The Greek crisis and the return of the Male Breadwinner Model? Some thoughts

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Greece, once again, in autumn 2011, is apparently pulling the world economy to the edge of the precipice. Economic commentators, for whom Greece until 2010 provided a picturesque backdrop to summer relaxation, realise that what is decided about Greece and the 'Greek Problem' will shape matters in world economies for years to come. What happens in Greece – or what is *thought* to be happening in Greece – will be an important input to any decisions, about the future of the Euro, governance of Europe, the stability of the world currency system. Domestic developments in Greece are no longer relegated to the back pages of academic journals, but have acquired a salience and urgency through their paradigmatic role. Add to that the fast pace of developments, and what one reads about Greece – even in Greece itself – is coloured by what each commentator would *like* to see, in order to confirm a favourite recipe for a way out, or to buttress an argument about the nature of the crisis. Much analysis on Greece thus frequently reflects stereotypical roles, preconceived ideas, or even wishful thinking .

And as far as stereotypes go, the Male Breadwinner Model is an all-time favourite.

The limited relevance of the microfoundations of disaster? This environment (or biosphere) is conducive for the revival and propagation of myths. Greek myths, after all, were always a favourite part of the (otherwise quite hard) Greek Lessons with which a classical education always concluded. The generation of new myths about the Greek crisis and the unfolding of the crisis itself were much helped by the **lack of informed policy discussion** in the country itself. The lack of discussion, after all, was responsible for delay and perennial postponement of measures that were universally acknowledged to be urgent and long overdue. Dealing with the pension system is a case in point; tax evasion another. This, combined with a studied lack (and sometimes manipulation) of statistical data, allowed the political system to pursue its happy course for at least a decade before the time of reckoning in 2010. Structural problems and economic mechanisms could be bypassed by simply looking away; a sense of general well-being could be supported through external borrowing at bargain rates – courtesy of the euro. So, through the period 2000-2010, structural mechanisms pushing the system to disaster were ignored and what voices existed overlooked. It was like a central heating system where no one was looking at the thermostat. And therefore an excellent hothouse in which myths can take root and grow.

When the time of reckoning finally came, that was due to an inability to service the National Debt – the *cumulative* result of all microeconomic mechanisms. Or else, a thermostat was suddenly discovered. The urgency with which the problem is (necessarily) couched predisposes discussion to focus with macro-issues exclusively, as if these were generated independently of their microfoundations. The focus was on outcomes (and how to deal with them); examining the underlying mechanisms that led there was less urgent.

Reform was, in the end, applied. However, it did *not* come as a solution to perceived societal problems (as it would have come had it been generated as an internal priority). On the contrary, it was 'imposed from above', as a condition imposed by external debtors.

This leaves structural reform in a difficult position. In a country teetering on the verge of bankruptcy, there is no time to make up for the lack of discussion in the past. The result is, regrettably, a lack of understanding of the role of structural reform in the overall recovery package. Many (internal) commentators talk as if the *macro*economic problem of excessive debt came independently of the *micro* mechanisms that generated it. In these 'reforms from above', the key ingredient lacking is what international organisations call '*ownership'* of the reform – i.e. a realisation of the reasons why the reforms were necessary in the first place.

The Troika thus comes as a new player on the political economy scene – a player apparently endowed with an absolute veto. The positioning of the 'Troika' on the side of reform has the paradoxical result of forcing almost all other actors to the *opposite* corner. As a result, domestic advocates of structural reform found themselves –once again- stranded at the 'unpopular' side of the discussion, simply by association with the external forces of the 'Troika'.

The *quality* of *'off the shelf'* reform and myth formation.

Structural reform is often talked about as an undifferentiated whole – the flow of which can be regulated as if it was water coming out of the tap. In the absence of discussion and under extreme time pressure, the *kind* of structural reform pursued cannot but be 'pulled off the shelf'.

And it is there where old myths have their vengeance. In the absence of policy discussion, data, and time to produce them, '*off the shelf reforms'* must feed off preconceived ideas; the latter can very easily (re)assert themselves. Gender, and, more broadly, women's role in the economy and society is the area *par excellence* where those type of preconceived ideas and myths are most frequently to be found.

In what remains, we will briefly comment on *the key myth* for gender balance – the Male Breadwinner Model. Implicit and unchallenged belief in this myth is influencing policy formation and dictating hurried choices. Lack of discussion enables old entrenched ideas to re-impose themselves and thus to push aside half-digested 'progressive' views imported from aboard.

The key argument (believed but hardly ever stated) is that gender balance is, ultimately, a 'fair weather' choice. In a crisis, 'when the chips are down', it is thus more important to protect the head of families. So, the crisis signals the triumphal return – after a decade or so of hiding in the background - of the 'Male Breadwinner' as the main object of protection and policy beneficiary.

'Real' workers are male. Female employment is auxiliary – fine when the breadwinner has a job. Women's jobs, though, must take a pew at the back at times when the male breadwinner is threatened. Gender balance is seen as a kind of 'luxury good'. Wonderful when Dad has a job, less so should his position be threatened.

This is not a new view by any means. It is buttressed by a number of considerations:

- "Lump of labour fallacy". The job market is like a game of musical chairs: The number of jobs is given and unalterable. When a woman (an older worker/an immigrant...) gets a job, someone else loses his (hardly ever hers). This fallacy (as well as more sophisticated versions of it) was answered in economic theory since the 1860s (by Nassau Senior among others) – but it is dying a very slow death.
- False analogies from past recessions – at home and abroad. Past recessions saw male dominated jobs lose more than female. Dominant mechanisms then were deindustrialisation and migration of (mostly male) industrial jobs, while (mostly female) services were less affected. Women in the past were also protected (especially in Greece) because of the extra protection of the public sector (one out of four working women are to be found in the public sector). None of these not apply to the current crisis – rather their opposites; in any case the labour implications are yet to be seen. The analogy may be false, yet its authority is frequently relied on.
- 'Convenient' reading of indicators. Unemployment rates for men are increasing at a faster rate – but that is due to the lower starting point. Unemployment rates since 2007 increased for *both* men and women by about the same amount (approximately by adding 6 percentage points). This translates as a faster rate of change for men because of their lower unemployment rate before the onset of the recession. Lack of data and policy discussion allows preconceived ideas to dominate, regardless of the extent of their empirical validity. Nevertheless, the observation that *this* crisis is affecting breadwinners is becoming almost a truism.

Thus, sometimes by stealth and sometimes by 'lazy' or hurried thinking, protecting the male breadwinner (at the expense of women) is once again becoming a legitimate policy target. Greek lessons from the beginning of the crisis:

- The pension law passed in 2010, hailed as (at last) increasing retirement ages, actually effectively reduced them substantially for mothers who were due to retire in the period to 2010 (the rather quaint category of 50-year old 'mothers of underage' children in the public sector now have the age of the child judged not at 50 years of age, but much earlier).
- '*Public sector reserve'*. Faced with the necessity of reducing the number of civil servants in autumn 2011, those with vested pension rights (i.e. women to a far greater extent) will be placed on a reserve list. 'Reservists' will be paid 60% of their salary and will be excused from work –i.e. no less than an early retirement scheme.
- Cuts in social expenditure. Benefits in kind are the first to go in a retrenchment. Social services (especially care services) before the crisis were incapable of meeting the demand, transferring, thus the care burden on women in the family.
- Immigration and care. Immigrant women supplied informal care services, which allowed many women since 1992 to enter the labour market. While migrants, as a rule, are attempting to wait out the recession and are not moving out of the country, they are experiencing unemployment (mainly men in the construction sector) or wage squeeze and fewer employment opportunities in the informal economy of care (mainly women), as the family budgets of their former employers become increasingly strained.

In the meantime the pressures of daily life are mounting. Though the private sector and families were less indebted than in other EU countries, the role that mounting mortgage payments were playing, say, in the UK, Ireland or Spain, is played by unpredictable new demands for tax surcharges and/or wage cuts. As structural measures are either delayed or not implemented, the government's acute cash needs are met through emergency tax increases. Family budgets have to be cut, and women have to cut them.

Finally, the austerity protests have generated a new kind of victim: Paralysis in services of general interest is hurting poorer individuals, who have no alternative. For example, the repeated public transportation stoppages affect those with no car or those working shorter hours (women, younger people, immigrants).

In this way, while the crisis probably affects women more than men, the opposite is perceived to be the problem that needs addressing. The more difficult the macroeconomic situation becomes, the stronger those myths become. And, alas, the stronger the legitimation given to policies that threaten gender balance.

The end-game and imponderables. No one knows what happens at the end of the line – on indeed where that will end and when. Living in Greece in 2011 is like balancing on a tightrope. One never knows when a chance event – internally generated or perhaps external – may tip the balance. One also never knows what will happen then. A fortiori it is impossible to talk about gender balance. Most likely that – among many other things we take for granted - will be forgotten in the general clamour.

History teaches us that when the macroeconomic tide turned sharply in the Depression of the 1930s, much progress on structural on social issues rolled back, women's job opportunities among them.

Will the same happen now?

The situation in Greece can serve as advance warning. Differences with the 1930s (but also with Argentina 2001) exist and must be noted: (a) We can now learn from history. (b) Gender balance was for decades an explicit objective (c) In the EU responsibility lies *mainly* with the member states - but not *exclusively*.

Will these suffice?

Only time will tell.