

<https://www.usnews.com/opinion/economic-intelligence/articles/2017-03-08/celebrate-american-womens-economic-freedom-on-international-womens-day>

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The 78-Cent Fallacy

*Antony Davies and James R. Harrigan*

March 8 is International Women's Day, but this year some [American women](#) have declared it also to be a day of protest called "A Day Without a Woman." They have asked that women everywhere abstain from performing both paid and unpaid labor, not go shopping except at women (and, oddly, minority) owned businesses, and that women, allies, and supporters wear red - which is perhaps unwise given the [socialist origins](#) of International Women's Day. This protest event is being launched by the very same people who gave us the [Women's March on Washington](#) in the days after the presidential inauguration, and therein lies the rub. The first protest was an unfocused affair. Participants seemed [not to agree](#) on what, exactly, was being protested. But that's understandable given the organic nature of the event. It began with a simple Facebook page created by a retired attorney, [Teresa Shook](#), and from there took on a life of its own.

But this new event, months in the planning, is built on the same amorphous foundation. And this time it will not be anything close to a spontaneous undertaking. Whereas the first protest seemed to be a catch-all for multiple, and sometimes conflicting, grievances, the second is no more focused. Because it can't be.

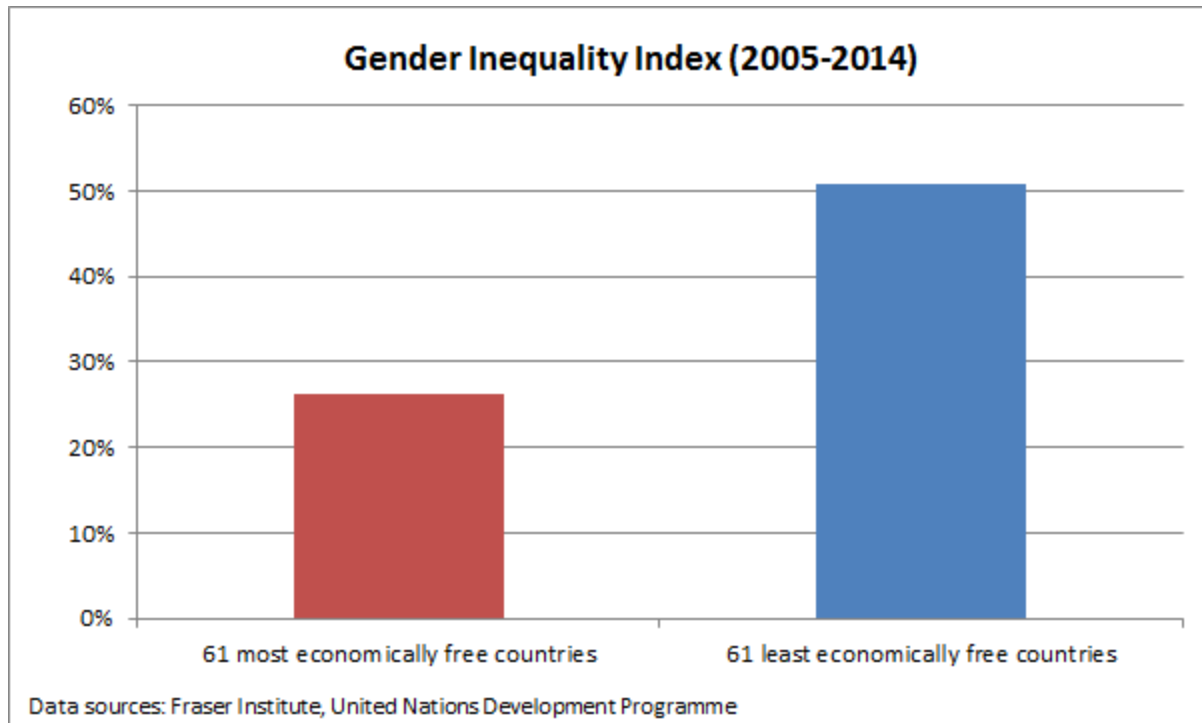
Why not? Because women in the United States have largely won their battle for gender equality. Women, for example, are able to make their own reproductive choices, own property, vote, serve in the military, divorce, hold public office, drive...as a matter of fact, by law they can do anything their male counterparts are able to do. Even points of contention take on a decidedly settled tone when examined with any care. Case in point: the 78 cent dollar.

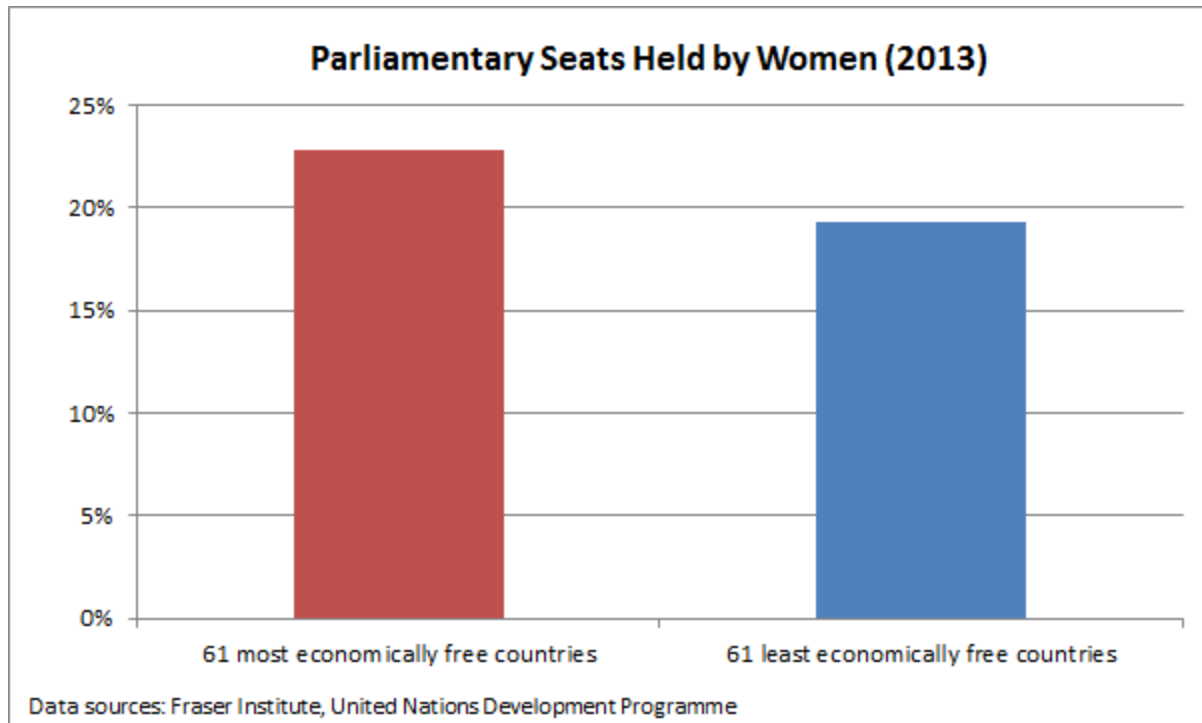
It is true that the average woman earns about 78 cents for every dollar earned by the average man. On this point there is no debate. Also undebatable, though, is that there are [perfectly good reasons](#) for this. The 78 cent dollar is actually not evidence that women suffer systematic discrimination; it is evidence that they are free. They can make their own choices, and in so doing direct their own lives. As a result, certain economic outcomes necessarily follow. When women decide what fields to enter, what jobs to take in those fields, how long to hold them, and what hours to work, they are compensated at market rates *within those chosen constraints*. It is not enough to ask whether women make 78 cents for every dollar a man makes, one also has to ask [why](#). The answer here is not about gender *per se*, it is about choice, because *men* in lower paying fields also make less than men in higher paying fields. Is there a more subtle form of gender discrimination in high schools and colleges by which women are encouraged to pursue less lucrative fields of study? Possibly, and that is a question worth pursuing. But it's a much more

nuanced question than the 78 cent fallacy. The fact is that women cannot be paid less for the same work. This has been true since the passage of the Equal Pay Act in 1963.

But good news doesn't get much press, because it has little shock value.

What might have some shock value, though, is the benefit of freedom to women more generally and throughout the world. It is *International Women's Day*, after all. Just because women in the United States have largely won their battle, doesn't mean that women everywhere have. And the single greatest thing that can make the lives of those women better is freedom. Here the data tell a remarkably consistent story. Women in countries that are more economically free have, according to the United Nations, a better quality of life, and a quality of life that is more equal to the males in those countries. Women in countries that are more economically free enjoy higher incomes, better educations, more positions of economic and political power, and even longer lives.





And this should provide some needed clarity to the Day Without a Woman. Individuals can rightly disagree about whether this day should address reproductive rights, the new American President, women's opportunities, or any of a nearly limitless list of other things. But what they should do, first and foremost, is celebrate freedom. For, the world over, women who live in more economically free societies live better lives, and nowhere is that more clear than in the United States. And in the United States, we should all be more inclined to celebrate every day with women. Because in much of the world, the victory largely won here is still only a dream.

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