Julie A. Nelson

Can We Talk? Feminist Economists in Dialogue with Social Theorists

Feminist social and political theorists, as well as feminists in law and the humanities, often write about issues such as capitalism, corporations, globalization, or the economics of caring labor. Yet they often neglect the considerable body of work that has now been developed by feminist economists, dating back to at least the early 1990s. Perhaps this neglect would be understandable if this literature were difficult to access. But work by feminist economists has been disseminated in interdisciplinary journals (e.g., Feiner and Roberts 1990), in accessible compilations,[1] and in a journal (*Feminist Economics*) now entering its second decade of publishing. The field of feminist economics has recently been the subject of review articles appearing in venues outside the economics discipline (e.g., Meulders 2001; Meagher and Nelson 2004). Why is it, then, that feminist social and political theory about economics often draws so little on work done by feminist scholars within the field?

While many feminisms and varieties of feminist critique can now be found, feminists who identify themselves as economists tend to be unified, at least, in a drive to convince our disciplinary colleagues that gender is an important economic topic. Topics such as labor market discrimination, household production, and caring work have traditionally been much marginalized within traditional mainstream academic economics (and within heterodox economics approaches as well).[2] Many of us also argue

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[1] See Elson 1991; Ferber and Nelson 1993, 2003; Kuiper and Sap 1995; Peterson and Lewis 2000; Barker and Kuiper 2003.

[2] The relation of feminist economics to other nonorthodox views is complex and varied. Readers interested in the current state of critiques of mainstream economics of both feminist and other varieties might consult Fullbrook 2003.

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for increased acceptance of qualitative methods and concrete studies within economics so as to overcome a masculinist bias toward exclusive reliance on quantification and abstraction.

This means that we are sometimes accused of trying to make economics "more sociological." Coming from a mainstream economist, this is usually meant as an insult—sociology being thought of as a softer, less rigorous discipline. However, the accusation has a grain of truth. Many feminist economists believe that economies are a part of social life and hence influenced through and through by such human factors as sexism, power relations, and ingrained perceptions about the value of different kinds of work. Our critiques of economics point out how neglect of women, of relations of oppression between the sexes (and other groups), of women's traditional activities, and of methods and concepts traditionally associated with femininity have left our discipline overly narrowed and intellectually impoverished.

As one might hope for, and expect, some of the work of feminist economists has been welcomed by other feminists. To the extent that feminist economists can be thought of as allies in a fight against the neglect of the concerns of women of many nationalities, races, classes, sexual orientations, and castes, or that we try to increase the status of topics and methods that are usually the domains of other disciplines, other feminist social scientists often can find common ground with us. In particular, the fact that many feminist economists raise serious questions about neoliberal economic policies by critiquing the core assumptions and models on which they are based (e.g., Elson 1991; Benería 2003) should provide a solid ground for cooperation on issues of globalization. A number of feminist social theorists—especially those in economic sociology; organizational behavior; and relatively quantitative areas of sociology, politics, and law—are on the same page as many feminist economists in seeing economic life as part of social life.

But a number of feminist scholars are not on the same page. After undertaking some cross-disciplinary research, I have come to understand that a major strain within social and political theory depends on thinking about the economy as a Weberian "iron cage" or a Habermasian "system"—cold, stark, mechanical, and instrumentally driven. Those feminists who draw on this tradition set up their concerns about equity, justice, connection, and (especially) care in direct juxtaposition to the assumed inherent injustices of capitalist employer-worker relations and the assumed heartlessness of profit-making enterprise.

It is no wonder, then, that attempts by feminist economists to show that economic behavior is embedded within a human and societal context fall like water off a duck's back. Many feminist economists want to stress how gender roles, traditional divisions of labor, issues of language and communication, interpersonal relationships, and organizational problems are just as important in economic life as such traditionally considered factors as competitive market forces and profit orientation. Such talk, however, is anathema to those social theorists—some feminists among them—who believe that market-oriented economies are inexorably driven by immutable asocial "laws" of profit maximization, competition, or capitalist accumulation. Such scholars believe that social life can only be threatened by the incursion of what they refer to as "economic values"—the greed and instrumentalism that they perceive as intrinsic to capitalist functioning. The traditional model of the economy as purely mechanical and law driven serves as a necessary foil for their theories of meaningful social and political life.

To be very clear on this point, this essay does not dispute the fact that overzealous marketization, corporate irresponsibility, abuses of economic power, and dogmatic neoliberalism lead to oppressive conditions and an undercutting of social meaning.[3] What this essay does dispute is the idea that these results are inexorable and intrinsic to capitalism—that people participating in monetized or for-profit activities have no choice but to be driven to create these outcomes because their behavior is dictated by the very mechanisms of the capitalist economic structure.

The purpose of this article is—after presenting some examples of this way of thinking from feminist social and political theory—to present a brief genealogy of the metaphor of the economy as machine as it has developed within the social sciences, in the hope that this will help scholars understand one another across disciplinary divides. I then argue that this image of the economy as a machine is neither factually supported nor helpful. Further, I point to developments in feminist theory that I believe can help lead the way to better understandings of such economic basics as the employer-employee relationship and the roles of money and profit and that might help to unite feminist economists and other social scientists in a common endeavor.

The mechanical metaphor in feminist scholarship

References to a mechanical, law-driven economy seem to be endemic to much feminist scholarship. For example, in her influential discussion of recognition, feminist political theorist Nancy Fraser frames her problem-

[3] See, e.g., Kuttner 1997; Jaggar 2001.

atic in terms of a distinct divide between culture, on the one hand, and "relatively autonomous markets" that "follow a logic of their own" (2000, 111), on the other.

More specifically, it is often assumed that the employer-employee relationship is, within capitalism, necessarily stripped of subjectivity and meaning and hence is intrinsically alienating to the worker. Sociologist Julia O'Connell Davidson's (2002) analysis of prostitution, for example, takes the Marxist view that all wage labor, and not just sexualized wage labor, inherently involves issues of exploitative power and objectification. In another example, sociologist Christine Williams (2002) details the characteristics that make workplaces less likely to encourage a sadomasochistic dynamic. Harassment is less likely, she notes, when those who are in lower positions have some degree of autonomy and freedom, when superordinates acknowledge their dependence on subordinates, and when supervisors feel secure about their own positions. Williams apparently concurs, however, with other social theorists in the view that such respectful employer-employee relations are unlikely "in capitalist societies" (106). Similarly, a plethora of articles on the effects of the increasing globalization of markets on women workers in the global South take it for granted that the abuses they detail are not the outcomes of particular bad business and state policy decisions but rather inevitable and generalized outcomes of the inexorable dynamics of capitalism.

As more and more caring work—child care and care of the sick and elderly—moves out of the private household and into the realm of monetary exchange (and even profit), a literature on the dangers of the commodification of care has arisen. Sociologist Arlie Hochschild, in *The Commercialization of Intimate Life* (2003), repeatedly frames her argument in terms of two worlds: a harsh, depersonalized world of intrinsically destabilizing capitalism and an ethical, caring world of nonmonetized family and community relations. "When in the mid-nineteenth century, men were drawn into market life and women remained outside it," she writes uncritically, "female homemakers formed a moral brake on capitalism" (8). While she is not against women's entry into paid work, she worries that this phenomenon has encouraged an intrusion of the "commercial spirit" (13) into intimate life.

Philosopher Virginia Held also argues for limiting the reach of markets, claiming that corporate profit motivations are inimical to concerns of care (2002). The overriding worry is that care done "for profit" will—because of depersonalized, mechanical dynamics presumably intrinsic to profit-ori-

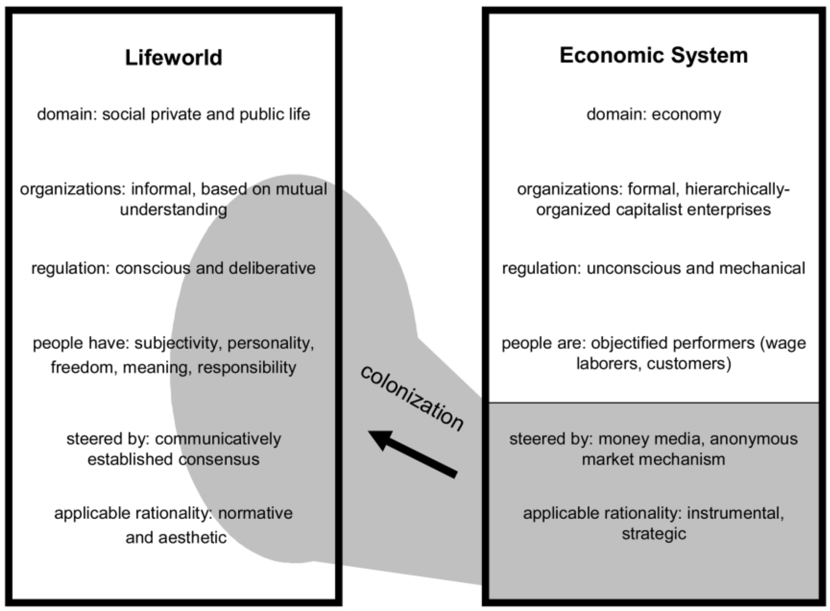

Figure 1 Habermas's model of the colonization of the lifeworld by the economic system

ented enterprises—fail to provide dependents with the "real," human, personalized care that we as social beings require.

Whether focused on employment or on care, these literatures seem to share a common assumption about life in modern capitalist or market economies. It is, they say, intrinsically mechanical and demeaning of human subjectivity and personal relationships.

Peeling back the layers

Feminist social theorists, of course, did not invent this sort of bifurcated thinking about social and economic life. A relatively recent and widely influential argument in favor of such a belief is contained in Jürgen Habermas's *The Theory of Communicative Action* (1981). In volume 2 of this work, subtitled *Lifeworld and System: A Critique of Functionalist Reason*, Habermas presents his distinction between what he calls the "lifeworld" arena of communicative action and the "system" arena driven by unconscious, objectifying forces. Figure 1 reviews some of his main ideas in a schematic format.

The lifeworld, Habermas claims, is the area of truly social public and private life. In an ideal rationalized lifeworld, social integration comes about through a process of linguistic communication oriented toward mutual understanding. This is the arena of norms, aesthetics, and conscious and deliberative action. In the rationalized lifeworld, communicatively structured organizations of family, neighborhood, and democratic public participation allow people to exercise freedom and responsibility in a context rich with meaning and formative of identity and personality.

In the areas of life characterized by systemic integration, however, the organization and regulation of affairs does not rely on linguistic communication, nor does it involve norms, according to his theory. Systems are not consciously organized and regulated by people, he claims. Rather, he maintains, they are steered by the nonhuman media of money or power. Habermas places both capitalist economies, characterized by market exchange and entrepreneurial businesses, and state bureaucracies in the system category.

"Markets," he writes, "are steered by the medium of money" (Habermas 1981, 164). Because of markets' mechanistic character, they do not require truly social cooperation: "The market is the most important example of a norm-free regulation of cooperative contexts. The market is one of those systematic mechanisms that stabilize nonintended consequences of action" (150). Thus businesses, households, and other organizations are assumed to communicate with one another in entirely "mediatized" (185) ways when market exchange is involved.

While markets are how businesses deal with the outside world, there is also the question of how businesses are organized internally. Inside business organizations, Habermas maintains, the medium of power as well as the medium of money play important roles: "Media such as money and power . . . encode a purposive-rational attitude towards calculable amounts of value and make it possible to exert generalized, strategic influence on the decisions of other participants while bypassing processes of consensus-oriented communication" (Habermas 1981, 183). Businesses hence are assumed to be hierarchically organized. People in such formal organizations do not bring with them their human ethics and personalities, nor need they exercise responsibility. Rather, they are "stripped of personality structures and neutralized into bearers of certain performances" (308).

The economy, Habermas claims, hence functions independently of human norms and personality, as an autonomous sphere with its own "internal systemic logic" (1981, 345) and "drive mechanism" (328). This is not all bad, in Habermas's view. Media-steered systems have an "intrinsic evolutionary value" (339) in that they have created more complex and effective ways of providing material support to social and cultural life.

What is dangerous, however, in Habermas's view, is that the sorts of rationality and media appropriate to system integration inevitably, by their own "irresistible inner dynamics" (1981, 331), infiltrate the lifeworld, "suppress[ing] forms of social integration in those areas where a consensus-dependent coordination of action cannot be replaced" (196). This is what Habermas has famously called the colonization of the lifeworld by system imperatives. "Capitalist modernization," he writes, "follows a pattern such that cognitive-instrumental rationality surges beyond the bounds of the economy and state into other, communicatively structured areas of life and achieves dominance there" (304). The result is a loss of freedom and meaning and the conversion of what had been opportunities for ethical and responsible behavior into occasions of "technicized" (342) and "norm-free" (307) sociality. Hence, any incursion of profit interests or monetization into areas of the lifeworld should, according to this theory, be protested (395).

Habermas did not invent this view of the economy. He draws deeply on the early twentieth-century work of Max Weber, whose use of the economy-as-machine metaphor is most famously expressed in this passage: "The tremendous cosmos of the modern economic order . . . today determine[s] the lives of all individuals who are born into this mechanism . . . with irresistible force. . . . The care for external goods should only lie on the shoulders of the 'saint like a light cloak.' . . . But fate decreed that the cloak should become an iron cage" (Weber 1930, 181). And, of course, Habermas draws deeply and explicitly on the nineteenth-century work of Karl Marx, as is especially apparent in his discussions of "intrinsic capitalist dynamics" (Habermas 1981, 343) and the pathology of the "wage labor relation" (335).

The roots of Habermas's mechanical image of the economy go back further than Weber and Marx, however. Several times in *The Theory of Communicative Action* Habermas harkens back not to the nineteenth-century work of Marx but to the eighteenth-century social science of Adam Smith. This, he writes, is the origination point of theories of systems (Habermas 1981, 113, 173, 202, 402).

The two centuries preceding Smith's era were marked by the rise of scientific thought and by great growth in technology and the use of machinery. Not surprisingly, when Smith described economic and political life, he used the popular mechanistic metaphors of his day. "Power and riches," he wrote, are "enormous and operose machines" ([1759] 1976, 182). Smith was impressed by what he imagined as "the regular and harmonious movement of the system, the machine or oeconomy by means of which [power and riches are] produced" (182–83). Habermas's assertion that capitalist economies are regulated unconsciously and mechanically—without subjectivity, deliberation, or communication—is a direct descendent of Smith's idea that a person acting in a market is "led by an invisible hand to promote an end which was no part of his intention" (Smith [1776] 2001, 351).

Of course, Smith's view of the economic system is considerably less conflicted than Habermas's. While Habermas fears the incursion of economic factors into the lifeworld, Smith bemoans the presence of noneconomic grit within the economic machine. His thought provides the ideological basis for contemporary neoliberal policies that seek to remove any barriers to the expansion of markets: "The perfection of [policy], the extension of trade and manufactures, are noble and magnificent objects. . . . We take pleasure in beholding the perfection of so beautiful and grand a system, and we are uneasy till we remove any obstruction that can in the least disturb or encumber the regularity of its motions" ([1759] 1976, 185). While Smith and Habermas disagree on where the threats to society lie, they are firmly in consensus in believing that the economy is, at heart, a machine.

It is from the time of Smith, a classical economist, then, that we derive this metaphor. Rational self-interest has been assumed to be the energy source driving the gears of economic production.[4] The affinity of "calculable amounts of" money-measured variables (Habermas 1981, 183) to mathematical treatment further cemented the perceived links between economics and impersonal science. In the late nineteenth century neoclassical economists began developing calculus-based models that borrowed directly from earlier developments in mechanical physics.

Thus while Habermas's Marxist-influenced economic model is often perceived as radical, progressive, or part of critical theory, in fact, the mechanistic image of economic functioning is thoroughly traditional and is a close cousin to the view of economic functioning that underlies contemporary neoliberal thought. Habermas's and mainstream modernist neoclassical economic thinking, while wildly different in their elaborations of

[4] Proponents of this view are fond of quoting Smith's famous lines, "It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages" (Smith [1776] 2001, 19). A fuller reading of Smith's work shows that he did, in fact, hold a more complex view of human nature and that he allowed a considerably larger role for regulation of markets than do contemporary neoliberal economists. But this does not change the fact that his notions of "system" and the motivating effects of self-interest form the original underlying inspiration for free market policies.

the Smithian image of the mechanical economic system, are both firmly rooted in it.

But how much of this view of economics is informed by observation and experience of real-world economic dealings, and how much is simply belief? How much is backed up by studies of actual markets and business, and how much is simply the zeitgeist of the eighteenth century, still wafting through a twenty-first-century world?

Questioning the mechanical metaphor

Now, switching gears for a moment, imagine that you are a young feminist entering graduate study in a typical mainstream economics department. Reading Habermas, Weber, or Smith is not part of the curriculum. Reading much of anything, in fact, is not part of the curriculum. The image of the mechanical economy populated by autonomous, self-interested, rational "economic men" is so deeply taken for granted that no explanation of it is deemed necessary. Because the image of the economy is mechanical, neoclassical models based on mathematics borrowed from Newtonian physics form the core of instruction and research. You find yourself spending the vast majority of your time slogging through lengthy mathematical problem sets. You hone your skills in multivariate calculus and matrix algebra and talk about economies in terms of "Agent A" and "Firm B." Most of the faculty are male.

You think you might do a thesis about labor market discrimination but find that the issue is not taken seriously. Your instructors do not really believe it exists, explaining that firms that do not maximize profits—that is, do not make decisions that are purely profit oriented—will be run out of business. A firm that sacrifices some productivity because it discriminates against productive female job candidates, for example, will make lower profits than its competitors. Because in perfect competition only the most profitable and efficient firms survive, the discriminator must, they say, soon be forced to close down. Discrimination might be a part of social life, your professors explain, but, since it cannot persist in competitive markets, it is not an interesting economic issue. Everyone knows that wages are set by the system—by market forces of supply and demand, which, in turn, reflect the free choices of economic agents. Therefore, social issues such as gender identities can play no part.

You might, in some departments, be allowed to do a data-intensive statistical study of the wage gap between men and women. (This is considered the relatively nonmathematical approach relative to studies that use only the higher-status mathematics of theorem and proof.) But, even then, you may not be allowed to use the word *discrimination* to label the difference between wages that is not explained by gender differences in education, experience, and the like. Because the model of smoothly functioning mechanical markets says that we are all paid in accord with our (marginal) productivity, you may be required to refer to the discrepancy as simply the "unexplained gap." You may be required to note that it could be due to unobserved variables such as lower levels of ambition among female workers or women's different tastes for types of work (Weichselbaumer and Winter-Ebmer 2003).

If you tell your advisor that you want to do a study on families, you will probably be referred to the work of Gary Becker (1981), who uses neoclassical theory to "show" that women's specialization in unpaid work in the home is economically rational. If you want to study women's poverty, you are reminded that, in neoclassical theory, people have only mental wants, never physical needs. And you are treated as a lightweight who is interested only in "women's issues" and not "real" economic topics like econometric theory, macroeconomics, or industrial organization.

Such was the experience of many young feminist economists in the 1980s, when the feminist critique of economics started to simmer, and such is still the experience of most beginning economists today. It is no wonder, then, that the feminist scholarship of the 1980s concerning the sexism implicit in the rise of science seemed to speak straight to us.[5] Sandra Harding, for example, wrote that "mind vs. nature and the body, reason vs. emotion and social commitment, subject vs. object and objectivity vs. subjectivity, the abstract and the general vs. the concrete and particular—in each case we are told that the former must dominate the latter lest human life be overwhelmed by irrational and alien forces, forces symbolized in science as the feminine" (1986, 25). These feminist scholars of science applied their insights to physics, biology, medicine, and the like. It was a short step—since images from early science formed the very basis of contemporary economics through Smith's foundational work—to move from these insights concerning other fields to noting that such gender biases not only influenced but in fact defined mainstream neoclassical economics.

Contrasts like the following (taken from Jennings [1993, 120]) appeared in a number of early and influential feminist works on economics, with the authors noting that the discipline of economics had categorically

[5] See Merchant 1980; Keller 1985; Harding 1986; Bordo 1987.

chosen to prioritize subjects and methods culturally understood to be masculine (McCloskey 1985; Jennings 1993; Nelson 1996):

(Market) economy	/	Family
Man	/	Woman
Rational	/	Emotional
Mind	/	Body
Science	/	Humanities
Competitive	/	Nurturant
Independent	/	Dependent

While it might be possible to take such an analysis and turn it into an argument for inventing a gynocentric economics stressing families and cooperation (as a counterpoint to an androcentric economics stressing market competition), most feminist economists have chosen, instead, to question the dualism itself. That is, once one realizes that economics has been socially constructed along sexist lines, one can raise questions about the adequacy of the discipline's definition, models, and methods and the dualistic ways of looking at the world on which they rely. This has been an important project of those feminist economists cited at the beginning of this article, and many others.

Are economic decisions—including those strongly influenced by an avalanche of advertising—always rational? Is the family really noneconomic and nonproductive? Should economics be concerned only with the process of purely logical, mental choice making—should not bodily needs be part of the picture? Are families always cooperative and nurturant—doesn't money matter within households and sometimes become an issue for conflict (and even violence)? Do not emotions and attitudes (such as prejudice) sometimes color business decisions? Does not the "independence" of the rational agent of the theory really require the invisible housekeeping and reproductive work done in the home? The list goes on.

This kind of thinking begins to cross the boundaries defined by Habermas (as illustrated in fig. 1), in which the economy and society are thought of as separate spheres, ruled by distinct values and mechanisms. The questioning of the one-sided masculinity of contemporary economics has led a number of feminist economists to argue for a more unified view of economic and social life in which the economy represents one aspect of social life. In particular, the economy is the sphere of social activities that have to do with the provisioning of the goods and services that sustain life and can promote its flourishing.

Refuting Habermas

But what about the reasons that Habermas gives for his bifurcated vision of the world? Are they not convincing?

On closer inspection, they are not. Habermas's argument that economic life does not require linguistic communication, consensus building, or norms is simply not borne out by actual empirical study of money, markets, or economic organizations.

In Habermas's thought, market economies are steered by money—a medium to which he attributes a nonhuman objectivity and drive that borders on the supernatural. Money, he claims, is backed up by "gold or means of enforcement" (1981, 270), and therefore its use does not require social, communicative agreements or legitimation (272).

It is true that, in the past, one's dollar bills or other currencies were (at least in legal concept, if not practically) redeemable for gold. While it may be news to noneconomists, however, the international gold standard collapsed in the early 1930s, and any idea of dollar convertibility to gold was completely abandoned in 1971. Money is now the quintessential social construction. It is useful in exchange exactly to the extent that the parties to the exchange agree that it has value.

While, at the level of exchanges between parties within an economy, the legal system usually lends a degree of enforcement, there is no such outside enforcer for the monetary system of a nation or region as a whole. One of the main functions of a national central bank is to take actions to keep the national currency legitimate in the eyes of its users—to attempt to assure people that the currency can be trusted to remain acceptable in trade and as a store of value. Economists close to the actual management of monetary systems talk at length about issues of beliefs, expectations, credibility, reputation, legitimacy, and the problems of collective decision making (King 2004). Some of the major international upheavals in recent economic history have been directly due to crises of legitimation, sparked when expectations of hyperinflation or massive devaluation have led to a lack of public confidence in a currency's value. The consequent phenomena of massive capital flight, hoarding of real assets, and the dearth of an acceptable medium of exchange can create economic chaos. Money is very much a social creation.

Turning from Habermas's assertion that money does not require social legitimation to his idea that markets and formal organizations such as businesses are media steered, we can note three implications of this claim. First, it must be the case that money interest—what most people would call profit maximization—firmly sets the course of business, leaving business leaders little or no room for deliberative decision making of a moral (or any other) nature. Second, it must be the case that market exchange does not require linguistic communication or trust. Third, it must be the case that linguistic communication and trust are unnecessary within formal organizations. I will examine each implication in turn.

First, while it is widely believed that corporations are driven to maximize profits by either legal mandates or competitive pressures, in actuality, most business leaders have far more room for discretionary action than such a mandate would imply. While businesses do have a legal obligation to attend to the interests of their shareholders, the idea that they therefore grab at every last penny on their behalf (maximize profits) is a fiction. An iron mandate to maximize profits is not forced on business firms by the legal codes governing corporations or by case law on the subject (Smith 1998; Fisch 2004; Stout 2005). Nor is profit maximization forced on most real-world firms by fierce competitive pressures. It is true that, in the abstract neoclassical economics model of perfect competition, in which an economy is made up of many small firms, none of which have any market power, firms must profit maximize or fail. But in an age of large and powerful corporations, we can safely say that perfect competition is not a good description of very many real-world markets.

Think about it: if firms really were forced always to act solely in accord with their shareholders' financial interests, one would never have observed Enron's rapacious behavior toward most of its shareholders, or see exorbitant CEO compensation packages, or—as I mention above—observe employers making decisions biased by their race or sex prejudices. As I write, business journalists are describing how General Motors is rapidly depleting its shareholder value in an attempt to stay in the car business and (among other things) fulfill its obligations to retired employees. Businesses are not media steered—they are steered by human beings who, as long as they maintain a degree of (or an appearance of) financial viability, also have room to exercise choices—to be deliberative and conscious in their actions. For example, a manufacturing firm with some surplus can decide to distribute it as dividends, or spend it on a lavish new corporate headquarters, or spend it on monitoring labor conditions in its overseas factories. A for-profit hospital with some surplus can fatten its executive salaries or increase staffing on the floor. When business leaders who face a decision choose an irresponsible option, they do so because they choose to and they believe they can get away with it, not because their firms are pushed by inexorable forces.[6]

Second, let us examine Habermas's assertion that market exchange does not require linguistic communication or trust. If this is true, why, then,

[6] For further elaboration of these points, see Nelson forthcoming.

do businesses employ sales representatives to personally meet with customers? Why, in fact, should business travel—a multibillion-dollar practice—happen at all if people do not need to talk to one another? Why do businesses often enter into long-term contracts with selected suppliers, advisors, distributors, and customers in whom they have confidence, instead of always going with the lowest-cost supplier or looking for the highest-price buyer of the moment? Many scholars across business and social science fields are increasingly emphasizing that markets are concrete and complex institutions involving actual human and social relations located in time and space (e.g., Solow 1990; McMillan 2002). "The Market," conceived of as an abstract realm of frictionless exchange, exists only in our minds. Actual markets are socially embedded.

Last, within Habermasian formal organizations steered by money and power, communication other than command giving is assumed to be unnecessary. This is obviously not true within real-world economic provisioning organizations—be they families, state agencies, nonprofits, small businesses, or large corporations. To believe that the task of running an organization is simply a matter of directing personalityless automatons in their performances is to ignore the entire fields of human resource management and organizational behavior (as found in schools of business and public affairs) and their insights, as well as insights from economic sociology (e.g., Granovetter 1992) and behavioral and institutional economics (e.g., Akerlof and Yellen 1988; Hodgson 1998). If businesses do not require linguistic communication, then why do they hold so many meetings? Businesses hold work-group meetings, strategy meetings, board meetings, quality-improvement meetings, risk-assessment meetings, planning meetings, and more. Executive work is largely made up of participating in meetings, and white- and blue-collar workers often participate in meetings as well. Some meetings, of course, are merely to hand out directives or information or to persuade underlings to go along with a preconceived decision. But many meetings involve true social processes, with activities like brainstorming, categorizing, gathering data, evaluating, drafting, voting—and achieving consensus (or at least a workable approximation of it).[7] Businesses are, in short, social organizations, with all the opportunities and problems that implies.

[7] Habermas briefly seems to recognize that communicative action and mutual understanding can take place even within organizations, but he argues that because the action "falls *under the premises* of 'formal regulation,' ***communicative action forfeits its validity basis in the interior of organizations***" (1981, 310). That is, communication can always fall back on formality (311). I do not find this argument convincing. I doubt that any organization

An epistemological issue

But the defender of the dichotomizing view of life as divided into cold, impersonal economic life and warm social families and communities can retreat to a fallback position. To all of these empirical points about actual economies, the scholar influenced by Habermas, Weber, and Smith may reply, "Well, that is how it looks on the surface, but *behind all that* is mere mechanism."

The use of empirical evidence to question this long-held and widely believed mechanical metaphor faces a hurdle that goes well beyond issues of fact. As Habermas himself points out, the study of a presumed mechanical and mathematically congruent economic life has never been, nor was meant to be, congruent with actual perceived experience. "The . . . system," he writes, "definitively bursts out of the horizon of the lifeworld, escapes from the *intuitive knowledge* of everyday communicative practice, and is henceforth accessible only to the *counterintuitive knowledge* of the social sciences developing since the eighteenth century" (1981, 173; emphasis added).

Notice the Teflon coating this affords to the mechanical model: only explanations developed through the eighteenth-century metaphor of the machine, and not our own life experiences, can be trusted to explain to us the workings of the twenty-first-century economy. The idea that inexorable market forces are behind economic experience carries the cultural connotation of being masculine, scientific, tough, and rigorous. The idea that the economy might be otherwise is considered merely naively—and femininely—"intuitive."

Such a view assumes that the mechanical model reflects a direct grasp of reality, and it ignores the linguistic—and especially metaphorical (Lakoff and Johnson 1980)—construction of knowledge. Feminist epistemology as a whole seems to have left the direct-grasp-of-reality idea behind long ago, so it is curious that the idea has remained with regard to economics.

Consider an analogy. A recipe is very quantitative and formulaic: "Combine 1 1/2 cups of flour and 2 tablespoons of baking powder. . . . Stir for 300 strokes. . . . Bake in a 325 Fahrenheit degree oven for 25 minutes." Cooking involves the use of natural forces. The growth of yeast creates rising in bread. The force of heat must be harnessed for the activities of baking and boiling. By cooking, we play a role in the survival of the species and the general dynamics of biological evolution, which are

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that tried to regularly fall back on formal minimums as given by law could survive as a functional entity. Habermas's argument seems, rather, to be simply a reiteration of his assumptions.

not usually part of our conscious intent. Descriptions of an economy can also undoubtedly be quantitative and formulaic. The revenues of a company are $11 million, and its costs add up to $10.5 million. The income of a family is $36,945. Profits are equal to revenues minus costs. The threat of starvation motivates people to try to get an income. Our actions on markets have ramifications on prices, investment, and so on that go beyond our conscious intent. Quantification, forces—whether arising from physics or markets—and unconscious results are common characteristics of both cooking and economics.

Nobody, however, claims that cooking is an autonomous sphere of activity, separate from social life. No one says that it is driven by the media of measuring spoons. No one says that the ability to write down a recipe in quantitative terms puts cooking into the sphere of purely instrumental rationality. People are not said to mechanically follow recipes, driven by a mysterious behind-the-scenes drive of heat or yeast gas or human genes to manifest themselves.

So why should the fact that economics includes the use of a quantitative media (i.e., money), a certain regularity of cause and effect, and sometimes unforeseen consequences be allowed to expand to include a whole belief system about rationality, motivations, and unseen drives and forces?

Thinking about commodification and greed

Suppose, then, that we were to cast aside the narrow image of a mechanical economics. Does rejection of the Habermasian model mean that the critiques of alienation and commodification developed by scholars such as Davidson, Williams, Hochschild, and Held—who have worked within such a model—must also be rejected?

Here it is critically important to distinguish between questions of spheres and questions of relations and values. I fully agree that it is very important for feminists to raise protests about relations of domination and submission and about the growth of values of greed, objectification, a narrow focus on immediate profit, and so on. Where Habermas and this strain of feminist social theory have taken a wrong turn is in identifying such relations and values as endemic to—and as largely limited to—a particular sphere called *markets* or *capitalism* or the *economic system*.

An alternative view of the relation between society and economy is illustrated in figure 2. In contrast to figure 1, in this figure, the economic sphere is located within the social world. States, families, and businesses all engage in provisioning activities such as producing, arranging work, investing, and providing care. The way in which, in figure 2, these terms

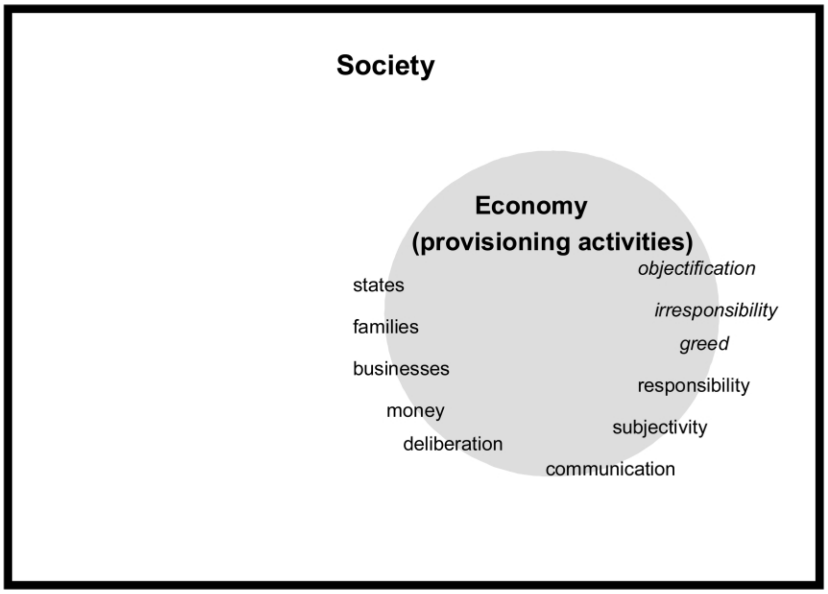

Figure 2 Alternative model of economies as social organizations

lie partly inside the economic sphere and partly outside illustrates that such organizations participate in some activities that are related to provisioning and some that are not. For example, business firms are locations of economic production, and they are also locations in which many people form friendships, gain a sense of identity, strive for social status or political power, or do all of the above. Money also spans the border: while money can be used to facilitate impersonal transactions on the stock market or eBay, it is also often used in personal exchanges and transfers whose emotional or cultural significance is far more important than their contribution to practical provisioning (Zelizer 1994). Aspects of human agency and sociability that Habermas restricts to the lifeworld, such as deliberation, communication, subjectivity, and responsibility, can also be seen as important both within economic life and without.

So where, then, do the overzealous marketization, corporate irresponsibility, and abuses of economic power we see in the world around us come from? We can distinguish a set of values we might cautiously call *economistic*, such as greed, irresponsibility, objectification, and so on. These appear in figure 2 as also spanning the border between economy and the rest of social life. For example, leaders of a business may, as we well know, be motivated by pure greed. But they may, alternatively, be motivated by their sense of responsibility to provide for their own families, to create goods and services that improve people's lives, or to keep viable a business that provides employment for thousands of people. Likewise, behavior in families, communities, nonprofits, and state organizations is, alas, like much behavior in corporate boardrooms, too frequently also marked by greed and purely strategic motivations that treat people as mere means. A church, for example, that tolerates sexual abuse of children by its clergy and then files for bankruptcy to protect its assets from the subsequent lawsuits epitomizes objectification, irresponsibility, and greed.

Thinking about employment and care

Where would a model of economic life as socially embedded take us with regard to the issues of employer-employee relations and the economics of caring labor mentioned earlier? Turning to the wage labor relationship, there is good evidence that it is not as intrinsically pathological as it is often portrayed. Davidson repeats the usual mechanistic view when she portrays employer-employee relations under capitalism as relations of domination between "those who pay others to do their will" and "those who get paid to surrender their own will" (2002, 86). A fact that scholars of business, personnel management, and organization theory discovered long ago, however, is that the wage is only one part of the employment relation and employee motivation is a highly complex topic. As Williams (2002) points out, relations between people at different levels of an organization may be characterized by sadomasochism or they may be characterized by respect and teamwork—and, yes, empirical management research tells us, this can occur even in capitalist societies. Contrary to the teachings of Taylorism, Fordism, and the rigid, controlling scientific management school of the late nineteenth and early twentieth centuries, researchers have found that businesses may even be more successful the less they rely on hierarchy and control and the more they organize the workplace around people's need for meaning, identity, values, self-expression, and a feeling of social contribution in their working lives.[8]

Even paid domestic work—thought of by some feminist theorists as the epitome of servitude and submission—might, empirical study suggests, be carried out within a context of mutual respect when the appropriate attitudes and institutions are present (Meagher 2002). Even corporate

[8] A huge business literature on corporate culture was touched off by Peters and Waterman 1982. See also Collins and Porras 1994 and Paine 2002. Recent research in organizational behavior uses terms like *organizational ecology* and *social networks* to reflect the idea that organizations are more than just chains of command.

employment in countries of the global South may bring some real benefits, relative to employees' other opportunities (Kabeer 2004). This is not to be Pollyannaish but to point out that merely observing the payment of a wage is not sufficient information on its own for concluding that relations of domination and submission are gaining ground.

Of course, imagining the possibility that healthy relationships between employer and employee could exist involves an ability to imagine more generally that people can enter into mutually respectful relations even from positions that are unequal in social status and economic resources. This deserves further comment. Much social and political theory, as applied to the employment relation, has dealt with a restricted set of envisioned possibilities. Employer-employee relationships might be considered to be arm's length, structured only by impersonal market contracts. Or they might be considered to be hierarchical relations of domination and submission, as I discuss above. Or, alternatively, they might be envisioned as mutually respectful relations among equals, achieved in democratic consensus, as in the ideal of the Habermasian rationalized lifeworld or many people's visions of worker-owned cooperatives and the like. The idea that employment relations could be unequal and yet still respectful and fair has often been rejected as naive or paternalistic. Slaveholders and mill owners, after all, used "unequal-but-just" rationalizations. Old arguments about "happy slaves" and girls "naturally suited" for mind-numbing work should rightly caution us against a too-easy acceptance of unequal relations.

Yet, perhaps ironically, it is exactly the significant and growing body of feminist scholarship on caring work (e.g., Daly 2001) that can—and should—move us to reconsider the possibility of authentic, mutually respectful relations among unequals. Consider the relationship between a caregiver and a child, or a nurse and a critically ill patient. We hope that such relations can be healthy, nurturing, and mutually respectful. Yet they are not relations of contract, hierarchy, or equality. At any moment there is a substantial inequality of power and resources between a mature adult caregiver and an immature child or between an educated and equipped nurse and a patient who is helpless and perhaps unconscious. Decision making in these situations is not democratic: a caregiver does not allow a small child an equal voice in deciding when to cross the street, nor does the nurse discuss medication with a comatose patient. Such people do not come together as "peers" (which Fraser imagines is necessary for mutual recognition [2000, 114]). Feminist highlighting of human dependencies and differences in abilities—so long excluded from social theory because care was consigned to the realm of women and nature—should inspire us to new thinking about possible types of relationships, not only within families and nonprofits but within businesses and other large organizations as well. In organizations and societies characterized by immense webs of complex interdependencies among people with different levels of skill and authority, inequality may be endemic. But is it possible that disrespect need not be?

Last, what if a relation of caring work involves the movement of money? If we strictly follow the Habermasian model, we would have to say that the relation has become mediatized and, therefore, that it will inexorably be taken over by purely strategic motivations. The paid caregiver must become the alienated wage laborer, and the care recipient an objectified customer or consumer. Quite in line with contemporary feminists who fear commodification, Habermas explicitly lists child rearing as one of the activities that "resist being converted over to the media of money" (1981, 330). If we break with the Habermasian schema, however, the possibility of much richer and more complex relationships becomes possible. When we recognize that there is, in fact, no mechanism driving an inexorable slide into instrumentalism, we can see that money—and even monetary profit (detached from the fiction of maximization)—can, in the right circumstances, coexist with communicative interaction and "real" caring motivations.

Not every activity done for money is motivated by greed and narrow self-interest. Much economic activity is simply motivated by provisioning needs—the need to sustain life and its flourishing in material ways. In fact, an overwrought fear of commodification has, in society at large, had a truly perverse effect on the rhetoric used to discuss the real-world wages of caregivers: it is a short step from thinking that money and care are intrinsically at odds to believing that, therefore, caring work should be low paid.[9] Squeamishness about money may have been the socially prescribed proper attitude for the Victorian middle- or upper-class lady doing her job in providing (to quote Hochschild [2003, 8]) a "moral brake on capitalism." But the immigrant woman or woman of color who worked in her kitchen, tended her children, or sewed her clothes could generally not afford to be so high-minded about financial concerns. Nor can most women today.[10]

[9] In a debate on foster-care rates in Massachusetts, e.g., the commissioner of social services argued against raising the rates paid parents because "you don't want a cottage industry of professional foster parents for pay" (Walker 2000). See Swartz 2004 for examples of similar sentiments concerning reimbursement of foster parents in Minnesota. For more discussion of the issue of the size of payments for care, see Nelson 1999, forthcoming.

[10] See Whitaker 2003 for a discussion of the class and gender dimensions of the equation of "compassion . . . with the lack of concern for monetary rewards" (32) in the context of health care management.

The real issue, then, is not about "the reach of the market" (to quote Held [2002, 32]) but about the reach of perverse values and uncaring, disrespectful relationships. Our focus could more helpfully shift to a more specific concern about values, motivations, and responsibilities in all sorts of organizations and social institutions. Social science has its work cut out for it: after a priori blanket prejudgments about the bliss-inducing (neoliberal theory) or misery-inducing (critical theory) inexorable effects of markets are set aside, there remains the crucial and fascinating job of investigating the specific sorts of processes and social arrangements that are most likely to lead to positive, humane outcomes (Folbre and Nelson 2000).

Conclusions and political implications

To some, my recommendation that we drop the mechanical metaphor for economic functioning will no doubt seem like false consciousness or political selling out. I suggest, however, that the opposite is true and that political action will be dynamized rather than compromised by a more alive and nuanced observation of economic organizations and activities.

The idea that social and cultural life must be protected from money and markets leads, ultimately, to an attitude of victimization. "The processes of economics are inexorable; the best we can do is resist them from our small remaining pockets of truly social life," this view says. This attitude does not really mobilize people to demand fair wages for workers because, it points out, the wage relation itself is intrinsically alienating. This attitude does not inspire a movement to demand responsible behavior from corporations because, it claims, businesses are driven by "the system" and cannot really be expected to act any other way. This attitude does not encourage people to investigate whether specific market institutions add to or subtract from human dignity in specific cases because, it asserts, we know a priori that markets always objectify. This attitude does not motivate people to lobby unambivalently for an adequate flow of financial resources to support caring and nurturing work because, it assumes, the entry of money is corrupting.

Consider this: Which of the following is likely to have more positive results in the complex contemporary economies in which we live, teaching that economic life must be harsh and ugly and that people have no responsibilities to others when acting in their economic roles or teaching that ethical (and even caring) behavior is the responsibility of people and organizations across all spheres of life? To the extent that our academic work has aspects of self-fulfilling prophecy—to the extent that it influences public discourse—the implications of teaching the first theory are chilling.

I hope that feminist social theorists across the disciplines will join the many feminist economists, myself among them, who are dropping the negative one-size-fits-all prescription of protection from markets. I hope we will work together toward the more positive and complicated goal of support for human needs.

Global Development and Environment Institute
Tufts University

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