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The Political Economy of Labour; An attempt to delineate gender differences under the spectrum of heterodox approaches.

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Abstract

Labour has been addressed at length in various scientific fields; this applies also for Economics. The discussion has already begun in Aristotle, has continued with the labour theory of value, and we are now at the point when the marginal labour theory dominates. Classical economists believe that the use-value of goods is a necessary condition for the existence of economic exchange value and accept that beneath the use-value of goods, there is an amount of incorporated labour, in order for these goods to be produced. On the other hand, the neoclassical model, almighty in social policy, particularly during this current crisis, considers labour as a commodity whose price is determined by free competition, when supply factors and demand factors (employers and employees respectively) reach equilibrium. But is it so?

With regards to Greece, economic and social factors delayed the process of industrialisation of the economy. This has had a direct impact on the wages differentiation issues to be expressed much later, in the early 20th century, when the first waves of industrialisation occurred. All research indicates that from the beginning there has been a discrepancy between female and male

workers, both in terms of participation and in terms of salaries/wages; these controversial issues will be addressed in this text, and there will be an attempt to interpret them.

Prologue

Labour is the painful exertion which we undergo to ward off pains of greater amount, or to procure pleasures which leave a balance in our favour.

W.S. Jevons (1871:v1).

Every child knows a nation which ceased to work, I will not say for a year, but even for a few weeks, would perish. Every child knows, too, that the masses of products corresponding to the different needs required different and quantitatively determined masses of the total labor of society.

K. Marx (1868)

Labour has been discussed in various scientific fields. Different starting points, obviously, offer different explanations. The purposes of this paper are to examine the notion of labour under different spectrums within Economics, to present gender wage differentials in Greece and to endeavour to interpret them, using a different paradigm in comparison to the dominant one.

The notion of value

There are two ways to answer the question about value. The first one is the labour value theory or the objective theory, or the law of value; this idea is followed in one way or another by all classical economists, Smith, Ricardo and also Marx. The second one is the utility theory, or subjective theory or marginal theory, followed by the neoclassicals- this is the dominant paradigm in Economics. For some (Dorfman 1989), this discussion is nothing more than a waste of time. For others (Theocarakis 2005) this discussion can lead to debates on issues that are completely intertwined with methodology and ideology.

No matter what one might think, the debate about prices and values has taken up a lot of time and work. The different answers offer alternative interpretations for all economic issues, since this issue lies on the basis upon which economic theory is built (Theocarakis 2005). This applies

even to the cases where the paradigms postulate that prices are considered exogenously given; the underlying notion in this case, is the subjective theory of value.

Concluding, the question of how prices are formed, can be answered accordingly to the underlying philosophical principle of one or the other school of Economic Thought.

The dominating explanation about prices

When talking about the existing economic system, one needs to bear in mind that in the free market economy we live in, also known as capitalism, there is no central organisation, or planning, as to what is being produced and distributed, or how this amount of produce is being produced. It is a system of generalised, universal commodity production (Brooks 2002). Even labour is considered to be a commodity.

In theory, there is the invisible hand, described by Smith; that is the forces of supply and demand come into interaction and reach an equilibrium, meaning that for the set, fixed price, the amount sold is the amount procured. This is the steady state of the economy. This presupposes that all economic agents have got perfect information and that there is the underlying idea of rationality, or what is known as the notion of *homo economicus*.¹

When it comes to prices, according to economic orthodoxy, these are the exchange values of commodities; namely, the amount of money the suppliers are willing to sell to, and at the same time, the amount of money the consumers are willing to spend on procuring a certain amount of one or another particular commodity, or one or another factor of production.² Markets clear, namely there is equilibrium, and Bob's your uncle: everybody is happy and if all things remain the same,³ nobody wants to change the set ways. The same is applied when determining the price of labour. For mainstream Economics, the use- value of commodities and of factors of production is the basis to explain how their exchange values are set. Whether this is a sturdy answer or not, especially when it comes to labour, is still under debate.

¹ This notion can be found in Smith, Mill et al.

² As in produced factor of production, e.g. tools, land etc.

³ The ceteris paribus idea.

The value of labour

If one accepts the neoclassical exegesis about the formation of prices and the setting of quantities, one needs to accept that the above mentioned apply also to the labour market: that is economic agents offering labour, interact with economic agents in need of labour. After fluctuations and oscillations both parties reach a point where they reach an agreement as to the amount of labour offered and to the price paid for this amount.

This paradigm presupposes that one can view and possibly should view labour exclusively as any other factor of production, as in land, and/ or capital,⁴ to be procured or to be sold, according to the existing supply and demand. It also postulates that if there is no exogenous intervention, the labour market might reach clearance (an equilibrium point), where all actors will be satisfied, with no need to change their behaviour, *ceteris paribus*, and the labour market will be efficient according to the optimality criterion by Pareto.⁵

The issue arising here is if this is really the case, and how these initial prices are set, before the equilibrium is reached (if ever⁶). The answer can be manifold, and has everything to do with what one believes in a broader sense.

The classical economists on labour

For the classical economists time is of importance when discussing economic issues (everything happens within a more or less specified time- frame). So this hypothesis affects the way value is explained and commodities are viewed. Commodities are produced in a certain time, for a certain people, under certain socioeconomic conditions. These commodities have got inherent value, namely the labour needed for their production.

Additionally, these commodities have got a use – value, or else a utility. The use- value of every commodity is a prerequisite for the commodity to have an economic exchange value and is

⁴ First of all, the term capital does not refer to monetary capital.

⁵ See Pareto 1971[1927].

⁶ As Theocarakis states (2005), the labour market does not clear. This is one of the issues the dominating paradigm cannot fully explain.

dormant until the commodity under examination enters the sphere of circulation, namely someone does whatever necessary to procure it. This is the labour theory of value. Within this framework one might argue that the focus of analysis is the production process. The classical economists fully accept the notion that there must be an importance in the use-value of commodities, but this use-value cannot necessarily be used as a measure of the exchange value (Theocarakis 2005:38).

For example, Smith, the “saint of free enterprise economics” (Teichgraeber 1995:148) talks about a “natural” price of a commodity, made up of a “natural” rate of wages, a “natural” rate of profits and a “natural” rate of rent Mac Donald (1912:560); while for Ricardo labour is a numeraire (Mandel nd), enabling computations; for Marx finally, labour is a social, objective and historically relative category. Labour is embodied in the commodities it produces, so it has value on its own; it creates value, value of the commodities and surplus value that is value, which is more than the value necessary for the reproduction of labour power; the ability to work. Value changes according to what the markets dictate, not before them. In the short-run, according to Marxist Political Economy prices fluctuate around values, while in the medium and long-run values set prices. So according to Marxist Political Economy, labour creates value and values set prices.

But how is labour compensated?

According to Smith (Mac Donald 1912:560) there is a natural price of labour, and possible differences which have to do with the peculiarities and/ or the excessive demand or supply for the one or the other type of labour. Labourers have not got the same amount of power as tradesmen and this affects the labourers’ power when it comes to negotiating prices. This means that if the amount paid to labour increases, prices tend to increase in a corresponding amount.

For Ricardo, while the price of labour is a nummaire, the effect of customs and other social norms, in different societies in various time periods, is not to be neglected when talking about the price of labour. He is one of the first who clearly state the effect of social and other conditions in the formation of the price of labour.

Marx, starts his analysis, clarifying that workers sell basically not their labour (which is a social relation), but their labour power. Its value is determined by the socially necessary labour required for its reproduction. This commodity, namely labour power, has got a unique property; it is the only commodity whose use-value generates not only new value but also surplus value. For him,

labour is compensated by providing the least means necessary to sustain labour power and to reproduce it- this is the least possible. The dominant determinants of wages are the coverage of the labourers' means of subsistence plus a historical and moral element (Marx 1990[1867]:276), including also the class struggle between capital and labour.

Apart from that, the rate and mass of surplus value⁷ indeed determinate the wage levels, creating the appropriate capital accumulation. As a result, the perpetually growing⁸ free labour class, the rate changes in the organic composition of capital⁹ and the rate of accumulation¹⁰, create an excessive labour supply, or what Marx calls the *reverse army of labour*. In the long run, Marx and Engels (1848) support a homogenization in the labour process.¹¹ Indicatively, “the various interests and conditions of life within the ranks of the proletariat are more and more equalized, in proportion as machinery obliterates all distinctions of labour...” This approach is totally different from the neoclassical one, which is extremely static. The wages level depicts a dynamic process having as a central point the tendency of the rate of profit to fall (Marx 1991 [1894]).

What about the neoclassicals?

While classical economists and Marx place emphasis on the production process, neoclassical economists follow a different path. For them labour is to be considered a commodity like all the others. Economic agents known as households, each and every time, have got to decide on the amount of time they will spend on work, and the amount of time they will spend on leisure. To put it in another way, people, being rational, decide which amount of time they will spend working according to this extra unit of utility, or disutility, as in negative utility, they might enjoy.

This is an exchange paradigm where labour is a commodity to be sold, in a timeless framework, as in static, where people are each an agent, acting upon his/ her best interest. Crucial notion in

⁷ The rate of surplus value, or the exploitation level, is the ratio of surplus value over variable capital, labour. As for the mass of surplus value, it is “the amount of variable capital advanced multiplied by the rate of surplus value” (Marx 1991 [1863]:418).

⁸ “What experience generally shows to the capitalist is a constant excess of population...” (Marx 1990[1863]: 380).

⁹ OCC is the capital labour ratio.

¹⁰ This refers to efforts by capitalists to invest (Marx 1990[1863] Ch25).

¹¹ According to Marxist PE differentiated labour will lead to differentiated wages in capitalism, since the burden of further education and specialisation lies within the individual. In socialism, these costs are met by society, so the labour does not have the need or demand for differentiated wages (Engels 1996[1878]).

this paradigm is the theory of marginal productive, according to which equilibrium is reached when each production factor is compensated according to the value of its marginal product (Theocarakis 2005:78). All these lead to: the idea that there is no ability for society to intervene when setting wages, only the market does and everybody is compensated according to his/ her contribution. Neoclassical Economists believe in general equilibrium and in rational actors who seek to maximise their utility functions- free of barriers- under restrictions.

Obviously, reality is different: the labour market does not clear and various rigidities exist. One can easily observe that there are interventions in the labour market¹² and there are persistent gender discrepancies in the labour market.

One of the pioneers in this effort is Becker. He focuses on discriminations of every group in the labour market (1971, 1974), and tries to explain wage and other differences. As he declares: “one individual discriminates against (or in favour of) another if his behaviour towards the latter, is not motivated by an objective consideration of fact” (Becker 1974:13). A sub-category of this is gender discrimination. Following the dominant economic paradigm, he examines the relative remunerations, the initial endowments of the couples and endeavours to maximise their final position under restrictions (ibid. 1974). Expanding his idea, he studies human capital in the case of families; measuring this human capital which explains “the division of labor in the allocation of time” (ibid. 1985: 55).

According to Becker, every discrimination comes from this; he also talks about women’s lack of interest in investing in their human capital, because they are involved in household responsibilities. Moreover, women devote more time and energy in household activities or childcare, “spending less energy on each hour of market work than married men working the same number of hours” (ibid.) As a result, their earnings are less than these of their male counterparts, with the same human capital. The author also believes that societies could overcome this type of segregation, in time, with beneficial outcomes, implying the abolishment of the traditional division of labour which has been observed in western societies.

Another known economist, Schultz (1962) has discussed the importance of education, since it has been considered that it helps societies in their path to development. However, education bears a financial burden, since, besides the costs of studying one has to assess the opportunity costs when deciding to study and not work. It is crystal clear that persons can negotiate on their

¹² Either by the State, or by trade unions and other institutions.

own, with their employers, when discussing compensation, and it is also easy to see why, according to this paradigm, some persons are paid better than others, when doing the same kind of work, that is the better paid ones are, in theory at least, better qualified and/or more experienced. Persons have to spend money on their education, so they must be compensated when they start working accordingly¹³.

Other neoclassical economists continue the preceding approach, connecting gender wage lacuna to productivity differences; these stem from firstly, less time spent in the labour force for women because of their children¹⁴ and secondly, from women choosing occupations with less opportunities (Mincer and Polachek 1974). These authors offer further explanation for the second reason, arguing that women avoid working in highly trained occupations, because of lack in expected earnings and also employers deny training people with these preferences (ibid.). Phelps (1980), has inserted the meaning of statistical discrimination, because of the existence of high information costs for workers.

Other explanations through the neoclassical spectrum have arisen from the hypothesis that the labour market is basically sticky, so the monopolistic power of the employers affects the equilibrium point and the social welfare loss. Moreover, Bergman (1974) inserts employers' prejudice about productivity, creating male and female occupations and lowering the wages in occupations where minorities or women are gathered.

Institutional Economics

Apart from all theses, there are also the institutional approaches, which regard family as a crucial institution, and question the rational neoclassical view (the notion of uncertainty is introduced), the individualistic perspective (the need for social consequences is introduced), and its static approach¹⁵. Besides the use of economic notions as technology and qualitative production process, they propose also non-economic notions like customs, bargaining objectives and earnings security (Doeringer 1967). The dual labour market theory (Piore 1972) can be considered an important novelty for the institutional approach, where the economy is divided

¹³ This explains why professionals like doctors charge a lot for their services, even in countries like Greece, where the cost of studying Medicine is high, but not so high in comparison to the USA.

¹⁴ Women's propensity to move in and out of work, augments also the female unemployment rates (Niemi 1974).

¹⁵ See Sawhill (1980).

into two sectors; one with main characteristics the stability and the *job ladder* existence¹⁶; the other sector is characterised by low wages, unstable environment *and* unskilled labour. In the first case –dominated by white males- we can speak about vertical movements whereas in the second –where female and minorities are gathered- about a horizontal one, among the same type jobs¹⁷.

Marxists- Radicals

“The working-class family in Marx is like the firm in neoclassical economics-a black box whose inner workings are simultaneously neglected and mystified.”

J. Humphries (1977: 243).

In the recent Marxian approaches, a severe mistrust of the original Marxian notion of the reserve army and Marx’s theoretical analysis¹⁸ can be observed. The radical-neo-Marxian approaches of the 70s in the USA and the UK affected also that milieu. The authentic manuscripts were considered archaic or incomplete to ascribe generally the new economic conditions and more specifically the discriminations in the labour market. Characteristically, Humphries (1977:241) states that “Marxist analyses have generally failed to explain the persistence of the working-class family as a central feature of capitalist social formations. The theoretical perspective of Marx and Engels denied that the kinship ties of the working class had any material basis, and led them to postulate the immanent decay of the traditional working-class family”.

The main objection is the fact that Marx and Engels put family issues in a secondary position, in the periphery of the economic sphere which is the dominant for them. For Marx and Engels, family is an outcome, “an outgrowth of the social relations” (ibid: 242). For them, there is a permanent tendency for general proletarianisation with the entrance of females and children in the labour market. Issues like: difficulties in the labour market, domestic labour, coverage for

¹⁶ See Reich et al. (1973).

¹⁷ See also, Doeringer and Piore (1972).

¹⁸ See above.

women from the modern welfare state are not discussed¹⁹. As a result, there are limited margins of endogenising the institution of family²⁰.

At the same time, in the USA, the Radical School of Thought propagates the notion of segmentation. In their work Reich *et al.* (1973), support the labour market segmentation;²¹ workers are divided into different groups according to: firstly, the dual labour market theory; secondly, inside the primary segmentation; thirdly, the race segmentation; and fourthly, the gender one. The historic evolution of the US capitalism leads to these segregations by the homogenisation of the labour process and the needs of the monopolies.²² This approach is compatible with the authors' general aspect of the capitalist world, introducing the notion of the social structures of accumulation (SSA).²³ According to them, the accords between the social classes are the factors responsible for the maintenance of the expected profitability, diverging from the classical Marxian notion of the tendency of the rate of profit to fall (Marx 1991 [1894], Ch. 13), and differentiating themselves from the basic notion of the capitalist mode of production.

Classical Marxian approaches reappear, following again the real Marxian notions of the class based analysis, focusing on the reserve labour army, the competition theory and the regulating capital approach as the main factors of *persistent inequalities* in the labour market.²⁴

Feminist Economics

“The emancipation of woman will only be possible when woman can take part in production on a large, social scale, and domestic work no longer claims anything but an insignificant amount of her time.”

¹⁹ See Hartman (1979).

²⁰ See also Draper (1970).

²¹ Segmentation is defined as: “the historical process whereby political-economic forces encourage the division of the labor market into separate submarkets, or segments, distinguished by different labor market characteristics and behavioral rules” (ibid: 359).

²² For an extended approach, see Gordon *et al.* (1982).

²³ The SSA is developed in the same period; a mixture of Marxian, Institutional and Keynesian notions, based on the long waves tradition, divides capitalism in periods of growth succeeded by periods of inadequate accumulation. For this process to occur, specific accords must apply, based on the socioeconomic environment. In case these accords break, profitability will suffer, and new institutions must replace the old ones (see Gordon in URPE 1978; Bowles *et al.* 1986; Kotz *et al.* 1994).

²⁴ This phrase is the title of the book of the most representative Marxian approach in Labour Economics by Botwinick (1991). Other classical Marxian approaches can be detected in Braverman (1974); Semmler (1984); Shaikh (2016).

Having seen the ideas explaining gender based wage differences, one needs also to examine what Feminist Economics (FE) is, in order to have a broader view on the subject.

FE²⁵ is a derivative field in Labour Economics; it is described as: “a field that includes both studies of gender roles in the economy from a liberatory perspective and critical work directed at biases in the Economics discipline. It challenges economic analyses that treat women as invisible, or that serve to reinforce situations oppressive to women, and develops innovative research designed to overcome these failings.” (Nelson 2008).

A first reference to these issues can be seen in the classical economists. Especially Marx and Engels, investigate women’s entrance in the labour market, being the majority of the reserve army of labour. After Marx’s death, Engels (1884) writes and publishes *The Origin of the family, private property and the state*, presenting the Marxian aspect for this issue. His main conclusion is that women have not always been inferior to men, but family issues depend on the level of development of the productive forces in every epoch, which determine productive relations, and human relationships too.

Historically, after Marx’s death, these notions definitely affect not only other socialist theorists, but also women proletarians entering production; ergo the founding of the feminist movement. In 1910, during the 2nd International Conference of Socialist Women in Copenhagen, after the proposal by Zetkin,²⁶ the Women’s International Day, on March, 8th, is established.

A mixture of all these, has resulted in the appearance of more contemporary feminist approaches. Authors and movements support gender segregation as the main obstacle for economic equality;²⁷ this leads to a next (second) wave of feminists which adopts the occupational segmentation as a crucial factor of inequality (Reskin and Roos 1990) incorporating social processes and structures of families which impede women’s entrance to the labour market. Apart from the underutilisation schema (unequal pay for equal work), this also adds an undervaluation one. The modern feminists, adopting a heterodox approach tend to reconcile the Marxian background with other radical gender approaches supporting wage differences

25 For a brief presentation of the various schools of Thought in Feminist Economics see Pavlidou (1989); Karamesini and Ioakimoglou (2007).

²⁶ More on Zetkin see <https://www.britannica.com/biography/Clara-Zetkin>.

²⁷ See Weisskoff (1972).

(Williams and Kennison 1996; Matthaei 1996; Jefferson and King 2001; Karamesini and Ioakimoglou 2007; Cassano 2009 [Ed.]). More contemporary approaches focus on issues like: domestic labour, widening the meaning of labour and adjusting new types of it as the effective labour (Barker 2015), and combining other notions as happiness economics, motivations and rewards (Spencer 2015; Davis 2017).

Moreover, it is generally accepted that women still face the double burden; on the one hand, they are employed outside their homes, and on the other, they are still burdened with household and other chores, more than men. Feminists claim that this double burden is embodied in patriarchy, and in the oppression women have been facing throughout the ages. This, according to them, explains also why women are paid less in comparison to their male counterparts.

However, according to Marxist PE, women's issues are by no means gender related issues; they are class- related issues.²⁸ Women of the labour class are burdened more in comparison to women of the other classes, since when the women of the working class work outside home, offering an increase in the household's income, they are also burdened with all household and other chores, ergo suffering more exploitation, or they employ other people to do these household chores, meaning that the working class expenditures are increased. In order to eliminate these differences, one must eliminate their basis, which is capitalism. The emancipation of women is something to happen in accord with the emancipation of the working class.²⁹

Case study: Greece

Greece presents a peculiar situation as for its developmental process. Despite its capitalist mode of production, the classical notion of the capitalist establishment which is known in western economies, especially the UK, namely the secondary sector of the economy, industry, had got an anemic augmentation. Apart from this, the first industrialisation movement of the Greek economy occurred in the first decade of the 20th century. Another problematic issue is that there are limited data for the Greek economy. *The initial data come from the labour movement and*

²⁸ See among others Zetkin (1909, 1906, 1896), Kollontai (2000[1918]), Luxemburg (1912).

²⁹ Zetkin (nd).

*their representatives, describe the living conditions of the working class, proposing their improvement, and also study the capitalist process of the Greek state.*³⁰

The aforementioned peculiarities of the Greek economy, have also affected the productive structure and wages. After the establishment of the New Greek state (1832), the limited territory, the absence of Capital, Greek capitalists based outside of the Greek territory, preferring services sectors as trade and finance, and the lack of capital accumulation have delayed the whole process. The Balkan wars and WWI, in combination with the protectionist policies have created advantageous circumstances for development. Greeks prefer self-employment, and enter industrial work, only to acquire skills which can be used for self-employment.³¹ The Minor Asia catastrophe, a tremendous shock for the Greek labour market, contributes to the creation of a new, cheap labour force, without destructing the traditional productive structure (Riginos 1987:250; Freris 1986).

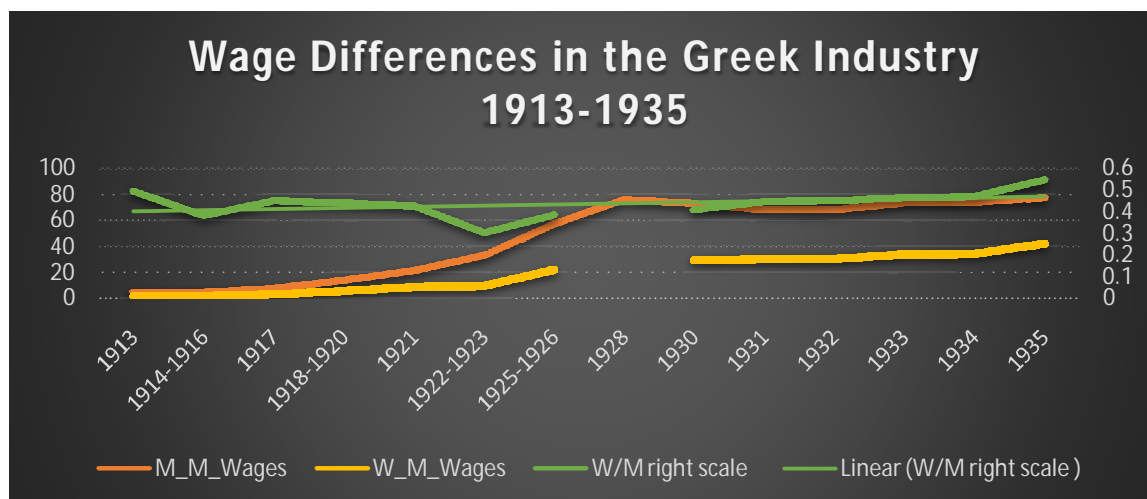
Riginos (ibid:196-206), one of the first to study wages in the interwar period, states that Greek male workers are employed mainly in high- skilled occupations, being trained in a very early age (10-19 years), and later (at 30 years old) abandoning salaried labour. Women (ibid: 207-213) are employed in secondary, ancillary jobs, in sectors with low capital labour ratio (textile, tobacco) until their marriage, after which they continue working as self-employed from home. In the next diagram (Diagram I), the gender wage differences in the Greek secondary sector in the interwar period (1913-1935) are depicted. As it is clearly depicted, a permanent wage difference of 50% is present in the whole period.³²

Diagram I
Wage differences in the industry 1913-1935

³⁰ For these initial reports and studies see EKA (1911 in Riginos 1987); Geogiades (1921); Kordatos (1972).

³¹ See also Charitakis (1927).

³² See also Papastefanaki (2009).



Source: Riginos (1987: Appendices).

Notes: Data by Riginos, diagram by authors. Mean difference: 0.4355.

Having presented the above, it is necessary to see at this point, how the feminist movement in Greece evolves and affects the labour market.

The same period the feminist movement “acquires these characteristics which will be developed in time, and will affect its future route” (Avdela and Psarra 1985:15). The industrialisation of Greece assists towards awakening because labour allows women to realise their role in the society. During this period there is a shift from political demands –suffrage- to equal pay and equal social integration, bringing the *League for Women’s Rights* in the centre of these new conditions (ibid.). Apart from the political equality, labour is the new reality, a cornerstone for them, prioritising it as the initial goal which could lead to the political emancipation. This can be seen in the writings of the journal of the *League* titled *Women’s Struggle*. There, studies have appeared about the working conditions of female workers;³³ for first time we have got references to domestic labour, and the absence of technical education (Svolou 1927, 1926, 1925, 1924). Moreover, issues regarding various sectors (telephone operators, nurses, carpet labourers)³⁴ and the under-representation of women in trade unions (Svolou 1930, 1925) have been discussed.

Other organisations of the feminist movement of the interwar period are the *National Congress of Greek Women*, the *Lyceum of Greek Women* (more conservative organisations), and the

³³The sample included a 3% of unpaid labourers (all women, whereas all the well paid workers were male).

³⁴ From these writings we can detect a gradual ideological shift of the writer towards socialist ideas. For the first time, we can see an open critique about women’s individualism and the lack of self-criticism. Moreover, for first time we have the proof of an aversion in the trade unions to accept women and attend to their issues; see Anglo-Saxon feminists, among others Reich et al. (1973). Cf. also Partsalidou (1983) for the first attempts of the Communist Party to involve Greek female workers.

Socialist Association of Women. The ideas of the newly founded Soviet Union and Communist are represented by the new Greek Communist party (KKE), whose ideas the working class women have gradually espoused massively, affecting also other associations,³⁵ with the parallel establishment of their own organisations, like the *Women's Committee of Cooperating Organisations* and the *Association of Working Women* (Psarra 1988).³⁶

As expected, there is another gap in data, for more than a decade, starting the period after WWII. The first attempts of quantification have restarted after 1953. In order to study the route of the wage gender differences, we have studied Katsanevas (1983), and we have gathered data referring to minimum wages for the years 1951-1977. One crucial point to consider is that the 1973 Constitution established for the first time equal pay between genders, in salaries (1.5.1973) and in wages (15.2.1979).

We can conclude that wage differences have deteriorated in time.³⁷ Moreover, during the “golden age” of the accumulation of the Greek capital, women have entered the labour market massively, especially in sectors with low capital intensity (the traditional sectors of textiles, tobacco, and clothing), skyrocketing the female participation in the labour force.³⁸ Generally, labour productivity of the Greek economy has increased by 135% in a period of 12 years (1963-1975), approaching the European corresponding data (ibid: 126-129); the fixed capital formation augmented too by 150% in a period of fifteen years (ibid: 180), declaring the *increment* of the OCC.³⁹ Moreover, the labour movement, because of its struggle, the favourable political circumstances, and the indeed high profitability, extracted advantages from the capital even in the industrial relations (decrease of working hours, extraction of time of leave), and in the welfare state, apart from the political ones in the early 80s. The establishment of OGE⁴⁰ (Federation of Greek Women) in 1976, has aided in extracting more rights for women.

Diagram II Minimum wages 1951-1977

³⁵ See the speeches by Glinos (1934, 1935), who was invited by the League to share his impressions from his journey to the Soviet Union about women's lives.

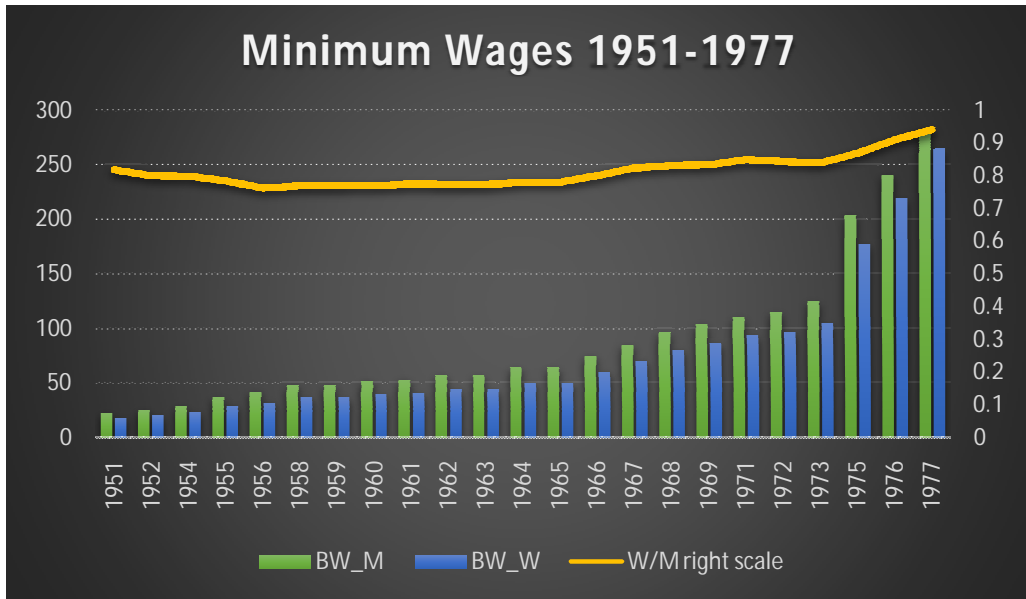
³⁶ For a better taxonomy and ideological categorisation of the feminist movement of the interwar period, see Avdela and Psarra (1985); Psarra (1985, 1988); Noutsos (1995).

³⁷ See also Xassid (1980).

³⁸ Greece was classified first on women's participation (26%) in the labour force among the members of the EEC (Xassid 1980: 344).

³⁹ See footnote 9.

⁴⁰ More on OGE see <https://www.oge.gr/>



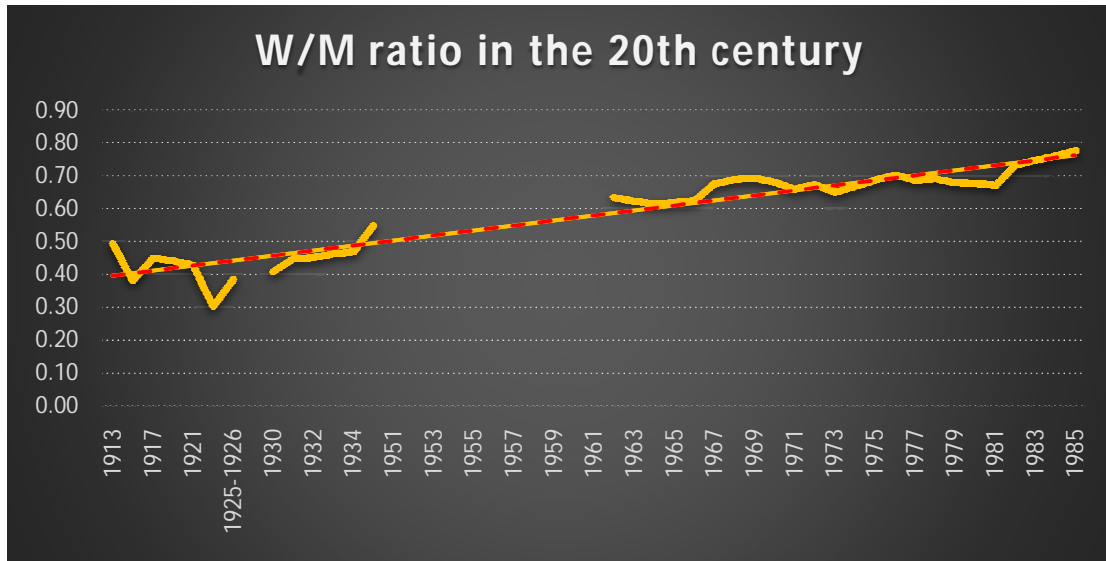
Source: Katsanevas (1983: 97).

Notes: Data by Katsanevas. Diagram by authors. Mean difference: 0.7962

Finally, in order to depict a long run tendency of the Greek gender wage discrepancy (Diagram III), data by Riginos (1987) and KEPE (1990) have been combined. The results show that there is an initial difference of 50% in the early 1910, which continues with a gradual curtailment—ending in a 21% lacuna. We have to notice that there is also a discrepancy in terms of productivity which has relatively changed between genders in the period under examination.

Diagram III

Ratio of female to male wages (mean) during the 20th century in Greek Industry



Sources: a) Data for 1913-1935 period by Riginos; b) the 1961-1985 one by KEPE (1990).

Notes: Diagram by authors.

Comments- Epilogue

In this paper, an attempt to examine the Political Economy of labour has been made. Furthermore, another attempt has been made to interpret gender wage discrepancies in Greece.

Marxists, classical economists and neo-classicals accept that there must be a use-value for every commodity. The difference is that the former take this as granted along with the postulate that since only labour produces value, prices are determined by the price of labour, which in turn is determined by the value of labour, while the latter claim that there is no direct if any connection between the value of labour and its price, to the determination of the prices of other commodities. Labour is sold and bought according to supply and demand.

Which of the paradigms can explain more accurately what happens in the labour market? The choice has to do with the underlying philosophical current one follows.

As far as the Greek case is concerned, surely in Greece, as in every capitalist economy, there are plenty of segmentations in the labour market. The same applies for wages. Can the neoclassical prevalent paradigm depict with accuracy the gender wage issues in the Greek economy of the 20th century? This text claims that the answer is no. The basic assumptions of this paradigm seem to be extremely restrictive; apart from their declared ideological target in favour of capital⁴¹.

⁴¹ Botwinick (1991) states that neoclassical economists blame workers for all existing discriminations in the labour market.

Can the radical approaches explain these differences? We claim that these also cannot describe in general the Greek case. It is clear that the current crisis has supplied feminist economics with new alternatives, like relations to austerity policies, outcomes in gender discriminations and the new environment which has recently been created, rejecting dominant explanations and focusing mainly on wage segregation; the existing crisis has created severe cracks in this framework as FE admit themselves⁴².

Capitalism obviously exploits the reserve labour army in order to accumulate and women are the main stock in this process. In a long run period (a century) there is a real homogenization of labour, declaring that the classic Marxian notion is the most appropriate to explain the Greek case. We cannot vote for wage equality in toto, and generally women's emancipation, because these are unreasonable demands in capitalism. Labour struggles, of course, can assist to apply more pressure. The Marxian ethical compound does really exist.

Capitalism is not in favour of either equality or equity, and no matter the legal adaptations, reality proves that there are differences in the labour market, between men and women. Women need to try to be more militant when demanding their rights.

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⁴² See Karamesini and Rubery (eds) (2014).

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