

**The Purple Economy  
Complementing the Green:  
Towards Sustainable  
and Caring Economies<sup>¶</sup>**

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**Abstract**

*As global capitalism matures into the 21<sup>st</sup> century, its potential as a sustainable economic system of production and reproduction is being increasingly challenged by a multitude of crises: the global economic crisis and rising unemployment, the deepening ecological crisis, and what some feminist scholars have called the emerging crisis of care.*

*The crisis of care refers to a transformation whereby society is transforming into one that is less able and willing to provide caring labor, an indispensable component of human well-being. The green economy was suggested as a future vision of a new economic order in response to the environmental crisis. This paper aims to introduce an alternative future vision for a new economic order complementing the green economy and addressing the multiple systemic challenges, including the crisis of care: 'A purple economy', where the color purple comes from its symbolic meaning as the color adopted by feminist movements in some countries around the world. The purple economy refers to an economic order organized around sustainability of caring labor through a redistributive internalization of the costs of care into the workings of the system, just as the green economy is organized around sustainability of provisioning by nature through internalization of environmental costs into production and consumption patterns. This paper presents a framework for a purple economy vision that builds upon feminist work of the last few decades on unpaid work and identifies the linkages between caring for human beings and caring for the environment. The expression also hopes to provide a catchphrase to communicate the feminist vision of an egalitarian economic order to a wider audience by resonating the popular vision of the green economy.*

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Also see for a discussion of how the purple economy concept can serve as a fiscal policy response to economic crises, İlkkaracan, I. (2016) "A Feminist Alternative to Austerity: The Purple Economy as a Gender Egalitarian Strategy for Jobs Generation" in (ed.s S. Himmelweit, G. Cozzi and H. Bhagwati), Recovery for Whom? Austerity Policies, Gendered Impacts and Policy Alternatives for Europe, London: ZED Books. <https://www.taylorfrancis.com/books/e/9781317239017/chapters/10.4324%2F9781315627762-13>

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## I. Introduction

Over three centuries of experience with capitalism has proven it to be the mode of production that is most conducive to growth in output and to technological change with associated great leaps in productivity and standards of living. Yet it has also shown that its internal contradictions – the coexistence of wealth and poverty, booms and crises, progress and regression - are deeply and structurally embedded in the organic workings of the system. As capitalism matures into the 21<sup>st</sup> century, these contradictions pose increasing challenges to its potential as a sustainable economic system of production and reproduction. The challenges come in a multitude of intertwined crises of global scale: namely, a deepening economic crisis and rising global unemployment, the long-standing environmental crisis, a crisis of inequalities and what some feminist scholars have named the emerging *crisis of care*.

The *crisis of care* refers to a transformation whereby society is becoming one that is less able and willing to provide caring labor, an indispensable component of human well-being. The decreasing ability and willingness of society to care for children, the elderly, the disabled, the sick, as well as healthy adults including oneself, is instigated through a number of mechanisms which are an organic outgrowth of competitive free markets organized around the profit motive. The pressures of market competition get fiercer parallel to economic globalization while unemployment remains high in face of the persistent economic crisis on the one hand and jobless growth on the other. Given this state of affairs, the labor market conditions are likely to continue to deteriorate, particularly for the lower-skilled.

Downward pressure on real wages, less job security, longer working hours, all combine to impose strict limits on availability of caring time and energy. Moreover, environmental degradation creates increasingly tough material conditions for livelihoods in rural subsistence communities where care work entails a substantial amount of unpaid productive work dependent on natural resources such as land and water as inputs.

To the extent that caring labor continues to be provided, this takes place under conditions of increasing stress as well as deepening gender inequalities intertwined with inequalities amongst women, children and families by class, racial, ethnic and national origin. International migration of domestic labor is one of the perverse outcomes of the care crisis that reproduces these inequalities on multiple, intertwined levels. Floro (2012) argues “an obsessive preoccupation with material economic growth in the economic paradigm inadequately addresses the care requirements of human maintenance and social reproduction and that of the ecosystem, and instead, actively contributes to crisis creation and intensification” (p.4). Himmelweit (2007) warns that this state of affairs facilitates an inevitable shift towards a society less able and willing to fulfill caring norms unless there is intervention:

*“This is an urgent question of political will and power. Without intervention, people may be less willing and able to fulfill caring norms, which may thereby be eroded. Those who assume caring responsibilities despite such pressures, will pay a higher price for doing so and may have less influence on policy than those conforming more to less caring dominant norms. Not to adopt a generous strategy for caring now will shift power away from those who*

*continue to care, erode caring norms, and make it more difficult to adopt a more caring strategy in the future. Without such a strategy, standards and availability of care will fall, and with a high cost to society as a whole, and in particular to those who continue to care.”*

The green economy was suggested as a future vision of a new economic order in response to the environmental crisis. This paper aims to introduce an alternative future vision for a new economic order complementing the **green economy** and addressing the multiple systemic challenges, in particular the crisis of care: ‘**A purple economy**’, where the color **purple** comes from its symbolic meaning as the color adopted by the feminist movement in many countries around the world. The **purple economy** refers to an economic order which is organized around sustainability of caring labor through a redistributive internalization of the costs of care into the workings of the system just as the green economy is organized around sustainability of provisioning by nature through internalization of environmental costs into production and consumption patterns. The green economy acknowledges that we depend on earth’s natural resources as an indispensable component of human wellbeing, and therefore we must create an economic system that respects the integrity of ecosystems. The **purple economy** acknowledges that we also depend on caring labor as another indispensable component of human well-being, and hence we must create an economic system that accounts for the value of care work and enables its provisioning in a sustainable manner, without reverting to mechanisms that reproduce inequalities by gender, class, and origin.

This paper aims to present the identifying features of the **purple economy** vision that builds upon the last few decades’ invaluable feminist work on unpaid work,

the care economy and gender inequalities.<sup>1</sup> The **purple economy** pulls together the insights gained from and the claims made by this feminist work on the care economy into a call for a future vision. The expression also hopes to provide a catchy phrase to communicate the feminist vision of an egalitarian economic order by resonating the popular vision of the **green economy**.<sup>2</sup> The next section presents a discussion of the problem of caring labor as a systemic source of inequalities by gender, class, race and national origin. The section follows the linkages from these multi-layered inequalities to the crisis of care, which a purple economic order attempts to address. The third section develops the **purple economy** vision based on four structural pillars and introduces the mechanisms through which the costs of care can be internalized into the workings of system in an egalitarian and sustainable manner. The section also compares the **green** and **purple** economies drawing the parallels and complementarities between the two concepts. The fourth section concludes with a discussion of the potential for and the challenges to transition into a **purple economic model**.

## II. Why a **Purple Economy**?

As the call for a **purple economic order** is a response to the so-called problem of caring labor and the associated crisis of

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<sup>1</sup> This paper draws upon inspirations from the invaluable work on unpaid labor and the care economy by feminist economists such as (but definitely not limited to) work by Rania Antonopolulos, Lourdes Beneria, Nilüfer Çağatay, Diane Elson, Valeria Esquivel, Maria Floro, Nancy Folbre, Susan Himmelweit, Indira Hirway, Julie Nelson, Shahra Razavi, amongst others.

<sup>2</sup> The terminology “Green Economy” is used in this paper in a general sense synonymously with sustainable economy or ecological economy; rather than its particular, limiting definition that depends on conventional market concepts such as the use of price mechanisms as the only policy tool and green growth as a presumed goal.

care, it is necessary to first address the nature of this crisis and the problems that it poses before moving onto a discussion of what this new vision entails. Tronto (2013) offers an encompassing definition of caring labor that goes beyond labor performed to care for children, elderly, disabled and ill, where she describes care as

*“a species activity that includes everything we do to maintain, continue and repair our world so that we can live in it as well as possible. That world includes our bodies, ourselves, and our environment, all of which we seek to interweave in a complex, life-sustaining web.”* Tronto (2013)

Hence caring labor is indispensable not only for wellbeing of individuals, families and communities but also for ecological sustainability. Caring labor also has a specific property that it is relational between the caregiver and the care receiver (Himmelweit 1995). Hence production of care is a labor-intensive activity, yet simultaneously this property also imposes limits to increases in its productivity through technology and/or mechanization as well as limits to its commodification. The more care work is transformed into a paid form, the more likely that ties of affection and obligation will be weakened (Folbre, et.al. 1996) and the more “love” would disappear (McCloskey 1996).<sup>3</sup> In other words, we cannot survive without care, so we need to keep producing and consuming it. Yet despite capitalism’s drive simultaneously for commodification and productivity increases in all areas of consumption and production, a substantial share of caregiving, by its very nature, continues to remain labor (and time) intensive; and cannot be transferred from non-market (unpaid) to market (paid) form.

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<sup>3</sup> McCloskey (1996) suggests if childcare, friendly listening and similar care activities were transform into paid form, “the love would disappear. Love in this regard is the opposite of market exchange.”

## **Caring Labor as a Systemic Source of Inequalities**

Indeed global statistics confirm the labor intensive nature of caregiving: UNDP’s Human Development Report 2015 assesses that unpaid care work makes up close to half of productive work time; 41% of total work time globally is unpaid. Another universal characteristic of caring labor is that it is very unequally distributed between women and men: 76% of unpaid work time is performed by women vs. 43% of paid work; and combining paid and unpaid work, women work more than men: 52% of total work time is performed by women, despite lower levels of labor market activity by women.

Several decades of feminist research has shown that this unequal gender allocation of unpaid labor constitutes a systematic source of gender inequalities, also of inequalities by class, race, ethnicity and national origin. The imposition of care work as the primary responsibility of women is the material basis of gender inequalities not only because it is unpaid work. Also given time is a limited resource, it determines the extent to and the ways in which women can participate in paid work, earn income and accumulate wealth, enjoy time for leisure and self-development, participate in public pursuits such as politics and activism, and claim equal standing with men. Empirical work from around the world on the gender wage gap, horizontal (industrial and occupational) gender segregation, vertical gender segregation and the glass ceiling, gender inequalities in political representation and decision-making all point to a close association with pressures of so-called ‘work-life balance’. Work-life balance actually refers to the difficulties of reconciling paid work and unpaid work

subject to the limit of 24 hours a day. Given the gendered allocation of unpaid labor, work-life balance becomes predominantly a woman's issue.

Needless to say, all these hierarchies of allocation of caring labor and their reflections on access to paid work and income, play themselves out beyond gender, as multiple inequalities also by class and origin. In the absence of publically provided social care services, affordability of market substitutes for unpaid labor (such as child care centers or paid domestic help) presents a more binding problem for women from low-income households. International care migration constitutes an epitome of these multiple inequalities. For women of higher socio-economic status in the North as well as in the South, their engagement in the labor market has been made possible to a large extent by access to low cost caring labor of migrant women of lower socioeconomic status from rural areas or from the South. International or rural-to-urban care migration provides a low cost solution to the crisis of care in the developed economies of the North. It also provides a low cost solution for households with higher purchasing power in the South. This solution, however, comes at the cost of generating another crisis of care for lower income families left behind in the South (Beneria 2008).

Historically, a move towards relatively more egalitarian care regimes under capitalism has taken place on condition of robust and stable macroeconomic growth with a capacity for high employment generation (İlkkaracan 2010; 2012b). Europe in the post-WWII period, the so-called golden age of capitalism or East Asian tigers in the post-1980 export-led growth period constitute such historical examples. These conjecturally specific growth experiences enabled a fortunate combination of ample labor conditions and a generous social welfare state. On the one

hand, strong employment demand growth (with decent jobs) triggered a market pull effect on women while they had access to publically provisioned social care services. In these best case examples, women's unpaid work is reduced through three channels: Social state enabling access to public care services; high wages enabling affordability of market substitutes and paid care leave options that enable women to stay attached to the labor market without being necessarily penalized childbearing or other care responsibilities. Through these channels caring labor is redistributed from unpaid female labor in the private sphere to (under)paid, predominantly female labor in the public sphere. Time-use studies exhibit great stability in the hours that men allocate to unpaid work indicating that redistribution from unpaid female to unpaid male labor in the household is very limited. The exceptional cases are Scandinavian countries, where policy measures such as fully paid, flexible parental leave provided incentives for men to also increase their unpaid caring labor hours (i.e. caring labor is redistributed from paid and unpaid female to paid male labor in the private sphere).<sup>4</sup>

These best-case examples not only represent a relative minority of the world population, but also even in these best cases, inequalities continue to persist in different forms. As women increasingly engage in the labor market to become income earners, they continue to be primarily responsible for the segment of unpaid caring labor that resists commodification. Hence access to the labor market comes at the cost of longer working hours -paid and unpaid combined- and growing tensions as women attempt to reconcile their new roles as paid workers with their traditional

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<sup>4</sup> The Scandinavian economies also have more equal wage structure which reduces the gender wage gap and contributes to relatively more equal market incentives for women and men in allocating their time between paid vs. unpaid labor.

roles as carers. While gender employment gaps narrow to a large extent, vertical and horizontal gender segregation and wage gaps continue to persist, reflecting women's unequal share of the care burden. Moreover, as the recent global economic crisis has shown, a negative and unstable macroeconomic environment is quick to pose threats to these more egalitarian care-sharing regimes even in the North. Service provisioning by the social welfare state shrinks due to fiscal austerity policies and it becomes harder to exercise legal rights such as access to care leave under the push for labor market flexibilization (Beneria and Martinez-Iglesias 2014).

On the other end of the spectrum, in the least developed economies of the South, markets have exploited natural resources and low cost labor, but capitalist growth deformed rather than transforming subsistence economies. Millions of women remain as unpaid rural agricultural workers as in much of Sub-Saharan Africa and South Asia, whose unpaid caring labor entails longer hours and harder conditions, made worse by the environmental crisis (Tandon 2013).

In many other developing economies of the South, where capitalist growth was unable to generate robust demand to absorb women into paid employment, the single male breadwinner, full-time female homemaker norm has become institutionalized providing a fertile ground for social conservatism alongside with GDP growth.<sup>5</sup> To the extent that women with low skill labor (majority of the female population) have been absorbed into paid employment, this has been more through a household needs push effect rather than a market pull effect. Çağatay

(2000?) calls this “distress sale of labor” by women: Women are forced to take up precarious jobs in order to make up for the loss of household income due to men's job loss or declining real wages under periodic economic crises. Transformation from single male breadwinner to dual earner household structure under such “distress sale of labor” conditions is hardly an empowering process. Rather it is an attempt by most low skill households to keep themselves above the poverty line at the expense of deteriorating conditions for provisioning of caring labor in the household.

A series of recent applied country studies (Argentina, Chile, Mexico, Turkey and South Korea), which integrate the time requirements for household production into the notion of poverty, provide ample evidence to this effect (Zacharias, Antonopoulos and Masterson 2012; Zacharias, Masterson and Memiş 2014; Zacharias, Kim and Masterson 2015). These studies start from the premise that unpaid household production activities are important for meeting needs of individuals and households, and hence lack of time for necessary household production reduces wellbeing. Conventional poverty thresholds and wellbeing indicators presume that all types of households have access to sufficient time to provide unpaid caring labor. Focusing only on income poverty and not taking into account availability of time for household production obscures inequalities of welfare between and within households. The policy simulation shows that assignment of full-time jobs to non-employed adult men and women in income poor households under the prevailing labor market conditions of wages and working hours, threatens most households with time poverty and care deficits while seemingly lifting them out of income poverty. Hence time-poverty and care deficits constitute an inevitable outcome of paid employment for low-skilled women,

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<sup>5</sup> See for instance Ilkkaracan 2012a on Turkey who explains the rise of political Islam and the increasing social conservatism through the inability of meager employment demand to absorb women into the labor market over the course of economic modernization.

yet rarely taken into consideration in evaluating the welfare impact of employment policies.<sup>6</sup>

### **The Crisis of Care**

Based against such a background of complex interactions between caring labor, gender inequalities, time- and income poverty and the environment, Floro (2012) defines the care crisis as “*the growing imbalances within and across societies with respect to access to care and subsistence necessities.*” There are different levels at which the crisis of care materializes:

- Care gaps for dependent population groups such as the elderly, the disabled and the long-term ill. The demographic pressures of an aging population and health shocks such as HIV/AIDS already pose a challenging policy issue in many countries around the world, and likely to get worse (UNDP 2015).<sup>7</sup>
- The ecological crisis induced increases in the care burden, particularly in less-developed rural communities of the South. Beyond exacerbating gender inequalities in communities at the bottom of the income distribution, such pressures on necessary inputs to care production (such as land, water of fuel) threatens access to basic necessities of human survival.<sup>8</sup>

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<sup>6</sup> See also Albelda (2011) who shows that responsibility for care work is an important source of time poverty experienced by single mothers in the United States.

<sup>7</sup> According the recent estimates there is a shortage of 13.6 million care workers globally; about 100-190 million people need long-term care in their lives to enable their functioning on a daily basis.

<sup>8</sup> A 2014 report of the Inter-governmental Panel on Climate Change, for example, assesses that the reduction in renewable water sources is likely to be the worst in dry, subtropical regions (like Sub-Saharan Africa), resulting in scarcity of drinking water and biomass-based fuels. UNDP (2015) notes that if there continues to be a lack of relevant infrastructure and more gender balanced

- Increasing double work burden resulting in long work hours and chronic stress for primary caregivers who are predominantly women. As women continue to be penalized in market terms for assuming a caregiving role, it becomes more likely that they conform to the non-caring, male/market norms. One concrete outcome of this has been declining fertility rates; at an extreme it can imply a transformation towards less caring societies where authentic care relationships are replaced by market norms of individualism, consumerism and self-interest.

The origins of these concrete manifestations and threats of the care crisis, can be traced to two major sources: First, the unequal allocation of unpaid caring labor across the private and public spheres, amongst men and women; as well as amongst women by class and origin, and the consequences thereof for their participation in paid work and access to income. Second, the nature of capitalism - organized around the profit motive in the context of competitive unregulated free markets - which promotes self-interested consumerism and imposes penalties on anyone who digresses towards altruistic, non-materialism.

What is needed is a new economic order, which eliminates the growing imbalances of the ability to care within and across societies so as to enable the sustainability of caring labor and prevent eroding of caring norms. This can be achieved through an internalization of the costs of caring into patterns of production and consumption. How can the costs of caring labor be internalized into the system in a more egalitarian and sustainable manner? Next section will turn to this question.

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distribution, climate change will further reduce possibilities for women.



### III. The Purple Economy as a New Vision: How to Internalize the Costs of Care?

#### Parallels and Complementarities between Purple and Green

The purple economy aims to extend the vision for a new sustainable economy beyond that of the green economy. As both visions emerge as a response to systemic challenges – green in response to the ecological crisis and purple in response to the crisis of care, there are a number of important parallels and intersections between them (see Figure 1). Green economy needs a re-organization and regulation of production and consumption in harmony with the pace of renewal of natural resources; the purple economy needs a re-organization and regulation of production and consumption in harmony also with an equitable and sustainable system of reproduction of human beings. Green economy acknowledges that beyond commodity consumption, human wellbeing depends on access to healthy ecosystems; purple economy extends the notion of well-being to also emphasize the indispensable role of access to quality care.

Green economy suggests that economic reorganization needs therefore to account for the value of nature; purple economy makes a plea for accounting the value of unpaid care work. Reorganization under the green economy is based on an internalization of environmental costs into the workings of the system; under the purple economy, it is based on internalization of costs of caring labor. Such a cost redistribution aims at elimination of inequalities; green aims to eliminate intergenerational inequalities, purple aims to eliminate inequalities by gender, class and origin. Just as the green economy calls for a reordering of priorities

placing nurturing of nature at the center, the purple economy calls for a reordering of priorities placing nurturing of human beings at the center. Both visions therefore, emphasize that GDP growth cannot and should not be the sole or the priority measure of economic performance, but rather sustainable and equitable growth. There is indeed as space for discussing a de-growth agenda in both visions.

Recently, in the context of the global economic crisis, the green economy vision has been extended also to entail solutions to the economic crisis and the problem of rising unemployment through green jobs; purple economy provides a parallel response to the economic crisis and unemployment through purple jobs.

#### Four Pillars of the Purple Economy

The starting point for a purple economy would be one where economic and social policies recognize, account for, reduce and redistribute the care burden through systemic internalization of its costs. This would be based on an economic philosophy guiding planning, that first of all, acknowledges access to care as a basic human right and hence a State obligation (just as, for instance, access to schooling and access to basic health services).

As such a purple economy stands on four pillars:

1. A universal social care infrastructure;
2. Labor market regulation for work-life balance with equal gender incentives;
3. An ecologically sound physical and social care infrastructure to address care needs of rural communities;
4. Regulation of the macroeconomic environment for nature and nurture as core objectives.



**Figure 1 - Purple Economy and Green Economy: Parallels and Complementarities**

<b>Complementarities</b>	<b>Green Economy</b>	<b>Purple Economy</b>
A response to ...  <i>and also a response to the economic crisis and jobless growth through</i>	the environmental crisis; aims at sustainability of provisioning by nature  <i>Green Jobs</i>	the crisis of care; aims at sustainability of provisioning by caring labor  <i>Purple Jobs</i>
Acknowledges that beyond consumption of commodities, human well-being depends on access to	healthy ecosystems	universal quality care
Accounts for ....	the value of nature	the value of unpaid care work
Suggests to internalize ..... into the (market) economy	environmental costs	the costs of caring labor
Aims at elimination of ... through redistribution of costs	intergenerational inequalities	inequalities by gender, class and origin
Calls for a reordering of priorities ...	from consumption to nature	from consumption to nurture
And...	from GDP growth to sustainable and inclusive growth (or even de-growth)	

The first three pillars constitute mechanisms that directly address redistributive measures for balancing of the care burden between the public and private spheres and between men and women in the private sphere. The fourth pillar entails an enabling to a macroeconomic environment for the effective functioning of the first three.

**Pillar I: A universal social care infrastructure**

Social care entails care services for children, elderly, disabled and ill provided

through public or private institutions such as childcare centers and preschools for young children, after school care centers for school age children, senior centers and active living centers providing day services for elderly and disabled, elderly homes, hospitals and the like. Social care can also be provided as home-based services yet what makes it ‘social’ is that it is provided through paid labor by trained professionals and service workers rather than through unpaid domestic labor of family members.

**Figure 2: Four Pillars of a Purple Economy: How to Internalize the Costs of Care?**

<b>Four Pillars of a Purple Economy</b>			
<p><b>UNIVERSAL SOCIAL CARE INFRASTRUCTURE</b></p> <p>Accessible, affordable and high quality social care services for children, elderly, disabled and the sick</p> <p>Redistribution of care work from unpaid domestic work to paid professional, institutional work</p> <p><i>Purple Jobs</i></p>	<p><b>LABOR MARKET REGULATION</b></p> <p>for Work-Life Balance with <b>Equal Gender Incentives</b></p> <p>paternity, maternity and parental leave, other care leave, flexible work-care leave practices focusing on providing care incentives for men, shorter full-time work hours, regulation for gender equality in hiring, pay and promotion</p>	<p><b>ECOLOGICALLY-SOUND AND TIME-SAVING PHYSICAL INFRASTRUCTURE FOR RURAL COMMUNITIES IN LOW-INCOME REGIONS</b></p> <p>green and purple investments in rural areas</p>	<p><b>ENABLING MACROECONOMIC ENVIRONMENT</b></p> <p>decent employment generation, sustainable and inclusive growth as core objectives of macroeconomic policy</p> <p>fiscal policy supportive to public investments in a purple and green economy; monetary policies that seek a balance between inflation and employment targets</p>

A universal social care infrastructure means that all households have equal access to quality care services for children, the elderly, the disabled and the sick independent of their ability to pay. This would necessitate an investment strategy in social care service sectors and hence entails a reordering of priorities in existing fiscal spending and where necessary an expansion towards public provisioning.<sup>9</sup> Obviously financing would be a serious challenge particularly for low-income economies. Global pacts for reallocation of military spending to a purple care fund, bilateral transfers as well as purple taxation and purple care finance schemes would need to be mobilized.

<sup>9</sup> Universal provisioning can also take place through public subsidies for production of care services by private providers. This is an issue of debate where the relative advantages and disadvantages can vary depending on capacity of institutions.

Such an investment strategy has the potential to serve multiple goals. The long-term supply side effects have been well-studied in the literature: Universal accessibility of social care services increases female labor force participation and provides relatively more equal grounds for career choice and advancement; improves human capital and eliminates inequalities among children by socioeconomic status through investments in early development and education programs; and hence produces positive spillover effects on productivity and growth.

What is less known, however, are the short-run demand side effects of increased expenditures on social care. Expansion of social care provisioning also has the potential of alleviating the effects of the economic crisis through generation of ‘purple’ jobs. A series of recent studies evaluating the macro and micro impact of

public investments in the social care sectors in South Africa (child care and sick care for HIV patients), the United States (child care and elderly day care) and Turkey (child care and preschool education) demonstrates that spending on social care infrastructure has more than double the employment generation capacity of similar spending on physical infrastructure (including green infrastructure). Moreover, employment generation through spending on social care is such that a much larger share of the direct and indirect jobs created go to female and lower skilled workers than in the case of jobs generated through spending on physical infrastructure, with additional short-run demand side positive outcomes for gender equality and poverty alleviation and (Antonopoulos and Kim, 2011; İlkaracan, Kim and Kaya 2015).<sup>10</sup>

The case of South Korea following the 1997 Asian crisis constitutes an example of a policy response that acknowledges the multiple benefits of investment in social care. The South Korean Government, as a response to the economic crisis, promoted subsidies to investment in the social care service sector as ‘the new growth engine’ of the economy. The policy document describing the S. Korean Government’s social investment strategy states that it was designed to address a multitude of social and economic problems: a strategy against the demographic crisis (an extension of the crisis of care), a means of employment creation against the economic crisis and also creating equal opportunities for women’s integration into the labor market (Peng, 2010).

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<sup>10</sup> The Turkish study also finds that the short-run fiscal sustainability of social care expenditures are superior to that of physical infrastructure expenditures, as the former recovers as much as 73% of initial outlays through labor and income tax returns, while the latter at 55% (İlkaracan, Kim and Kaya 2015).

A recent assessment by the U.N. Economic Commission on Europe (2014), on “Gender-sensitive economic and social policies to support the empowerment of women and girls in the ECE region” identifies “*policies to decrease the care burden on women*” as one of the seven priority areas for action. The report states:

*“Affordable, good quality childcare facilities are perhaps the most effective way to increase female employment levels in the region. Prohibitive childcare costs force women to work less, or not at all.”*

The report also identifies “*gender-sensitive fiscal policies*” as another priority intervention and states:

*“Policy-makers must consider the gender impact of austerity measures to avoid exacerbating inequalities. Stimulatory spending must not only target male-dominated sectors such as construction or infrastructure. This would enable women to benefit from the resulting job creation as well.”*

Investments and spending on social care infrastructure is a means that addresses both interventions. It provides affordable quality care services easing the time restrictions on women’s labor supply, while simultaneously ensuring that women benefit from job creation instigated through stimulatory fiscal spending.

## **Pillar II: Labor market regulation for work-life balance with equal gender incentives**

Regulation of the labor market to enable balancing of paid employment with caring labor in the private sphere based on equal conditions and incentives for men and women, constitutes another important component of the care infrastructure, complementary to social care service provisioning. It was discussed above that caring labor has the property of being relational between the caregiver and the

care receiver and hence resists total commodification by its very nature. This pillar addresses the question of internalization and redistribution of the costs of the segment of caring labor that cannot be substituted through paid service provisioning. We should also note, however, that this pertains primarily to relatively more developed market economies where the majority of the population is in paid employment.

Deriving from extensive research on work-life balance, this pillar is based on four sub-components:

- legal rights to paid and unpaid care leave for child care as well as other dependent care with equal entitlements and incentives for both men and women;
- regulation of labor market working hours within decent job standards;
- right to flexible work arrangements to enable addressing of the household care needs facing employed adults that change over the life cycle; and
- regulation of labor market to eliminate discriminatory practices, most importantly equal pay for work of equal value.

The combined aim of these labor market regulatory policies would be a transformation from household structure from single male breadwinner, full-time female homemaker model or a one-and-a-half worker model (husband full-time employed, wife part-time employed), towards a dual-earner, dual-carer household model.

In terms of care leave, while maternity leave is an established standard in most countries, paternity leave is much more limited and in many cases non-existent. Experience with parental leave shows that, given the gender pay gaps in the labor market, the incentives for men to take up this right are very weak; and encouraging care leave for men remains a challenge.

The Swedish experience shows that making parental leave non-transferable and fully paid can be an effective strategy and achieve substantial progress towards more equal gender distribution of unpaid work (Nyberg, 2010). Regulatory measures towards elimination of discrimination such as equal pay for work of equal value would help to rebalance the incentives facing men and women in the use of care leave. Beyond incentive-based measures, however, it is also possible to implement mandatory childcare leave for fathers, which could potentially replace mandatory military service that still exists in many countries. Effective implementation of care leave would necessitate establishment of care leave insurance schemes for financing, just as the unemployment insurance that is in effect in many labor markets. Hence the burden of costs can be rationalized without causing unexpected cost shocks on private workplaces.

Beyond care leave and services, weekly work time is an important dimension of improving the work-life balance environment. Cross-country comparative studies point out to the significant differences between the legal labor market working hours between the North and the South as an important source of divergence in work-life balance environments with significant impact on shaping the extent and nature of gender inequalities at a national level (Ilkharacan 2012).<sup>11</sup>

As flexible work arrangements are concerned, the Dutch case points to the dangers of promoting part-time

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<sup>11</sup> In a cross-country study of seven OECD countries, Ilkharacan (2012) contrasts the French norm of 35-hour work week and the South norm of 48 hours (Mexico, South Korea, Turkey) as a huge difference with substantial impact on gender inequalities in employment. As the norm for weekly working hours increases, the single male breadwinner, full-time female homemaker model imposes itself as the only possibility.

employment only for women as a means of reconciling paid work and care responsibilities. The Dutch case is testimony to the fact that while part-time employment has the potential to close the gender employment gap, it facilitates deeper occupational and industrial gender segregation as well as vertical segregation and results in a relatively larger gender wage gap. These outcomes in the Netherlands facilitated an evolution in the national policy vision from a discriminatory one which ascribes women to part-time employment on a permanent basis, to one which enables both men and women to combine part-time flexible work with part-time flexible care leave over the life cycle. Plantenga (2010) calls this a  $\frac{3}{4} \times 2$  earner model. Hence a guiding policy vision for labor market regulation could be one which aims at a dual earner-dual carer model, with the acknowledgement that over the life-cycle as the care needs arise, families may have to switch back-and-forth to a  $\frac{3}{4} \times 2$  earner model.

Finally, regulation of the labor market towards elimination of the gender wage gap is an important means for equalizing the incentives facing men and women in regards to allocation of time between paid and unpaid work. The cost-benefit balance of women versus men engaging in the labor market versus assuming unpaid care work responsibilities in the household depends on the relative returns from paid work (i.e. wages) as much as on the costs of market substitutes. As long as opportunity costs of women assuming the care workload are lower than men's, it will be difficult to achieve an equal redistribution between men and women.

**Pillar III: An ecologically sound and time-saving physical infrastructure to address the special needs of lower income rural communities**

The third pillar entails public policies to address the special needs of rural

communities where unpaid care work (predominantly of women) entails a larger array of productive activities dependent on availability of natural resources. A majority of the world population primarily in Sub-Saharan Africa and South Asia live in rural subsistence economies based predominantly on small-scale farming, where a majority of women are in the status of unpaid family workers. The conditions that they face in terms of performing caring labor are vastly different from urban populations in middle- or high-income economies. Activities such as collecting firewood, carrying water, tending to food production and processing constitute an integral and arduous part of the care burden; and the extent also varies by household type. Time-use data from India shows that women in poor households spend an average of 19 hours weekly on crop farming, water, fuel, fodder collection, while women in non-poor households spend still a substantial 13.5 hours weekly on such tasks (Hirway 2010).

Lacking basic physical infrastructure and technology, the care burden can be enormous. When faced with external shocks such as a deterioration in ecological conditions (depletion of water resources or deforestation) or a health shock (outbreak of the HIV/AIDS epidemic), the conditions of caregiving become even more staggering. An example from Sub-Saharan Africa in a UN 2004 report on 'Women and HIV/AIDS: Confronting the Crisis' makes the case:

*"Caring for an AIDS patient can increase the workload of a family caretaker by one third. This is a burden in any family but particularly onerous for the poor, who already spend much of their day earning a subsistence living. A rural woman interviewed in Southern Africa estimated that it took 24 buckets of water a day, fetched by hand, to care for a family member who was dying of AIDS – water to wash the clothes, sheets*

*and the patient after regular bouts of diarrhea.” (UNDP 2009)*

Hence the building of an efficient care infrastructure in these communities needs more than public provisioning of care services. It also needs investments in physical infrastructure such as rural water and irrigation systems, domestic energy, rural transportation. While labor market regulation – policies such as paid care leave – maybe more relevant to urban contexts or to high- and middle-income countries, investments in physical infrastructure maybe more crucial for rural communities and low-income countries. The care infrastructure in these communities would need to be supported in a context of public and private green investments in agriculture and rural infrastructure, green technology transfer programs that build on women’s local knowledge of ecosystems, targeted agricultural subsidies for women, employment programs targeting landless women in green sectors such as organic farming as well as where necessary employment guarantee programs targeting women in public works.<sup>12</sup>

#### **Pillar IV: Macroeconomic policy for nature and nurture as core objectives**

In order for the measures discussed above to achieve their intended objectives, they need to be supported by an enabling macroeconomic environment. This means that the conventional mainstream approach to macroeconomic policy would need to be freed from its inherent gender biases. Çağatay and Elson (2000) point to three such biases in orthodox macroeconomics: deflationary, commodification and male-

breadwinner bias. One could add the deregulation bias. The deflationary bias originates from the emphasis on inflation control at the expense of employment creation. The exclusive focus of monetary policy is price stabilization; austerity policies on budget deficits and real wages are complementary measures towards the same end. Commodification entails the push for privatization in the name of efficiency and minimal role for state intervention. Deregulation, particularly of the labor market, towards so-called greater ‘flexicurity’ has seen an increase in non-standard forms of employment such as part-time, fixed term employment and outsourcing.

This combination of orthodox macro policies carry gendered implications through their direct impact on public provisioning of services and employment conditions, i.e. the first two pillars of the **purple economy**. It has been well-studied in the literature (in the context of stabilization and stabilization structural adjustment policies) that austerity and privatization shift the care burden from paid work to women’s unpaid reproductive and care work through reductions in public provisioning of services. Feminist economists have long critiqued that such policy design is based on a false assumption that women’s caring labor is infinite. At the same time, the downward pressures on wages decreases the affordability of market substitutes for unpaid work, particularly for lower-skilled women. The push for labor market flexibilization facilitates a deterioration of labor market conditions, which further intensifies the pressures on work-life balance, weakening women’s labor force attachment. For example, part-time or fixed-term contracts limits access to job contracts with paid care leave; increases the gender wage gap making it more likely that women retreat to the full-time homemaker role.

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<sup>12</sup> See Indira Hirway (2008) “Impact of Employment Guarantee Programmes on Gender Equality and Pro-Poor Economic Development”, Levy Economics Institute of Bard College, for implementation of employment guarantee programs for rural women in India.

The lack of emphasis in orthodox macro policy framework on employment generation entails higher costs for women given their secondary earner roles. Lack of jobs hurts both women and men who are unemployed and actively seeking jobs. Yet it also has a bearing for non-participant women who are the disguised unemployed in full-time homemaking positions or patterns of part-time and intermittent employment, because in a context of high unemployment or persistent unemployment in a context of jobless growth, is less likely to the cost-benefit calculation of labor market engagement vs. homemaking in favor of the former. Deflationary policies prioritize inflation control over employment generation, while the commodification bias means decreasing opportunities for public employment through privatization. This leads to the male breadwinner bias, where it is assumed that men will be the primary receivers of the limited number of jobs with women as dependents. Women, who have neither jobs nor breadwinner husbands/fathers, are expected to rely on safety nets created for poor households.

A macroeconomic policy framework providing an enabling environment for a purple economy would need to have the following characteristics:

**1. Fiscal policy design** which adopts a gender budgeting approach at a macro scale evaluating taxation and spending decisions (with respect to both the magnitude and composition) in order to account for their gendered impact on distribution and redistribution of the unpaid care burden and the gender composition of labor demand. Hence taxation and spending allocations would be designed so as to allow internalization of the costs of caring labor through purple taxation and fiscal spending on a universal social care infrastructure; and also facilitation of decent employment generation. Any stimulatory spending

would entail expenditures on social care rather than the exclusive focus on physical infrastructure, instigating generation of purple jobs. Public as employer of last resort programs would be part of the menu of policy options, and would target creation of social care services sector jobs.

**2. Monetary policy design**, which acknowledges employment generation as an equally important policy objective as price stability. This would be based on a paradigmatic shift in macroeconomic policy, whereby it is freed from its obsession with GDP growth and efficiency as ends in their own right. Rather growth and efficiency would be acknowledged as possible tools amongst others of macroeconomic policy in reaching its ultimate objectives of nature and nurture, but by no means are they indispensable. Employment generation based on decent jobs would need to become a core objective, not only for addressing the unemployment problem but also in acknowledgement of the fact that decent jobs are needed also for millions of non-participant women around the world who are excluded from the labor market.

**3. An institutional framework** based on the understanding that markets are neither self-creating nor self-regulatory. Hence there is an important role for a regulatory social welfare state with ‘embedded autonomy’.<sup>13</sup>

The purple economic order would be achievable through “democratization of macroeconomic policy” in Çağatay’s (2012) words:

*“But these [referring to gender aware green policies] will not work very*

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<sup>13</sup> Autonomy implies the State being free from the manipulation of rent-seeking interest groups, its transparency and resilience against corruption. Embeddedness entails its involvement in effective dialogue with multiple layers of stake-holders and hence grasp of problems and opportunities in the field (Evans 1995).



*effectively if the overall macroeconomic framework stays the same i.e. commodification continues, land grab proceeds, the rule of finance over all else, inflation targeting and mercantilism of China continues. The overall macroeconomic framework has to change...to get economies on a wage-led growth regime in which women's wages will be the crucial as opposed to the male breadwinner regime of profit-led accumulation that existed in the golden age of capitalism. This requires redistribution of assets and income to women."*

#### **IV. Conclusion**

The intense amount of work and effort in the past three decades to analyze and to account for unpaid work and its consequences for women's participation in paid work has not been sufficiently translated into practical action and policies. Unpaid work remains an almost exclusively female domain contributing to persistent gender inequalities around the world, including the advanced economies of the North. It is possible to assert a similar claim for green economy measures. Both the social reproduction of labor and the ecological renewal (reproduction) of nature are subject to strong externalities. Markets left to their unregulated free competitive dynamics facilitate increasing pressures on the conditions for their sustainable reproduction/renewal. The environmental and care crises pose systemic challenges that need urgent intervention.

Obviously the conventional economic policy paradigm that dominates common wisdom is a major obstacle. What is needed is a paradigmatic shift prioritizing nature, nurture and sustainability over growth and efficiency. The **purple economy** – complementing the **green**

**economy** - spells out the components of a feminist vision for a new economic order and hopes to serve as another means to facilitate such a paradigmatic shift.

Beyond the conventional paradigm, however, is the deeply embedded systemic resistance to redistribution of income, assets and power. The question for the South, given restricted public resources, and also for the North, given the global economic crisis, is how to move the agenda forward. An improved framework for policy advocacy can come from a variety of sources as the above discussion has hinted. A purple and green economic order can be a source of decent employment generation and also a means of poverty alleviation, and provide a sustainable economic framework that aims to redress inequalities by gender, class and origin, as well as the cross-generational inequalities by readjusting the power imbalances between nature and humans. The feminist and environmental movements at the local, national and international levels will be pivotal in pushing the agenda forward.

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