating the funds needed for such public investment.

(4) Elimination of tariffs and exchange controls in favor of selective controls on capital favoring joint ventures, technology transfers and local portfolio investment.

Students of comparative political economy will recognize in this proposal strong traces of East Asian political economy.⁸ The resemblance is not accidental. Students of the East Asian model have emphasized two main features: (1) the combination of accelerated growth and relative economic equality; and (2) the creation of a legal-institutional framework in which public enterprise has often served both to channel and to invigorate decentralized economic initiative. Comparative analysis suggests the decisive influence of selected institutional features to the model. The approach outlined here attempts to isolate those features, while simultaneously cleansing them of their more authoritarian cast.

The point is not to suggest a qualified form of institutional fetishism - the belief that we must choose from a closed list of options generated by a deeper logic of functional or organizational constraint. Rather, it is to show how one particular form of decentralized market economy may be conceived and developed on the basis of an analogy to one of the main existing forms of political economy in the world today. We are not limited to historically existing forms of political economy. But we may certainly learn from these examples and build from their triumphs and mistakes.

From the standpoint of the former communist regimes, such an institutional trajectory may seem dangerously familiar. For rather than dispens-

7. The following discussion summarizes material found in Lothian, *supra* note 4 at 199-206.

8. See ALICE H. AMSDEN, *ASIA'S NEXT GIANT: SOUTH KOREA AND LATE INDUSTRIALIZATION* (1989); See generally ROBERT WADE, *GOVERNING THE MARKET: ECONOMIC THEORY AND THE ROLE OF GOVERNMENT IN EAST ASIAN INDUSTRIALIZATION* (1990).

ing with government involvement in economic activity, the proposal here substitutes multiple forms of public-private partnership throughout the economy for the centralized command-control structure traditionally associated with the state. The upshot is to transform the content and character of state involvement in the economy. As delineated here, government involvement in economic activity creates the conditions for real experiences of decentralized initiative, by stimulating, channeling and sustaining collaborative endeavors among individuals and firms, and between governments and private enterprise.

My proposal suggests a specific institutional approach to the problem of dualism in developing market economies. The crux of the proposal is the effort to create the tools and the agents needed to lift up and liberate individuals and firms in the second sector. Given their structural position in these economies, women would be the greatest beneficiaries of this strategy - the group best placed to endorse the strategy and to agitate on its behalf.

VI. CONCLUSION: INSTITUTIONAL POLITICS, SECTARIAN CONCERNS, AND THE DILEMMA OF THE WOMEN'S MOVEMENT

Let me conclude my remarks by commenting on one aspect of the proposal which may seem most troubling to conference participants. Throughout the conference, panelists expressed concern with the problem of efficacy in political action. Indeed, the words still ring home to me: "As women and feminists, shouldn't we focus mainly on local struggles, where our voices are sure to be heard? Shouldn't we develop strategies and arguments oriented to the communities in which we live and work rather than to the national level?"

From the standpoint of this concern, my proposal must seem particularly threatening. For the suggestion that women recast their efforts and concerns as part of a broader movement oriented to fundamental political and economic transformation exposes the women's movement to great risk - the risk that a movement in its infancy will lose its moorings and be cast adrift. Women will likely respond: Do we dare transform our movement into something foreign? Do we dare merge our causes and identities into the larger current of affairs? Isn't it more important now, to define clearly and precisely the contours of our collective self-image in more limited settings, rather than risk what we haven't won for a battle so foreign to our immediate concerns?

How should we respond to this predicament? I think there are two responses. First, it is simply wrong to believe that we can preserve our causes and identities without taking part in the larger battle. There are

risks both ways. To ignore the structural fight is to risk undermining the conditions on which an effective identity can be built, a movement can be grounded and made viable in the world. We delude ourselves to think that we can focus - at no cost or peril - on isolated victories now, organized around causes of more immediate concern. The risk is that the identity becomes too narrow, and the walls around us become entrenched.

The better response is to attempt the bolder task of combining the politics of group identity with the politics of structural change. To those who believe that we are fragile as it is and that we will be weaker still if the challenge becomes too daunting, I respond: we are strong and proud and bold. The problems we address are the problems of all women, and through women, men. Let us build into the very framework of our movement a broader, more inclusive agenda that appeals to the concerns of all women, not just a privileged few. We do this, not by ignoring structural issues, but by collaborating in the development of institutional ideas and in the defense of institutional positions that respond to our needs as women.

The women and men who gathered at this conference shared a common bond: the belief that women from distant countries and cultures might be able to communicate despite their differences and collaborate in the defense of their shared identities and aspirations. I agree with the premise and endorse the attempt. The initiative will be strengthened if placed on a broader footing. We must use the occasion of group dialogue as an occasion to join in the larger debate, forging the instruments and arrangements which will allow us to create the practical grounds of our shared movement.

