

The Economic Risks of Being a Housewife

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To be a housewife is to be a member of a peculiar occupation—one with characteristics quite different from all others. The nature of the duties to be performed, the form of the pay, the methods of supervision, the tenure system, the “marketplace” in which “workers” find “jobs,” and the physical hazards are all so different from conditions found in other occupations that one tends not to think of a housewife as belonging to an occupation in the usual sense. Yet being a housewife certainly meets the American Heritage Dictionary’s definition of an occupation, as “an activity that serves as one’s regular source of livelihood.” In fact, to be a housewife is to be a member of the largest single occupation in the U.S. economy. Thus, it is certainly both legitimate and interesting to compare the advantages and disadvantages of the housewife’s source of livelihood with those of other sources of livelihood.

Few economists have studied the economic aspects of being a housewife. Gary Becker’s economium to the advantages of the division of labor among spouses addresses some of the issues, but its perspective seems to be that of a male member of a “traditional” family. More recently, Marianne Ferber and Bonnie Birnbaum, as well as Clair (Vickrey) Brown have made contributions in which the interests of each family member are recognized as distinct.¹ In this paper, I focus on the economic risks of the housewife occupation, which are

shown to be very high relative to those of other occupations.

I. Characteristics of the Housewife Occupation

A. *The Duties*

The housewife’s occupational duties—which we will define as the things she needs to do to keep her job—usually include cooking, dishwashing, housecleaning, laundry work, child care, and a “personal relations” component, which includes sexual relations. Both the sexual and nonsexual components of the duties are sources of economic risk. The nonsexual component of housewives’ duties are broadly the same as the duties of paid domestic servants, although the housewife usually has more discretion than the servant, and a more responsible role with respect to the children and the finances. A housewife whose “job” ends, either at her own discretion or that of her husband, will probably have to enter some other occupation at least for a time. She will be faced with the fact that the alternative occupation most like the one she has left, and the one for which she has the most fitting recent experience, is one with both low pay and low status. Most housewives who lose their job or who quit do not become domestic servants. However, they will be at a disadvantage in the job market relative to their age group because of the failure in the eyes of employers to build up, during their service as housewives, that part of their human capital thought to be most serviceable on nondomestic jobs.

The sexual component of the housewife’s duties also contribute importantly to the risks of the job. Like the airline stewardess, part of the housewife’s job is being attractive. Unlike the stewardess, however, the housewife’s duties clearly include cohabita-

*University of Maryland and The Urban Institute. Neither the University of Maryland nor The Urban Institute is in any way responsible for the contents of this paper. The views expressed here are solely my own. I would like to thank Deborah Freedman and Harriet Presser for comments on an earlier draft.

¹Wassily Leontief once said that an input-output table for the American economy put together by a horse would look quite different from the one Leontief created. In “the new home economics,” we are just starting to hear from the horses.

tion.² The woman who considers entering a housewife job, usually from a paid job, knows that cohabitation is a condition of keeping it, and considers the attractiveness of her suitor (or her husband, if she is already married) in deciding whether to accept the "job offer." Of course, sexual cohabitation in this context forms a perhaps vital part of the intimacy of the marriage relationship, with its presumption of caring, consideration, and long-run commitment. It is usually, at the outset at least, considered a highly valued fringe benefit rather than an onerous duty. However, the sex component of the housewife's duties, and the children who may appear as a result of it, make it difficult to go from one "job" to another within the occupation. The fact that the law makes marriages more costly and difficult to dissolve than are other employee-employer relationships also contributes to the difficulty of going from one housewife job to another.

The housewife's attractiveness to her husband can be thought of as a component of the human capital needed for her job, and she may be in the position of seeing this part of her portfolio of assets wane in value either gradually or suddenly. Her husband's attractiveness to her may also suddenly or gradually diminish, reducing the value of the intimacy fringe benefit, possibly changing it from positive to negative. These possibilities obviously make for high risk both with respect to "working conditions" and tenure.

Another component of a housewife's human capital which contributes to the value of her work is her identity as the mother of the husband's children, and thus as the person usually assumed to be most fitted to give them attentive and loving care. As the number of children born to marriages has on average diminished, and as the number of years in which a married couple has preschool children in the home has diminished, this component of the house-

wife's human capital disappears faster, leaving her more open to the threat of displacement from her "job."

As Ferber and Birnbaum have pointed out, the decline in the value of the housewife's services in the home occurs at a time when her husband's earnings and status are usually growing. The discrepancy in the economic position and in the social and sexual opportunities of a housewife and the man to whom she is married typically grows as they go through their forties.

B. *Physical Hazards*

The home is a risky place both for men and women. In 1977, 15.1 million women and 14.4 million men were injured in the home, while 2.4 million women and 9.0 million men were injured in paid jobs. Accidents are not the only source of injury; the chance of physical damage to women because of intentional human violence is far from negligible. A recent survey for the U.S. Department of Justice found that 4.1 percent of women living with a husband or male partner at the time of the survey had experienced severe physical abuse from him within the last twelve months and 8.7 percent had experienced it at some time. Severe physical abuse was defined as "being kicked, bit, or hit with a fist, being hit with an object, being beaten up, being threatened with a knife or a gun, or having a knife or a gun used against them." If in addition to the above, we include those women who had something thrown at them, or were pushed, grabbed, shoved or slapped, the proportion who experienced violence so defined comes to 10 percent for the previous twelve months, while 21 percent had experienced violence so defined at some time. Surveys which ask women about violent attacks on them by men living with them probably produce an underestimate of the extent of violence—they leave out women who have left their husbands, and attacks that women are ashamed to report.

In most occupations, physical assault on the job will be likely to result in criminal penalties for the perpetrator, but violence against housewives by their husbands results

²In all other occupations except prostitution the requirement that sex be part of the duties of the job has been defined by the courts as sexual harassment. See Catherine MacKinnon.

in few charges—the Justice survey found that only 9 percent of violent incidents are reported to police, and only 4 percent go to court. Police in most jurisdictions simply do not consider such attacks as criminal.

C. The Pay

The “pay for housewives” advocates, such as Carol Lopate, tend to ignore the fact that the housewife does receive a return for her work, perhaps because all or almost all of the pay takes the form of noncash benefits. Like the noncash benefits workers in other occupations get, they are untaxed.³ The housewife’s pay consists in room, board, a clothing allowance, medical care, all-expenses paid vacations, and the benefits she gets out of her own domestic services.

It is difficult to measure the housewife’s pay directly, but it can be roughly assessed from published consumer expenditure data using a scheme in which a man’s expenditure for his own clothing is taken to be an index of his standard of living. The cost of a housewife to a child-free married man can be taken to be the difference in family income on average between a married and single man with the same expenditures for male clothing. If a single man’s clothing expenditure (C_s) is taken on average to be linearly related to his income (Y_s),

$$(1) \quad C_s = a_s + b_s Y_s$$

and similarly a child-free married man’s clothing expenditure (C_m) is on average

$$(2) \quad C_m = a_m + b_m Y_m$$

then setting C_m equal to C_s we can express the cost of a nonworking wife to a husband

³Rolande Cuvillier has for this reason characterized the housewife as an “unjustified financial burden on the community.” She further suggests that agitation to provide the housewife with pay, disability insurance and better pension rights out of the public purse has more to do with insuring men that they will have domestic services than with improving the status of women.

as

$$(3) \quad W = Y_m - Y_s = \frac{a_s - a_m}{b_s} + \frac{b_s - b_m}{b_s} Y_m$$

The magnitudes of the parameters of (1) and (2) derived from the published aggregates in the 1973 *Consumer Expenditure Survey* give values for the constant term and coefficient of income in (3) remarkably close to zero and one-half, respectively. About half of a married man’s income goes as “pay” to his wife.

We may carry the analysis still further by examining clothing expenditures for adult women. Again, the data indicate that single women dress about as well as child-free married women whose family income is about twice theirs. Since women who do full-time work for pay earn about 60 percent of what men do, a single woman who quits work to become a housewife appears to make on average a modest sacrifice in her standard of living, at least as measured by her standard of clothing consumption.

The noncash nature of the housewife’s pay creates problems for her if conditions on her job are such that she wants to quit the marriage. It may be difficult or impossible for her to accumulate a cash reserve which would carry her through until she finds some other source of livelihood, usually a job in another occupation. If she can make such an accumulation, it may have to be done by stealth.⁴ The “live-in” feature of the housewife’s job increases the difficulty of quitting by increasing the size of the accumulation needed to change jobs. In most other occupations a person quitting a particular job does not have to move out of his or her present living quarters at the time of the quit—such a person can usually live for a while on the goodwill built up with the landlord and on the stocks of staples in the kitchen. It is conjectured that the reason a wife who is beaten by her husband may stay with him is that she has no place to go—and no resources to establish a place to live

⁴Some part of the usage of cash-back coupons offered on some products may be due to housewives’ desire to have a source of cash not subject to their husbands’ knowledge and supervision.

apart for herself and for any children she may intend to take with her. Even in less dire circumstances, the practical difficulty of setting up a new household may result in the imposition on and toleration by the housewife of circumstances few workers in other occupations are subject to.

II. The Economic Risks the Housewife Runs

If a risky activity is defined as one with a high variability in payoff, then the housewife's occupation is one of the riskiest. The variability of the housewife's pay is larger than the variability of her husband's, because it includes variation due to the possibility that the marriage will end, and that the pay she gets from him will cease. In this latter case, she may after a time be able to find a new job either as housewife or in some other occupation providing similar or even improved pay, but there will in most cases be a drop in economic status which is severe and prolonged.

Samuel Preston has estimated, based on disruption rates experienced in 1973, that 44 percent of marriages will end in divorce. The 1976 Census found the median interval between first marriage and divorce for women to be 7.3 years, which means that a substantial proportion of divorced women will have had relatively long marriages, and the housewives among them will have spent a substantial number of years out of the labor force. About 41 percent of the divorced women responding to the census had not remarried, and for those who had remarried, there was a median interval of 3 years between divorce and remarriage.

We may deduce from the 1976 Census data that on average a married woman runs a risk of divorce each year of above 2 percent. The risk of getting divorced in a year is far lower than the risk an employed person runs of suffering a spell of unemployment in a year, which was on the order of 14 percent in 1975. However, leaving or losing a job, difficult as that may be, is usually far less of a personal and financial trauma than ending a marriage is likely to be for a housewife. An important part of the

financial trauma may relate to the expenses for children, since economic support from the husband for them will in a high proportion of cases disappear simultaneously with financial support for the wife. The 1979 Census reports that three-quarters of the mothers who were separated or divorced from their child's father received nothing from the father. Only 8 percent received \$1,000 or more per child. Alimony is available with any regularity to an even smaller group.

The power that a husband now has to terminate his marriage to a housewife and thus to reduce considerably her standard of living and her status has effects on those housewives whose marriage has not terminated. First of all, there is the worry that the marriage may terminate. Second, the husband may use the implicit or explicit threat of leaving to achieve a dominance in the relationship, to the detriment of the housewife's feelings of well-being. Thus, the increasingly well-known risk of a bad outcome has the effect of reducing the value of a "good" outcome.

III. The Euthanasia of the Housewife?

If the housewife occupation has all of the disadvantages I have cataloged, why have so many people "chosen" it over other occupations? The answer, of course, is that all the people who "chose" it were women, and being women their alternatives were even worse, or were made to seem worse. In the past, the occupation of housewife had the character of a caste into which one was placed at birth. The socialization that female children received (and still receive) which makes membership in the housewife caste seem attractive and inevitable has been documented by Judith Long Laws. The ideology of romantic love and "Prince Charming" legend have played a part. For adult women, leaving the caste was discouraged by employment discrimination, by the social stigma attached to being a never-married or divorced woman, and by social pressures on wives not to seek paid employment.

In the era prior to the industrial revolution, most women worked on farms and contributed heavily to the output of goods in addition to providing housekeeping services. The housewife caste, in the sense of an occupational group devoting itself exclusively to domestic service, was greatly enlarged by the industrial revolution. As jobs off the farm were created, real wages for men got to a level such that many men were able to afford the services of a live-in domestic servant, who also served as a wife. This development segregated women's productive activities, but probably improved women's lives considerably. As technological change has proceeded further, the real value of cash wages available to women, although continuing to be far below men's wages, have reached a level such that the alternatives to continued membership in the housewife caste have grown more attractive. Thus the same trends that caused the housewife occupation to grow are now causing it to shrink.

Although some women continue to enter the occupation of housewife directly from school and remain there for their lifetime, most women have only a spell as full-time housewives, starting at the birth of their first child. The number and lengths of women's spells in the housewife occupation are decreasing, and an increasing number of women are managing to get through a lifetime with no spell at all.

The decline in size of the housewife occupation will mean that some of the functions this occupation currently serves will disappear, and others will be served in other ways, through the purchase of market services and through the greater participation of husbands and children in providing domestic services. Isabel Sawhill has posed the question of whether the world would be a better or worse place if there were no full-time homemakers. Although economists do not usually ask such questions about products or occupations which changing technology or tastes have caused to decline, the question is in the minds of many, and is becoming a political issue. It is certainly true that, from a narrow point of view, a

system in which the homemakers are women with impoverished alternatives serves the comfort and interest of men and male children, and the short-run comfort of female children. However, just as few would say that discrimination against blacks makes the world a better place, or even a better place for whites, so increasingly many are unwilling to say that a world of poor opportunities for women is a better place, or even a better place for men.

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