## **CONTRIBUTING TO DEMOCRACY**

Carole Pateman\*

A popular claim in the 1990s is that citizens' standing and rights require a contribution on their part. Little attention has been given to the question of what should count as a "contribution." The prevailing assumption is that only employment is what counts, and this assumption is linked to attacks on dependence, and a shift to an economic view of democracy and citizenship. Self-governing citizens are being reconceptualized as consumers and owners, especially owners of property in their persons. When democratization is linked to universal employment, some long-standing problems about democracy are obscured. For example, the problems of the refusal to count women's unpaid work as a contribution, even as structural adjustment is increasing its value, and the structure of authority in workplaces become marginalized. At a time when economic policies are eroding the conditions for democracy, the political question must be asked whether citizens' standing should be contingent upon a contribution.

Dans les années 1990, il est coutumier de déclarer que la qualité et les droits de citoyen nécessitent une contribution de contrepartie, sans toutefois la définir. Il semblerait que seul l'emploi compte, et cette attitude prédominante se traduit par des attaques contre la dépendance et une vue économique de la démocratie et de la citoyenneté. Les citoyens autonomes sont en voie d'être reconceptualisés en tant que consommateurs et propriétaires - de propriétaires en leurs personnes, surtout. Quand la démocratisation est liée à la notion d'emploi universel, certains problèmes de longue date au sujet de la démocratie sont obscurcis. Les problèmes que pose le refus de voir le travail non rémunéré des femmes comme une contribution, alors même que les ajustements structurels lui donnent une importance croissante, et la structure d'autorité se margin-alisent. À l'heure où les politiques économiques érodent les conditions de la démocratie, il importe de se demander si le statut de citoyen devrait dépendre d'une contribution.

Democracy, in the sense of institutions and mechanisms for "free and fair" elections, is today more popular and established in more places, than at any other time in history. There has also been a major revival of interest in democratic theory and theories of citizenship in the 1990s, and the problem of the relationship between economic development, particularly the establishment of markets, and democratization is once again receiving a great deal of attention. Recent intellectual developments have resulted in some new directions being opened up in democratic theory and discussion of ideas such as "agonistic" democracy. Despite all the argument about democracy and citizenship, however, a series of related, long-standing problems is being neglected. Ironically, one reason for the neglect is that, in an era of democracy, emphasis on markets and a global economic system has been dominating public debate and policy-making over the past decade, and political theory is being displaced by economic theory.

<sup>\*</sup> Department of Political Science, University of California at Los Angeles. This paper, with some revisions, is the text of the McDonald Constitutional Lecture delivered March 12, 1997 at the Faculty of Law, University of Alberta.

One of the neglected problems is what counts, or should count, as a contribution by citizens in a democracy. In current debates over welfare and deficits we hear a great deal about duty and responsibility, especially the individual responsibility not to become dependent. In political philosophy, too, there are familiar arguments about the duties or obligations of citizens to the state or to their fellow citizens. Recently, much discussion has been framed in terms of the duty of fair play, of citizens doing their fair share and not free-riding if a cooperative scheme is to be maintained; that is to say, discussion has turned to the contribution required from citizens. However, the content of that contribution or duty is rarely spelled out. There is also another, more fundamental question, which I shall raise by way of a conclusion, whether democratic citizenship should be contingent upon a contribution at all.

In his classic essay, *Citizenship and Social Class* (first published in 1950, and revived as part of the concern with democracy over the past decade), <sup>1</sup> T. H. Marshall commented on the difficulty of specifying a clear general duty of citizens. The only such duty or contribution, he suggests, is the duty to work. By "work" he meant paid employment. Nearly half a century later, it is striking how much public policy and debate appears to agree with Marshall. There is now a widespread assumption that employment is the contribution required from all citizens in a democracy. Universal employment is coming to be seen as necessary to democracy and citizenship as universal suffrage. This development means that some other older questions about the relationship between democratization and the institution of employment are being submerged from view. Another reason why problems about contributing and employment are not considered is that the long tradition of feminist argument is still treated as peripheral to democratic theory.

My discussion of these issues rests on a political conception of self-government, citizenship and democracy, a perspective that is now being replaced by an economic theory. Citizenship has always been controversial precisely because a citizen is a figure with political standing, a standing equal to that of other citizens, with the right to take part in the government of the collective life of a political unit. Citizens are thus self-governing. Citizenship is not, as it is often assumed to be, synonymous with democracy. If citizenship is to be democratic, all adult inhabitants of the political unit must be citizens, and all citizens must be able to exercise self-government. Their standing, that is, must be of equal worth to them all. They must all be enabled, through appropriate

Vol. IV, No. 2 Review of Constitutional Studies

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T.H. Marshall, "Citizenship and Social Class" in Sociology at the Cross Roads and Other Essays (London: Heinemann, 1963 [1950]).

rights and public policy measures — through democratization — to participate, to the extent that they so choose, in all aspects of social and political life. "Democratization" is often used as if the term were applicable only to countries emerging from authoritarian or military rule. My assumption is that democratization is as necessary at home as abroad.

When the citizen as a political figure gives way to an economic figure, an agent who takes part in government is reconceptualized as an independent agent who has worth by virtue of making choices (including a choice when voting). The citizen is seen in the image of customers or consumers who choose how to disburse their income. The corollary is that "self-government" is being drained of political meaning in favor of an economic sense of self-government as independence. The mark of independence is ownership and self-sufficiency. The citizen is assumed to be an owner, an owner of private resources or property, including property in the person (a concept to which I shall return later). Independence is signified by choices or preferences indicated through allocation of resources in, and entry into contracts in, markets.

I

Over the past two decades, democracy and democratization have become linked more tightly than ever before to "the market." In fact, many different markets, and many different activities and institutions, are included under the heading of "the market." In particular, labor markets — the focus of my discussion here — are being constructed and employment instituted round the world by governments, corporations and international economic agencies. The organization of social institutions around markets is now being seen as basic to democracy by a wide spectrum of opinion. In short, as Polanyi showed a long time ago, much of the rhetoric about "the market" is not about economic arrangements in any narrow sense. Rather, it refers to a form of political order in which, "human society ... become[s] an accessory of the economic system."

The policies that foster the organization of markets can be summed up by the term "structural adjustment." This often is associated with less developed countries, or countries where a transition to democracy is underway, but structural adjustment also is being implemented in rich countries with long-established democratic institutions. Indeed, New Zealand provides the most far-reaching example of this policy. From the turn of the century for some seven decades, New Zealand was noted for a comprehensive welfare state, and a

<sup>&</sup>lt;sup>2</sup> K. Polyanyi, *The Great Transformation* (Boston: Beacon Press, 1957) at 75.

system of national wage awards, collective bargaining and compulsory arbitration. In 1972, a Royal Commission on Social Security stated that the aim was to ensure that "everyone is able to enjoy a standard of living much like that of the rest of the community, and thus is able to feel a sense of participation in and belonging to the community." Since 1984, this institutional structure and ideal have been swept away, and the attempt is being made to refashion and "privatize" every area of social life into a comprehensive system of markets, including education and health care.4

The current popularity of democracy is historically unprecedented. Democracy has been feared in the past because it was associated with structural change, whether change to government structures, the institutions of property or marriage, or the distribution of or access to resources. A shift in the meaning of "structural," as now used in "structural adjustment," noted in the 1996 U.N. Human Development Report, illustrates the draining of political content from such terms. Policies pursued over the past twenty years have "excluded many measures previously identified as critical for changing social and economic structures — such as land reform or a radical redistribution of power." Instead, structural adjustment policies have been associated with a marked increase in social inequality and, at a time when democracy is more widely favored than ever before, the diminution and erosion of political standing and the conditions required for democratization.

Political standing is diminished by narrowing the idea of citizenship to an economic model and by eliminating many potential channels of participation and governmental accountability through privatization. The conditions for democratization are also eroded by these developments. When basic social services are privatized they are no longer available as a right to all those who need them.<sup>7</sup> and the need is all the greater since the gap between the well off and the poor is growing, both globally between North and South, and within the rich countries. In the last thirty years, the share of global income of the poorest 20 per cent of the world's population has declined from 2.3 per cent to 1.4 per cent.

<sup>3</sup> Cited in J. Kelsey, *Economic Fundam entalism* (London: Pluto Press, 1995) at 271.

<sup>&</sup>lt;sup>4</sup> In Australia, too, "[m]arket liberalism is now the 'normative order' of economic policy ... [embodying] the conventional wisdom." See M. Painter, "Economic Policy, Market Liberalism and the 'End of Australian Politics'" (1996) Aust. J. Pol. Sci. 31 at 297.

United Nations, Human Development Report (New York: Oxford University Press, 1996).

Ibid. at 48.

Sometimes, as in the case of electricity in Britain, the poor may pay higher charges than other consumers to privatized companies.

The share of the richest 20 per cent went up from 70 per cent to 85 per cent. In the rich countries, the increase in inequality has been most obvious where governments have implemented structural adjustment with particular vigor. In the 1980s the divide between rich and poor grew more rapidly in Britain than in any other OECD country, and in New Zealand, from the late 1970s to 1993, the share of gross income of the top twenty per cent of households increased by 10 per cent to 45 per cent of the total. In contrast, the poorest 20 per cent of New Zealand households received only 3 per cent of total income in 1993. One of the most visible signs of the increasing gap between the rich and the poor is, of course, homeless people living and begging in the streets of many cities. 10

Two major factors contributing to social inequality are, first, that mass unemployment re-appeared some time ago. Some thirty million or more people are unemployed in the OECD countries. Second, employment is also changing. Many of the new jobs being created in the USA and in Britain, for example, are "junk jobs" — either low wage (often also without benefits), part-time, or temporary. Indeed, Britain has been described as a 40-30-30 society — 40 per cent of adults of working age have secure jobs (in 1975, it was 55 per cent), 30 per cent are in structurally insecure positions, and 30 per cent are either unemployed or economically inactive. The latter 30 per cent used to be predominantly female, but now nearly half the men aged between 55 and 65 fall into this category. In the EU, the percentage of men of working age outside the labor force rose from 8 per cent in 1968 to 22 per cent in 1993.

Whole sections of the populations of Western countries are, therefore, being pushed to the margins of social and political life. Large numbers of citizens exist

<sup>&</sup>lt;sup>8</sup> Supra note 5 at 2.

<sup>&</sup>lt;sup>9</sup> The economy of New Zealand shrank by 1 per cent between 1985 and 1992, whereas in other OECD countries it continued to grow. In 1992, real GDP was about 5 per cent below the 1985-86 level (Kelsey, *supra* note 3 at 9, 243-245).

Another indicator is an increase in the differential mortality rates between richer vs. poorer groups. Globally, health care systems in many of the poorest countries are in a state of collapse, from a combination of structural adjustment, debt repayments, decline in aid and wars. In Mozambique, for example, the IMF has decreed that reconstruction must be delayed until inflation is below 15 per cent; GNP rose in the late 1980s, but has fallen each year since 1991 when the IMF imposed "stabilization" policies, and, at \$100 per capita, is now half of the level in 1990. See Joseph Hanlon, "IMF Polls Plug on Mozambique" Guardian Weekly (12 January 1997) at 25.

W. Hutton, "Time for a Few Home Truths" *Guardian Weekly* (28 May 1995) at 24 and "High Risk Strategy is Not Playing Off" *Guardian Weekly* (12 November 1995) at 13.

<sup>12 &</sup>quot;Tomorrow's Second Sex" The Economist (28 September 1996) 23-26 at 24.

in a state of chronic insecurity and lack of private resources. At a time when public provision is decreasing, and being seen as a cause of "dependence," their condition makes it all too easy for them to be seen and treated as lacking the standing of citizens.

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A major problem with citizenship over the last two centuries is that it has been exclusionary, both in terms of membership in nation states, and in terms of the inclusion and standing of various categories of inhabitants within those states. In the 1990s, exclusion and inclusion have become major issues in political theory. But proponents of economic theories of democracy pay little attention to the endorsement of exclusive criteria for citizenship by two of their founding fathers.

Joseph Schumpeter<sup>13</sup> insisted that a limited suffrage was compatible with his famous characterization of democracy as nothing more than a certain method of electing governments, in which political elites competed for votes, like entrepreneurs for consumers' dollars. Friedrich von Hayek, whose name rang so loudly during the period of the fall of the communist regimes in Eastern Europe, agrees with Schumpeter.<sup>14</sup> Enfranchisement is purely a matter of expedience, and a variety of qualifications for voting are all permissible; "[i]f ... universal adult suffrage seems the best arrangement, this does not prove that it is required by some basic principle."<sup>15</sup>

Hayek's criteria for exclusion from the suffrage, that emblem of citizenship, are all related to independence. He also considers "the old argument" whether

<sup>13</sup> J.A. Schumpeter, *Capitalism, Socialism and Democracy* (New York: Harper and Row, 1942).

Vol. IV, No. 2 Review of Constitutional Studies

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In The Constitution of Liberty, he makes the very curious remark that a slave "will not become free if he obtains merely the right to vote" — what an odd slave who could vote along with her master. See F.A. Hayek, The Constitution of Liberty (Chicago: University of Chicago Press, 1960) at 20.

<sup>15</sup> *Ibid.* at 105; see also *supra* note 4 at 443. In Volume 3 of *Law, Legislation and Liberty*, Hayek put forward a proposal for a model constitution. He argued for two chambers, the second of which was to be devoted to formulating purely general rules to regulate just conduct. Representatives to this chamber were to be aged between 45-60, and selected by people from the same age groups. He noted that such groups might form from school-leaving age, and — in splendidly patriarchal fashion — that "[t]hey would possibly be more attractive if men of one age group were brought together with women two years or so younger" (at 117).

"employees of government and all who received pensions or other support from government should have no vote." Because they are dependent upon government funds, he claims that their vote, rather than an expression of opinion, would derive from a direct interest in the expenditure of public monies. It is thus unreasonable that they should be enfranchised.

There are few, if any, people today who suggest that government employees should be disenfranchised, or that those in receipt of welfare benefits should be deprived of the vote. But the political rhetoric of critics of the welfare state, and the assumptions underlying current policy changes, are concerned with the "dependence" of those in receipt of welfare. Dependence is held to undermine their citizenship, and employment is seen as the remedy for their condition.

A decade ago, Lawrence Mead argued in Beyond Entitlement, 17 that the poor could be turned into competent citizens only through employment. If necessary, they must be made less free in the name of citizenship by being coerced into employment, including low paid employment. Policies in several countries now follow Mead's line of argument, notably in the USA, where "welfare" has always had different connotations from Europe, and, unlike "social security," has been regarded as an essentially residual program. Public provision for poor people is now being made contingent on employment. Welfare is being transformed into workfare. Employment is seen as the key to citizenship, not just in terms of individuals' capacities, but as a mark of "independence." This is an indication of the influence of an economic approach to citizenship that rejects "dependence" as impairing the ability to choose, and sees independence signified for most people by livelihood gained through employment. Workfare also implies that citizens must not receive "something for nothing." Any benefits must be "earned," a contribution must be made in return, and, to demonstrate an absence of "dependence," the contribution must take the form of employment. Hence, universal employment is becoming central to democracy.

But is universal employment a feasible policy for the twenty-first century? The connection between employment and democracy is being tightened at a time when it is questionable whether employment — in the sense of paid jobs for all adults that provide a decent standard of living — is possible. Not only are contingent and low paid jobs increasing, but, for the past fifty years in most

F.A. Hayek, Law, Legislation and Liberty, Vol. 3 (New York: Routledge and Kegan Paul, 1979) at 119.

<sup>&</sup>lt;sup>17</sup> L.M. Mead, *Beyond Entitlement: The Social Obligations of Citizenship* (New York: Free Press, 1986).

developed countries, "full employment" has not meant paid jobs for all adults, but employment for male workers. In the Netherlands, for example, in the 1960s, where there was "full employment," only 59 per cent of the population aged 15-65 had jobs. Moreover, in much of the world, recent increases in productivity and living standards provide an example of "jobless growth." Structural adjustment, and all the changes labelled "globalization," are not necessarily leading to a growth in employment.

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The connection between employment and democracy needs critical scrutiny, however, even if universal employment proves to be feasible. One way to approach the questions raised for democratization is to consider the significance of an historic change in policy and popular sentiment, occurring especially in the U.S.A. The change is embodied in workfare policies that include young mothers who are caring for children on their own.

For most of this century in Western countries, including the U.S.A., public policy has included provision for mothers caring for their children. It was assumed that mothers of small children would not be in paid employment. This reflects patriarchal views about masculinity and femininity and the proper social place of the sexes; wives and mothers were not (paid) "workers." But it also implies that motherhood was their work, that the work had value, and made a contribution to the well-being of society and democracy.

In his famous Report on *Social Insurance and Allied Services*<sup>19</sup> that laid the basis for the British welfare state, William Beveridge saw housewives as essential partners in a team with their husbands. In particular, as mothers, they had vital work to do rearing the next generation of citizens. In contrast, present-day workfare policies imply that the work of motherhood is of no value and that mothers have no contribution to make. Only employment is "work," only paid employment counts as a contribution, only employment can be the making of citizens.

It might be objected that this is an exaggeration on two counts. First, workfare does not necessarily imply anything about the value of the work of wives and mothers in general, since it applies only to poor mothers without male

<sup>&</sup>lt;sup>8</sup> H. Adriaansens, "Citizenship, Work and Welfare" in B. Van Steenbergen, ed. *The Condition of Citizenship* (London: Sage, 1994) at 69.

<sup>&</sup>lt;sup>19</sup> Sir W. Beveridge, Social Insurance and Allied Services (New York: MacMillan, 1942).

partners. These young mothers are widely presented in the media as responsible for a host of current social ills. Second, workfaremerely makes explicit what has been the case all along; as feminist scholars have stressed, notwithstanding many statements like Beveridge's, and despite all the loud talk at present about "family values," unpaid work at home has never been seen as "work" in the same sense as employment of male breadwinners in public workplaces. At best, women's work in the private workplace has had a lesser value, and it has never stood in the same relationship to citizenship as employment.

Employment became established (in the case of Britain around the 1840s, after the Poor Law of 1834) as the way in which all able-bodied men should earn their livelihood and achieve independence. Under the law of coverture, part of English common law, wives in the 1840s had no independent legal or civil standing — their persons, property, earnings and children belonged to their husbands. By the late nineteenth century, men's wages were seen as family wages, and wives had been officially designated as "dependents" in the census classifications of Britain, the U.S.A. and Australia. This classification system was influenced by the developing profession of economics, and its strict separation between labor in the market ("productive") and non-market work ("unproductive"). Along with wives, the category of dependent "included infants, young children, the sick, and the elderly.<sup>21</sup>

The peculiar consequence was that one group, namely, able-bodied wives, designated as "dependents," were caring for and providing services for other dependents and their "independent," able-bodied husbands. But their activities were not seen as "work," or as a contribution that counted. In the twentieth century, even after the enfranchisement of women, this conception of "work" and "contributing" was built into the structure of the Anglo-American welfare state. Until quite recently, wives' entitlement to benefits was not secured by virtue of their own citizenship, but largely through their husbands' employment

For a discussion of "family values" that touches on some issues raised here, see I. Young, "Mothers, Citizenship and Independence: A Critique of Pure Family Values" (1995) 105 Ethics 535.

N. Folbre, "The Unproductive Housewife: Her Evolution in Nineteenth-Century Economic Thought" (1991) 16 Signs 463 at 464; see also D. Deacon, "Political Arithmetic: The Nineteenth Century Australian Census and the Construction of the Dependent Woman" (1985) 11 Signs 27.

record, and their husbands' monetary contribution from wage deductions channelled in the social insurance system.<sup>22</sup>

There is a very long tradition of feminist criticism of these assumptions about the lack of value of women's unpaid work and the dependence of wives, although it is little known in political theory or among students of democratization. From the 1790s, feminists have argued that women's unpaid work in private workplaces, especially their work as mothers, should count as part of citizenship — count, that is, as a contribution in its own right, just like men's contribution to the state and the common good. In the inter-war years, some feminists also tried to argue that a state endowment for motherhood (family allowances) should be seen as a means to eliminate wives' economic dependence on their husbands' wages, and as recognition of women's contribution and citizenship. Not surprisingly, when both citizenship and welfare policy were constructed around employment and the figure of the male breadwinner, none of these feminist arguments made any political headway. I shall come back to the question of unpaid work shortly.

IV

In the current political climate, it is sometimes difficult to remember that employment has not always exemplified independence or been identified with democracy, nor coerced employment seen as compatible with citizenship. For example, in the *Constitution of Liberty*, Hayek sees the employed as "alien and often inimical to much that constitutes the driving force of a free society."<sup>23</sup> Workers are dependent on employers, and dependence fosters an "outlook" incompatible with freedom. Independence springs from ownership of private (material) property. Employment cannot develop the initiative, inventiveness and willingness to take risks associated with decision making about one's property.<sup>24</sup>

See C. Pateman, "The Patriarchal Welfare State" in *The Disorder of Women: Democracy, Feminism and Political Theory* (Cambridge: Polity Press / Stanford: Stanford University Press, 1989); L. Gordon, ed., *Women, the State and Welfare*, (Madison, Wis.: University of Wisconsin Press, 1990); B. Nelson, "The Gender, Race, and Class Origins of Early Welfare Policy and the Welfare State" in L.A. Tilley and P. Gurin, eds., *Women, Politics, and Change* (New York: Russell Sage Foundation, 1990).

<sup>&</sup>lt;sup>23</sup> Havek, supra note 14 at 119.

Such a view harks back to Kant's argument, that I discuss in *The Sexual Contract* (at 168-173), that the laborer lacked a "civil personality" because he served another, and allowed "someone else to make use of him." See C. Pateman, *The Sexual Contract* (Cambridge: Polity Press/ Stanford: Stanford University Press, 1988) at 169. K ant argued that laborers

Hayek's view echoes the fears expressed in nineteenth-century America that wage labor threatened the independence required for republican citizenship. Judith Shklar discusses this view in *American Citizenship*: "Not only does the wage earner have to rely on others for remunerated work, he can be dismissed at any moment and then faces the loss of standing that being unemployed brings with it." Employment appeared uncomfortably close to the unrewarded labor and civil death of slavery.

Hayek's claim that employment fosters an "outlook" inimical to freedom is shared by one strand of socialist thought. In *Participation and Democratic Theory*, <sup>26</sup> I discussed the work of G.D.H. Cole, who argued in the early twentieth century that wage labor and the undemocratic structure of workplaces trained citizens for subservience, not democracy. Genuine democracy could not be created if citizens were educated in political servility in their employment. He thus declared that the major social problem was not poverty, as most people believed, but subordination (he wrote "slavery," but this is to exaggerates when speaking of juridically free and equal citizens).

However, both Hayek and Cole ignored marriage, another social institution where subordination existed and in which a subservient "outlook" was fostered. The words of Charlotte Perkins Gilman in 1898 will serve to sum up the feminist contribution to this line of criticism: "While all women have to be house servants from day to day, we are still in a servile world."<sup>27</sup>

In 1950, T.H. Marshall was advancing a rather different argument about employment. As I mentioned earlier, he believed that there was a general duty to "work" (to be employed), which he confined to male breadwinners. But Marshall's "duty" is not the same as workfare. He stressed that the duty to work was voluntary and that it was a recent creation "attached to the status of citizenship." This attachment arose because of the abolition of the English Poor Law. Until 1918, under the old Poor Law, paupers lost civil and political rights when they went into the workhouse, and so became "dependent," a charge on

must be excluded from the franchise, along with all women, who naturally lack civil personalities.

J.N. Shklar, American Citizenship: The Quest for Inclusion (Cambridge, Mass.: Harvard University Press, 1991) at 94.

<sup>&</sup>lt;sup>26</sup> C. Pateman, Participation and Democratic Theory (Cambridge: Cambridge University Press, 1970).

<sup>27</sup> C.P. Gilman, Women and Economics: A Study of the Economic Relation Between Men and Women as a Factor in Social Evolution (New York: Harper and Row, 1966 [1899] at 262).

<sup>&</sup>lt;sup>28</sup> Marshall, supra note 1 at 124.

public funds. The coercive "incentives to work" of the Poor Law, the threat of destitution, banishment to the workhouse and loss of standing, were, Marshall believed, incompatible with citizenship.

The establishment of (what Marshall called) social rights — welfare rights in European terminology — meant that the labor market could no longer rely on compulsion and new incentives had to be developed. Assuming that there would be full employment for men, Marshall hoped for a change in political culture. Individual men had to develop a sense of responsibility towards their community, or an attachment to the idea of employment as a voluntary service and as a contribution to fellow citizens.

V

The extent of the change that has taken place in views about the institution of employment and its relation to democracy deserves more attention than it has received. Earlier doubts and criticisms, fears that employment jeopardized independence and came too close to unfree labor, have almost disappeared, replaced by the view that employment exemplifies independence and free labor, and so stands at the opposite pole from slavery. This remarkable development could not have taken place without (tacit) acceptance of a conception of the "individual" as an owner — an owner of property in the person.

In this conception, an individual who enters an employment contract does not sell himself for life, and is not coerced into work, but voluntarily sells or contracts out his services for a specified period; that is, he freely contracts out part of the property owned in his person for use by another. The labor market can then be seen as a market for services, or for a commodity just like any other, and employment as the contracting out, or renting of those services. In the past, a variety of commentators reflected upon the peculiarity of labor as a commodity, but today such reflections are rarely heard.

When the individual is seen as an owner, capacities, attributes and talents become property in the same sense as material property. The individual stands in exactly the same relation to property in the person as to material property, and makes the same kind of decisions about this property as any other. As an owner, with right of disposition over property in the person, the individual is, therefore, independent. Self-government (in an economic sense) is exhibited through contracting out property for mutual advantage — especially property in the person in the employment contract. This view of the individual hinges on economic calculations of individual advantage, or cost/benefit analysis. It is irrational to sell, exchange, or rent property to another, unless the transaction is

judged to be of advantage to the owner. A worker, for example, considers the wage being offered before deciding whether to enter into an employment contract and thus make part of his property, his services or labor, available for use by an employer.

Recent philosophical debates that bear on the idea of the individual as owner have been about "self-ownership" rather than "property in the person." The question thus arises whether these two terms are merely different labels for the same set of assumptions. Here I shall focus on Cohen's *Self-Ownership*, *Freedom and Equality*, <sup>29</sup> since he declares that for self-ownership to be possible, there is no need for the self to stand as owner of, and thus as separate from, abilities. If what is owned is separable from "what owns," then, he claims, "... self-ownership is impossible." "Self-ownership" does not mean ownership of a self: "[w]e do not say that a person owns some deeply inner thing when we say that he owns himself. To say that A enjoys self-ownership is just to say that A owns A: 'self,' here, signifies a reflexive relation." His view of self-ownership — A owns A — involves ownership of a whole person, not a bundle of property.

The problem with this understanding of "self-ownership" is that it cannot do the political and theoretical work that is required in circumstances where democracy and employment are yoked together. First, the idea that the individual owns property in the person does not entail that what is owned is a deep, mysterious self. Rather, it is all surface. The self, the person, the individual, is conceived as a bundle of property, one part of which makes judgments about the disposition of the rest. Second, as I argue in *The Sexual Contract*, <sup>32</sup> this conception of the individual is, necessarily, both possible and impossible. Property in the person is eminently possible, since a major social institution, employment, is constructed around it. But it is impossible, in that it is a *political fiction*; as a matter of fact, as a fact of human existence, it is a fiction.

Humans cannot do what this concept presupposes that they can do, but it is perfectly sensible and coherent to talk *as if* they could. Humans cannot, for example, actually contract for a piece of their property to be put to use by an

1998

<sup>&</sup>lt;sup>29</sup> G.A. Cohen, *Self-Ownership, Freedom, and Equality* (Cambridge: Cambridge University Press, 1995). Other discussions of self-ownership include A. Ingram, *A Political Theory of Rights* (New York: Oxford University Press, 1994) and H. Steiner, *An Essay on Rights* (New York: Blackwell, 1994).

<sup>&</sup>lt;sup>30</sup> *Ibid.* at 69, note 4.

<sup>&</sup>lt;sup>31</sup> *Ibid*. at 211.

<sup>&</sup>lt;sup>32</sup> Pateman, supra note 24.

employer. They cannot send their abilities, their labor power or services to workplaces; they have to go themselves.<sup>33</sup> Property in the person is "impossible" in that sense — which is why so many commentators have had doubts about the claim that labor is a commodity — but it is a necessary political fiction if unfree labor is to be distinguished sharply enough from employment.

Cohen's book is an extended criticism of theorists whom he calls libertarians (I call them contractarians in *The Sexual Contract*). It is the contractarians who demonstrate most clearly what is at stake in the conception of the individual as owner (of property in the person) and in the claim that the employment contract is an exemplification of freedom. My argument is that once the idea of property in the person is acknowledged as a political fiction, employment can be seen as an example of a condition of *civil subordination*. This is a specifically modern form of subordination, part of the structure of the juridical freedom and equality of citizenship, that is constituted through voluntary contracts.

In the case of the employment contract, an employer cannot hire an abstraction, a service or piece of property — that is the political fiction. An individual, a person, and that person's skills, knowledge and experience are hired. But if the skills are to be put to use, the employer has to gain the right of control over that individual. In the institution of employment, employers make the decisions about how the person will be used, and for how long, and to what purpose. A relationship of subordination is thus created. To acknowledge that employment involves control over persons, not the hire of services, capacities or labor power — that the institution involves subordination — means that awkward questions emerge about its relation to democracy and to self-government (in a political sense).

Curiously enough, Cohen's ultimate argument is that self-ownership is not crucial to libertarianism. His book was written because he was frightened by Robert Nozick in the early 1970s. What frightened Cohen was Nozick's argument that taxation is theft, and hence redistribution in the welfare state is illegitimate. Cohen saw that there was a parallel between this libertarian claim about taxation and the welfare state, and the Marxist claim that what was wrong with capitalism was the theft of labor-time from workers by capitalists, i.e.,

<sup>&</sup>lt;sup>33</sup> The objection has been raised that it is quite possible to separate (some) property from the person. In *The Sexual Contract*, I mention spem, but this is true, for example, of kidneys. However, the property in the person with which I am concerned is rather different from organs (increasingly being seen and traded as property). Services and capacities are the subject of contracts which create *relationships* and *institutions*, marriage and employment, central to our social and political order (supra note 24).

exploitation. Both claims depend on ownership, either of income earned, or labor power. Cohen,<sup>34</sup> therefore, attempts to "diminish the appeal" of self-ownership. His strategy is to argue that the "bottom line" for libertarians "is not ... that we are self-owners but that the state has no right to impose or enforce non-contractual obligations on us."<sup>35</sup>

Cohen can make this move only because of his view of self-ownership (ownership of a whole person, not a bundle of property). Self-ownership in his sense has no necessary connection to contract or subordination. Indeed, it can be turned to a variety of non-contractual political purposes. So Cohen can separate "self-ownership" from the bottom line he attributes to libertarians, but in so doing he is unable to explain why libertarians are worried about non-contractual obligations (or why I called them contractarians!), or why property in the person is fundamental to the logic of their argument about free and unfree labor. In consequence, although he argues that socialists should give up the idea of self-ownership, his criticisms never reach the heart of the problems that employment poses for democratization.

In contrast, David Ellerman's work confronts the problems head-on. He begins by rejecting the claim that ownership of a firm entails the right of management to determine the actions of those using capital goods. Ownership of property, he argues, carries the right to exclude others from using it without consent, but it involves no other rights.<sup>37</sup> To obtain the right to command other

<sup>&</sup>lt;sup>34</sup> Cohen, supra note 29 at 230.

<sup>35</sup> *Ibid.* at 233.

Nor can he answer two other questions raised by the logic of contractarianism. First, why workers should be confined to short term employment contracts, and why life-time contracts are prohibited (a prohibition on what, in *The Sexual Contract*, I call civil slavery), even if they judge the latter a dvantage ous. Second, a question posed by David Ellerman, is why, if all contracts are valid in the absence of externalities that violate rights, a contract to allow another person to use a citizen's property in a vote is not permissible. See his *Property and Contract in Economics: The Case for Economic Democracy* (Oxford: Blackwell, 1992) at 3. Cohen's book falls into the familiar capitalism/so cialism deb ate that, as Ellerman remarks, is "analogous to a debate over slavery where the alternative proposed by the 'abolitionists' was the public ownership of the slaves" (*ibid.* at 17). Cohen stays within the bound aries set: a) by an old-fashioned Marxism; b) set by the libertarians; and c) set by analytical philosophy since Rawls.

Ellerman challenges the deeply embedded view that capitalism is defined by private property, rather than production organized through the employment system. He takes issue with "the fundamental myth" that ownership of a firm is a property right, and with the view that the residual claimant — the party with the right to the value of the product minus the costs of inputs — has that right by virtue of ownership of the firm, i.e. as a property right.

people's actions, the right to be a boss and to tell them what to do, requires the employment contract; "the employer buys those rights in the employment contract." These rights depend on the pretense that labor power or services are factors of production indistinguishable from any other. Workers are treated as mere factors of production through a contract that "pretends that human actions are transferable like the services of things." In employment, the use of persons is rented, just like the use of capital. The institution of employment thus poses a fundamental problem for democratic self-government.

Both Ellerman and I conclude, therefore, that employment must be democratized. As I argued in *Participation and Democratic Theory*,<sup>41</sup> employment denies self-government to citizens, and develops habits, attitudes and an outlook inimical to democracy. My recent work both reaffirms my earlier argument, but also extends and modifies it in two directions. One is that the political fiction of property in the person, and its associated idea of "independence," have to be relinquished. However, unless it is acknowledged that the individual as owner is made in the masculine image, that is unlikely to happen. This is related to the second modification of my argument. I assumed in 1970 that democratizing workplaces is the key to democracy — but public workplaces, even when democratized, are but one arena within which citizens can "work" and can make a contribution.

VI

Most advocates of workplace democracy still assume that "public" workplaces can be discussed in abstraction from the relations of the "private" household. Unlike advocates of "family values," who make vigorous attempts to reassert the patriarchal certainties of the past, many political theorists seem

Rather, he argues, that right arises through the pattern of contracts entered into for inputs or factors in the market. These contracts determine whom and what is hired by whom. Who forms the "firm" (i.e. the party that undertakes production, not the "corporation" owned by shareholders) is determined through a "hiring contest," and the contest is virtually always won by one side. The existing balance of bargaining power, together with the widely-held assumption that labor does not hire capital, means that the myth of ownership is rarely acknowledged. See Elleman, supra note 36 especially chapters 1, 6, and 8. See also D.P. Ellerman, Intellectual Trespassing as a Way of Life: Essays in Philosophy, Economics, and Mathematics (Lanham, Md.: Rowman & Littlefield, 1995) chapter 2.

<sup>&</sup>lt;sup>38</sup> Ellerman, supra note 36 at 19.

<sup>&</sup>lt;sup>39</sup> *Ibid.* at 20.

<sup>&</sup>lt;sup>40</sup> Ellerman (1995), supra note 37 at chapter 1.

<sup>&</sup>lt;sup>41</sup> Pateman, supra note 26.

to prefer to pretend that two centuries of feminist argument about the public and the private is irrelevant to their subject-matter.<sup>42</sup> Neglect of the connection between the institutions of employment and marriage is a major reason why there is important unfinished democratic business.

The relationship between employment, citizenship, and marriage as constituted by a breadwinner husband and a dependent wife, is changing shape and is being played out in a new social and political context at the end of the twentieth century. The industries that supported the male breadwinner, "full employment," and the family wage have been decimated in western countries, and there is a high incidence of marriage breakdown. At the same time, jobs are continuing to open up in "women's work." For example, by the end of 1993 in Britain, almost as many women as men were in the workforce; 10.53 million women were employed, and 10.85 million men.<sup>43</sup> Between 1980 and 1992, women comprised three-fifths of the increase in the workforce in the U.S.A. and two-thirds in Europe.<sup>44</sup>

These large changes in employment patterns are occurring while the welfare state continues to be reorganized, privatized and cut back. A paradoxical feature of the current situation is that while policies such as workfare deny that (valued) "work" takes place in private workplaces, structural adjustment is increasing its value. Some years ago, <sup>45</sup> I noted that, although never seen as such, the unpaid work women performed in private workplaces is a form of "welfare." The care and services provided in the welfare state are much the same as those given by daughters, wives and mothers in their homes. Moreover, the welfare system has always relied on women continuing to provide free services in the private workplace, just as the institution of employment for male breadwinners presupposed the unpaid services of wives. As privatization of services increases, so dependence on women's unpaid "contribution" is growing. When the public

1998

For example, Cohen remarks that "pioneer" socialists in the nineteenth century opposed the market and favored "... comprehensive central planning" (supra note 29 at 255). This is not true of the pioneers who came before Marx, but were dismissed out-of-hand by Marx and Engels as "utopians." They advocated what they called cooperation, and tried to promote change through the example of practical experiments in living, not central planning. Some of them, such as William Thompson, (whom I discuss in *The Sexual Contract*) were also feminists, and were aware of the significance for cooperative socialism of the relationship between the (private) subordination of wives and the public division of labor.

<sup>&</sup>lt;sup>43</sup> V. Keegan, "Women Rise to Top of UK Job Market" Guardian Weekly (17 April 1994) at 19.

<sup>44</sup> The Economist, supra note 12.

<sup>&</sup>lt;sup>45</sup> Pateman, supra note 22.

provision is reduced, women are required to step in and care for infants, the elderly, the sick and the infirm (for a global picture, see Seager<sup>46</sup>). In order to make this unrecognized contribution, they may reduce their hours of employment, or give up paid work entirely. <sup>47</sup> Yet many women must be in paid employment if their families are to have a decent life, and large numbers of women are now "breadwinners."

The process of stripping women's household work of value, even though it sustains many millions of lives, has global dimensions in the 1990s. This is not a new phenomenon (it has been going on world-wide over the past forty years) but it has been exacerbated since structural adjustment policies have been implemented. From the 1950s, the United Nations System of National Accounts (SNA) has been used to measure economic productivity and growth. As Marilyn Waring<sup>48</sup> showed in her pathbreaking study, the SNA treated households as unproductive, unless producing agricultural goods for the market. United Nations' manuals explicitly excluded unpaid domestic work from productive "work," even though, in addition to all the tasks thought of as "housework" in the West, the "domestic" included "all food processing, kitchen gardening, animal tending, food and water collection, fishing, hunting, gathering, and manufacturing for home use." "49

Not only does the value of women's unpaid contribution continue to increase around the world as public services are cut back, but their services — and, therefore, the women themselves — are exported by many poorer countries. Their remittances play a crucial part in enabling their governments to make debt repayments as prescribed by bodies such as the IMF. Cynthia Enloe records that in 1988, some 175,000 Filipino women worked abroad, around 81,000 as domestic servants. The remittances of expatriate men and women workers comprised 18 per cent of the foreign exchange of the Philippines. The remittances of the Philippines.

<sup>50</sup> See also Seager, supra note 46, map 22.

<sup>&</sup>lt;sup>46</sup> J. Seager, *The State of Women in the World Atlas*, 2nd ed. (New York: Penguin Books, 1997) map 29.

M. J. Bro die, Politics on the Margins: Restructuring and the Canadian Women's Movement (Halifax: Femwood Publishing, 1995) at 54.

<sup>&</sup>lt;sup>48</sup> M. Waring, Counting for Nothing: What Men Value and What Women are Worth (Wellington, N.Z.: Allen and Unwin, 1988) at 64-65.

<sup>&</sup>lt;sup>49</sup> *Ibid*. at 65.

<sup>&</sup>lt;sup>51</sup> C. H. Enloe, Bananas, Beaches, and Bases: Making Feminist Sense of International Politics (Berkeley: University of California Press, 1990) at 187-188.

Waring mentions a comment made when the chair of the group of economists that set up the SNA was awarded a Nobel prize: "[t]he system has become accepted as so self-evident that it is hard to realise that someone had to invent it." Exactly: the "self-evidence" of this view of what counts as a contribution, what counts as valued "work," is at the heart of the problem of employment and democratization. There are some encouraging signs that awareness is growing of the inadequacy of notions of "productivity" that exclude work in households (for example, in the UN *Human Development Reports* of 1995 and 1996). The difficulty is that the new awareness has to contend with global policies based on the opposite view — and not everyone has had any second thoughts.

The Director of the IMF, for example, was reported in June 1996 to have declared debt reduction in Africa to be a "moral hazard." But as Peter Taylor-Gooby remarked about welfare and a parallel argument about disincentives in rich countries: 55

The whole sexual division of labour appears to function as a vast engine of moral hazard, in which perverse incentives encourage one sex to refuse to participate in a major division of the totality of social labour. If welfare rights discourage a small number of people of limited employability from seeking paid employment, that is one thing. If the operation of the welfare state discourages the male half of the population from playing an equal role in the fundamental task of social care it is a much more serious problem.

As I have emphasized, the problem goes well beyond the operation of the welfare state. The welfare state is part of wider, interlocking social structures that run from marriage, through the economy to public policy. The problem is greatly exacerbated by the shift to a political culture heavily influenced by economic theory, in which economic incentives, motivations and choices are regarded as appropriate in all areas of social life.

Consider the consequence if women stopped acting on the basis of motivations such as love, a sense of responsibility, or just because they are women. Suppose they began to act instead as prescribed by economic ideas of democracy, and the notion of the individual as owner and the citizen as consumer, or in accord with the prevailing view of what counts as a "contribution." What incentives would they have to undertake necessary "welfare" tasks without recompense, to rear children, and take care of the sick,

1998

<sup>52</sup> Waring, supra note 48 at 39.

<sup>&</sup>lt;sup>53</sup> United Nations, supra note 5.

K. Watkins, "IMF Holds a Gold Key for the Third World" Guardian Weekly (16 June 1996) at 14.

<sup>&</sup>lt;sup>55</sup> P. Taylor-Gooby, Social Change, Social Welfare and Social Science (Toronto: University of Toronto Press, 1991) at 202.

the infirm, the elderly and husbands? How would these tasks be performed if, simultaneously, public welfare services are greatly reduced? There is little evidence that men, even when unemployed, are willing to take over "women's work," whether paid or unpaid. Nor is it clear that such services, of the appropriate quality, are sufficiently profitable to be provided in the market on a large enough scale, or valued enough to attract the most talented people into the industry, or that all who required them would have the resources to make the purchases.

The problem of social care<sup>56</sup> is glossed over because most women do not want to see loved ones neglected, so they resist the spread of economic motivations into the private household. Furthermore, many obstacles face women who try to act from purely economic motivations, because the incentive structure still, to a significant degree, remains centered on the support of male breadwinners. In addition, the export of women and their services from South to North, and large scale immigration, allows increasing numbers of professional and other employed women in cities like Los Angeles to employ domestic servants (accentuating the problem of social care in the servants' homes and in their home countries).

VII

In the 1990s, after a quarter-century of feminist scholarship, it is easier than before to see the full ramifications of the problem of contributing, employment and democratization. The problem seems particularly intractable, given present national economic policies strengthened by the deregulation of capital flows, domestic legislation, and international economic agreements.<sup>57</sup> On the other hand, a period of such rapid change offers an excellent opportunity to take a fresh look at the meaning of "democratization."

A prerequisite for any reassessment is that employment has to be displaced from center stage and recognized as a democratic problem. The difficulty of this task is illustrated by a common objection to attempts to raise the issues of what should count as a "contribution," and "work." Only employment, it is claimed, can prevent citizens from becoming marginalized, only employment can provide the self-respect and social standing necessary for citizenship. This objection

<sup>&</sup>lt;sup>56</sup> My argument about social care is distinct from recent debates about the ethics of care. The latter are concerned with care and justice but, curiously, rarely mention the welfare state.

<sup>&</sup>lt;sup>57</sup> See J. Kelsey, Economic Fundamentalism (London: Pluto Press, 1995) and Brodie, supra note 47.

ignores the fact that for so long half the population have been supposed to derive their respect and standing from another source, and ignores the problem of the position of all those who, from inability, choice, or age, are not employed. Moreover, this response begs the very questions that I have been discussing.

My conclusion, however, is that raising these questions and debating their implications, vital though this is, constitutes only a necessary preliminary step. A more fundamental issue also has to be considered, namely, whether democratic standing should be contingent on a contribution at all. My answer, which I can merely begin to illustrate here, is that, if democratization is to be taken seriously, there are very good reasons why standing should be an entitlement, a matter of democratic rights, not something provided in exchange for a contribution.

This conclusion derives from a political theory of democracy, self-government and citizenship, based on the assumption, as I stated earlier, that "democracy" means that all citizens must be enabled to exercise self-government, to participate, to the extent that they so choose, in all aspects of social and political life. Citizenship, in this sense, requires security of standing, and security is not possible if standing is contingent upon a contribution. If democratization is to take place, attention has to be redirected away from employment and workfare to the development of a system of democratic rights and public policies that uphold the equal worth of citizenship for all. One such policy proposal being discussed in Europe is a basic income for all citizens.

The import of a political theory of democracy can be indicated by a little-known passage in T. H. Marshall's famous essay. He wrote that "[t]o have to bargain for a living wage in a society which accepts the living wage as a social right is as absurd as to have to haggle for a vote in a society which accepts the vote as a political right." Today, the suffrage is, almost universally, seen as an entitlement of citizenship (part of "free and fair elections"), so it provides an apt standard for other democratic rights. Marshall took for granted that a living wage was a man's family wage, and, in the 1990s, his argument must be democratized. It might be interpreted along the following lines. If democracy is important, then it is absurd to haggle over standing. Each citizen must be entitled to a standard of life, education, and access to social and cultural amenities that maintains their standing as full members of a democratic polity.

<sup>&</sup>lt;sup>58</sup> Marshall, supra note 1 at 116.

<sup>&</sup>lt;sup>59</sup> See C. Pateman, "Democratization and Citizenship in the 1990s: The Legacy of T.H. Marshall," Vilhelm Aubert Memorial Lecture, University of Oslo, 1996.

A major change in the prevailing political culture is required for such an argument to gain acceptance. To argue in this way may appear utopian, but if the inequalities, subordination and animosities that have characterized the twentieth century are to be overcome, then it seems to me that the process of democratization has to be directed toward creating this kind of political transformation.