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## Homo economicus meets Homo holismus

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different frames of reference

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HÁSKÓLI ÍSLANDS

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## Men and women discuss their salaries within different frames of reference

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The article explores how women and men discuss their wages in a society with a 'gender pay gap'. The gender pay gap is defined as the average wage differential between men and women (salary divided by working hours) (Þorgerður Einarsdóttir & Kristjana Stella Blöndal, 2004). When comparing Iceland to the other Nordic countries, the gender pay gap is highest in Iceland (Lilja Mósesdóttir et al., 2006). A study conducted in 1994 and again in 2006 shows that the difference in men's and women's salaries has remained stable. Women received 16% less than men in 1994 and 15.7% less in 2006 when occupational status, age, period of employment and working hours have been accounted for. The variables listed are referred to as adjusted variables of difference (Guðbjörg Andrea Jónsdóttir et al., 2006). These findings are confirmed by research conducted in 2008 (Einar Mar Þórðarson, Heiður Hrund Jónsdóttir, Fanney Þórsdóttir, Ásdís A. Arnalds & Friðrik H. Jónsson, 2008). A similar study conducted for the Union of Civil Servants in 2008 shows that the difference in men's and women's wages has increased by 3.6% from the previous year (from 14.7% to 18.3%) (Guðbjörg Andrea Jónsdóttir et al., 2008). Þorgerður Einarsdóttir and Kristjana Stella Blöndal (2004) argue that the adjusted variables of difference accounted for in the different studies are a gender-political issue. Some adjusted variables of difference hide the gendered composition of the labour market, for example the gender segregation of the labour market, both horizontal and vertical, and women's domestic and child care responsibilities.

A study conducted by a research team at the University of Reykjavík found that both men and women, who participated in the study, have lower expectations when it comes to deciding on a salary for women than for men. The participants were asked how much they would pay: a female manager and a male manager, and a female salesperson and a male salesperson. On all accounts the men were expected to get paid more and settle for more than women by both male and female participants in the research. The authors conclude that societal expectations and gendered attitudes play a large part when trying to explain the unexplained difference (i.e. what is left unexplained when adjusted variables of difference have been accounted for) in men's and women's wages (Þorlákur Karlsson, Margrét Jónsdóttir & Hólmfríður Vilhjálmsdóttir, 2007). Societal expectations and gendered attitudes concerning different pay for men and women are the main focus of my analysis.

In the Act on the equal status and equal rights of women and men (no. 10/2008), article 19, section III states: "Workers shall at all times, upon their choice, be permitted to disclose their wage terms." Interestingly the wage disclosure is framed as an individual right, i.e. "choice". Unions and union representatives were not given any leverage in the legislation. If workers (women) are supposed to know and utilize their rights it is not enough for them to be able to discuss their salaries with a third party. A third party (man)

might not want to discuss his salary. Therefore women are left on their own and possibly in the dark when negotiating their salaries with their employers. In other words the responsibility is placed with individuals. The legislator might have been infused by neo-liberal ideology and had in mind freely choosing individuals.

Connell's (1987; Connell & Messerschmidt, 2005) concept of 'hegemonic masculinity' describes what Acker (2006) conceptualizes as the "culturally authoritative masculinity" (p. 30). Hegemonic masculinity is based on the existence of women and marginalized groups of men. There is, however, "no femininity that is hegemonic in the sense that the dominant form of masculinity is hegemonic among men" (Connell, 1987, p. 183). Connell thus speaks of 'emphasized femininity'. Compliance is an important aspect of the concept of emphasized femininity. Women to a certain degree comply; this compliance is maintained and promoted at the cultural and ideological level, through mass media and marketing, affecting interpersonal relationships between men and women (Connell, 1987). Connell's concepts are employed in the analysis.

## Data and method

The present findings are based on a total of 48 qualitative interviews conducted with 24 men and 24 women, with children from two months to 18 years. The interviewees work in three different spheres of the labour market. They are employers and employees in software firms; for the City of Reykjavík; and in fast food restaurants and mini-markets. The interviews were in most cases carried out in the interviewee's workplace and the managers in each workplace, who were also interviewed, put me in contact with possible interviewees. The data were collected between January 2005 and February 2006. The data collection is part of a larger research project on work cultures, gender relations and family responsibility (Gyða Margrét Pétursdóttir, 2009).

Most of the interviews lasted over an hour. They were digitally recorded and transcribed verbatim. The data were read and coded for reoccurring themes or discursive strands. The data were then read again to recheck reoccurring themes and to validate their weight in the analysis. Discourse analysis was used in the investigation. Discourse analysis is used to explore the underlying meaning of certain words and statements and how they reflect a particular system of knowledge or ideas. According to Gill (2000), language has a formative power. We are, as individuals, shaped by existing discourses at the same time as we take part in their shaping and reproduction.

The next section discusses men's and women's wages. The men and women were asked if they felt they were getting paid according to their work effort. The aim was not to document each person's earnings, but how they felt about their earnings and what they refer to when discussing their respective earnings: are they satisfied, dissatisfied and what are the frames of reference? The data were collected at the height of the economic boom. The results have to be read in light of that fact. Data collected today, with unemployment at 7.7% for men and 7.3% for women (Vinnumálastofnun, 2010) would probably yield different results.

## Men measuring up to Homo Economicus

Commonly the male interviewees neither questioned their position in the home nor in the labour market. What came across in the interviews was that they saw themselves primarily

as breadwinners, reflected in their long working hours and their degree of participation in child care and domestic labour, which is less than their spouses. Most of the men voiced their dissatisfaction with their earnings. It appeared that they were comparing themselves to what may be a 'yardstick,' so to speak, of gender norms and expectations. These expectations inhibited expressions of satisfaction with wage levels, because satisfaction would imply that one is not ambitious, and if one is not ambitious then one is not a proper 'man' or 'breadwinner'. A common pattern among the men interviewed is that they felt they had to justify their salaries and why they were not seeking a higher salary. Hermann said:

I mean naturally everyone wants to have a higher salary, you see, that's just intrinsic, you see, you can always spend more, you know, that's not a problem. But you also have to, I mean there are certain aspects that, I mean, the higher you go on the pay scale then there are certain aspects that go along with it, you know, and usually that consists mostly of a trade-off in family life, therefore you have to choose and reject a bit in that respect, you know, you can't have both, you know, if you want to receive a million a month, you know, then you have just sold your soul to the company store, that's just, you know. I have seen men who were at the airport, going on a three week vacation with their families when they receive a call and they have to go to work, and you can't say no because you have sold yourself... and if you want to put such a high price tag on yourself then there are other aspects that go along with it ... Yes, I mean, I think that in many respects, yes, yes of course you want to receive a little bit bigger salary but you also have to look at the whole structure, you see, naturally I know the pay structure of the company, you know and that may make me able to see other aspects, which others don't see... yes, yes, I think that it is merely okay.

Hermann symbolises very well the rationale behind the men's pay discussion. They are measuring themselves against against Homo Economicus, the economic being whose only rationale is money. He has to justify to himself, and to the researcher, why he is not aiming for the million a month salary, as in his mind that would mean a trade off in family life, i.e. he would presumably not be able to go on a three week vacation abroad with his family. By not being able to go on a three week vacation abroad with his family he has 'sold his soul to the company store'. Hermann thus maintains a certain sense of autonomy by framing the issue in this manner: million a month vs. three weeks abroad.

The men placed a large emphasis on 'work experience', and most placed a larger emphasis on experience than on education, despite some holding degrees in various fields. When addressing the gender pay gap in public debates, women have been encouraged to seek education, reasoning that by educating themselves they will not be discriminated against pay wise in the workplace. Men have not been so encouraged, in public debates, to seek an education to the same extent. Education has therefore become a women's issue in some ways and is reflected in their greater numbers at university. Some men tend to stay clear of issues framed as women's issues; therefore they place a greater emphasis on experience. Gústaf, a man in his late twenties with a university degree, said:

I've been working, I think I have about seven years of experience... what I gain from all this work, naturally that's just human interaction and to deal with the problems because the problems are always of similar nature, doesn't matter if you're shovelling dirt or not ... I mean it is something that you can't learn at the University ... You learn about interest rates (raises his voice) and book-keeping and management and those are the matters that you can pinpoint... When I started studying at the University I meet a lot of people who had just graduated college and

they just didn't have a clue and to this day I can't understand how some of them got through University, and I even have a lesser understanding about how they can get and hold jobs ... based on three years of University education then naturally you should be able to settle for 250 thousand but naturally then you don't have work experience (raises his voice) you get it? And that is what matters, I mean people who see my CV they think that I either worked for half an hour at each place or that I am much older but that's not the case.

Gústaf has little respect for his classmates. He places education and experience at opposite ends and seems to think that the two normally do not go together, as he sees himself as the exception. Therefore he expects to get paid more than people with the same education. His work experience is at different branches but he is convinced that all work is about human interaction and the type that can only be learnt through work. Gústaf's main drive is money, he said: *"I have a certain amount in mind and I won't be happy until I've got what I want ... To be content I'm aiming at a certain amount pay wise, no matter how or where I do it."* But he doesn't seem to be enjoying the ride, i.e. the work. He is caught up in competition and conflict with his co-workers and supervisors. In summation, some men felt they had to justify their salaries and why they not aiming for a higher salary. Others are caught up in competition. All measure themselves against Homo economicus.

### Women settling with reference to Homo Holismus

Overall, the women were satisfied with, or accepted, their salaries. As an indication of this, the women often used a number of discursive tools and strategies, as expressed in the words of Bryndís:

I just simply have a good salary and we're well off ... One might be more conscious because my parents were blue collar workers and we didn't have a lot of money but there was never any shortage and we never had to hear that money was short but you knew that there wasn't money for some nonsense ... I think that is a very wholesome upbringing and that is something I am conscious about concerning my own kids ... You try to be appropriately conservative and try to make them responsible.

Bryndís uses the economic conditions she grew up with as a frame of reference, more precisely her parent's working class position. The men compare themselves to other (hypothetical) men, i.e. Homo Economicus while Bryndís uses as a frame of reference a situation in the past, her upbringing. By doing so she is also consciously setting up an example for her children, as she wants them to grow up with the same frame of reference. To be content with what they have and not to expect that everything can be bought. She is teaching them to be financially responsible. Therefore, a difference is found in how women on the one hand and men on the other hand discuss their salaries, and also a difference between how women working for the City of Reykjavík and the women working in software firms discussed their salaries. Women working for the City of Reykjavík were more open to discuss their salaries than women working in the software firms. They know that their salaries are decided on by certain criteria that are transparent and open for discussion with others. The women working in the software firms found it more difficult to discuss their salaries, some hedged and what might trigger that response is the fact that they have signed an agreement stating that they will not discuss their salaries with a third party (at the time of interviewing Act on the equal status and equal

rights of women and men (no. 10/2008) had not been amended, people discussing their salaries with a third party were not protected by the law). Their salaries are not determined by clear, open to all, standards as within the City of Reykjavík.

Selma, who works in a software firm, has the same level of education as her partner, and they also do similar work. She has studied wage surveys conducted by her trade union, and she knows exactly what her partner earns and where he stands compared to others in a similar position: *“Looking at his period of employment, position within the company and size of company then he is right on average.”* I asked her about her own standing, after she had elaborated on her partner’s standing, and she said: *“Ah, I didn’t really look into it, I don’t quite know where I stand.”* Selma’s explanation is hardly plausible considering how extensively she is able to outline her partner’s position. Answering with an “ah” might indicate that one does not want to discuss the subject, that the subject is burdensome, even boring. In the Icelandic context it is a known discursive technique to answer with an “ah” if a child is asking a question you do not have the answer to (‘why is the sky blue?’). Instead of revealing your lack of knowledge you tell the child: “Ah, go and play.” Selma is knowledgeable on the subject but does not want to discuss it. The women working for the software firms were not very willing to discuss their salaries in relation to others in similar positions as they were afraid that the comparison would be disadvantageous and would possibly reveal some sorts of inequality.

Research on violence has illustrated that in order to survive in an abusive environment it is necessary to not perceive of oneself as a victim, but as someone who is in charge of the situation. Being a victim in an abusive environment weakens one’s survival skills. But once people are in a non-abusive environment they have a chance to look at their position in retrospect and see that they were in fact victimised (see for example Minde, 2007, and in an interview with Aslaksen, 2007). To be paid less than someone doing the same kind of work is a humiliating experience, possibly abusive and certainly illegal. Most people do not want to see themselves humiliated or be forced to face their humiliation, especially not when they’re in the humiliating or abusive setting. Discussing your salary with someone you suspect is getting paid more than you might place you into such a setting, the comparison is therefore avoided. Eyrún started her career as a systems analyst at a male dominated company:

I was the only girl at my former workplace and I think that they had this woman, this attitude, they felt I didn’t need to be paid more ... It’s an old well-established computer company, they paid, pay rather poorly and they’ve gotten a bit old, the men in charge. The company wasn’t doing too well at the time so they just kept my wages at a minimum.

Eyrún starts out by talking about gender based discrimination then switches her reasoning and mentions the financial state of the company, explaining why her wages were kept “at a minimum.” This suggests she feels ill at ease discussing the gender based discrimination she experienced. For some time now Eyrún has been working for a female dominated company; she believes she is not being discriminated against there and is therefore in a position to talk about her experience at her former place of work. The distance from the abusive and humiliating setting gives her social space to look at her experience in retrospect. However she is quick to excuse the behaviour of her former employers by referring to their old age. Eyrún is aware that she was being discriminated against but still had to battle with her conscience when offered another job as she explains, with a hint of sarcasm:

I naturally started working there when I hadn't finished my studies, and in order to gain some experience, and I thought naturally that I would get paid more after I finished my studies but that never happened; they raised my pay a bit but not as I expected ... I got paid 170 thousand a month but I was not about to go elsewhere ... It was a friend of mine, who previously worked here and they were recruiting ... She naturally called me and wanted me to apply and I was very hesitant, even if I was giving myself away, for all that I was very hesitant if I should leave them, if I could betray them like this, leave them.

She justifies to herself and the researcher why she settled for the salary in the beginning, she wanted “*to gain some experience*” – a similar discourse was found among the men, some settled for what they considered a low salary in order to gain a certain experience. Not expressed in the interviews with the men are the pangs of conscience she feels about leaving an unequal workplace: to “betray them”. What Eyrún is describing is in fact a variation of the ‘Stockholm Syndrome’; she describes her support for her former employers (abusers) reasons and behaviours (Carver, 2009). In summation, having a clear open to all standards helps women to accept their salaries while secrecy leaves women on their own when it comes to salaries and acceptance.

### Concluding remarks

Different discourses that women and men use or draw from to talk about their salaries have been discussed in the article. Men and women are not primarily Homo Economicus – rational economic beings. Gendered social life is more complex. Issues like power and lack of power play a large role. Interestingly the pay system inherent in capitalism seems to be taken as a given regarding the economic nature of people, i.e. people will work for the person who pays the highest salary. Men seem more exposed to the capitalist discourse of Homo Economicus than women; men measure themselves against Homo Economicus and have to justify to themselves why they are not in fact incarnations of Homo Economicus. Homo Economicus, intertwined with hegemonic masculinity in this historical and social context, is always present, demanding to be measured up against and calling for justifications from the men. For women the situation is somewhat different; they get paid less than the men and use other frames of reference. Men measuring up to Homo Economicus and women settling for what they have are empirical examples of Connell's (1987; Connell & Messerschmidt, 2005) concepts. Hegemonic masculinity means that at the top of the social hierarchy there are a few (ideal) men which all other men are supposed to measure up to. These men become the frame of reference. Women, however, because of their limited social power do not have such a frame of reference to measure up to, i.e. other women, they therefore comply to societies standards that value women less than men.

The gender pay gap is one of the most discussed equality issues in Iceland, maybe because it is easy to measure. It is nevertheless a contested issue. Some say that it's up to women to rise up and demand a higher pay, focusing on women more than the structural barriers. The data suggest that structural barriers play a larger role. Women working for the City of Reykjavík were more at ease discussing their salaries than the women working in the software firms. Women working for the City of Reykjavík have fairly easy access to all of the necessary information while the women working in the software firms do not have the same access. You cannot know what you are up against if you are kept in the dark; one may suspect, but evidence is not easily attainable. Given the circumstances, the

most rational thing to do is to settle for what you have. But the suspicion lingers, creating the discourses women draw from and their reluctance to discuss their salaries in relation to others (men) in the same position.

So what is to be done in the matter? Men are in a privileged position in the labour market; they are likely to get paid more than women in the same position just because they are men. What would happen if men faced this privileged position and showed women their pay checks? In 2008, a revised Act on the equal status and equal rights of women and men (no. 10) was passed; in the law the right of every individual to reveal their pay to a third party is stated. I encourage men to start discussing their pay with their female colleagues.



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