

# Unpaid and Undervalued Care Work Keeps Women on the Brink

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Women do most of the care work in families; they care for children, the elderly, the sick, and the disabled. According to the U.S. Census Bureau, women devote more than 110 million hours a year to unpaid interactive childcare, more than double men's less than 55 million hours.<sup>[2]</sup> This care work is socially and economically essential. But unless we change our current national and state policies, the fact that women do far more of this work than men will continue to be a major reason for women's disproportionate poverty.

According to the U.S. Government Accountability Office, or GAO, women over the age of 65 are twice as likely to live in poverty as men of the same age.<sup>[3]</sup> This is not only because women tend to live longer, nor is it only because of job discrimination. A major reason is that most of these women were, or are, full- or part-time caregivers.

The failure of U.S. policies to give visibility, value, and support to care work is also one of the reasons why children in female-headed families are so disproportionately poor. This is also a major reason why the United States has the highest child poverty rate of all developed nations except for Romania.<sup>[4]</sup>

Here are several steps we can take to change these statistics—and the suffering they reflect.

## SHOW THE ENORMOUS ECONOMIC VALUE OF UNPAID CARE WORK

A Swiss government survey showed that if the unpaid work performed in households—primarily caring for people—were counted, it would constitute 40 percent of Swiss GDP.<sup>[5]</sup> A Massachusetts study estimates that adding unpaid care to traditional measures would increase the state's GDP from \$352 billion to \$504 billion—and that if unpaid care were counted in GDP, it would amount to nearly 30 percent of goods and services produced in the state.<sup>[6]</sup>

Furthermore, a 2012 report from the Bureau of Economic Analysis at the U.S. Department of Commerce found that household production would have increased U.S. GDP in 2010 by 26 percent.<sup>[7]</sup> And a recent Australian study—using not only *replacement value* (which is low because care work is so poorly paid in the workplace) but also *opportunity cost* (what caregivers could earn on average if they were earning their potential in the paid economy)—places the value of this work at a whopping 50 percent of that country's GDP.<sup>[8]</sup>

Mainstream statistical data—the data policymakers use to make decisions—must include the value of this unpaid work, showing the large economic contribution of women through, for example, the new Social Wealth indicators.<sup>[9]</sup> These indicators identify the attributes of a society that support development of the full capacities of every individual throughout their lifespan, with special focus on the economic value of caring for and educating children, and hence on the contributions of women. This is essential to reduce women's poverty and economic insecurity, especially in communities of color. In addition, until care work is adequately valued, men may not do more of it, which is critical to enabling women to seek and retain jobs outside of their homes.

## SHOW HOW QUALITY EARLY CHILD CARE AND EDUCATION CAN IMPACT ECONOMIC COMPETITIVENESS

Findings from neuroscience show that human capacity development throughout the lifespan largely hinges on the quality of care children receive early on.<sup>[10]</sup> This obviously has enormous implications for

individuals, but it also has enormous implications for national economic competitiveness. Good education and support for care work in families is essential, especially as we move into the postindustrial, service and knowledge economy; economists tell us that the most important capital for a nation's economic success in the global economy is "high-quality human capital."<sup>[11]</sup>

## SHOW HOW OTHER NATIONS ARE SUPPORTING CARE WORK AND THE EMPOWERMENT OF WOMEN, LEADING TO BOTH ECONOMIC SUCCESS AND A HIGHER GENERAL QUALITY OF LIFE

Nations such as Sweden, Finland, and Norway have the lowest gender gaps in the world.<sup>[12]</sup> These nations were so poor at the beginning of the 20th century that there were famines, but today they are regularly in the highest ranks of the World Economic Forum's Global Competitiveness Reports.<sup>[13]</sup>

A major factor in this dramatic shift was that these nations invested in developing their "human capital" by empowering women. They provided stipends for child care, generous paid parental leave, high-quality early childhood education, and even social security credit for the first years of caring for a child at home. In addition, most EU countries have adopted caregiver credit programs as part of their social security systems.<sup>[14]</sup>

We must help U.S. policymakers understand the economic benefits of these policies—for families (especially women and children) and for U.S. economic success. Caregiver credits, not just child tax credits, for example, would help reduce elderly women's unconscionable poverty rates and improve benefits for caregivers.

These kinds of measures are also essential to give more visibility to the work of unpaid care, thereby changing beliefs and attitudes about what is, or is not, economically valuable. And about the best investments a nation can make.

(See Riane Eisler, *The Real Wealth of Nations: Creating a Caring Economics* (Berrett-Koehler, 2007), for a detailed analysis and further proposals.)

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### ENDNOTES

[1] Founded in 1987, the mission of Center for Partnership, or CPS, is *to accelerate movement to partnership systems of human rights and nonviolence, gender and racial equity, economic prosperity, and a sustainable environment through research, education, grassroots empowerment, and policy initiatives*. CPS's Caring Economy Campaign, or CEC, focuses on the enormous return on investment in the work of caring for and educating people, starting in early childhood—work still primarily done by women. For more information, visit their website at <http://www.caringeconomy.org>.

[2] Nancy Folbre, *For Love and Money: Care Provision in the United States* (New York: Russell Sage Foundation, 2012).

[3] Emma Fidel, "Women Seen Living Retirement in Poverty at Higher Rates Than Men," *Bloomberg News*, July 25, 2012, available at <http://www.businessweek.com/news/2012-07-25/women-seen-living-retirement-in-poverty-at-higherrates-than-men>.

[4] Max Fisher, "Map: How 35 Countries Compare on Child Poverty (the U.S. is ranked 34th)," *The Washington Post*, April 15, 2013, available at <http://www.washingtonpost.com/blogs/worldviews/wp/2013/04/15/map-how-35-countriescompare-on-child-poverty-the-u-s-is-ranked-34th/>.

[5] Ueli Schiess and Jacqueline Schön-Bühlmann, "Satellitenkonto Haushaltsproduktion: Pilotversuch für die Schweiz (Satellite Account of Household Production for Switzerland)" (Neuchâtel, CH: Statistik der Schweiz, 2004).

[6] Mignon Duffy, Randy Albelda, and Clare Hammonds, "Counting Care Work: The Empirical and Policy Applications of Care Theory," *Social Problems* 60 (2) (2013): 145–167.

- [7] Benjamin Bridgeman and others, "Accounting for Household Production in the National Accounts, 1965-2010" (Washington: U.S. Department of Commerce, Bureau of Economic Analysis, 2012), available at [http://www.bea.gov/scb/pdf/2012/05%20May/0512\\_household.pdf](http://www.bea.gov/scb/pdf/2012/05%20May/0512_household.pdf).
- [8] S.A. Hoenig and A.R.E. Page, "Counting on Care Work in Australia" (Prepared by *AECgroup Limited for economic Security4Women, Australia, 2012*), available at <http://www.security4women.org.au/wp-content/uploads/eS4WCounting-on-Care-Work-in-Australia-Final-Report.pdf> (last accessed September 2013).
- [9] Caring Economy Campaign, "Public Policy: Social Wealth Indicators Project," available at <http://www.caringeconomy.org/content/public-policy-social-wealth-indicators-project> (last accessed September 2013).
- [10] S.P. Walker and others, "Building Human Capacity Through Early Childhood Intervention," *West Indian Medical Journal* 61 (4) (2012): 216–322.
- [11] David Kirp, ed., *The Sandbox Investment: the Preschool Movement and Kids-First Policies*, Harvard University Press, 2009, pp. 5-10.
- [12] Ricardo Hausmann, Laura D. Tyson, and Saadia Zahidi, "The Global Gender Gap Report 2012" (Geneva: World Economic Forum, 2012).
- [13] Xavier Sala-i-Martin and others, "The Global Competitiveness Report 2012-2013" (Geneva: World Economic Forum, 2012), 1.1 Table 3: The Global Competitiveness Index 2012-2013 Rankings and 2011-2012 Comparisons.
- [14] Riane Eisler, *The Real Wealth of Nations: Creating a Caring Economics*, Berrett-Koehler, 2007, p. 60.