

AMERICAN UNIVERSITY
Department of Economics

Comprehensive Examination
Gender Economics

June 2009
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Directions: Answer two (2) questions from each part for a total of four (4) questions.

Read the questions carefully, and be sure to answer what is asked. Answers are judged on clarity of exposition and logic, command of the relevant literature, accuracy and depth of technical detail.

PART 1: Choose two (2) questions

1. Household Bargaining Models
 - a. Compare and contrast the underlying assumptions, premises and methodological approach of Becker's household model with one of the following alternative household models/frameworks, using equations and graphs where appropriate:
 - Sen's Cooperative Conflict Framework **OR**
 - Lundberg and Pollak, "Separate Spheres Bargaining and the Marriage Market" **OR**
 - Carter and Katz, "Separate Spheres and the Conjugal Contract"
 - b. Explain and illustrate, by means of two examples, how a unitary representation of households in economic theories or models can lead to gender-biased predicted outcomes in policies.
 - c. Is there a role for altruism in understanding household decisionmaking? In what sense can its presence in the analytical framework lead to "androcentric bias"?
2. Discuss the differences between care labor, unpaid work and non-SNA activities.
 - a. What are the varied linkages between market and non-market sectors? How do these sectors of the economy and the demand for unpaid work change (in size) during periods of economic growth and recession?
 - b. Care labor can be found in the market as well as the nonmarket sectors of the economy. Does this point help explain why care work such as nursing and childcare/elderly care are low paid?

- c. What, in your opinion, are the priorities for research and data collection on care labor and unpaid work? Provide the rationale for each of them.
3. Suppose that you are asked by the US Congress to provide an explanation for the persistence of gender wage gaps and gender discrimination.
 - a. Critically comment on the standard explanations for women's low earnings namely: i) they have children to attend to; and ii) paid care work typically done by women (e.g. nursing the sick, childcare, elderly care) have substitutes in the form of unpaid care labor by a household member. What alternative explanations can you provide?
 - b. Critically comment on the view that gender discrimination in the US no longer exists due to affirmative action and the pay equity act. In your answer, review the empirical studies that have examined these two policies. What are their major conclusions and policy implications?
 - c. Some members of Congress still believe that discrimination is a rational behaviour which is why it exists. Do you agree? Justify your answer. Provide at least two examples to illustrate your point.
4. You are concerned that the rate of single parenthood is rising and that poverty is increasing among women and children.
 - a. Review the evidence for this in the US and OECD countries, including an explanation of the way that poverty is measured and whether the measures are gender-sensitive.
 - b. Explain what each of the following proposed policy schemes entails and then discuss the merits as well as limitations in promoting gender equality and reducing poverty:
 - an increase the overall minimum wage;
 - a comparable worth policy;
 - a child support policy, e.g. Germany's family policy;
 - a child care welfare policy, e.g. Sweden's promotion of marriage and public childcare support system;
 - promotion of marriage, e.g. TANF in the US.

PART 2: Choose two (2) questions

1. The basic neo-classical growth model is represented as $Y=A F(L, N, K)$.
 - a. Explain how you might incorporate gender into the basic model where A is exogenous and into a model where A is endogenous. Will increasing women's wages have any impact on output in this model? Explain.
 - b. Structuralist models have a different starting point than neo-classical growth models. Explain the Blecker-Seguino two sector model. What is the effect on output in the short run of an increase in women's wages?
 - c. Whether gender inequality promotes or impedes economic growth is an unresolved empirical question. Explain carefully (and using equations where appropriate) the hypotheses, empirical models, and results found by Dollar and Gatti, Klasen, and Seguino. Which results do you find most persuasive and why? What lessons of these studies would you draw for policymakers?
2. There is a growing body of research exploring the impacts of the liberalization of international trade on gender equality.
 - a. Critically review the standard trade theory of comparative advantage and its main claims regarding the impact of trade. What are the implications of this theory for the effects of trade liberalization on gender equality – in terms of paid employment, wages, and unpaid work?
 - b. Does the empirical evidence on paid employment and wages bear out these predictions? Refer explicitly to the studies by Osterreich, Ozler, and Kongar. Why or why not?
 - c. Various tools for monitoring the gendered impact of trade agreements have been proposed. Discuss van Staveren's approach and the strengths and weaknesses of the tool she proposes. What other supplementary information might a policymaker need for evaluating the possible gender impacts of trade agreements?
3. The Ministry of Finance in Freeland is overhauling its tax and expenditure system and has asked you to help engender the reform process.
 - a. What is a gender analysis of the budget? Discuss at least two methodologies that the Finance Ministry can use to evaluate expenditures from a gender-aware perspective. What are their strengths and weaknesses, based on experience in various countries to date? What has been learned from engendered benefit incidence analyses reviewed by Glick et al?

