Why More Gender Studies Are Necessary in Economics

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More studies

1. …about *women and women's issues*
2. …that take a sophisticated view of *gender*

"Gender" refers to the cultural and cognitive associations a society builds on top of the experience of sexual dimorphism

Outline

I. Overview: *Gender* and Economics
II. Example: Archetypes, Stereotypes and Biases in Studies of Women, Men, and Risk
III. Implications

I. Overview: Gender and Economics

J. Nelson, “Gender, Metaphor, and the Definition of Economics,” *Economics and Philosophy*, 1992

Cognitive Gender

Mainstream Economics	"Not Economics"
markets	social life (and family)
mind	body/nature
individuality	relatedness
self-interest	other-interest
reason	emotion
(masculinity)	(femininity)

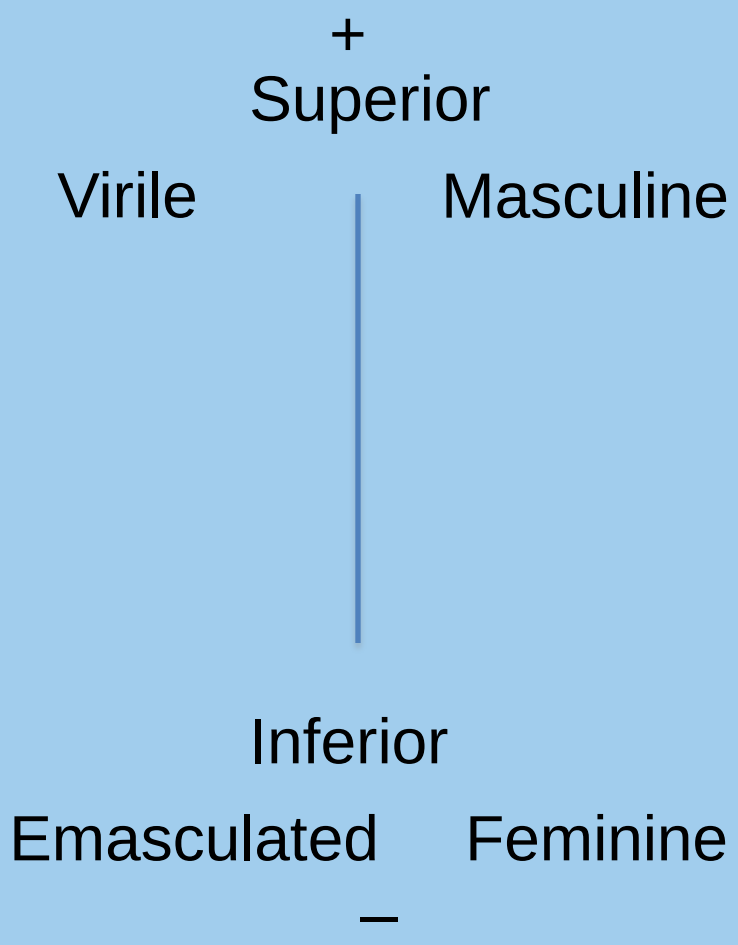
Ferber and Nelson, eds, *Beyond Economic Man: Feminist Theory and Economics*, 1993.

Mainstream Economics	"Not Economics"
quantitative	qualitative
formal	verbal or intuitive
positive	normative
objective	subjective
general	particular
(masculinity)	(femininity)

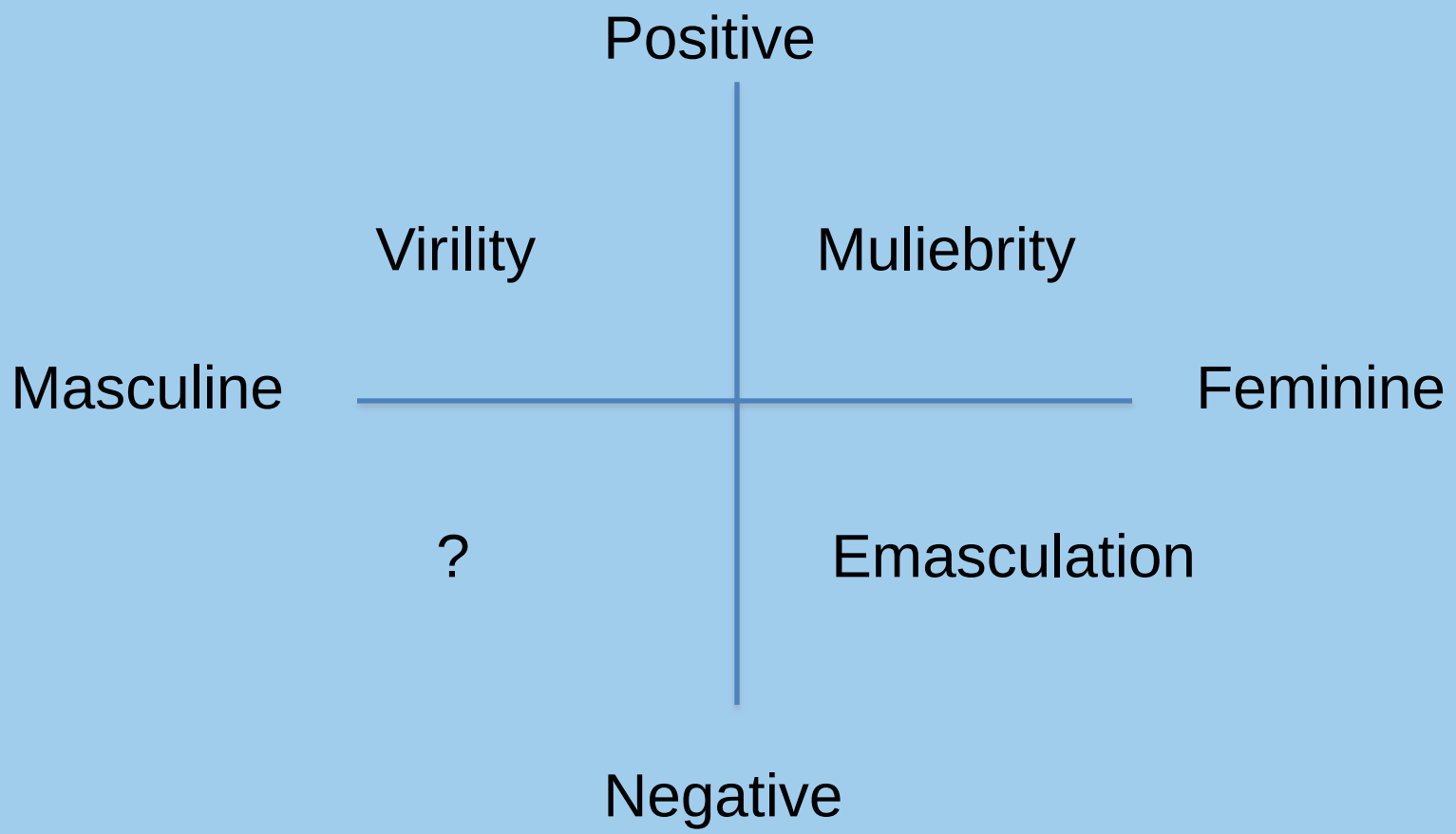
Responses

- Endorse?
- Flip? (“feminine” economics)
- Erase gender?
- Get beyond the dualist, stereotyped thinking
  - Break the associations with *value*
  - Get past either/or thinking, to *both/and*

The Dominant Hierarchical Dualism

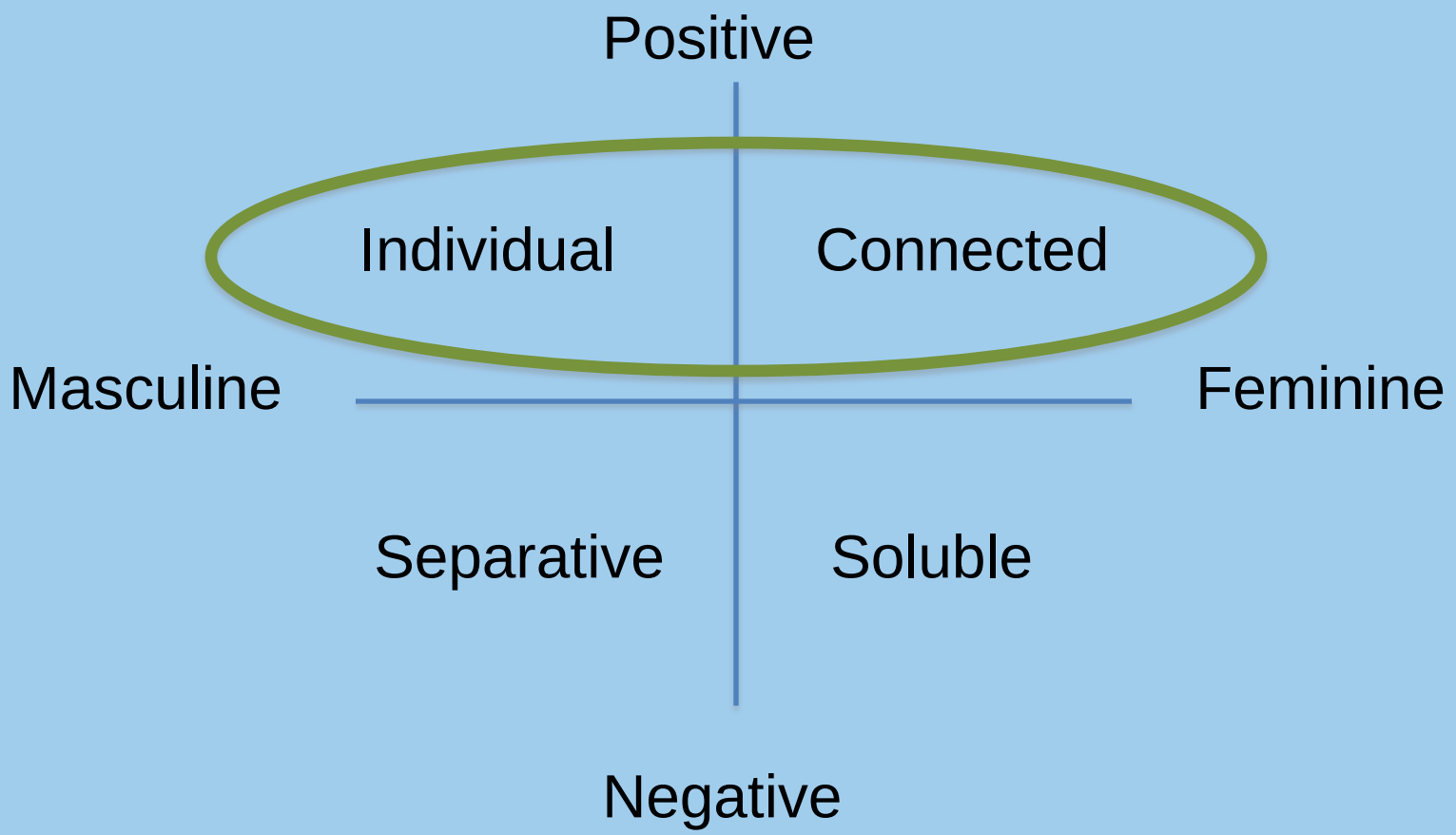


A “Gender-Value Compass”

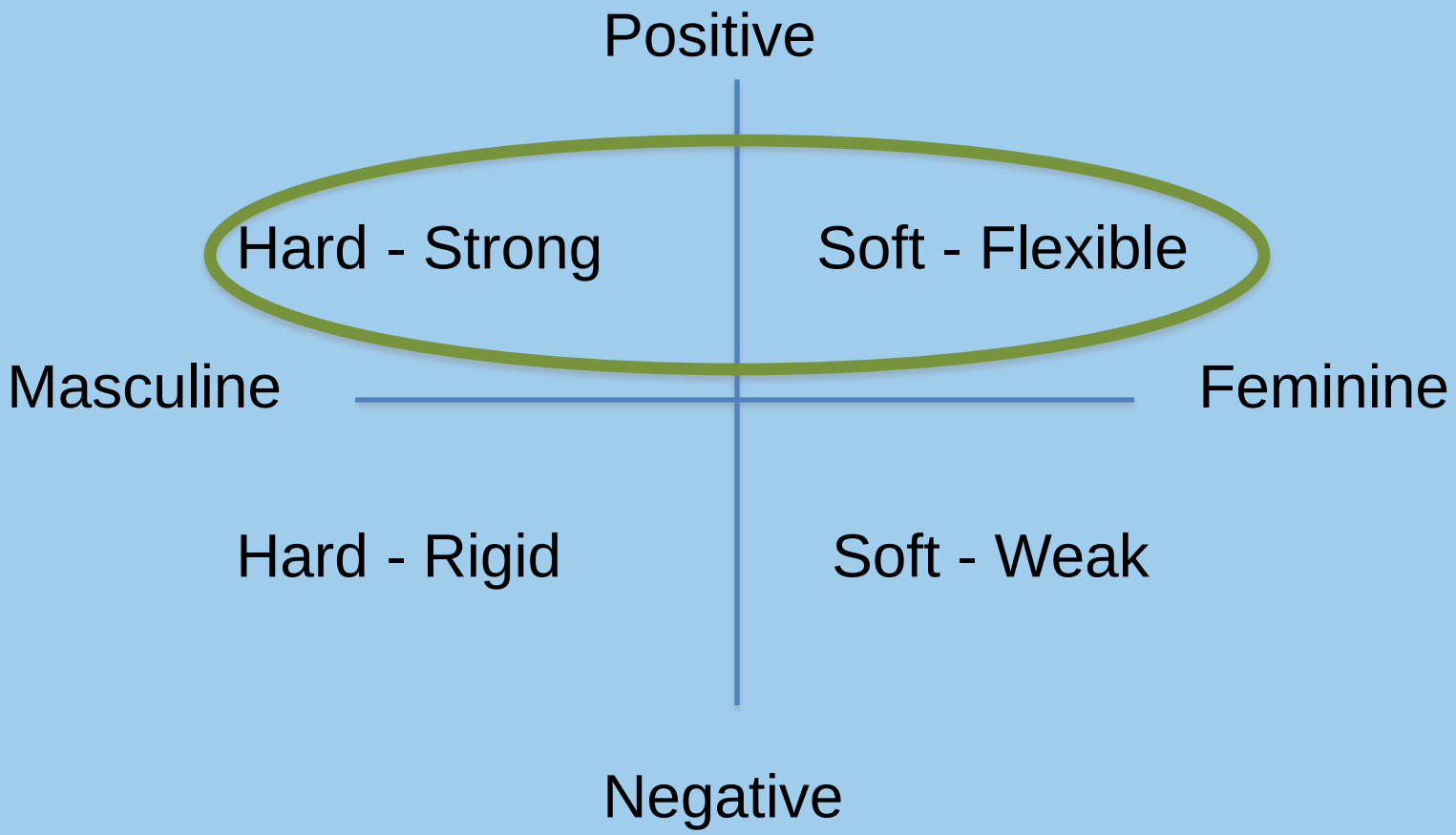


J. Nelson, 1993

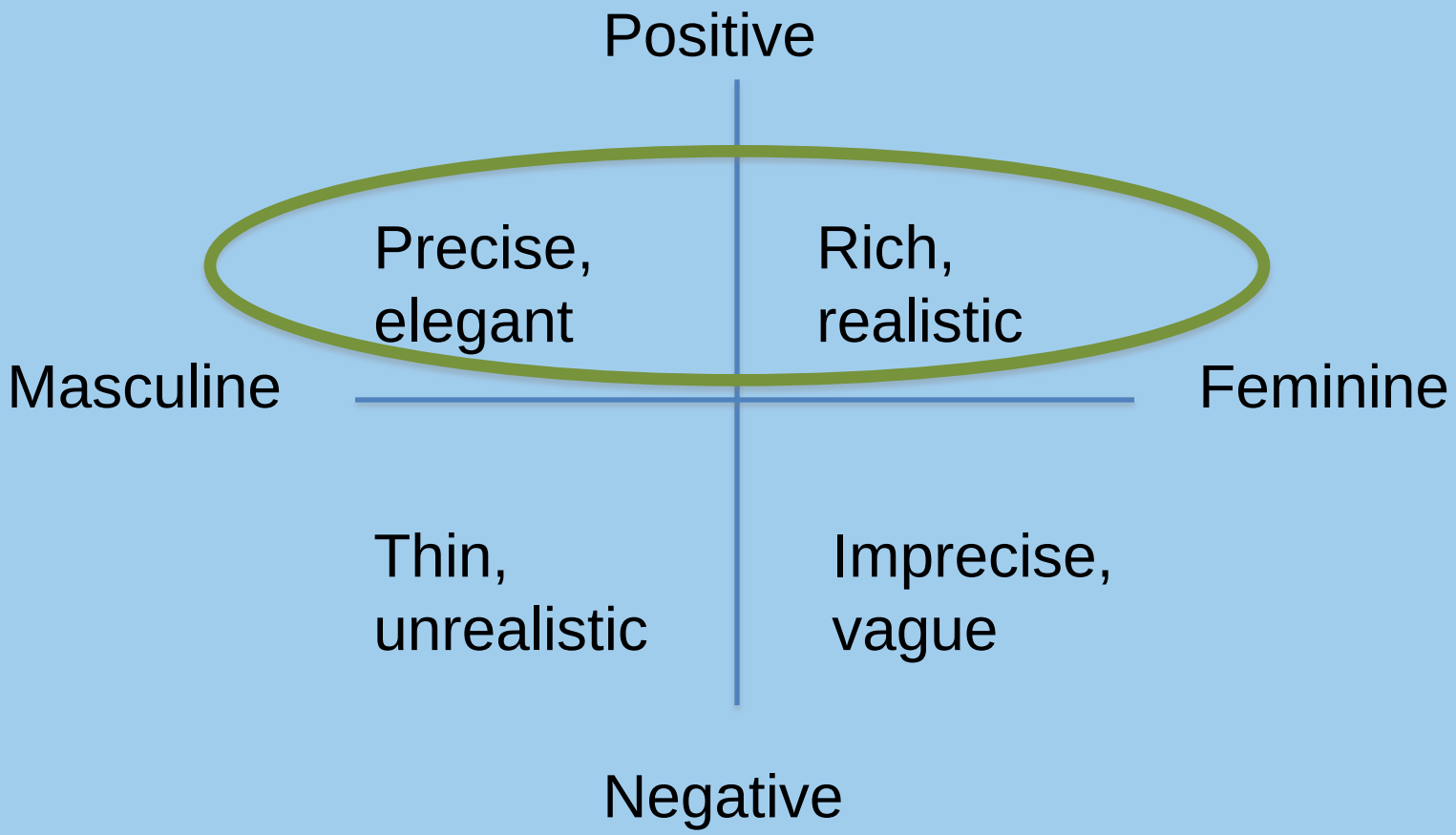
Who Are We?


Positive
Individual
Connected
Masculine
Feminine
Separative
Soluble
Negative

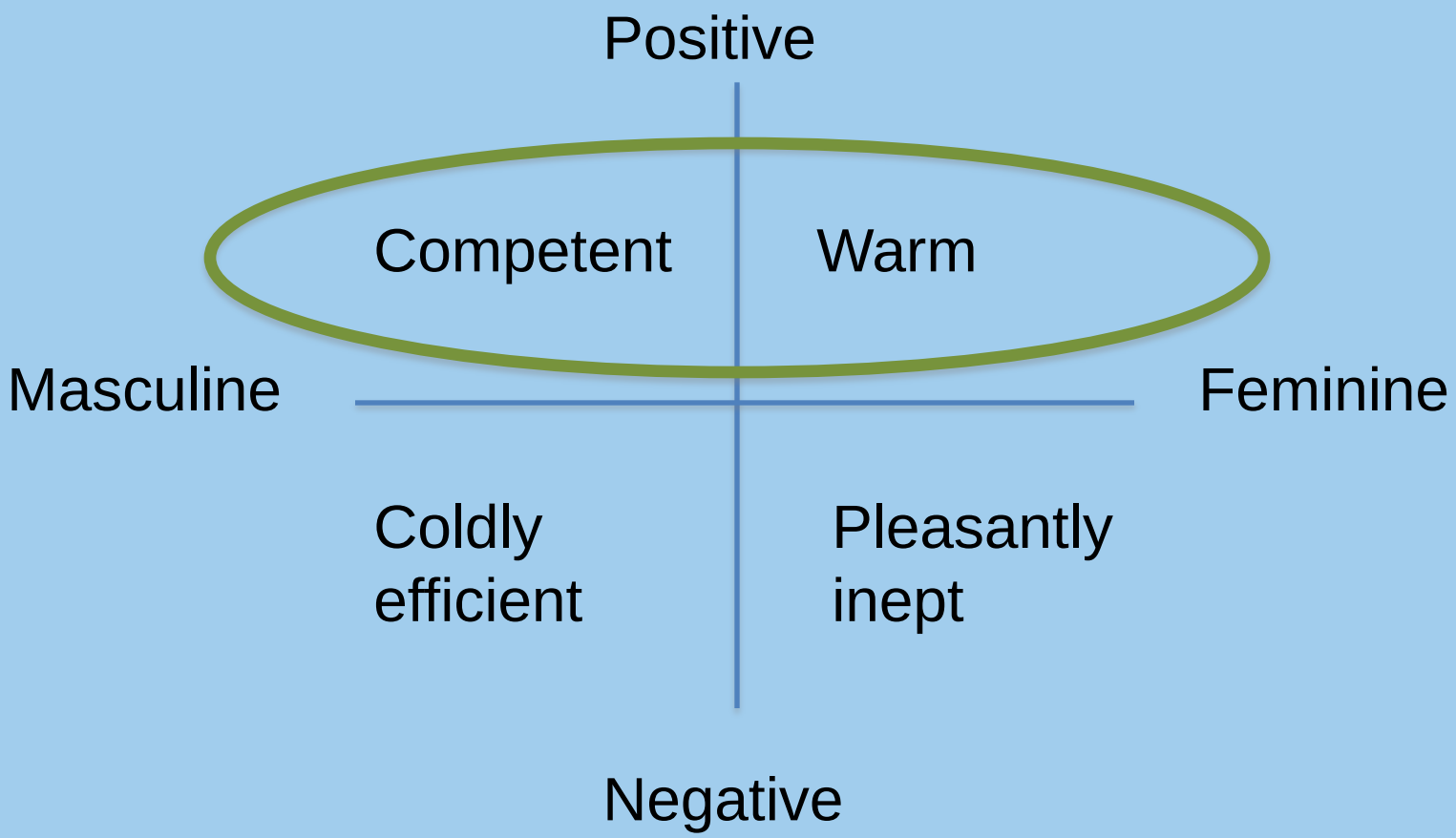
What Kind of Discipline Do We Want?



What Should Our Research Be Like?



Management styles?



II. Example: Archetypes, Stereotypes and Biases in Studies of Women, Men and Risk

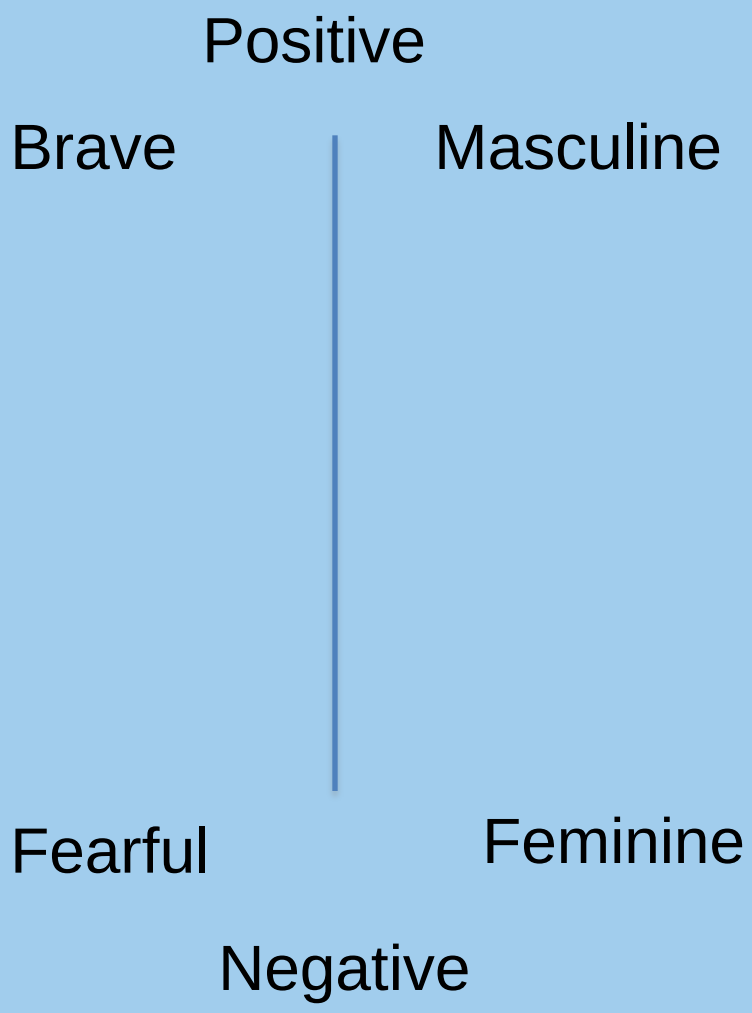
“Women are more risk averse than men” according to…

- Croson and Gneezy (2009). "Gender Differences in Preferences.” *JEL*
- Harris et al. (2006). "Gender Differences in Risk Assessment: Why do Women Take Fewer Risks than Men?" *Judgment and Decision Making*
- Lindquist and Säve-Söderbergh (2011). “’ Girls will be Girls’, especially among Boys" *Economics Letters*
- Beckmann, and Menkhoff (2008). "Will Women Be Women? Analyzing the Gender Difference among Financial Experts." *Kyklos*

A. *"In our sample, we found a statistically significant difference in mean risk aversion between men and women, with women on average being more risk averse."*

B. *"Women are more risk averse than men."*

Risk-taking: The predominant view



How “Generic” Statements Work

- Gelman, Susan A. (2005). "Essentialism in Everyday Thought." *Psychological Science Agenda*(May): 1-6.
- Khemlani, Sangeet, Sarah-Jane Leslie, et al. (2012). "Inferences about members of kinds: The generics hypothesis." *Language and Cognitive Processes* 27(6): 887-900.
- Leslie, Sarah-Jane (2008). "Generics: Cognition and Acquisition." *Philosophical Review* 117(1): 1-47.

Generic statements

- communicate a (presumed) “essence”
- that is commonly generalized to individuals,
- *not* statistical prevalence.

1) “Ducks lay eggs”

True or false?

Quacky is a duck:

2) “Quacky lays eggs”

3) “Germans are right handed”

1) “Ducks lay eggs”
2) “Quacky lays eggs”
3) “Germans are right handed”

Generic statements communicate a (presumed) “essence” that is commonly generalized to individuals, not statistical prevalence.

Getting away from metaphysics and returning to statistics…

“Are Women Really More Risk Averse than Men?”

INET Research Note #12

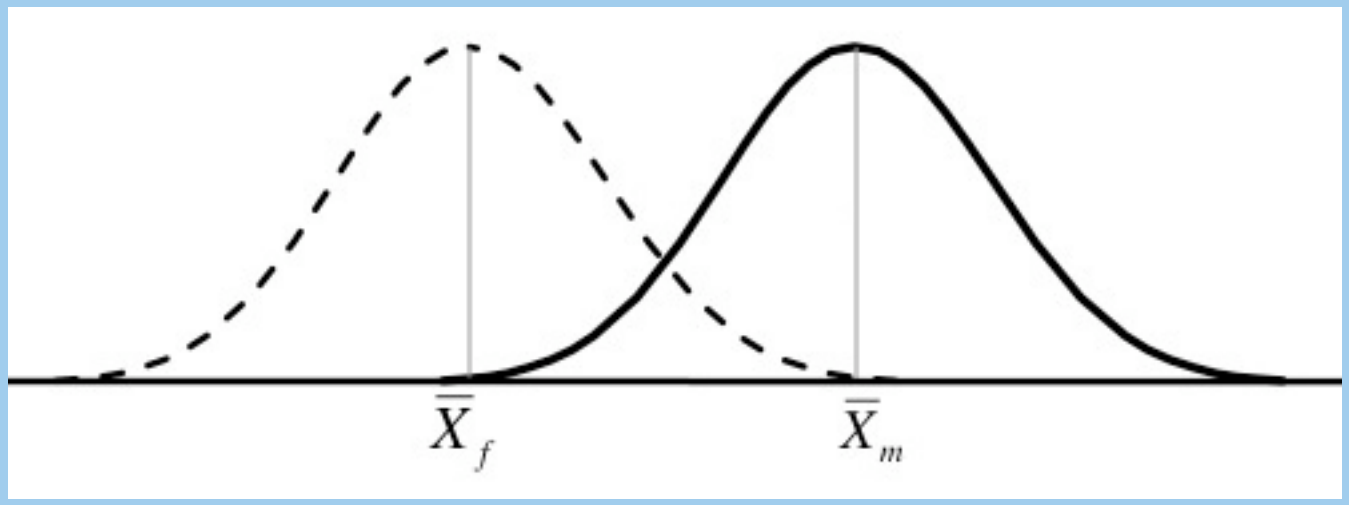
Project funded by
The Institute for New Economic Thinking (INET)

Analyzing the Evidence

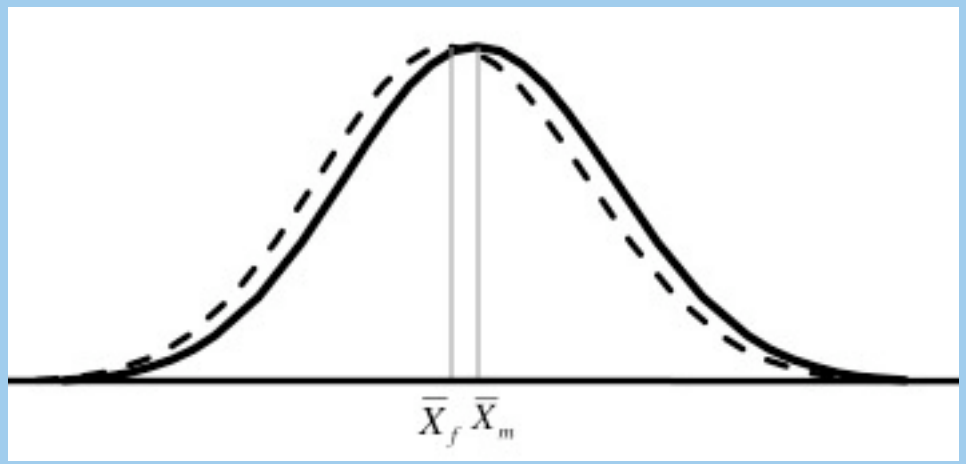
- Effect size (Cohen's d)

$$d = \frac{\overline{X}_M - \overline{X}_f}{s_p}$$

Effect size (Cohen's *d*)



d ≅ 2.60 (e.g. heights)



d ≅ 0.35

Analyzing the Evidence

- Effect size (Cohen's d)

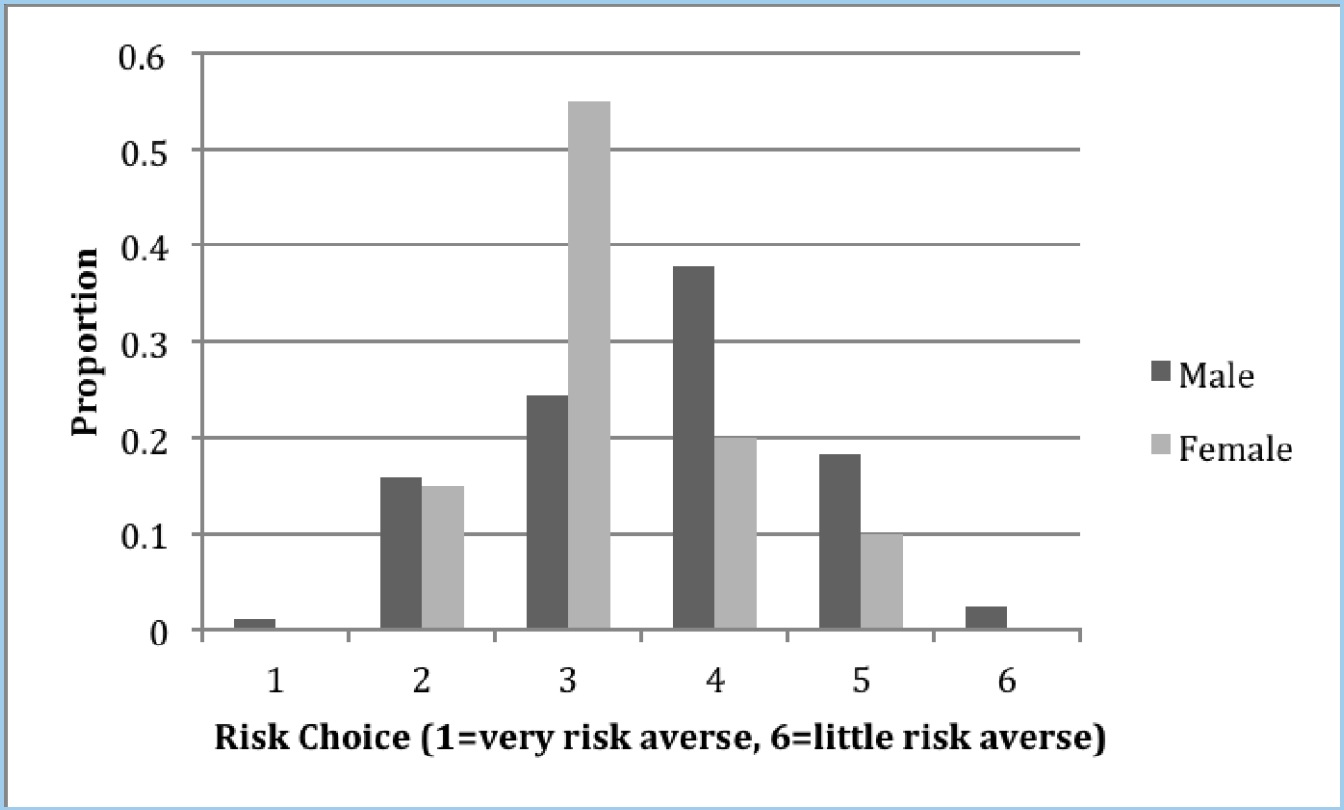
$$d = \frac{\overline{X}_M - \overline{X}_f}{s_p}$$

- Index of Similarity

$$IS = 1 - \frac{1}{2}\left(\sum_i \left|\frac{f_i}{F} - \frac{m_i}{M}\right|\right)$$

Study	d	IS
Arano et al	NSS	—
Barber and Odean	-.09 to .26	—
Barsky et al	—	0.98
Beckmann and Menkhoff	NSS to +.46	.67 to .91
Bernasek and Shwiff	NSS	.87
Booth and Nolen	NSS to .38	.84
Borghans et al	.32 to .55	—
Bruhin, Fehr-Duda et al	—	.91
Byrnes et al	-1.23 to +1.45 (Mean = +0.13)	—
Dohmen, Falk, et al	NSS to .48	.80 to .88
Eckel and Grossman	.55 to 1.13	.60 to .80
Eriksson and Simpson	.19 to .22	.89 to .91
Fehr-Duda et al	-.25 to .49	--
Finucane et al	.11 to .33	.86 to .93
Gneezy et al	NSS	--
Harris et al	-.34 to .74	—
Hartog, et al	.22 to .29	.85 to .96
Holt and Laury	NSS to .37	.83 to .86
Lindquist and Save-Soderbergh	NSS	—
Meier-Pesti and Penz	NSS to .85	—
Powell and Ansic	.06 to .17	.90 to .93
Ronay and Kim	NSS to .44	—
Sunden and Surette	.08 to .16	.95 to .96

Example: $d \approx .4$, $IS \approx .7$



Data from Beckmann and Menkhoff (2008)

So are (smallish) differences in risk-taking due to sex
(male vs. female),

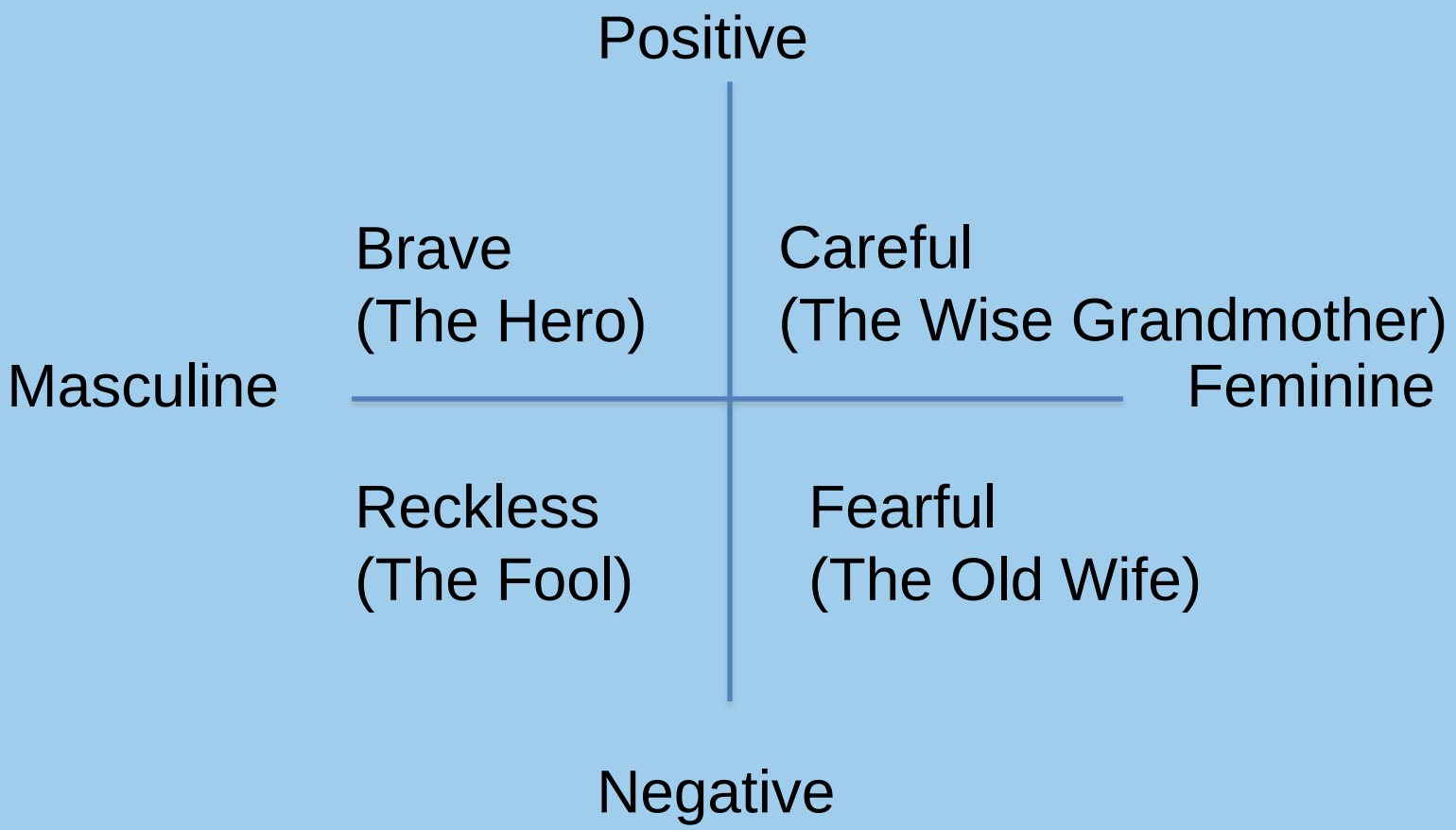
or gender
("the manly thing" vs. weak)?

Study	Comparison	d
Carr and Steele, 2010 :	Females only: no stereotype threat vs. threat	.68 to 1.05
Meier-Pesti and Penz, 2008	Males only: masculinity-primed vs. femininity-primed	NSS to .91
Ronay and Kim, 2006	Males only: with same-sex discussion vs. without	.58 to 1.16
Weaver, Vandello, et al., 2012	Males only: gender threat vs. gender affirmation	.57 to .74

III. Implications

- Effect of stereotyping on *women's* advancement in employment, investing, etc.
- Effect of a biased view of *economic life* on decision-making, e.g. risk-taking and
  - Management of firms
  - Financial management and the crisis
  - Ecological management and climate change

Risk-taking: The Full Story



…And That's Why More Gender Studies Are Necessary in Economics

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