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## Science and Politics and the "Dual Vision" of Feminist Policy Research: The Example of Family and Medical Leave

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The Institute for Women's Policy Research (IWPR) is a feminist think tank devoted to conducting research on policy issues affecting women's lives and to developing networks between the research, policy, and advocacy communities. Given these goals, as its research staff we must, on the one hand, conduct policy research that meets the standards of the mainstream social sciences for validity, reliability, objectivity, and replicability. On the other hand, our work is influenced by the principles of feminist methodology and especially by its challenge to the rigid dichotomies between researcher and researched and between activists and truth seekers (see Cook and Fonow, 1986; Harding, 1987). In addition, like others of our generation, we have been schooled in both social sciences and social movements (Bookman and Morgen, 1988).<sup>1</sup>

We believe that the research that results from these two perspectives, despite some risks, provides a useful synthesis in these times. This synthesis of the political and the scientific is the "dual vision" of feminist policy research. In what follows, we will use the example of our cost-benefit study, *Unnecessary Losses: Costs to Americans of the Lack of Family and Medical Leave* (Spalter-Roth and Hartmann, 1986, 1990), to reflect critically on how the study came to be done, IWPR's methodological vision, and the concepts, methods, findings, and conclusions of the research itself.

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### The Context of Unnecessary Losses

#### *The FMLA, the Question of Costs, and the Entry of IWPR*

Currently, more than half of all mothers with children under age one are in the labor force. Approximately 64 percent of working women who bore children in 1985 returned to work within the year (Gainer, 1987). Although they are no longer full-time caretakers, women still do the major share of the work of caring for newborn babies, sick children, husbands, and elderly parents or in-laws. As more and more women combine work and taking care of dependents, the need for policies that allow women to balance these jobs has become more widespread.

Organizations representing these working women have increased their demands for national policies that move beyond the traditional wages and hours legislation that emerged from the Fair Labor Standards Act (FLSA) of 1938. Like the traditional standards, such "new labor standards" as the proposed Family and Medical Leave Act (FMLA) address a societal problem through a federally mandated minimum standard because voluntary corrective actions on the part of employers are viewed as inadequate. Like other federal labor standards, the FMLA attempts to mandate certain rights and benefits by requiring private employers to provide them and hence minimizes the costs to the federal government. Unlike the FLSA, whose coverage was primarily extended to male industrial workers (Palmer, 1988), the FMLA treats the "typical" worker as somebody who combines paid work with caring for family members.

The FMLA, which mandates job-protected leave for dependent care and a worker's own illness, was introduced as "no-cost" legislation that would promote the economic security and stability of families.<sup>2</sup> It quickly gained wide support from women's, labor, religious, and disability coalitions. It received widespread and largely favorable coverage in the press until the U.S. Chamber of Commerce activated coverage to lobby against the bill. According to Ann Radigan's membership to lobby against the bill. According to Ann Radigan (1988) in her cogent study of the history of the legislation, "All the positive press coverage and good will toward the legislation finally succeeded in arousing the U.S. Chamber of Commerce, which had been following the parental leave issue in relative silence" (p. 20).

In addition to lobbying, the Chamber, through its economic policy division, undertook a cost analysis to show that the FMLA was not a no-cost bill. This study stated that the price tag for the FMLA would be approximately \$16.2 billion, of which \$9.4 billion would go to replace workers on leave, \$1.24 billion to provide continued

health insurance, and \$5.5 billion to cover unspecified losses in productivity as a result of hiring untrained workers. The study assumed that replacements for covered workers would always be hired and would always be hired at a higher rate of pay, that no companies have existing leave policies, that firms of all sizes would be covered, and that there were no benefits to a leave policy that mandated that employers return experienced workers to their jobs (Shaine, 1987). (Later the Chamber revised its estimate substantially downward—to \$2.6 billion.)

The Chamber concluded, based on this research, that the FMLA would put an undue burden on businesses and would lead to the failure of many small firms. The American Society of Personnel Administrators likewise warned that the act "will not help put America back on the road to competitiveness" but "will interfere with efforts to decrease costs and increase productivity" and will be "expensive and disruptive," especially for small businesses (Simpler, 1987).

The massive lobbying effort of organized business interests resulted in a shift of sympathies that radically altered the terms of the discourse. As businesses argued that they would be the victims of the policy, costs to business, rather than benefits to families, became the dominant language of the debate. The coalition supporting the FMLA needed to regain control of the costs and benefits rhetoric (Radigan, 1988). At this point Donna Lenhoff of the Women's Legal Defense Fund, one of the coalition leaders, came to Heidi Hartmann, the director of the newly formed IWPR. Referring to the 1987 testimony by T. Berry Brazelton, a well-known pediatrician and supporter of the FMLA, Lenhoff lamented that the only data available to the supporters of the FMLA were on child-parent bonding. Surely, she suggested, there must be costs to women and their families of not having leave. The coalition needed a single dollar amount that everyone could grab on to. Could IWPR do a study?

#### *The Dual Vision of Feminist Policy Research*

The resulting study, *Unnecessary Losses* (Spalter-Roth and Hartmann, 1988, 1990), funded by the Ford Foundation, was IWPR's first major research effort. As a policy research organization, IWPR has the task of producing valid and reliable social science research that assesses the efficacy of proposed policy solutions to social problems and that can stand up to the critical scrutiny of agencies such as the Office of Management and Budget (OMB).<sup>3</sup> As feminist researchers, in contrast, we must ask and answer such political ques-

tions as "Whose definition of a social problem is reflected in proposed policies?" and "To what extent do these policies treat women not as productive citizens or workers, but rather as the social problem itself?" In short, we want to produce credible policy research that can be used by those groups attempting to use the policy process to improve women's lives. The result of these two goals is a form of policy research that incorporates our dual vision.

The dual vision is central to feminist theories of knowledge that see historically oppressed groups as simultaneously holding both dominant ideological and critical or oppositional views (Harding, 1987). For example, we use the dominant policy research paradigm of welfare economics and its major tool, cost-benefit analysis, but we filter it through a feminist prism that views the reproduction of gender, race, and class inequalities as a central feature of social life.

In the dominant welfare economics paradigm, the policy researcher is considered to be an objective expert working in the public interest as an advisor to policymakers. He is assumed to know all the policy options and to be able to quantify the costs and benefits of each. He will advise policymakers how and when the state should intervene to correct "market failure" (Bobrow and Dryzak, 1987, p. 32). The state, like the policy researcher, is seen as a neutral arbiter that uses the results of cost-benefit analyses to moderate between interest groups and provide the greatest good for the greatest number.

When we produce policy research, we accept the standpoint of the objective expert using largely quantitative methods (rather than in-depth interviewing or participant observation) to evaluate policy options.<sup>4</sup> And we use the dominant paradigm of cost-benefit analysis when it is appropriate. Cost-benefit analysis, with its assumption of the validity of monetary indicators that are usually divorced from feelings, consciousness, and emotions, has been seen by its radical critics as an expression of the dominant capitalist material values. Nevertheless, we would argue that in a capitalist society, cost-benefit analysis can provide a valid indicator of the gains and losses posed by particular policy options to class, race, and gender groups.

Unlike mainstream policy analysts, however, we also follow the principles of feminist research (Cook and Fonow, 1986). We view research as political as well as scientific. We use our expert stance to legitimate feminist ideas. Given our concern with gender, race, and class inequalities and the resulting devaluation of women's work and women's worth, we are critical of hegemonic views that see *only one* public interest in cost-benefit analysis. We believe that state policy

frequently acts in the interests of dominant class, race, and gender groups, especially if grass-roots activists are denied access to policymaking. We want to carry out policy research that puts the interests of women—and policies' often uncounted costs and benefits to them—at the center of the analysis. We reject that part of the objectivity canon that distances the production of knowledge from its uses, and thus we apply a constituency test to see if research that we undertake will be of use to grass-roots and advocacy groups in defining and solving problems.

This dual vision is reflected in the concepts and methodology of our study of family and medical leave. *Unnecessary Losses* uses both the techniques of cost-benefit analysis and a feminist standpoint that centrally locates women's work in order to evaluate a proposed policy. In this case, we evaluate the benefits of the proposed policy by evaluating the costs of the current lack of policy.

### The Research Study

#### *Concepts and Method*

*Unnecessary Losses* estimates the current costs in dollars to working women (and men), to taxpayers, and to society as a whole of three kinds of daily life-giving activities done by working adults: caring for newly arrived children; caring for oneself or a family member during illness; and caring for elderly parents. This third activity is measured and discussed in our full report, but because its analysis uses a somewhat different methodology, reasons of space prohibit its discussion here.

We are well aware that the costs of illness and dependent care to individuals and to society are not only economic. We limited our measures to costs in dollars, however, for both scientific and political reasons: first, because economic losses are verifiable quantitative measures; second, because the Chamber of Commerce used financial measures in its estimates of costs to businesses; and, third, because although much caring work is done out of love and duty, in a capitalist society revealing the monetary cost of an activity establishes its value.

#### *Identifying Current and Proposed Costs and Benefits*

When a person leaves employment temporarily because of the arrival of a child, the illness of a family member, or his or her own illness, there are economic costs for three groups: employers, workers, and society.

*Employer Costs.* First, the employer must replace the worker either temporarily or permanently, or arrange for the work to be done in another way. Although recruiting, hiring, and training a new replacement worker cost something, these costs occur whether or not there is a parental or medical leave requirement. We contend that most of the costs to business that have been discussed as pertaining to parental and medical leave actually pertain to the unavoidable costs of having babies or being ill. Given that women will continue to have babies (at least until men can have them) and that workers will continue to get ill, employers must deal with their absence from work. Only the potential *additional* cost to employers of replacing temporarily rather than permanently is due to the requirements of leave legislation. The Ford Foundation program officer who handled our proposal encouraged us to look at actual costs to businesses as well as to workers, families, and taxpayers. We spent a considerable portion of the grant resources on this task, but in the end the lack of reliable data led us to decide to wait for the definitive report by the U.S. General Accounting Office (GAO). GAO (Gainer, 1989) estimated these costs to be relatively insignificant (\$236 million) and by and large limited to the cost of maintaining workers' health insurance.

*Worker Costs.* Second, there are costs to workers of the arrival of a child or their own illness. Some, such as the medical costs of birth (or illness) and wage loss, are not addressed by the proposed legislation (though the cost of health insurance is). Other costs that workers now bear, such as income losses that result from the increased length of time a returning worker is unemployed, or the lower relative wage at which she or he is reemployed elsewhere, when there is no right to return to a job, are addressed by the legislation and are measured in our study. Given our commitment to putting women's interests and policies' often uncounted costs (and benefits) to them at the center of research, these were the cost measures that most concerned us. Given our concern with race and class domination and the insensitivity of lumping together the categories "women" and "minorities," we disaggregate the costs to black women, white women, black men, and white men. As a result, we see both gender and race inequalities in our findings. Unfortunately, the data set we are using is not large enough to allow examination of costs for Hispanic or Asian American women and families.

*Societal Costs.* Despite our belief that there is no single public interest, and our belief that the identification of who pays and who benefits is always problematic, we do look at the costs to society in

general. We suggest that if workers experience more unemployment and wage loss without parental and medical leave, productivity is lost to the economy. Even if the employer finds an equally productive employee to replace an absent one, and so minimizes her or his individual loss, society still loses productivity because the original trained and skilled workers will have to find new jobs. Thus, the employer's action in terminating an ill or pregnant worker can be viewed as creating a cost to be borne by all of us, just as we all pay the price for one factory's pollution.

In addition to these economic costs of absence from work, there are financial costs borne specifically by taxpayers.

*Taxpayer Costs.* As a result of studies that show that welfare state policies frequently subsidize businesses at a cost to those who actually pay taxes (see, for example, Service Employees International Union, 1988), we also examine the financial costs to taxpayers. Taxpayers may pay for the lack of a federal policy and the resulting losses to workers of income and employment in the form of transfer payments such as unemployment insurance, Aid to Families with Dependent Children, general assistance, and food stamps. It is also worth noting here that both businesses and individuals are taxpayers.

#### *Data and Methods*

Our estimates of the current costs of parenting and illness rely on survey data gathered by the Institute for Social Research in its Panel Study of Income Dynamics (PSID). The PSID interviews a sample of nearly seven thousand households annually to provide information on their labor force participation, their employment and unemployment status, their hours on and off the job, earnings, other sources of income (including public transfer programs), and family size and other demographic information. The PSID is nationally representative, and the reliability of its income measures is considered to be high.

From a feminist perspective, however, PSID has two important methodological weaknesses. It treats respondents as the objects of research—they have no voice in defining the problems to be addressed or in using the outcomes—and the "head" of the household (the husband in a married-couple household) answers all questions for the wife as well as for other family members. (The persistent failure of the "head" to be available for interviewing generally means, however, that the wife, as proxy for the "head," responds to the interviewer's questions.) Not only does this technique result in

problems of scientific reliability, but, politically, it muffles the voices of women. In general, more questions are asked about the activities of the "head" than about those of the wife or other family members. Of course, unmarried women are regarded as "heads" of their households, and they are the central informants in those cases.

Despite these weaknesses, the PSID is, to our knowledge, the only nationally representative survey to ask a question about parental leave, along with other income and demographic information that is useful in evaluating the outcomes of parenting and illness for workers, taxpayers, and society. In 1983-1984 questions about employee benefits included the following one about parental leave: "Would you/she (your wife or companion) get any leave (besides regular vacation time) from your (her) main job, if you (she) had a baby?" This is not an ideal question about parental leave, since it does not distinguish among parental leave, maternity leave, sick leave, or disability leave. Nonetheless, it is the kind of rough indicator that policy researchers often find themselves using.

*Unnecessary Losses* uses a quasi-experimental research design in which groups of individuals who experience an event are compared with a like group who did not have the experience. This kind of design attempts to appropriate the strengths of the rigorously controlled experimental design used in the natural sciences (Campbell and Stanley, 1966), and hence it is given a privileged methodological position in the social sciences (Sherif, 1987).

To evaluate the costs of parenting, we compare the economic circumstances of women under 41 who either had or did not have (or adopt) a baby and who were employed at least 600 hours in the year before the child's birth. We consider four points in time—the year prior to birth, the birth year, the first year after the birth, and the second year after the birth. (Women with births are those who had only one birth during the four-year period; the years in the sample used range from 1978-79 to 1983-84.) Because a question was asked about parental leave in the 1983-84 interviewing year, we are also able to compare the economic circumstances of those women who had (or adopted) babies and reported that they had some form of leave with those who had or adopted babies but reported having no such leave.

To evaluate the costs of illness, we used responses to the following question: "Did you miss any work in 1983 because you were sick? How much work did you miss?" and responses to an additional question about work missed as a result of the illness of other family mem-

bers. We compare workers (both women and men) under age 55 who were not retired, who either experienced or did not experience more than 50 hours of absence from work because of illness (either their own or a family member's) in one year (out of the four-year period under examination), and who were employed for at least 600 hours in the year prior to this event. We chose the 50-hour figure because it was more than the average (40 hours) but still low enough that the sample size for the "ill" group would not be so small as to result in idiosyncratic findings.

Where we find differences in outcomes between those who experienced the events and those who did not, we interpret the net differences (that is, gross differences in outcomes net of differences in initial conditions) as being due to the events. For example, if the differences show that women who had a baby are significantly worse off during the years following a birth or adoption, compared with the year prior to the birth, when compared to women who did not have babies, the differences are interpreted as the costs of having (or adopting) a baby. The differences we report here are statistically significant—that is, they are unlikely to have occurred by chance. In all comparisons of this kind, the groups may differ for reasons other than the occurrence of the event being studied, and other unknown events may occur along with the event in question.

We look at several indicators to explore what "worse off" might mean, including annual work hours, unemployment hours, household work hours, hours out of the labor force, hourly wages, annual earnings, and income from public transfer programs. To provide estimates for all women or workers in the United States, we assume that the experiences of all workers are similar to those of the PSID sample, since the sample itself is representative of the U.S. population.

### Findings

#### *The Costs of Having a Baby*

What do the data show? In the year before the birth, the earnings of women who (later) had babies looked very similar to the earnings of those who did not; those who had babies earned slightly more (\$12,586 compared with \$12,399 in 1986 dollars), even though they were somewhat younger (mid-twenties compared with early thirties). And there were no significant differences in "pre-birth" wage rates or annual hours of employment and unemployment between the two groups. They *did*, however, receive significantly less transfer in-

TABLE 3.1  
Estimated Earnings Losses to Employed Women aged 41 or Under Who Gave Birth or Adopted a Baby Compared with Employed Women Who Did Not Have a Baby (1986 dollars)

	Earnings Lost for Births that Occurred	Earnings Loss per Woman	Earnings Losses for All Women Who Had Babies
This year	-3,232		-6,933,000,000
Last year	-5,993		-12,855,000,000
2 years ago	-5,204		-11,163,000,000
Total 3-year loss per woman	-14,429		
Current annual losses			-30,951,000,000

*Interpretation:* It costs American women more than \$31 billion in earnings losses annually to have the next generation of workers and citizens.

*Source:* Institute for Women's Policy Research calculations. Earnings loss per woman is based on special tabulations from the 1979-1984 interview waves of the Panel Study of Income Dynamics. Institute for Social Research, University of Michigan. Earnings losses for all women are based on IWPR calculations and data from U.S. Bureau of the Census (1986), *Fertility of American Women: June 1985, Current Population Reports*, Series P-20, no. 406 (Washington, D.C.: Government Printing Office, June 1986), table 4, as adjusted by IWPR, which suggest that 2,145,000 employed women gave birth in 1985.

come than those women who did not give birth in the following year. In short, those who gave birth looked slightly better off financially in the pre-birth year than those who did not give birth.

In the year of the birth, however, their economic circumstances began to shift, and they became worse in the year after the birth. Annual earnings losses for the new mothers are substantial (see Table 3.1). In the year after the birth the losses were more than \$5,000 compared with those women with no new baby. In addition, wage rates, hours of employment, and hours of unemployment differed significantly between the two groups of women by the year after birth. Those who had babies worked 745 fewer hours, and their wage rates were now \$1.40 less per hour than those of women who did not give birth. Simultaneously, their hours of housework (*excluding* child care) and their receipt of public transfer income increased. New mothers went from receiving significantly less transfer income than those who did not give birth to receiving significantly more.

The second year after the birth, new mothers' annual earnings recover somewhat (because they are working somewhat more hours and experiencing fewer hours out of the labor force), but are still substantially below their pre-birth earnings. The hourly wage gap continues to increase in favor of those who did not give birth, and

new mothers continue to do approximately four times as many hours of housework as they did in the pre-birth year. New mothers, somewhat better off in the pre-birth year than those who did not have a baby during this period, are worse off in the years after birth. It is likely that the losses continue beyond the second year.

When we generalize these individual losses to all employed women in the United States who gave birth in 1985 or the two prior years, the losses in earnings alone to American working women who have babies total nearly \$31 billion annually.

*Race Differences.* The outcomes of having a baby are different for black women and men than for white women and men. As shown in Figure 3.1, black women who had babies had significantly lower annual earnings (approximately \$1,600 less in 1986 dollars) in the pre-birth year than did white women who had babies; they also received a significantly lower hourly wage (\$1.22 less per hour). In the birth year, the earnings difference and wage gap increased, possibly because black women were more likely to be unemployed and to work fewer hours. But in the two years following the birth, the earnings gap appears to be eliminated, as new black mothers earned \$2,300 more in 1986 dollars than new white mothers. This increase in annual earnings is a result of the significantly higher number of hours black women worked (452 hours more in the year after birth, and 335 hours more in the second year after birth), but they also experienced more unemployment (they spent more time working or looking for work and less time out of the labor force). We suggest that their additional hours of work reflect the special needs of new black mothers to stay in the labor force and earn a living. These figures show that the right to job reinstatement after childbirth is especially crucial for black women, because it would likely reduce their earnings losses from unemployment. The right to job reinstatement would also reduce costs to taxpayers.

The right to job reinstatement appears even more critical for black women when we consider the income gap between black and white fathers in the years before and after birth. Black men are relatively disadvantaged in the labor market in general. The data show that relative to white fathers, the economic circumstances of black fathers get worse in the years following the birth or adoption of a child. Disparities in income between white and black fathers, who earned \$25,201 and \$20,215 (in 1986 dollars) respectively, are already significant in the pre-birth year. These disparities increase to more than \$8,000 in the second year after birth. The data also show a significant increase in black fathers' unemployment rates com-

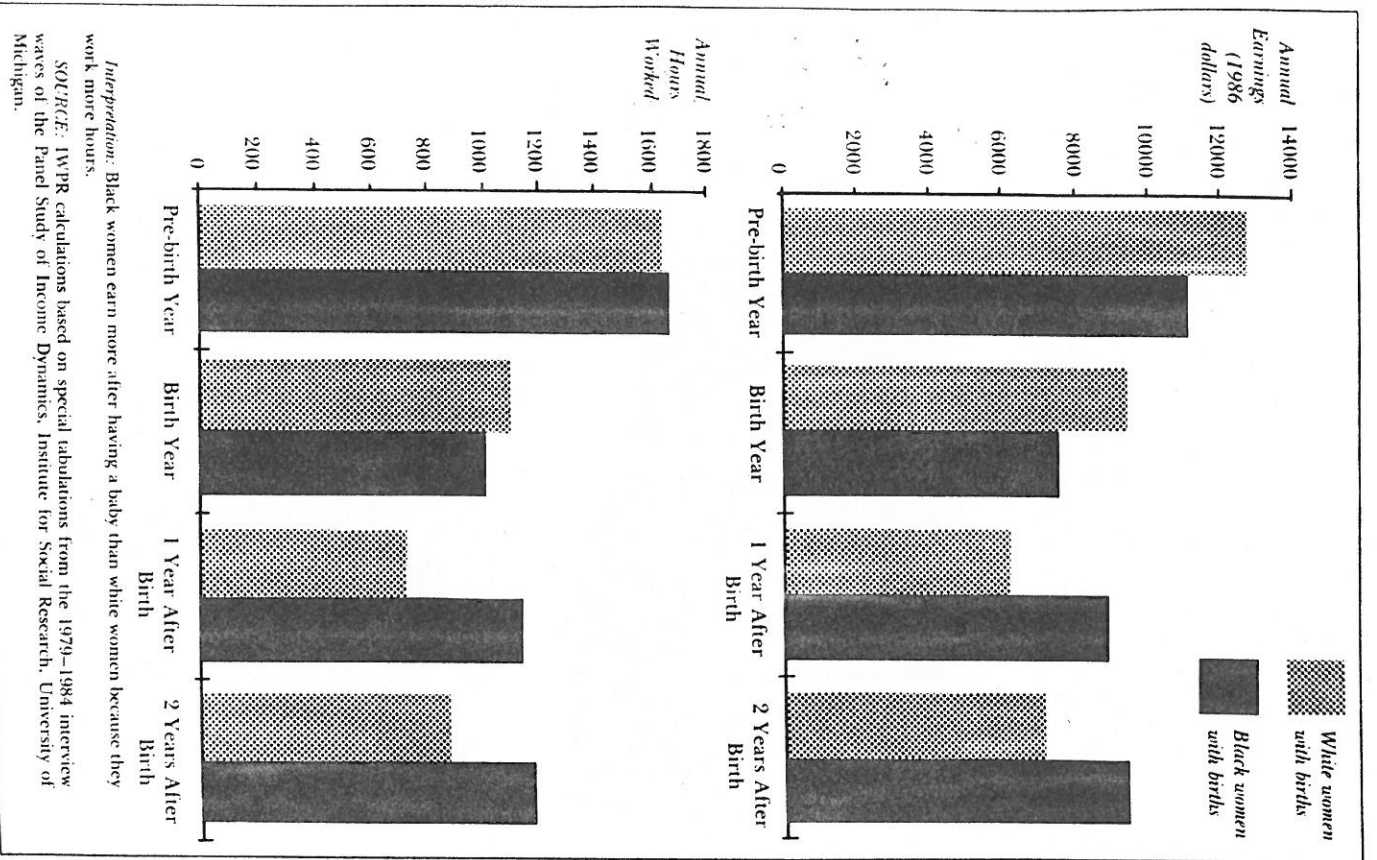


FIGURE 3.1 Earnings Before and After Birth: Black and White Women

Interpretation: Black women earn more after having a baby than white women because they work more hours.

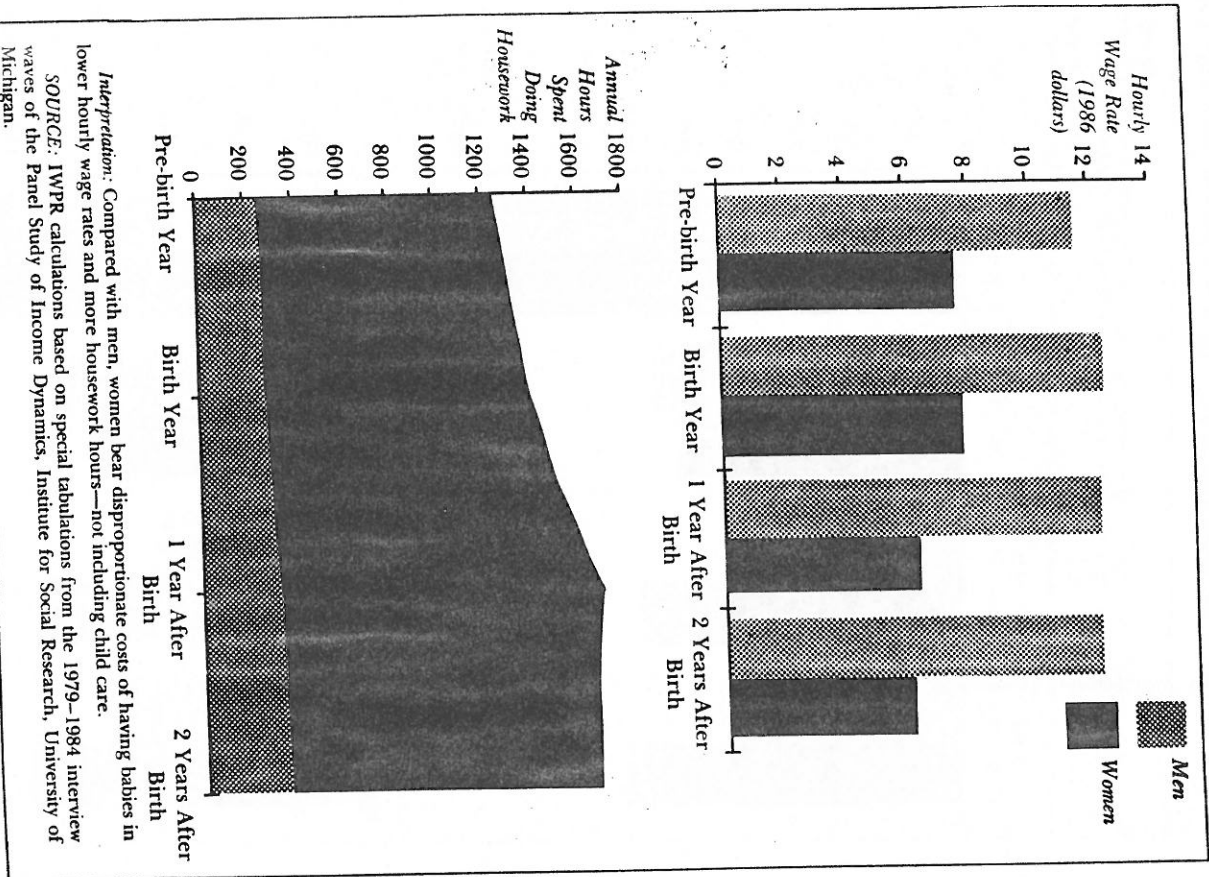
SOURCE: IWPB calculations based on special tabulations from the 1979-1984 interview waves of the Panel Study of Income Dynamics. Institute for Social Research, University of Michigan.

pared with white fathers' in the years following the birth or adoption of a child. As a result of these losses, black women are less able than white women to rely on an increase in their spouse's income to rear a child should they want to. Having a birth increases sex role differentiation (as measured by earnings and labor market behavior) for whites but does not do so for blacks.

*Gender Differences.* When women who had babies are compared with men who had babies (or, to be more biologically, though not socially, correct, whose wives had babies), the differences in annual earnings between women and men, which are substantial in the year before the birth (\$12,000 in men's favor), are magnified in the year of birth or adoption and in the two following years to almost \$19,000 annually. The numbers that compare all working women who had babies with all men who had babies are very dramatic. Figure 3.2 uses two indicators, hourly wage rates and hours of housework, to illustrate that women bear a disproportionate share of the costs of having children. Between the year before the birth and two years after the birth, the wage gap between women's hourly wages and men's hourly wages increases by 60 percent. In addition, women's housework hours increase by 22 percent.

New parents, especially those who are married, may not experience income losses as a household; indeed, our data indicate that married white men who become fathers are able to increase their wages, and these gains may make up for wives' losses. Nonetheless, even when household income remains stable, economic equity between the sexes declines, women become the "natural" labor pool for marginalized jobs, and they become increasingly burdened with unpaid work as a result of having a baby. Researchers have shown that this uneven exchange has negative consequences for women's lifetime earnings and for their retirement and old age (see, for example, Reskin and Hartmann, 1986). Other researchers have shown that women's power within households, and especially their control over expenditures, is related to the portion of family income that they earn (see, for example, Pahl, 1989). Thus, women face the possibility of power losses within marriage along with the economic losses that result from childbirth.

As noted, these gender differences are more reflective of the experience of white women and men. The differences between black women and men stay relatively stable from the pre-birth through the post-birth years, with an annual earnings difference of about \$8,000 (in 1986 dollars) and an hourly wage rate difference of about \$3.00, both in black men's favor.



**FIGURE 3.2. Hourly Wage Rates and Housework Hours of Women and Men, Before and After Childbirth**

*Interpretation:* Compared with men, women bear disproportionate costs of having babies in lower hourly wage rates and more housework hours—not including child care.  
*SOURCE:* IWPR calculations based on special tabulations from the 1979–1984 interview waves of the Panel Study of Income Dynamics, Institute for Social Research, University of Michigan.

*The Costs of No Parental Leave*

*Costs to Women.* Data from the 1983–84 PSID interviews indicate that more than seven out of ten employed women report having some form of leave besides vacation. About one out of three women report that this leave is paid. The percentage of women who report having some leave (other than vacation time) available for the purpose of having a baby and caring for an infant seems high in light of other data (Trzcinski, 1988).

Fewer than half of all black men and about one-third of all white men report being entitled to leave other than vacation for the birth of a child. Male respondents (and especially white men) seem particularly confused as to whether they are entitled to leave, with high percentages answering “don’t know.”

Table 3.2 illustrates the costs in earnings losses of not having any form of maternity or parental leave for those women who give birth or adopt babies. Those new mothers who reported having no leave were in significantly worse economic circumstances in the pre-birth year than those women who reported having some form of leave. Those without leave earned \$5,250 less because they worked approximately 150 fewer hours, and because they earned \$2.65 less per hour, possibly as a result of holding jobs with few benefits in small, secondary-sector firms.

**TABLE 3.2**  
**Estimated Additional Earnings Losses of Not Having Leave to Employed Women Who Had Babies (1986 dollars)**

	Earnings Loss per Woman		Earnings Losses for All Women Without Leave
	for Births that Occurred	for Births that Occurred	
This year	- 631	- 218	- 351,900,000
Last year	- 218	- 239	- 121,500,000
2 years ago	- 239	- 239	- 133,500,000
Total 3-year loss per woman	- 1,088	- 1,088	- 606,900,000
Current annual losses			- 606,900,000

*Interpretation:* Employed women who did not have some form of leave beyond vacation lost nearly \$607 million in additional earnings annually when they returned to work after childbirth or adoption, compared with those women who had leave.

*Source:* Institute for Women’s Policy Research calculations based on special tabulations from the 1979–1984 interview waves of the Panel Study of Income Dynamics, Institute for Social Research, University of Michigan. PSID data and the U.S. Bureau of the Census (1986), *Fertility of American Women: June 1985*, table 4, as adjusted by IWPR, suggest that 557,700 women who gave birth in 1985 did not have maternity or parental leave.



These women's relative economic circumstances continue to worsen in the years following the birth or adoption of a child, with greater losses in annual earnings, wages, and hours of work. Annual earnings losses are large for both groups of women (more than \$2,000 every year), but the earnings disparities between the two groups widen to almost \$5,900 in the year of birth and remain at about \$5,500 in the two following years.

Part of this widening gap occurs because women who had no leave had a wage loss of an additional 76 cents per hour in the birth year (compared with the pre-birth year), followed by smaller additional losses in subsequent years. By the second post-birth year, they were still losing an additional 17 cents per hour compared with those women who did have some form of leave. Women without leave also experienced even more time on the official unemployment rolls, particularly in the year after the birth (no doubt reflecting the need to search for a job), and more hours out of the labor force (and off the unemployment rolls), a position sometimes termed "hidden unemployment." As noted, those *additional losses* occur because those without any form of leave experience more unemployment and lower wages (relative to those with some leave) when they return to work after childbirth.

*Taxpayer and Societywide Costs.* When these figures are generalized to estimate the annual costs to all employed women who gave birth without leave, as they are in Table 3.2, this loss totals almost

TABLE 3.3  
Estimated Financial Cost to Taxpayers of Not Having Maternity or Parental Leave  
for Employed Women Who Had Babies (1986 dollars)

	Public Assistance Payments per Woman for Births that Occurred	Public Assistance Payments for All Women Without Leave
This year	- 80.75	-45,000,000
Last year	237.48	132,400,000
2 years ago	- 36.25	20,200,000
Total 3-year payments per woman	192.98	107,631,000
Current annual cost		

*Interpretation:* Employed women who gave birth and did not have any maternity or parental leave cost American taxpayers nearly \$108 million in additional public assistance payments annually compared with women who had leave.

*Source:* Institute for Women's Policy Research calculations based on special tabulations from the 1979-1984 interview waves of the Panel Study of Income Dynamics. Institute for Social Research, University of Michigan. PSID data and U.S. Bureau of the Census (1986), *Fertility of American Women: June 1985*, table 4, as adjusted by IWPR, suggest that 557,700 employed women who gave birth in 1985 did not have maternity or parental leave.

\$607 million.<sup>5</sup> Despite their substantially poorer circumstances, women without any form of maternity or parental leave received only \$1.85 more in income assistance payments in the pre-birth year than did those with some form of leave. For reasons we cannot fully explain without further analysis, they received substantially less in income assistance payments in the birth year—despite their worsening economic circumstances—than those women who did have some form of parental leave. In the post-birth year, their relative public assistance income increased but then decreased again in the second post-birth year. (These fluctuations may have to do with changing eligibility to receive unemployment insurance benefits.) Overall, women without leave received nearly \$200 more in income assistance, on average, than those who had leave.

When these additional costs are generalized to all U.S. working women who had babies but were not covered by some form of parental leave, the estimated total is nearly \$108 million in additional income assistance costs borne by taxpayers, as shown in Table 3.3. The relatively *small* costs to taxpayers in additional income assistance payments, when compared with the costs to women in earnings losses, illustrate that women under the present arrangements are bearing a disproportionate share of the costs of having the next generation of citizens and workers.

These findings, although they probably underestimate the costs because they overestimate the proportion of women with leave, indicate that the effects of having or not having parental leave may actually be relatively small because of the overwhelming economic costs that women bear in having a baby. In the face of that cost, unpaid parental leave may represent a small ameliorative.

#### Costs of Illness

Thus far we have examined some of the costs to women and their families, to employers, and to society of childbirth. Now let us turn to the costs of illness. Workers under age 55 reported that they were off the job because of their own illness for 0.82 percent of a working week, or an average of four days, in survey year 1983-84. In addition, the average worker is off the job for one extra workday as a result of someone else's illness. Significantly, women lost fewer hours than did their male counterparts.

These data on time off the job indicate that U.S. workers, female or male, do not, on the average, take very much sick leave regardless of its availability. In any one year, a relatively small group of workers would benefit most from job guarantees for absence due to illness.

For convenience we will refer to those with more than 50 hours off the job as the "ill group" and those with 50 or fewer hours as the "well group," although this terminology is less than accurate because we include absence for the illness of others as well.

What do the results show? The most striking finding, as shown in Table 3.4, is that for the "ill" group, the losses in annual earnings *grow* in the two years following the one in which the worker took more than 50 hours off the job because of illness. These annual earnings losses stem from lower hourly wages, fewer hours worked, more hours unemployed, and more hours out of the labor force. Assuming that severe illness is limited to a relatively small group of the working population, our findings show that workers who experience lengthy illness experience significant economic losses in the form of lost wages, annual earnings, and hours of employment.

*Gender Differences.* In the year prior to illness, there were no significant differences in the economic conditions of the two groups of women, with the "well" group earning \$13,522 and the "ill" group earning \$13,476. Absence for illness resulted in substantial divergence in the economic circumstances of the two groups. In the absence year, those with more than 50 hours off the job earned \$350 less, probably as a result of their significantly lower annual hours of work. Two years later those in the "ill" group were earning signifi-

TABLE 3.4  
Estimated Earnings Losses to Workers Under Age 55 Who Were Off the Job for More Than 50 Hours Because of Illness, Compared with Workers Off the Job for Less Than 50 Hours (1986 dollars)

	<i>Earnings Lost from Absence Due to Illness that Occurred</i>	<i>Earnings Loss per Worker</i>	<i>Earnings Losses for All Workers with Absence</i>
This year	-646		-13,479,000,000
Last year	-1,311		-27,372,000,000
2 years ago	-2,839		-59,268,000,000
Total 3-year loss per worker	-4,796		
Current annual losses			-100,119,000,000

*Interpretation:* Workers under age 55 lose \$100 billion annually for above-average absence because of illness.

*Source:* Institute for Women's Policy Research calculations based on special tabulations from the 1979-1984 interview waves of the Panel Study of Income Dynamics. Institute for Social Research, University of Michigan. Based on the experience of the PSID sample, it is estimated that in 1985, 20,875,643 U.S. workers were out of the labor force for more than 50 hours because of illness.

cantly less (\$2,000 a year), had significantly lower wages (86 cents less per hour), and suffered an additional 53 hours of unemployment and 88 hours out of the labor force. Whereas women's earnings losses from childbearing and -rearing seem to grow smaller over time, losses from absence due to illness seem to cumulate.

In contrast to the women's experience, there were significant differences in economic circumstances between the "ill" and the "well" groups of men in the year prior to absence. Men who were off the job for more than 50 hours in the absence year earned less than \$27,000 (in 1986 dollars) the previous year, while the "well" group of men earned more than \$29,000. These differences in earnings were magnified at an increasing rate in the post-absence years. During the following two years, the disparity in annual earnings almost tripled, and the male workers who had been absent for illness suffered more than 200 additional hours of unemployment and hours out of the labor force. As with women, these differences were magnified during the two years following the absence.

*Race Differences.* Black women had significantly lower earnings (\$1,836 less in 1986 dollars) in the year prior to the illness than did white women who were ill. This disparity was primarily due to their significantly lower hourly wages (\$1.20 less) and partly due to more hours of unemployment and fewer hours of work. In the absence year the income disparity continued to grow (though the wage gap partially closed). The most striking losses from which black women suffered as a result of illness were the increased hours of unemployment and increased hours out of the labor force. Two years after the illness, they were even worse off, with an additional 280 hours (6.7 weeks) of unemployment and 201 hours out of the labor force compared with white women.

Race exacerbates the economic costs of illness to men as it does to women. The \$9,100 difference in annual earnings between black and white men in the year prior to illness increased by an additional 25 percent by two years after the illness as a result of an increasing disparity in hourly wages. In addition, the disparity between black and white men's unemployment hours and hours out of the labor force, which was insignificant in the year prior to illness, increased by over 450 hours, or more than 11 weeks. We suggest that the extremely high costs that black workers bear from increased hours of unemployment and hours out of the labor force are at least in part a result of the lack of rights to reemployment after illness.

*Taxpayer and Societywide Costs.* Decline in annual earnings, wage rates, and hours of employment may appear to be only an individual

loss reflecting the reduced ability of a man or a woman to earn a decent living in the face of illness and subsequent job termination and unemployment. When aggregated and generalized to the entire population of U.S. workers under age 55, as it is in Table 3.4, the magnitude of the individual loss can be more fully appreciated. The estimated loss in earnings annually to U.S. workers who have been absent from work for more than 50 hours because of their own or a family member's illness (in the current year or in either of the two prior years) is \$100 billion.

These lost dollars also represent the loss in productivity that occurs because trained and experienced workers are not at work. That a large part of this lost productivity may be caused by workers' lack of rights to return to their jobs after an illness is suggested by the fact that unemployment hours are 1.5 times greater for both women and men in the "ill" group compared with those who had no illness. These workers are looking for work and unable to find it, and their skills and abilities are going unused. In addition to the costs to workers and society, we estimate the annual cost to taxpayers to be nearly \$8 billion. Workers who are absent for illness receive more income assistance than those who are not.

### Conclusions

Our research supports the importance of family and medical leave for all workers. It shows that workers lose enormous amounts in earnings as a result of absences due to their own illness, others' illness, childbirth, or adoption. Not surprisingly, women bear a disproportionate share of these costs. Race differences are significant in both childbirth and illness because black workers suffer more unemployment and larger earnings losses as a result of these events. Our findings show further that taxpayers subsidize these costs, though at a relatively low proportion. The losses in earnings workers experience when they are absent for illness or family care are not fully made up by currently available sick pay, insurance benefits, or public income assistance programs. Gender and race inequalities in income are exacerbated by these events. The lack of job-protected leaves adds the costs of job termination (especially the cost of unemployment) to the already substantial costs of childbirth and illness.

From the findings in *Unnecessary Losses*, we conclude that currently proposed legislation would benefit workers, their families, taxpayers, and society because it would eliminate many, if not all, of these *added* losses. Because the FMLA provides for only unpaid

leave, however, it would not fully eliminate the losses due to the events themselves.

Combining our own research with the GAO report (Gainer, 1987, 1989) on costs to business of the proposed legislation, we concluded that the costs of not having the legislation far outweighed the costs to business of implementing it. Under the FMLA, employers would be required to take on the costs of maintaining their employees' health insurance (if they carry it) and holding their jobs for them. This is a new cost to employers, but it is not, we concluded, a new economic cost to women, taxpayers, or society. The proposed legislation would simply *redistribute* some of the existing costs to employers and hence reduce some of the inequalities between workers and employers. In addition, we suggest that besides serving the public purpose of enhanced productivity, the proposed FMLA also serves a public purpose of decreasing unjustified inequities between women and men, between those with and without family responsibilities, between blacks and whites, and between the ill and the well. And, finally, we suggest that it serves a public purpose by encoding a new, progressive tendency to overcome gender-based definitions of adult work.

*Unnecessary Losses* was done with both advocacy groups and policymakers in mind. It assumed that dominant race, class, and gender relations are reflected in public policy (or the lack of it) and that because the state does mediate between interest groups, evidence can be used to sway policymakers to act in women's interests. It simultaneously used the dominant policy paradigm of welfare economics and its major method, cost-benefit analysis, and a feminist prism that put the costs to women at the center of the analysis.

As a result of applying the dual vision of feminist policy research, we believe that we were successful in providing the supporters of the proposed legislation with evidence to contest successfully the "cost to business" rhetoric. The study has been widely cited in the press and has become part of the received wisdom cited by policymakers in congressional committee reports and elsewhere. Although mainstream and feminist methods—science and politics—are often described as oppositional or contradictory, we would argue that current circumstances make this dual vision necessary for effective policy research. The use of mainstream policy research skills gives our work credibility, while our feminist standpoint encourages us to change the assumptions and the content of the debate.<sup>6</sup>

*Unnecessary Losses* is an example of the utility of the dual vision. But because it embodies two oppositional, if not contradictory, meth-

odological views, this vision has its risks. First, although we were successful at contesting the rhetoric of this particular policy debate, feminist discourse is constrained and often silenced by more powerful mainstream ideologies (and resources). By putting *women's* rather than, for example, *families'* interests at the center, we risk losing the debate. Second, by using sophisticated quantitative techniques, we may make our research less accessible to the advocacy groups with whom we work and the women in whose interests we are working.<sup>7</sup> Finally, suppose the data had not turned out to show greater losses for those without some form of parental leave. Given our adherence to the canons of quantitative social science research, we would not have "cooked" the data. We might have explored other data sets or other models, but the time and money constraints of policy research would probably have prohibited this. We might have tried, possibly with some success, to convince coalition members that they needed to go back to the drawing board and redesign a leave policy that would show measurable effects. But we surely would have less likely pointed our constituency, which would probably have been less likely to risk working with us on another research study in the future. Our credibility as a feminist policy research think tank is based on our embracing these contradictions, but the uncertainties of research—under the tight time pressures of policymaking—result in many wide-eyed, sleepless nights for those cursed or blessed with the dual vision.

### NOTES

1. Earlier feminist writers about feminist policy research, such as Jean Lipman-Blumer (1979), viewed researchers and activists as having contradictory interests—the researcher pursuing "truth" and the activist "change." The idea that these goals are frequently carried in the same person and, even if contradictory, can lead to a useful synthesis is seen in the work of later feminists, such as Ann Bookman and Sandra Morgen (1988).

2. Under the version of the bill reintroduced in the U.S. House of Representatives on February 2, 1989, the legislation would apply only to employees of businesses with 50 or more workers (although the number would drop to 35 after three years). Dependent care leaves would be limited to 10 weeks over two years, and medical leaves to 15 weeks per year. Employees would not be entitled to the leave until they had worked at a business for at least 20 hours per week for at least one year, and employers would be permitted to deny reinstatement to the highest-paid 10 percent of their employees. The version reintroduced in the U.S. Senate on the same day covers

firms with 20 or more employees, covers workers who have worked at least 17.5 hours per week for one year, and permits 13 weeks of medical leave. The GAO (Gainer, 1989) estimates that approximately 2 million workers (less than 2 percent of the employed workforce) would take advantage of the Senate version of the proposed legislation annually.

3. Currently, *Unnecessary Losses* and a further study on the effect of state-level leave policy on small business growth done by Roberta Spalter-Roth and John Willoughby (1988) for 9to5, National Association of Working Women, are being critically reviewed by the Special Studies Division of OMB. Given the Reagan and the Bush administrations' opposition to family and medical leave, we think it likely that OMB's fine-tooth combing of the studies' methods is less scientific than political.

4. In-depth interviewing and participant observation are, however, appropriate, if under-used, policy research tools in many circumstances—for example, for identifying needs that require policy solutions and for evaluating program or policy effectiveness.

5. Earnings losses in the birth year are more likely to be due to the absence of maternity or short-term disability leave, rather than the absence of parental leave. Thus, \$255 million, the loss *excluding* the birth year, is an approximate estimate of loss due to not having parental leave alone, and \$607 million is an approximate estimate of losses due to not having either maternity or parental leave.

6. The dual vision of feminist policy research may have as its founding mothers Jane Addams and the sociologists of Hull House, who wanted to combine scientific observation with ethical values and service to the community to produce a just and liberated society. This mode of analysis was regarded as feminine, "applied," and nonscientific by the men of the Chicago school of sociology, who were able to obtain institutional resources from the Rockefeller family to develop an "objective" social science. Despite their valuing of progressive social change as an outcome of research, the Hull House researchers believed in the scientific method as the way to find truth (see Deegan, 1988). As postmodernists, most feminist scholars no longer believe in any single truth but in many "subjugated knowledges" (a term coined by Teresa de Lauretis and cited in Harding, 1987, p. 188).

7. We are indebted for these two important points to Ronnie Steinberg in her role as discussant for a panel entitled "Gender Relevant Policy and Social Change," at the annual meetings of the Eastern Sociological Society, Baltimore, February 17, 1989.

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