

Research Paper:

Gender-Related (In-)Equality in the Swedish Labor Market

1. Introduction

Gender mainstreaming: Sweden is famous for being one of the most successful countries in this field. The Human Development Report 2004 by the United Nations ranks the Nordic country on the second place both in its “Gender-related development index” and its “Gender empowerment measure”, just defeated by Norway in both categories.¹ The main focus of this project will be on the labor market while adding some numbers like share of female parliamentarians as well: Sweden’s politicians seem to be very proud of the two-breadwinner system that was enforced especially since the 1960s with policies like public financed day-care, parental leave etc. and the creation of about one million new jobs (mainly for women) in the public administration/service sector – “The Swedish Model” that its opponents prefer to call “The Swedish Experiment” to give it a more negative connotation.²

Where did this lead? For decades now, the public sector is dominated by females while the private business is a male sphere: In 2003, there were 966,000 females employed in municipalities, county councils and the government while just 344,000 men work in this part of the labor market. But if you look into private business, it’s the other way round: 1,492,000 males and 906,000 females are employed there.

¹ compare United Nations Development Programme (ed.) (2004): Human Development Report 2004.

² see for instance Lindbeck, Assar (1997): The Swedish Experiment. In: Journal of Economic Literature. Vol. XXXV, pp. 1273-1319

Additionally, there are 298,000 self-employed men and only 99,000 self-employed women.³ According to the Gender-related development index, there are 50 per cent “women contributing family workers” – thus, the Index draws a picture of Sweden as an equal society.

The main intention of this paper is to look beneath the surface of these great rankings – is the Swedish society really equal in gender terms since nearly half of the labor force consists of women? As I will show in the following paragraphs, the picture should be seen more blur. In a way that might be a little provoking, this survey hence will focus on an issue, which often is tacitly hidden – occupational segregation by gender.

Segregation is not only a vertical issue like the Gender empowerment measure indicates (e.g. share of females in top positions vs. in low positions). Segregation is thus even more present on a horizontal level, perhaps due to policies focusing more on women empowerment, putting women in any job available and maybe even supporting a further occupational segregation through creating “female” jobs in the educational and care sectors: “Only three occupations [of the 30 largest occupations in Sweden] have an equal sex distribution, i.e. 40–60 per cent of each sex. These are Secondary education teaching professionals with 58 per cent women and 42 per cent men, Cooks and Accountants both with 56 per cent women and 44 per cent men.”⁴. So questions do remain: Is there a political will to channel women into other branches than men or is it just random or maybe a side-effect of Sweden’s policies? Or in feminist terms: Does even the beloved Swedish two-breadwinner system reproduce a patriarchic capitalist society? Is the tracking of women into public

³ see SCB (2004): Women and Men in Sweden, p. 60/61

⁴ *ibid.*: p. 59

care/educational services just another example that policies support a “sex-gender” system and class?⁵

In this paper the term occupational segregation by gender is used in a sense of representation of the genders within occupations: In my opinion, this is the best indicator to use for this kind of paper since other concepts/measurements of segregation are hardly understandable for a undergraduate student without more than basic statistical knowledge. But it should be pointed out that segregation in other researches could mean the separation of the two sexes across occupations.⁶

While the main focus of this survey will be on Sweden, I will include some other quantitative data and policies from the United States and will compare it to Sweden in my conclusion.

2. Theoretical explanations on Segregation by Gender

Causalities for the gender segregation in the labor market can be found in history and culture. As the term gender (introduced by feminist theory) itself implies, one cannot only speak about biological differences between sexes like physical strength and childbearing-ability. Furthermore, differences are socially constructed. Therefore the term gender is used instead of sex. Anthropologists have documented wide variations in the work men and women do. A study of 50 tasks in 185 society showed that 80 percent of these tasks were exclusively performed by men in some societies while being an exclusive female task in other societies. This suggests that a task considered

⁵ see Randall, Vicky (2002): Feminism. In: Marsh, David and Stoker, Gerry (ed.): Theory and Methods in Political Science. 2nd Edition, p. 110

⁶ see Blackburn, Robert M. et. al. (2004): Segregation and Inequality. In: CEIES: 25th CEIES seminar – Gender statistics – Occupational segregation, p. 101

to be perfectly natural and appropriate for women in one society is perfectly natural and appropriate for men in another society.⁷

Swedish policies bear this in mind: “The government must regard ‘male’ and ‘female’ as social constructions, i.e. patterns of behavior determined by a person’s upbringing and culture, by economic conditions, power structures and political ideology.”⁸ In the male-biased, patriarchic society, paid work used to be considered as a male sphere while the woman had to stay home and had to conduct unpaid work like taking care of the household and the kids and serving their husbands regardless of their abilities. Unpaid female work was thus seen as complementary to men’s paid work. Thus, this distinction can be seen as the primary source for segregation by gender on the supply-side. And this segregation reproduced itself when women entered the sphere of paid work.

Nevertheless, explaining the former and the latter is rather difficult; basically there are two illuminating approaches: The macro/structural and micro/action-oriented perspectives which should be regarded as integrated or complementary. In summary, the approaches say that women’s choices of occupation are free but nevertheless structured by norms, discrimination, policies, etc. Thus, substantial change to fight gender segregation has to be initiated on a macro-level by political and employer’s decisions.⁹ Therefore, the demand-side should get rid of its presumptions: “Employers may discriminate against women because they perceive women to be less productive workers due to their actual or presumed domestic responsibilities (statistical discrimination), or because they simply prefer to employ men, owing to their own preferences, the preferences of their existing male workforce or perhaps

⁷ compare Jacobs, Jerry A. (1989): *Revolving Doors – Sex Segregation and Women’s careers*, chapt. 2

⁸ Ministry of Industry, Employment and Communications (2003): *The Swedish Government’s National Action Plan for Gender Equality*, p. 6

⁹ compare Neramo (1999): *Structured by Gender. Patterns of sex segregation in the Swedish labor market*, chapt. 1

those of their customers (taste discrimination).”¹⁰ Even with policies like the third and fourth action programs for equal opportunities by the European Union aiming to reduce gender segregation, the development in the last decades shows it is still on a high level in all European economies: Thus, it is “providing little ground for optimism that further entry of women into the wage economy will in itself bring about the desegregation of the labor market.”¹¹ Consequently, policies should focus even more on tracking women into male-dominated sectors to fight this segregation, which has direct and indirect implications for the whole society as can be seen in the following section.

3. Occupational Segregation in Sweden: Data, Impacts and Policies

There is clear evidence that Sweden has a high degree of occupational segregation related to gender: Looking on concentration data in 2003, Only 13 percent of the male and 14 percent of the female labor force worked in occupations that have an (at least almost) equal share of both sexes. By definition, that means that those jobs have a share of at least 40 percent of each gender. But the most occupations are dominated by one gender: 27 percent of the women worked in jobs with a maximum of 10 percent men in that occupation. Similar the other way round: 33 percent of the men work in jobs with almost no females. And even the main part of the labor force worked in jobs with a dominance of 60 up to 90 per cent of one gender.¹² Totally, an astounding 71 percent of the women works in jobs which where female-dominated (thus, 60-100 percent females). Nevertheless, there seems to be at least a minor

¹⁰ Rubery, Jill et. al. (1999): Women’s Employment in Europe, p. 168

¹¹ Rubery (1999): p. 168

¹² see SCB (2004): p. 59

development towards equality, the segregation is declining: In 1994, 75 percent of the women worked in female-dominated occupations.¹³

“The most women-dominated occupation is Office secretaries with 98 per cent women and 2 per cent men. The most men-dominated occupation, with less than 0.5 per cent women and 100 per cent men is Motor vehicle mechanics and fitters.”¹⁴

Looking not on single occupations but on industry sectors, one sees that there are whole branches dominated by one gender: Social work has a 86 per cent female majority followed by health care with 83 per cent and education/science with 72 per cent. While the recreation, restaurant and hotel sector and the financial area are almost tied, construction, industry and wholesale trade are a male sphere.¹⁵

What are the impacts of such a divide? Many studies have especially focused on wage differentials between males and females – research found a 20 up to 25 percent pay gap between the genders in the Swedish labor market even in the 1990s.¹⁶ The claim here is that there is a correlation that women-dominated occupations are valued less than men-dominated: “The proportion of women in occupation generally had a negative effect on men’s wages, while the parameter estimates were not conclusive for women. Thus, it appears to be the case that men working in female dominated occupations are being penalized in terms of pay, but there is not conclusive evidence of a corresponding reward for women entering male dominated jobs.”¹⁷

The Government does even admit a failure of its Gender Equality Act (Jämställdhetslagen) in this particular matter: “The act has failed to make inroads into structural pay differentials caused by value discrimination, i.e. the practice of rating jobs differently according to whether they are traditionally male- or female-

¹³ see Rubery (1999): p. 179

¹⁴ SCB (2004): p. 59

¹⁵ SCB (2004): p. 60

¹⁶ see e.g. Johansson, Mats et. al. (2001): Wage differentials and gender discrimination – changes in Sweden 1981-1998, p.1, downloadable at http://ideas.repec.org/p/hhs/sunrpe/2001_0015.html

¹⁷ *ibid.*: p. 25

dominated.”¹⁸ And since women tend to work in women-dominated areas, the consequence is quite clear: Women averagely have a lower wage than men. The Swedish government confirms this: “The income gap is mainly due to the traditional segregation of the labor market, where ‘female occupations’ in the public sector and the care and social services are particularly low-paid.”¹⁹

This quote can be seen as a confession that Sweden’s past policies had their own share in supporting the wage gap through canalizing women into the public sector. Between 1964 and 1974 no less than 90 percent of the growth in female labor force was hired in the municipal sector which is responsible for social services, hospital, schools, day care centers etc.²⁰ Thus, some scholars claim that Sweden “bought” the integration of women into a labor market with an increase of segregation: This was done by enlarging the “Social Welfare Industry” through creating female-typical jobs in care and education and ultimately shaping a “dual, gender-specified labor market”.²¹ On the other hand, there is also some evidence that the expansion of the public sector in the 1970s and 1980s didn’t increase the level of segregation in the labor market.²²

Nevertheless, the wage gap means that women are handicapped compared to men, since money is the key to freedom and independence in a capitalist society: “Steps towards achieving a more even distribution of women and men in industries, occupations and social positions, given the continuing devaluation of female-dominated occupations or industries at the expense of their male dominated counterparts, are important for the overall level of gender equality in society.”²³

¹⁸ Ministry of Industry, Employment and Communications (2003): p. 6

¹⁹ *ibid.*: p. 6

²⁰ see Östlind, Anders (1975) as quoted in Jonung, Christina (1977): Occupational Segregation by Sex in Sweden, p. 5

²¹ see Schmid, Günther (1989): Modell Schweden als Vorbild? In: Mitteilungen aus der Arbeitsmarkt- und Berufsforschung 1/89, p. 77

²² compare Nermo (1999): chapt. 3

²³ Nermo (1999): p. 136

Furthermore, occupational segregation “has an important negative effect on how men see women as well as how women see themselves by reinforcing and perpetuating gender stereotypes”.²⁴

Besides equality, social and psychological arguments, the Swedish government sees occupational segregation even as a hinder for economic growth and competitiveness: “A gender-segregated market is not only inefficient; it is also a deterrent to growth. Traditional assumptions about male and female attributes and abilities determine career choices and the opportunities on offer in the labor market and limit people’s ability to extend and improve their individual skills or develop their creativity – the presence of which always denotes a flourishing labor market.”²⁵ Admitting this, the Swedish government should be able to develop a policy to enforce employers to hire employees of the other gender in gender-dominated occupations.

But why is the labor market still gender-segregated even if policies want to promote more equality? As mentioned above, one could blame the expansion of the Social Welfare Industry. Corresponding to this, scholars tend to find an explanation on the macro scale of structure rather than on the micro scale of individual choice on the supply-side: “It seems that individual characteristics [...] only marginally explain women’s allocation to the Swedish labor market. [...] Real change in women’s allocation over time are not likely to be an effect of female role models showing the way into gender atypical occupations. Changes are more likely to occur as a result of an increasing demand for female labor.”²⁶ Contradictory, Swedish policies have centered on the supply side from the beginning: “The aim has been to remove the barriers, that hinder women to become full-fledged members of the labor force. The

²⁴ Anker (1998) as quoted in: Barbezat, Debra (2003): Occupational Segregation Around the World. In: Moe, Karine S.: Women, Family and Work, p. 179

²⁵ Ministry of Industry, Employment and Communications (2003): p. 6

²⁶ Neramo (1999): p. 100

most important hindrance [...] is child care but there has also been an emphasis on education and vocational training.”²⁷

If the segregation is really a demand-side problem, it thus will not help to just promote educating women for male-dominated occupations and vice versa. Furthermore, convincing employers with arguments like increasing creativity and innovation to use a more gender-atypical hiring policy could be helpful. Where to start? One third of the labor force works for the state, the occupational segregation especially in jobs like education and care are even higher than looking on the total number: 74 percent of the employees in the public sector are female. Thus, the state should not only pay lip service but hire employees gender-atypical itself.

3. Comparison to the United States

Women’s policy in the US has a very different background than the Swedish one: Coming from policies aiming to improve the situation of other disadvantaged groups, women shall profit mainly from anti-discrimination laws and affirmative actions which are more focused on the demand side and shall not only help women, but all marginalized groups. The US has paid more attention on improving working conditions for women being already in the workforce while Sweden aimed to bring women into the labor market.²⁸ Regardless of distinct policies in both countries, they have nevertheless both a high degree of occupational segregation like almost every other country in the world.²⁹ Just to give an example which isn’t completely comparable to the above mentioned Swedish data, “in 1985, over two-thirds of the

²⁷ Jonung (1977): p. 28

²⁸ *ibid.*

²⁹ compare e.g. Gornick, Janet C. (1999): Gender Equality in the Labour Market. In: Sainsbury, Diane (ed.): Gender and Welfare State Regimes, p. 214

women in the U.S. civilian labor force worked in occupations that were 70 percent or more female.”³⁰

One of the most prominent indicators to measure the occupational segregation are the Duncan Index and the Duncan75 Index. They measure the proportion of male and female workers who would need to change occupation to have the same proportion of women and men in every occupation. While the Duncan Index uses 175 occupations, the Duncan75 shall equal the varying number of categories along the countries and just uses 75 occupations. Unfortunately, I don't have access to comparable data over time. Another problem is that both indices draw a different picture.

While Sweden shows the highest segregation within all OECD countries in the Duncan75 index with 63 % compared to an OECD average of 58 % and the US with just 46.3 %, Sweden isn't the strongest segregated country in the Duncan index: Finland is leading with 67.3 %, Sweden with 60.4 % is close to the OECD average of 60 % and the US has a higher integration with 54.8 %. Nevertheless, both indices show that Sweden has a higher segregation than the US.³¹

Comparing this data to the Gender-related development index (Sweden rank no. 2, US no. 8) and the Gender empowerment measure (Sweden rank no. 2, US rank no. 14), this will lead to my conclusion.

4. Conclusion

³⁰ Jacobs, Jerry A. (1989): *Revolving Doors: Sex Segregation and Women's careers*, p. 1

³¹ compare Barbezat (2003)

More than 25 years ago, it was clear to scholars that “The Swedish labor market is sex-segregated in much the same way as the American labor market.”³² Today, not much seems to have changed: “In spite all Sweden’s efforts, unlike in the United States, for gender-neutral legislation and less focusing on women as primarily mothers and wives, the two countries demonstrate similar patterns and trends in levels of horizontal sex segregation.”³³ Sweden is even one of the highest gender-segregated labor markets of the western world: “Within the OECD group, occupational segregation is highest in the Scandinavian countries, which have active gender equality policies.”³⁴ And “Although direct comparisons can’t be made, it is clear that [...] Sweden and Finland appeared to have levels of segregation at the top end of the European spectrum.”³⁵

Nevertheless, Sweden should not completely be demonized for having a dual labor market for both genders. Some scholars even write that the segregation is ultimately good; they have strong statistical grounding for this claim: “Instead of the conventional view that segregation works to the disadvantage of women, we find exactly the opposite. The greater the level of segregation, the greater the empowerment and general social advantage of women”³⁶ as can be seen in the illustrating comparison of Sweden and the US (above). According to this and speaking in good old Adam Smith’s terms, the division of labor between the genders and the specialization into gender-typical occupations thus increases the wealth of the nations.

³² Jonung (1977): p. 3

³³ Nermo (1999): p. 143

³⁴ Hakim, Catherine (2004): The Causes of Occupational Segregation: New Data Needs. In: CEIES: p. 139

³⁵ Rubery (1999): p. 176

³⁶ Blackburn (2004): p. 102

Even though this is a teasing punch line to end this paper, this shall not be the final conclusion. Furthermore, it has to be pointed out that there remains a puzzle, which is not easy to solve. Even if Sweden's high occupational segregation by gender correlates with its high ranking in the gender-related development index and the gender-empowerment measure, there is no proof that one causes the other. Thus, the content of the paragraph above remains being an unproved theory.

Rather we should think about the cultural, psychological and social impacts of the occupational divide – it should be fought against it because otherwise the genders will remain living in different worlds: the male and the female world.