

# **Visualizing the Invisible,**

## **A Study of Women’s Care Work in the Market**

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### **Abstract**

This paper delves into the pervasive contradiction in today’s capitalist society, where women’s care work is not valued by the market despite its vital role in maintaining the economy. Through a comprehensive examination of the issue, the author exposes the structural barriers preventing the market from recognizing the value of women’s care. Offering innovative solutions, ranging from tax policies to new economic frameworks, this paper is a crucial contribution to understanding the intersection of gender and economy, and ultimately creating a more sustainable world. The author aims to challenge the status quo and ignite a paradigm shift in the way society values women’s labor.

### **0. Introduction**

The purpose of this paper is to propose a solution to a specific instantiation of the problem of gender inequality and thus to contribute to the creation of a more sustainable world. The COVID-19 pandemic has highlighted the deeply entrenched gender inequalities in society and the negative impacts these have on economies and populations. For example, the data shows that, during the pandemic, mothers were nearly three times as likely as fathers to take on the majority or all of the additional unpaid care work related to school or childcare facility closures.<sup>1</sup> Furthermore, women are disproportionately affected by environmental issues such as climate change and pollution compared to men.<sup>2</sup> For example, women may be more vulnerable to diseases caused by dirty household water

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<sup>1</sup> OECD(2022)

<sup>2</sup> OECD(2022)

and to premature deaths due to household air pollution stemming from the use of solid fuels. In this thesis, I will discuss the condition of many women who have less (or no) time to work on account of their having to care for children, which implies to lost opportunities to earn money. Despite this, they must still rely on the market for obtaining their basic needs, which requires the exchange of money.

The first section provides an overview of the concept of gender inequality and the ways in which it is manifested in today's society. The specific focus is on the economic aspect of gender inequality, and how it relates to the devaluation of women's care work within the market. In the second section, I will delve into the specific contradiction at the heart of the issue, the reliance of society on women's care work, yet the lack of recognition and value placed on it within the market structure. This section will analyze this contradiction and its implications for women and society as a whole. In the third section, I will examine the structural barriers that prevent the recognition and valuing of women's care work within the market. This will include analysis of the current market structure and the ways in which it fails to account for care work. Building on the analysis of the previous sections, in the fourth section, I will propose specific solutions for addressing the devaluation of women's care work within the market. These solutions will focus on incorporating the value of care work into market structure through mechanisms such as opportunity costs and taxes. To implement this solution, I will propose solutions to address gender inequality and contribute to creating a more sustainable and equitable society. It highlights the need to recognize the value of care work and its impact on the society as a whole by visualizing women's care in the market.

## **1. What is gender inequality**

In this section, I will examine the concept of gender inequality, specifically focusing on the issue of under evaluation by the market. Gender inequality is a “legal, social and cultural situation in which sex and/or gender determine different rights and dignity for women and men, which are reflected in their unequal access to or enjoyment of rights, as well as the assumption of stereotyped social and cultural roles”.<sup>3</sup>

One example of gender inequality is the unequal pay and opportunities for women in the market. Women are often denied access to the formal labor market, and even when they

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<sup>3</sup> A definition from European Institute for Gender Equality

are able to qualify for higher employment, they are often not given equal opportunities for career development and advancement or receive lower pay increases compared to their male counterparts. According to a report from the International Monetary Fund (IMF)<sup>4</sup>, on average, women's gross incomes are only 70% of men's across advanced and emerging economies. The gender income gap is partially explained by wage rate differentials, as women are typically paid 15% less per hour of work than men. There are also significant gender differences in employment. On average, women are 20% less likely to participate in the labor force compared to men, and if they are employed, they work an average of 85% of the number of hours worked by men. These gender differences in wage rates can be attributed to a variety of factors, including differences in education levels, industry-specific characteristics that lead to over-representation of men or women, job experience and tenure, willingness to work long hours, and outright discrimination. The specific instantiation of gender inequality that interests us here is unpaid care work. Care work includes tasks related to household and caregiving responsibilities, and is often not recognized as having economic value, despite its essential social role. As a result, women who engage in care work may experience financial and social disadvantages compared to men.

This mistreatment by the market is a result of the way in which money is created to evaluate material goods and services. Specifically, money is a medium of exchange that is used to evaluate and facilitate the exchange of material goods and services in the market. Its value is determined by its ability to be exchanged for other goods and services, and by the stability of the economy in which it is used. Money is created and issued by governments and financial institutions and can take various forms including physical currency and digital currency. As we all know, the use of money allows for the efficient exchange of goods and services and has played a vital role in the development of modern, market-based economies.

However, the current system of evaluation by money does not adequately account for the value of unpaid care work, which is often performed by women. The lack of recognition and proper evaluation of unpaid care work contributes to the gender pay gap and the ongoing economic inequality between men and women. At the same time, women rely on the market and access to money in order to meet their material needs. As a result, women who engage in care work may experience financial and social disadvantages compared to

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<sup>4</sup> International Monetary Fund(2022)

men.

In the next section, I will delve into the reasons why the market-based evaluation system has become the dominant mode of evaluation in modern society and how this system disproportionately places women and their care work at a disadvantage .

## **2. How capitalism places the market in the center of society**

In this section, I will describe how the current market system is centralized in capitalized societies.

Historically, in pre-industrial societies, people were able to sustain their lives through the production and exchange of goods within their community. These goods were often produced and consumed locally, and there was little need for a centralized system of exchange. With the onset of the industrial revolution in the 18th and 19th centuries, however, people began to lose their connections to land as they moved to cities to work in factories. They then began to sell their labor as a means of production, in exchange for wages that could be used to purchase the goods they needed. This shift towards wage labor and the centralization of markets led to a reliance on money as a means of obtaining the material possessions necessary for sustenance.

In modern, industrialized societies, people rely on the exchange of money for material possessions in order to participate in the market and sustain their lives. In order to facilitate the exchange of these materials, a common standard for evaluating their value is required. In most societies, this standard is money, which is used to evaluate the value of all materials and labor. Therefore, all individuals who rely on materials produced by others, including unpaid care work, must also rely on the exchange of money in order to obtain the resources they need. However, there is currently no system in place for evaluating items that are non-exchangeable or the productivity of which is not easily determinable, such as unpaid care work, which is predominantly performed by women. This lack of recognition and evaluation of unpaid care work contributes to the gender pay gap and the ongoing economic inequality between men and women.

The exchange of goods and services allows for the evaluation of labor and materials in as far as individuals find others who are willing to exchange with them. Without the ability

to exchange, the value of an individual's labor and the materials they produce cannot be accurately determined. However, not all aspects of human labor and resources can be exchanged in this way. Some things, such as unpaid care work, have their own evaluation system that is not dependent on either what it can be exchanged for nor on its productivity. In fact, it is not clear that there is such a thing more or less productive care, or that, whatever it may be, it has any relation to the "quality" of the care. In consequence, such activities are not recognized as having economic value in the market. This results in a problem where only material goods and services that can be exchanged are given value, while things that are specific to an individual's own needs and are not exchangeable are not given value. Due to this, the market-based evaluation system may disproportionately disadvantage certain groups. More specifically, as we will see in the next section, in modern capitalist societies, the use of standardized money as an evaluation system mediates the market structure. However, the centralization of money as a standard for evaluating market goods and services can lead to the undervaluation of things that do not have an exchange value, as money is primarily designed to facilitate exchange and does not have a system for evaluating non-materialized things.

### **3. Two stages of market exchanges**

In previous sections, I have noted that the market, which is centralized in current society, has an evaluation system that may disproportionately disadvantage certain groups, leading to the undervaluation of unpaid care work, which is often performed by women. Specifically, I have proposed that the lack of a system for evaluating non-tangible goods and services through the use of money leads to the undervaluation of unpaid care work and hence to the financial and social disadvantages experienced by women who engage in this work. This is due to the central role of the market in modern society. In this section, I will further examine the difficulties in evaluating intangible goods and services in the market, using the operation in two phases of the market described in Simmel's "Philosophy of Money."

Before going into the detail of the market's construction, I will first explain the definition of the market in modern society. "Markets are social and economic systems that facilitate the exchange of goods and services between individuals or groups."<sup>5</sup> The market serves

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<sup>5</sup>Cambridge Dictionary(2023)

as a means by which individuals or collective agents can trade goods and services using a common medium of exchange, typically money, to establish prices for the exchanged items. The operation of markets is a key aspect of economic systems, as they allow for the efficient allocation of resources and the determination of prices through the interaction of supply and demand. Markets are often viewed as the primary place for exchanging goods and services. However, it is important to recognize that direct exchanges of goods and services do not typically occur within these systems. Rather, markets operate through the intermediation of money, with two distinct phases of exchange. The first phase involves the conversion of goods and services into money through competition in the market, while the second phase involves converting money back into goods and services. This process of exchange, facilitated by the use of money as a medium, allows for the efficient allocation of resources and the satisfaction of consumer demand within the economy. In this article, I mention “competitive” as a feature of markets that results from agents attempting to secure the most favorable deal. This competitive behavior drives market participants, whether on the supply or demand side, to engage in market transactions with the aim of maximizing their own benefit. Because of this, competition in markets serves to allocate resources efficiently and drives prices toward their equilibrium levels, leading to the optimal allocation of resources in the economy.

The integration of the first and second phases of the market, which involves the conversion of goods and services into money and the exchange of money for goods and services, suggests that goods and services can be exchanged only by mediation of money in the market. This view can be extended to include labor, or the time spent working, which can be exchanged for wages and used to acquire other goods or services. The market function thus serves to materialize work, as it allows for the exchange of labor for wages and the acquisition of goods or services through using those wages. This market function has significant implications for how we view and value our labor and its role in our lives. This integration of the first and second phases of market leads to difficulties in evaluating women’s household- and care work, since the evaluating function of the markets does not have the means by which to materialize women’s household- and care work as an exchangeable good to be mediated by money.

However, to further describe this integration of the market’s first and second phases, we must understand the character of money. In order to do so, I will examine the theoretical

framework provided by Georg Simmel in “Philosophy of Money”.<sup>6</sup> There Simmel proposes that the unique characteristic of money is that it does not possess its own inherent purpose. Unlike objects such as cups, which are designed for drinking, or pens, which are designed for writing, money as a physical entity does not have a specific function. Rather, its value is derived from its use within society as a means of exchange for other goods and services. This highlights the social construction of value and the central role that society plays in determining the worth of money. According to Simmel, the value of money arises from the social construction of value, which occurs through the decoupling of the subject (value for things that remain subjective) and the object (object value as distinguished from the subjective desire). In other words, value is created through the distance between the subject and the object. This distance must be filled in order to complete the exchange, and the dedication required to do so creates value. However, this value is not determined by any one individual, but rather arises through the exchange process itself. For example, in a barter exchange, one might trade six units of milk for nine eggs. Through this process, we gain an objective perspective that allows us to determine the equivalent exchange value of each good. Over time, humans have engaged in exchanges in order to obtain the things they need or want, and this habit of exchange has persisted even as the form of exchange has evolved. In the past, barter exchanges were common, but today, most exchanges are facilitated through the use of money. Money allows for equivalent exchanges by revealing the distance between the subject and the object, and it has become the dominant form of exchange in modern societies.

Connecting this with the idea of the market as operating in two phases, we can say that the first phase, the conversion of goods and services into money, involves the assignment of objective value to the goods and services being exchanged. This value is determined by the collective assessment of other participants in the market. The second phase, the exchange of money for goods and services, involves the dedication of value as money in order to fill the distance between the subject and the object. This phase involves the subjective evaluation of value by the individual or society engaging in the exchange.

While these two phases have a reciprocal relationship, they are not a single, integrated process like a barter exchange. The reciprocity between the first and second phases of the market process mediated by money leads to a continuous evolution of both the market process and the character of money. This ongoing dynamic process results in changes to

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<sup>6</sup> Georg Simmel(1900)

both the market process and the character of money over time. The role of money as a medium of exchange is central to this process, highlighting the importance of money in facilitating exchange within the market.

Now, I will insist on the difficulty of adapting women's households and care to these two phases of the markets. By focusing on the second phase, the exchange of money for goods and services attains value by the distance between the subject (value for things that remain subjective) and the object (object value as distinguished from the subjective desire)). However, it is difficult to measure the distance between subject and object when dealing with household- and care work. For example, the consequence of taking care of somebody is not always visualized by the participants of society. This invisibility makes it difficult for the second phase of the market to function properly. Since the first phase of the market, the conversion of goods and services into money, has a reciprocal (though, as we saw before, not identical) relation to the second phase, the attribution of objective value to women's household- and care work fails. However, this does not mean that there are no ways for evaluating women's households and cares within the market. By visualizing the household- and care work in such a way that the second phase of markets incorporates it effectively by attributing to it an adequate monetary value, the first phase of the market would also be influenced, , since the reciprocity between the first and second phases of the market process, as mediated by money, leads to a continuous evolution of both the market process and the character of money. Thus, in the following section, I will present a solution for the low market evaluation of women's caregiving by making it visible through a system that visualizes the opportunity cost of women's caregiving in the market and financing it through the use of taxes.

#### **4. Solution**

In the previous sections, the limitations for evaluating women's care work within the current market system were discussed. Specifically, I highlighted how the centralization of money as a standard for evaluating market goods and services could lead to the undervaluation of things that do not have an exchange value, as money is primarily designed to facilitate exchange. The undervaluation of care work in our society can have significant consequences, as individuals are often required to rely on the exchange of material goods and services to sustain their lives. However, by making care work visible and tangible, it may be possible to calculate the distance between the subject (value for



things that remain subjective) and the object (object value as distinguished from the subjective desire) <sup>7</sup>and assign a monetary value to this work. This could provide a solution to the contradiction faced by care workers, who must rely on the market exchange to survive while being excluded from opportunities to earn money.

As part of the solution I will propose, I will first determine how we can visualize women's care work by calculating the opportunity cost for caring. Opportunity cost refers to the value of the next best alternative that must be given up to pursue a certain course of action.<sup>8</sup> In this case, the opportunity cost of unpaid care work is the wage that could be earned if an individual were at work instead of performing household chores. This opportunity cost is calculated by multiplying the time spent on unpaid care work by the average hourly wage for women. According to the Basic Survey on Wage Structure in 2019 by the Japanese Ministry of Health, Labor and Welfare, the hourly wage is 1300 yen.<sup>9</sup> Assuming that a woman spends 7 hours a day on childcare, the pay would be approximately 280,000 yen per month or about 3.3 million yen per year. This could be one measurement of the opportunity cost. This means caring for children requires labor equivalent to 3.3 million yen per year, which will not be paid.

On the one hand, this lost opportunity cost can negatively affect whether women decide to have children, as is evidenced in countries with declining birth rates. Furthermore, this trend towards fewer children can also have negative impacts on the economy in the long term, as it may lead to a shortage of labor and lower productivity. To address these issues, governments must implement policies that support women's care responsibilities, and, as I will argue in a minute, evaluating care work in terms of lost opportunity cost is a first step towards reversing the negative trend.

On the other hand, since women often spend a significant amount of time caring for children, but still rely on the market to purchase necessary goods and services, unpaid

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<sup>7</sup> subject (value for things that remain subjective) could think as the materialized things that you could acquire, and the object (object value as distinguished from the subjective desire) could think as the materialized things that you cannot acquire.

<sup>8</sup> I referred the definition of opportunity cost written in Cambridge Dictionary(2023)

<sup>9</sup> Employment Statistics by Ministry of Health, Labor and Welfare(<https://www.mhlw.go.jp/content/000685358.pdf>),The data is used in this study because it refers to payment per hour, which allows for easier calculation of the opportunity cost of women's care work

care work can lead to poverty and an inability to provide sufficient food, education, and medical care for families. This can result in a loss of opportunity for the country, as resources are not efficiently allocated to its population. To address this issue, it is important for countries to consider implementing new policies that address the challenges faced by women in caring for children. These policies may include initiatives to support working mothers, provide access to affordable childcare, and promote gender equality in the workforce. By addressing these issues, countries can work to ensure that all members of their population have the opportunity to thrive and contribute to the economy, offsetting the opportunity cost for women's care. However, to compensate for the lost opportunity cost for women's care, a mechanism must be created by means of which women obtain resources equivalent to the time dedicated to childcare.

One concrete step towards recognizing the opportunity cost of women's care work is to utilize the tax system by reducing taxes for women who have completed their childcare responsibilities and are returning to the workforce. The current tax system, which only considers individual income and does not consider care work, can create imbalanced conditions for women, and can create disincentives for women to work due to the cost of working outweighing the benefits. To address this issue, the tax system can be revised to provide incentives for women to enter the workforce.

One proposal is to include provisions in tax policy that reduce the tax burden for individuals who are married or have children. This can provide a stronger incentive for women to reenter the labor market after marriage or childbirth. It is possible that companies may prefer to hire men who have not completed child rearing due to gaps in work history for women who have completed childcare responsibilities. However, offering a reduction in corporate taxes for hiring women who have completed child rearing can provide a financial benefit for companies and incentivize the hiring of these women. This can help address the issue of employment gaps due to childcare and promote gender equality in the workforce.

Tax policy can directly reduce post-tax inequality and change incentives by addressing gender bias in the tax system. Currently, tax policy does not take into account the opportunity cost of women's care work and imposes the same standards on both men and women. This can financially incentivize women to stay at home instead of working outside the home due to the uncertainty of childcare responsibilities and other factors that may affect their ability to work during pregnancy and postpartum. However, if women

choose not to work, their household income may be lower, leading to an unequal evaluation of the value of household and childcare work. In order to address these issues, tax policy must consider the opportunity cost of household and care work for women and provide incentives for women to reenter the labor market after marriage or childbirth.

If gender-specific tax policies are implemented to incentivize women to reenter the workforce, the market value produced by these women can be considered a new source of market production for society. This value could be used to offset the opportunity cost for women who are unable to work in the market due to caring for children. Specifically, the opportunity cost of women's care work could be funded through the profits generated by the reduced tax burden on women who return to the market after caring for children. To operationalize this system, a system could be implemented in which women who receive funding for the opportunity cost of caring for children are required to enter the market with a reduced tax burden.

## **5. Conclusion**

In this paper, I addressed the issue of the lack of recognition and value placed on women's care work within the market economy by proposing solutions to make women's care work more visible and valued within the market structure. The first section provided an overview of the concept of gender inequality and the ways in which it is manifested in today's society. The second section delved into the specific contradiction at the heart of the issue, the reliance of society on women's care work, yet the lack of recognition and value placed on it within the market structure. The third section examined the structural barriers that prevent the recognition and valuing of women's care work within the market. Building on the analysis of the previous sections, the fourth section proposed specific solutions for addressing the devaluation of women's care work within the market. Through these sections, I proposed solutions to address gender inequality and contributed to creating a more sustainable and equitable society by visualizing women's care work in the market.

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