

**FINANCE & INEQUALITY:**  
**A FEMINIST PERSPECTIVE ON**  
**CONSEQUENCES & ALTERNATIVES**

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# MY TALK TODAY

- Feminist macroeconomist
  - Differential impacts of macro policy
  - Emphasis on employment as a determinant of capabilities & power
  - Incorporating a gender-aware perspective in macro-modeling
- Today's talk
  - The political economy of central bank policy
  - Incorporating care and the production of human capital in our approaches to macro alternatives

# THE GENDERED POLITICAL ECONOMY OF CENTRAL BANK POLICY

- Differential effects of formal and informal IT by gender, race & ethnicity
  - **Developing and emerging economies**
    - Inflation reduction overwhelmingly contractionary
    - Women's employment suffers more than men's
  - **High income economies**
    - US: Ethnic minorities, less educated and less skilled see greater employment losses with higher interest rates
    - Work on gender is less conclusive, but insufficient accounting for inter-group inequality
- Subordinate groups shoulder a disproportionate share of the costs of IT
- → **Enables politically cheaper way to conduct finance-friendly monetary policy**
- **Gender-aware central bank targets, including human development & care**

# THE MACROECONOMICS OF CARE

- Social reproduction
  - The time and commodities it takes to reproduce the labor force
  - Macromodels do not treat labor as produced
- How does allowing for social reproduction change our analysis of various public policies or strategies for growth and development?



# GROWTH & SOCIAL REPRODUCTION

Low male contribution to SR  
 Little public provision of care  
 Limited/low quality market care sector  
 Large gender wage gaps  
 Poor reproductive infrastructure

Significant contributions to care by both men & women  
 Strong public provision of care  
 Extensive & high quality market care sector  
 Small gender wage gaps  
 Good reproductive infrastructure

## Supply: The distribution of social reproduction

	Low road Feminization of responsibility & obligation (FRO)	High road Gender egalitarian (GE)
<b>Demand: Growth</b>		
Wage-led/altruistic  Lots of investment in human capacities	<i>Time squeeze</i> <i>Higher wages for women are good for growth, but more market participation squeezes time and lowers human capacities production. Growth is elusive or unstable.</i>	<i>Mutual</i> <i>Higher wages for women are good for growth, and more market participation increases human capacities production. Growth and social reproduction reinforce one another.</i>
Profit-led/individualistic  Little investment in human capacities	<i>Exploitation</i> <i>Higher wages for women lower growth, and more market participation squeezes time and lowers human capacities production. Growth is partly based on exploiting women's labor and human resources.</i>	<i>Wage squeeze</i> <i>Higher wages for women lower growth, but more market participation enhances human capacities production. Growth is elusive or unstable.</i>

# THE IMPACT FOR ALTERNATIVES

1. Including SR as a source of current consumption and future productivity growth enlarges the scope for domestic aggregate demand to drive economic fortunes
  - Sexual division of labor is then central to that potential
2. Focusing on domestic aggregate demand will fail if it's accompanied by a low road strategy of SR

