

Economics of  
the Family and  
Family Policies

EDITED BY  
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# ECONOMICS OF THE FAMILY AND FAMILY POLICIES

*Edited by Inga Persson  
and Christina Jonung*

A selection of papers from the 15th Arne Ryde Symposium on  
“Economics of Gender and the Family,” in honor of Anna Bugge  
and Knut Wicksell



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# PREFACE

This volume contains a selection of the papers presented at the 15th Arne Ryde Symposium on “Economics of Gender and the Family”, held on August 18–19, 1995, at Rungsted in Denmark. Another selection of the papers presented at the symposium is published in an accompanying volume entitled *Women’s Work and Wages*. During two hot summer days, about 100 economists met to discuss about 40 papers in this rapidly expanding area of international research. We want to thank all the participants in the symposium for their contributions to the lively discussions that took place in the various sessions. We (and the authors) are particularly grateful to the appointed discussants who by their comments and insights helped improve the papers.

We also want to express our gratitude to the Arne Ryde Foundation for financing the symposium. Since 1973, the Foundation, established in memory of Arne Ryde, a promising young doctoral student in Economics at Lund University who died in a car accident, has generously supported international symposia and lectures as well as other professional activities arranged by the Department of Economics in Lund. This support has proved to be of great value for the economics profession in Sweden and, in particular, for the doctoral students and economists at the department in Lund. Professor Björn Thalberg, Chairman of the Board of the Arne Ryde Foundation, initiated the symposium and also, as a member of the organizing committee, saw it through from start to finish. We owe him many thanks for having contributed his vast experience.

Other crucial members of the team behind the symposium and this volume have been Kristian Bolin, Carole Gillis, Keith Persson and Ann-Charlotte Sahlin. Kristian Bolin helped us in planning the symposium and also acted as our consultant when the intricacies of game theory etc. threatened to overwhelm us. Carole Gillis worked hard at improving the English. Keith Persson spent part of what was supposed to be his summer vacation at the copying machine producing the conference volumes. Ann-Charlotte Sahlin, in her calm and efficient manner, took care of all practical arrangements and later also of getting the manuscripts into shape for publication.

## PREFACE

The Arne Ryde Symposium on “Economics of Gender and the Family” was held in honor of Anna Bugge and Knut Wicksell. The reasons for dedicating the symposium to them are explained in our short tale of “Anna and Knut” opening this volume. In their own way they were forerunners both in gender relations and in family economics. Their life story provided a source of inspiration and gave us a sense of continuity through the generations in our work with this project.

Inga Persson and Christina Jonung  
Lund, December 1996

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Anna and Knut



# ANNA AND KNUT

*Christina Jonung and Inga Persson*

The symposium on “Economics of Gender and the Family” in Rungsted, Denmark was dedicated to the world-famous Swedish economist Knut Wicksell (1851–1926) and his wife Anna Bugge (1862–1928). In this short contribution we wish to explain why we find they deserve such an acknowledgment by telling you the story of “Anna and Knut.”

Among economists Knut Wicksell is best known for his theoretical work in economics which established him as Sweden’s leading economist at the turn of the century. Paul Samuelson even ranks him alongside Adam Smith, Walras and Keynes. Knut Wicksell was Professor of Economics at Lund University between 1901 and 1916. However, it is not in his capacity as a prominent economist or a professor at our university that he was honored at this symposium. Knut Wicksell is honored as a forerunner and radical in the area of gender and the family and Anna Bugge is honored for being, in her own right, “a woman before her time.”

It may come as a surprise to many to hear that Knut Wicksell first became known to a wider public in Sweden through a fiercely feminist poem. At the Scandinavian student festivities at Uppsala University in 1878, he gave the traditional poetic “Address to Woman.” The poem, which in content departed radically from the traditional themes of women’s beauty and attractiveness, was widely published by Swedish newspapers, where it was highly commended, or accused of manifesting the “depraved spirit of the times.” Unfortunately the poem is only available in Swedish, but we will try to convey some of its ideas.

At this point in time Knut was not yet an economist: he was studying mathematics and physics at Uppsala University. Nevertheless the poem contains several themes that could be found in the sessions at Rungsted. After a few of the usual verses acclaiming Woman’s charming and gracious nature, the poet lets his first critical thesis burst upon his listeners: “Wealth is Woman’s true ornament.” So unjustly is society constructed that without that attribute, she will never win a respected position. If she inherits nothing from her parents, she will probably become just one more poverty-stricken seamstress, working hard to buy food for the morrow and ignored by all

honorable, wealthy admirers (Gårdlund 1996: 39). We recognize here a clear forerunner to Becker's theory of marriage!

The next verse introduces Wicksell's theory of gender wage differentials. He argues simply that since women have smaller appetites than men, men have wisely arranged things in such a way that the fruits of women's labors "in just proportion also should be small." As the sessions at the symposium illustrated, some further theories of gender wage differentials have been developed through time, but the smallness is still with us.

Another verse eloquently illustrates how unequal access to human capital shapes men's and women's future. Eventually Wicksell ends in a quieter and more hopeful tone. He looks forward to the day when the achievement of greater influence for women in society will create a different legal and moral climate; "a spirit as gentle as Woman herself would inform the law." The strong would then protect and the weak be protected. This theme is resounding among today's essentialist feminists. Marriage, which according to Wicksell at that time often meant slavery and the subordination of women, would also become a free and tender union between equal citizens. (Gårdlund 1996: 39)

In the following decade Knut Wicksell became one of Sweden's leading radical figures, through his neo-Malthusian ideas and his writings and public lectures against prostitution and in support of birth control, which was illegal at the time, and his proposals of freer forms of marriage and marriage at a younger age. Knut Wicksell's ideas were considered extremely provocative by his contemporaries. One young female student commented on his lectures in the following way: "His talk has caused a sensation, the like of which has not been seen for many years. He arouses admiration, astonishment, loathing, hate. He has stirred the passions of all" (Gårdlund 1996: 58). Hjalmar Branting, who was to become Sweden's first Social Democratic Prime Minister, said of him, "Together with Strindberg, Wicksell was a harbinger of revolution bringing the first tidings of change to the youth of the 1880s" (Gårdlund 1996: 58).

It was this controversial "harbinger of revolution" that 25-year-old Anna Bugge was to meet at a Scandinavian feminist meeting in Copenhagen in 1888. Knut had then reached the respectable age of 36 and had felt lonely and unhappy for many years. It should perhaps be added that Knut was a generally very mild-mannered, friendly and courteous revolutionary. A year before their first personal encounter, Anna had heard Knut give a lecture in Oslo in which he had criticized marriage on the grounds that under existing law, the husband had legal authority over his wife and children. He proposed instead a common-law marriage – a cohabitation where neither party had any legal claims on the other. This was in fact what he offered Anna when they met for the second time, in the summer of 1889 in Oslo.

But who was this young Norwegian woman who dared to flout all accepted



social conventions and become the close associate of the infamous Knut Wicksell, free thinker, subversive and apostle of immorality?<sup>1</sup>

When they met, Anna was already a public figure in her home country, despite her young age. Along with a few female friends, she had founded a private “gymnasium” and became the fifth Norwegian girl to take her “studentexam” and thereby gain entrance to the university. In her and her friends’ view, knowledge brought with it responsibility and they set up a debating society in order to learn to use their newly won knowledge in lectures and debates. In 1885 the society became part of the Norwegian Feminist Association, which was subsequently chaired by Anna Bugge. A few years later, Anna took part in the setting-up of the Norwegian Women’s Suffrage Association.

According to Anna herself: “There has never been a more fortunate group of individuals than the young people of the 1880s. This was the period when the great issues were under discussion and nothing barred our way” (Wicksell Nordqvist 1985). This belief in the future and the firm conviction that everything was possible provided that one worked for its achievement seems to have remained with Anna for the rest of her life.

The idea of a common-law marriage between equal partners must have been appealing to Anna. However, her radicalism was of a more quiet kind than that favored by the more outspoken Knut. Anna preferred to avoid conflicts and to work for long-term changes. To a greater extent than Knut she undoubtedly also understood the costs that a common-law marriage would impose upon themselves as well as upon their families.

However, a few weeks later Anna traveled to Paris in order to meet Knut and a week later she had moved into what became their joint home. Some time later, this event was announced in the Stockholm press under the heading “United.” With the help of Karl Staff (Knut’s friend and a lawyer and future liberal Prime Minister), they drew up and signed a marriage contract that established their mutual financial obligations (Wicksell Nordqvist 1985: 95). The content of the contract in English translation is reproduced here. It is quite a remarkable document; and not only for those interested in contract theories of marriage.

It would be seven years before Anna was to visit Norway and her family again.

At the start of their life together, Knut had still not become an economist. Although he had visited various European universities to study and attend lectures given by leading economists of the day, he had not yet produced any academic publications. The question may be asked whether there would have been as many, or indeed any at all, without Anna Bugge.

Anna made numerous contributions to their life together. First, she provided the stimulus, peace of mind and security that Knut had lacked for so long and without which he had been unable to undertake any systematic academic research. Second, she continually tried to steer Knut’s efforts