Rainer Bartel

Social economic issues in sexual orientation   where do we stand?

Abstract:

The paper gives a survey on recent economic contributions to the sexual orientation theme, where the prominent feature is discrimination against same-sex oriented people. Mainstream economics turns out to be too narrow an approach for capturing adequately the social conditions for same-sex oriented people. Reference is additionally made to neighbouring social disciplines to complete the picture as far as possible. Within the general theme, the following fields of interest have been elaborated on: (1) scope of research in terms of sexual orientation, (2) measurement of the life quality of same-sex oriented people, (3) particularity of same-sex partnerships in our society, (4) labour market and workplace circumstances for, and occupational characteristics of, same-sex oriented workers, (5) emergence and development of markets specifically intended to serve same-sex oriented customers, (6) political economic aspects of same-sex orientation with special consideration of social justice and (7) prospects for the economics and politics of same-sex orientation. In these areas, mainly the forms, causes, consequences of discrimination are discussed. In terms of economic efficiency and social justice, justifications for discrimination and arguments for anti-discrimination are brought forward. In the appendix, some documentary evidence is provided to illustrate the situation of same-sex oriented people in our society.

Contents:

"All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood ... All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination."
Universal Declaration of Human Rights adopted and proclaimed by the United Nation's General Assembly resolution 217 A (III) of 10 December 1948

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"There is not a single openly (out, avowed) homosexual prominent in the economics profession... The silence oppresses."
Deirdre McCloskey, 1995

1. On the quantitative and qualitative scope of LGB[1] economics

1.1. An introductory look at survey data on social sciences journal literature

Looking up the keywords sexual orientation, preference and practices in the Social Sciences Citation Index (SSCI) for the period 1996-98 has yielded 124 publications cited both in and from scientific journals over this period. Only four of them are economic articles, two of them from feminist and two from labour economics. These figures can be contrasted with the 7,557 articles that have been found in the SSCI 1996-98 under the keywords economic and economics (for details see the data appendix).

Table 1: Social sciences articles on issues in sexual orientation published and cited in journals, on average over 1996-98

(A.) Breakdown of articles in terms of sexual orientation, by disciplines

Disciplines	*Average number of citations per annum*	*As percentage*
Psychology, biology etc.	14.7	35.5
Health	8.3	20.2
Sexology	6.3	15.3
Sociology, pedagogy etc.	6.3	15.3
Law	3.7	8.9
Economics (thereof: half feminist, half labour ecs.)	1.3	3.2
Philosophy	0.7	1.6
TOTAL in terms of sexual orientation	41.3	100.0

[1] LGB is short for lesbian, gay and bisexual. The abbreviation LGBT also includes the word transgender(-ed), but in this paper we are confining our considerations to LGB persons, although transgendered people often face more and much severer problems in society.

(B.) Breakdown by sexual-orientation and non-sexual-orientation economics

Disciplines	*Average number of citations per annum*	*As percentage*
(a.) Economics dealing with sexual orientation	1.3	0.05
(b.) Economics NOT dealing with sexual orientation	2,519.0	*99.05*
(a.)+ (b.) Total economics	2,520.3	100.0
Relation between (b.) and (a.)	*(b.)/(a.)*	*(b.)/(a.) as percentage*
	1,829.5	6,099.3

Source: Social Sciences Citation Index 1996, 1997, 1998
Acknowledgement: The annual data are displayed in table A.1 in the appendix

The absolute numbers provided here are not reliable, because the SSCI does not comprise the entirety of social science publications (see the relatively numerous references dating from 1996-98 at the end of the paper); for example, by far not all publications are quoted and thus entered in the SSCI; moreover, books are basically ignored by the SSCI, but this might perhaps constitute a minor shortcoming, at least in terms of economics, where the more important and influential contributions have been published mostly in journals (and quoted from there) rather than in the form of seminal books. The structure of the SSCI-based sample, however, appears to be sufficiently explanatory. The fairly uneven distribution of the citations of articles about same-sex orientation across social sciences disciplines is depicted in section (A.) of table 1.[2] A biased distribution of can also be observed in section (B.) of table 1, where the economic citations are broken down into those that address questions of sexual orientation and those that do not do so.

The figures clearly reflect that in recent years economists have generally taken extremely little research interest in the issue of sexual orientation, as compared both to other social sciences disciplines and other topics in economics. Such a bias in research activity is confirmed by Badgett (1998) and Kauffman (1998) for longer-term ex-post periods. In view of practical experience from everyday life, this pattern of social research activities is *not* likely to be caused by the fact that sexual preferences are no longer a great problem with regard to individual wellbeing, social life and welfare.

Discrimination is evidently the most marked characteristic of LGB people in the social context. Referring to empirical studies, Knoll et al. (1997) contend that between 80 and 85 percent of lesbians and gays have experienced discrimination, irrespective of whether they live out as homosexuals or conceal their same-sex orientation in trying to pass as a heterosexual. For the latest record on discrimination by the national laws in EU member countries, ILGA Europe's report Equality for Lesbians and Gay Men (1998) must be highlighted, including Mark Bell's outline of EU anti-discrimination policy, Nico Beger's and Jackie Lewis' general account of the situation as well as individual country reports (also see table A.2 in the data appendix, a historical timetable of anti-discrimination legislation); specifically for the Austrian example, compare Krickler (1998) and section (3) of the text ap-

[2] What might perhaps also appear troublesome is the fact that the generally low interest of social sciences in sexual orientation has been comparatively lively, though, in disciplines such as psychology, psychiatry, bio-ethics and social biology, where inquiry in the causes and thus the potential "cures" of same-sex orientation is more probable than in the other social sciences. The focus on health issues is mainly caused by the HIV problem and endeavours of finding out differences in risky behaviour by sexual orientation, among other factors.

pendix, the catalogue of demands vis-à-vis the Austrian legislation. Looking at the U.S., Hardisty and Gluckman (1997) analyse the three waves of anti-homosexual campaigns organised by the right wing since the early 1970s.

So what explanation can be provided else for the small interest of social sciences in same-sex orientation and the discrimination based on it? This is the first question that is going to be answered in this paper. But first of all, we glance at the organisation of the paper.

1.2. Procedure for, and aim of, the paper

Generally, the treatment of issues of sexual orientation is based on welfare, feminist, labour, population, institutional and political economics, because these fields of research are rather closely related to the aspect of discrimination in economic and political life. This is also reflected by the paper that is organised as follows:

(1) In the rest of section 1, at first we generally explore the incentive structure for doing research, in order to explain the disincentive for research in tabooed subject matters, such as sexuality and sexual orientation. We continue by inquiring in the social economic dimensions of institutions and economic methodology as a particular kind of institution, with its conservative impact on the status quo in society.
(2) In section 2, we take up the current discussion about life-quality measurement led by feminist economics and use its ample literature for making transparent the adverse effects of discrimination on the basis of sexual orientation on individual wellbeing and social welfare. Finally we state some scientific and social requirements derived from the discussion.
(3) Starting from the impact of norms on social institutions, attitudes and outcomes, section 3 performs a comparative analysis of opposite-sex versus same-sex relationship in terms of social and regional structures (i.e., partnership characteristics, family networks in a wide sense and LGB agglomeration).
(4) Section 4 is devoted to labour relations, at first outlining the reasons for, and systematic causes of, discrimination against lesbian and gay employees. Based on that, we investigate the problems which these people face in their workplace relations as well as the resulting economic effects. The decision of whether to be out on the job or (try to) pass as a heterosexual is also considered. From this perspective, the occupational segregation of same-sex oriented employees is considered. Lately, the extension of domestic-partner benefits to LGB employees is brought to the fore.
(5) Our look on firms' reasoning about how to deal with their homosexual employees is continued in section 5 by raising the issue of whether lesbians and gays are a social group wealthy and large enough to be or become a target group for marketing strategies and to produce an impact large enough to change the broad public's attitude towards same-sex orientation.
(6) In section 6 basic considerations are made on the political dimension of the same-sex issue. The matter is dealt with in terms of the principles of freedom, justice and equality. The feasibility of satisfactory solutions in politics is also discussed.
(7) Section 7 sketches some perspectives of LGB economics, the social development for same-sex oriented people and prospects of LGB liberation politics.

(8) The considerations are concluded with a summary.

This paper aims at presenting the state of social economic knowledge on LGB issues and shedding more light on the importance of further research on the aspect of sexual orientation hitherto scarcely considered from the economic perspective.

1.3. Determining research and omitting tabooed research fields

The gradual change in the cultural and political context of same-sex orientation over the past three decades has basically opened up a large and interesting field of research, especially for empirically oriented social scientists (Klawitter 1998), certainly including economists. A particularly attractive challenge appears to be the question why and in what ways the social conditions still suppress and depress great parts of the same-sex oriented people, while openmindedness has been apparently spreading among ever larger parts of the population. It therefore seems interesting to find out why the topic's challenges have not yet been taken up by social economic science.

1.3.1. The individual rationality calculus

Looking at the process of creating social scientific knowledge, one can hypothesise that scientific progress is made on issues where scientists are personally inclined to elaborate on. But scientists are not individuals with given personal preferences that are independent from the social context; they are not just an input combination of human capital and labour. Scientists are also imbedded in societal structures which they want to comply with (Bartel 1994). This is why they are guided in their decisions on the supply of research activities by different kinds of factors, that is, personal and socially determined motives as well as objective conditions. Such determinants of research are

- quite personal sentiments (personal interest, fear, shame, hope, pleasure),
- general preferences in terms of the social imbeddedness (preferences for social integration in groups, accordance with the group norms and thus social harmony in their immediate environment) and eventually concrete motivations (the utility derived from meeting the explicit and implicit demands by their social environment) as well as
- the availability of data (Escoffier 1997) on the supply side and, not least and in close connection with the data situation,
- on the demand side, financial facilities that allow research in the areas preferred by the financiers.

Being aware of the interdependence of societal structures and individual inclinations, social scientists may very well desire not to touch upon issues that are tabooed (such as sexuality in general and same-sex orientation in particular) or declined (as an amorality, deviating behaviour or even sickness) by their social environment where they seek to receive personal esteem. Being heterosexual or non-heterosexual, they might easily desire to avoid being themselves suspected of any unwarranted attitude and being therefore discriminated against and socially excluded (Zuckerman and Simmon 1996, quoted from Bartlett 1999; also see paragraph 3.1.1.). Stigmatisation crowds researchers of any sexual preference out of the research field of same-sex orientation (Badgett and Hyman 1998, Klawitter 1998).

In such a way, gaps between the social usefulness and desirability (i.e., the merely notional collective demand for research) on the one hand and the individual supply that adapts to and reflects the effective (non-optimal) demand for social research on the other hand may be perpetuated systematically. In concrete terms, the collective demand for such socially useful research may lack for business-related and power-related reasons and discourages individual supply by researchers (Flynn 1999). There can even be a vicious circle that helps to make the problem endemic:

- The low research activity represents a foregone chance of timely and steadily collecting data (Kauffman 1998). This shifts future research projects into the domain of historians and impedes social research – notably in tabooed matters – through the difficulty of gaining the necessary data only ex post after records have been removed or lost and contemporary witnesses have deceased.
- By itself, the lack of scientific information on the subject tends to lessen the interest of the general public in issues of same-sex orientation and in research on it. Due to this fact, the problems caused by lack of information and, based on it, by unconscious, inconsiderate and irrational discrimination are not recognised as problems.
- In particular, Patterson (1998) shows that respective shortcomings of economic textbooks that ignore the aspect of gender, sexual orientation and identity are an essential part of the common lack of information.
- Such a deficiency is reinforced by the fact that great parts of the lesbians and gays conceal their sexual preference so that same-sex oriented lifestyle is largely invisible in the public. Therefore, they are falsely deemed to be an extremely small minority.
- Moreover, in the broad public as well as in some scientific circles, LGB people are considered to be a relatively educated and wealthy social group, though this view is still scientifically disputed (see paragraph 5.1.). That is why social scientists may very well believe they could neglect the phenomenon of same-sex orientation as being unproblematic (we shall consider the causality between economic wealth and individual wellbeing in paragraph 2.2).[3]
- Being typical human beings, even social scientists themselves may reinforce the in formation problem by their own prejudice or even hostile attitude against LGB people shared with still considerable parts of the population.

For all these reasons, it is difficult to achieve the critical mass necessary for substantial and successful research. This is why Klawitter (1998) calls for institutional support of research in sexual orientation by public authorities, for instance through LGB research projects and institutes, job offers destined for LGB research purposes and LGB persons, enrichment of current official statistics on an interview basis by the categories of sexual orientation and identity etc. Obviously, this deficiency represents a case of market failure (caused by socially distorted individual preferences for social research). The problem is to be overcome principally by political intervention, with government encouraging such research or providing it as a so-called "merit good".

[3] This double feature of surmised smallness and richness of lesbians and gays may account for the fact that – estimated in a very conservative way – minorities smaller than the LGB community have been much closer investigated in the U.S. (Kauffman 1998).

On the other hand, markets may operate efficiently in some parts of the economy and society: Once it is individually felt that it would be useful to neglect societal taboos, like diversity in sexual preference, and utilise such issues – for instance, for making profits by presenting same-sex partnership affirmatively in advertisements as an extraordinary, acceptable and accepted lifestyle (see paragraph 5.2. and the survey in section (1) in the text appendix) – a signal is created and might have an impact on research and thus speed up scientific and social progress as well.

1.3.2. The collective rationality calculus

Not touching upon tabooed issues may have not only an individual but also a collective rationale that is enforced by a sort of implicit contracts. As numerous other facets of social life, sexual relationships are taking place mostly within roles (especially see paragraph 3.3.2.).[4] As a role-embedded phenomenon, sexuality has been one important – though analytically neglected and politically underestimated – factor of sustaining power in society, namely on the micro level (in family and workplace relations) as well as on the macro level (under patriarchy and in Christian churches). In various fields of social reality, ranging from family to warfare, it has been frequently observed that issues from the causal compound of unachieved aims and frustration, unresolved disputes and undetermined governance, suppression and aggression are transmitted into sexual violence (Harten 1995). Such evidence clearly supports the proposition that sexuality is often made an instrument of forcible social structuring to achieve a social aim (Loewit 1999).

It may be concluded, that issues in the field of sexuality are left untouched not to challenge the structure of power and governance prevailing in a society. The status quo should not be affected by whatsoever in order to avoid uncertainty about how the system operates and what outcome can be expected. Institutional economics emphasises that it is common knowledge that a stable societal framework is a common benefit for the whole society in that it reduces uncertainty about the future and thereby the potential cost of becoming a looser of any institutional change the consequences of which cannot be foreseen with sufficient accurateness (Leibenstein 1976).

1.4. Institutionalised power challenged by same-sex orientation, research methodology and remanence of the social status quo

1.4.1. Institutions, power, norm-compliance and social position

Power in social, economic and political matters has always been directed at distributing and redistributing wellbeing among persons or groups. In such a context, power is mainly relevant and exercised in the form of an unnoticed and thus suc-

[4] Rhonda Gottlieb points in this respect to Shere Hite's study of female sexuality, as she treats "sexuality as the unit of both human biology and psychology imbedded in a political formation" (Gottlieb 1984, p. 143): "The importance of her work lies in the fact that Hite clearly views sexual pattern as social constructions. Her book not only sheds light on contemporary sexual practice, but works to direct the creation of noninstitutionalized sexuality" (Hite 1976, quoted from Gottlieb 1984, p. 143).

cessful introduction of institutions – that is norms, rules and relationships – which, once they have been reliably introduced, benefit the ones who had managed to anticipate the future redistributive effects of these institutions in the current economic and political bargaining (Mueller 1989).[5]

From such an institutional perspective, it is understandable that unconventional sexual orientation is deemed by conservatives as harmful to institutions such as the family, that is to say in the orthodox sense with a father (the patriarch), a mother and children, the labour relations marked by gender-codetermined hierarchies, the military as an instrument based on unscrupulous obedience[6] and hence the status quo in society.

Institutions in a society need not only be regarded idealistically as a means of creating or probably even maximising social welfare, but also realistically as a set of instruments of re-/distributing wellbeing interpersonally. On the one hand, institutions in a wide sense – that is reaching far beyond organisations and laws in including social norms, roles and implicit rules – set up the framework with which the players of the "big societal game" are contrasted and to which they are matched according to tendency. On the other hand, individuals differ in gifts, gender, (sexual) preferences and the like. Consequently, the opportunities of realising his or her proper quality of life is determined by the personal characteristics but also subject to the social framework: It is this very framework that renders the individuals their proper social position and lately their social identity (Barth 1999).

Summing up, there exist institutions (in a wide sense) as instruments of exercising structural power. The institutional instruments of power are typically available only for a certain part of society. This group is determined by individual characteristics in that they are contrasted with, and judged by, the social norms. Compliance with the given institutions decides on personal opportunities, because the institutions have been intentionally introduced for distributing utility quasi-automatically after the requirements of the institutional order (i.e., the determinants of welfare distribution) have been fixed by society. Many people may not even be conscious of such mechanisms operating below the surface of everyday interactions.

1.4.2. Economic methodology as a convenient, conservative and biased institution

Returning to economics, standard methods of analysis can also be regarded as social institutions. Assumptions for simplifying complex reality (i.e., premises for deductive reasoning) have to be unavoidably made for theorising as well as for empirical testing (Bartel 1994, 1997). The premises operate systematically in predetermining the range of potential outcomes that can be deduced from the model that has been specified subjectively (through personal assumptions and approaches) by the researcher (Davidson 1996).

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[5] "Uncertainty creates the potential to exercise power, information provides the capacity to do so" (Mueller 1989, p. 248).
[6] In analogy with same-sex orientation, can you imagine a male and a female army fighting each other with arms, eyeball to eyeball, despite of being potential sex partners or even victims in sexual terms? Of course, the argument does not hold true for the latest type of warfare where the opponents do not look into each others' faces as they only kill by using a monitor and joystick. The importance of personal relationships for decision-taking is highlighted by Bruno Frey (1993, p. 101).

Intentionally or not, any assumption made for the sake of abstracting from reality, reducing social complexity and making social reality operable for analysis is finally based on a value judgement.[7] Avoiding this disadvantage of axiomatic deduction has to be traded off against the disadvantage of inductive analysis, that is concluding from the specificity of a single case to the generality of the aggregate. The results of case studies fail to claim the generality that is so much desired by both producers and demanders of economic knowledge (Rousseas 1989).

In terms of analytical convenience, orthodox (mainstream) economics itself bears a strongly conservative character. It does so in presenting straightforward, rather easily and generally applicable economic concepts, such as those of price-determined supply and demand in any market, as axioms, that is, quasi-natural laws (Bartel 1997).[8] In such a modelling, human properties beyond those of the "Economic Human Being" (homo oeconomicus) as well as social structures, both of them being substantial characteristics of the social system, are ruled out as prominent determinants of economic and social outcome.[9] Sexuality in the field of tension between rational power exertion and emotional affection are not adequately covered by such an analytical procedure that resembles mechanical more than social processes. [10]

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[7] Regarding theory, Galbraith (1973, p. 7) stated that "we may observe, the error of economics is prejudicial", and in respect of empirical analysis, Eichner (1979, p. 49) suggests that "most of the empirical testing carried out so far has presumed the correctness of the orthodox theory“. In the end, concerning political aspect of economics, "modern, establishment social theorists are without any illusions about the ‘facts’ that are being dealt with and have, as a result, no grand design for changing them. Indeed, their primary role is to legitimate what is", Rousseas (1989, p. 387) puts it.

[8] "In economics and in the social sciences generally, the complexity and the historically changing character of the subject, connected with the involvement of variable human influences, make it impossible (a) to find eternally valid 'laws' and regularities, and (b) - more importantly - to carry out sufficient experiments, let alone controlled experiments. The stochastic and dynamic aspects of the subject permit only probabilistic statements with considerable uncertainty attached to them. 'Verification' and 'falsification' cease to be a clear-cut dichotomy and become fuzzy terms when it comes to an interpretation of hypotheses in the light of empirical material. Historical experience, plausibility and not least statistical conventions influence the question whether a given economist or the scientific community as a whole regard certain theoretical statements or structures (paradigms) still as tenable or not, in spite of the fact that they are sometimes 'falsified'" (Rothschild 1999).

[9] This fact has been fundamentally critisised by heterodox (Post-Keynesian) economists: "The discipline of economics has so far successfully resisted all efforts to alter its character as an exercise in how to reason deductively from axiomatic principles. That is, it has insisted on remaining the Euclidian geometry of the social sciences. This Cartesian position has not been without its advantage to economists themselves. They have been known to remark, 'We travel with a light tool kit.' By this, they mean that economic theorists have not had to burden themselves with factual detail. They have been content to reason a priori - and hence their preference for elegance over relevance. But for economics as a discipline, this has meant falling short of being a modern science. What is missing is the same standard for judging the validity of a theory that prevails among natural scientists. This is the criterion that a theory must not just avoid logical error but that it also must account for the full range of empirically observable phenomena – which, in the social context, consist of the real world's historical events“ (Eichner 1979a, pp. 172-173).

[10] "I have singled out neoclassical theory and particularly its show-piece 'General Equilibrium Theory', because it alone among all economic theories adheres - consciously or implicitly - to a more or less Popperian ideal of a 'true science' comparable to the more 'exact' natural sciences with *generally* valid axioms and 'laws' from which and *only* from which valid conclusions can be derived. This attitude is a birth-mark of neoclassical theory and stems from the ambition of one of its founders to elevate economics to the same high and prestigious status which natural science had achieved in the 18th and 19th century. This is apparent in Menger's rejection of the historical school as 'unscientific' because it lacks universal 'basic assumptions and shows up particularly clearly in Walras's tremendous achievement with his general equilibrium formulation which, as Mirowski has convinc-

Kauffman (1998) regards this methodical trait, together with the lack of data, to be the main cause of the comparatively few research that has been done on LGB topics, rather than the causes we have expounded upon in paragraph 1.3. Her argument runs that economic writings are only accepted for publication on condition that they comply with the mainstream analytical approaches (equilibrium concepts) and empirical (statistical) standards set in leading journals.

Both conditions mentioned by Kauffman (1998) are not easily met by studies in the field of same-sex orientation. First, equilibrium models with their analytical convenience based on economic calculus cannot be applied fruitfully to emotion-prone and institutionally predetermined (norm-based) social decisions. Second, tabooed topics are responsible for a data collection and hence data bases that are insufficient for meeting the standards of probability calculus and statistical inference. This is why mainly case studies are performed that do not reach the state of the art in analytical terms.

With regard to politics, mainstream economics has been criticised for being biased in that the established economic and social order is supported in the interest and service of the dominating groups in society ("non-neutral" economics: Galbraith 1973, p. 10)[11], irrespective of the social utility which the prevailing system yields. Viewed from this perspective, one is not puzzled by the following facts:

- Conservative gender economics disregards aspects of power and emotion[12], focusing on the rational economic calculus of marriage, procreation, household production etc. (see paragraph 3.3.).
- Only heterodox, largely feminist economics addresses the issue of sexual orientation (but interestingly, according to Gottlieb (1984), even feminist economics has not given due analytical credit to sexuality as a factor of governance and distribution of wellbeing among the sexes and by sexual orientation).
- Unconventional, broadly conceived gender economics have not succeeded by far as greatly as mainstream economics did (but unconventional economics might not have been misled that far, either); after all, mainstream economics has become known for its methodical imperialism towards neighbouring disciplines (e.g. political science) and even farther distant sciences (such as sociobiology)[13].

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ingly shown, was inspired by and modelled on the ideas and methods of mechanical physics" (Rothschild 1999).

[11] "Economics, so long it is thus taught, becomes, however unconsciously, part of an arrangement by which the citizen or student is kept from seeing how he is, or will be, governed“ (Galbraith 1973, p. 6). "Non-neutral" economics is even more troublesome when noticing the fact that people strongly believe in the objectivity and authority of science.

[12] "Classical economists' concern with population centered on the consequences and determinants of demographic growth. Matters relative to sexual intercourse, at first blush, may seem only marginally salient to the theme. Yet one consequence of the 'passion between the sexes' – the conception of children – plays a central role in determining population growth. How odd, then, that economists were so reluctant to direct their dispassionate, scientific gaze at issues of sexual rationality and self-interest. Many, though not all, were apparently influenced by prevailing social norms and religious doctrines" (Folbre, 1992, p. 109).

[13] Pointing to the decreasing efficiency of orthodox political economics in creating social knowledge increases, Bruno Frey brings the issue of economists' analytical narrow-mindedness and, at the same time, imperialist research to the fore: "The diminishing returns of the 'imperialist programmes' of economics applied to politics (and other areas) ... suggests that the time has come for a change in direction: In the future, the main emphasis should not lie on exporting economics but rather on *importing* aspects and insights from other broadly conceives social sciences" (Frey 1993, p. 99).

"It has been said that figures rule the world; maybe. I am quite sure that it is figures which show us whether it is being ruled well or badly."
Johann Wolfgang von Goethe, 1830

2. The measurement of social welfare and LGB persons' life quality

2.1. Basic measurement shortcomings

Social welfare is reasonably considered as the total of utility that is individually and collectively enjoyed in a society.[14] Despite this obvious insight and for simplicity reasons, the conventional way of measuring welfare is taking the per capita amount of the total real (i.e., deflated) income realised in the markets and captured by the tax-collecting administration. It is evident that the information yielded by real gross domestic product (GDP) in current official statistics can only serve as a crude proxy for the quality of life on the aggregate level, as those data disregard

- non-market achievements (raising children or social services provided by honorary assistants in non-profit organisations and self-help groups),
- qualitative, often subjectively felt components of wellbeing (the quality of social interactions, degree of personal freedom, humanity of technological and political development),
- distributive facts (equal chances of earning a fair share in total income, being socially integrated and receiving social esteem) as well as
- influences of the present system on future outcomes (i.e., the potential of social development on the basis of the currently prevailing social economic conditions).

2.2. Discriminated minorities and scientific and social requirements

2.2.1. Contributions to, and distribution of, outcomes, minorities and discrimination

Just by taking account but of household production (realised off markets) when revealing the relative contributions to economic welfare by gender, the picture may change dramatically and alter substantially the records of distributive fairness and justice[15]; and this issues is raised even when dealing merely with the pecuniary and not the qualitative (hard to measure) factors of the creation and distribution of wellbeing. Without doubt, the quantitative (pecuniary) aspect is an important one, but if, for simplicity reasons, our considerations on wellbeing hinge merely upon

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[14] Collective utility is achieved either from spill-overs from an individual's production (e.g. landscape maintenance through forest industry) or consumption activities (high-level culture through adults' education) or from the provision of goods from which, if provided, all people benefit in basically the same way, as no-one can effectively or at least efficiently be excluded from its use, e.g. the common amenity of non-partitioned social justice (absence of envy and remorse) and peace (absence of fear of social unrest and repression) and their beneficial impact on common economic performance and aggregate wealth.

[15] In concrete terms, a study ordered by the Austrian Ministry of Women's Affairs and presented in a press release on 5 Dec 1995 finds out that the relation of male to female contributions to gross domestic product changes from 2.05 to 0.60 when enlarging the production concept by household work. This result has to be contrasted with the revenue side where the relation of the men's to the women's share in national income earned officially in the markets is even 2.13.

the pecuniary perspective, one can be certain to miss an important component of wellbeing that has been underestimated and neglected just because of its problematic measurability.

For this very reason, issues might be debated while being based on a quite inadequate set of premises, as the following quotation illustrates fairly well: "Are homosexuals a 'disadvantaged' minority? You decide! Records show that even now, not even are gays not economically disadvantaged, they're actually one of the most affluent groups in America!" (Colorado for Family Values 1992). "This is not the profile of a group in need of special civil rights legislation in order to participate in the economy or to have an opportunity to hold a decent job. It is the profile of an elite" (testimony against the Employment Nondiscrimination Act in 1994; both texts have been quoted from Badgett 1997a, p. 65; beyond this section, further attention will be drawn to this subject-matter in paragraph 5.1.).

Based on the critique of the measurement of individual wellbeing and social welfare, it has been emphasised that much closer consideration than current official data on wealth allow for is required to make transparent, and eventually do away with, a potential discrimination on the grounds of gender and sexual orientation. This is why feminist economics has contributed, among others, to improving the measurement of wellbeing by extending it beyond the dissatisfying exploration of the aggregate data yielded by current national accounting. Ecological economics has also contributed its share, as the actual (not the hypothetical) defenders of the natural environment have always been a minority, compared with those wasting common natural resources and deteriorating environmental quality in fact, while simply demanding more protection of the environment.

When dealing with minorities that are institutionally discriminated against, such as same-sex oriented people, we best turn to feminist economics and base our considerations on it. The reason is, that a social minority need not be defined as a demographic minority; it rather may be regarded as a minority in terms of power for putting demands through and achieving economic, political and social aims. In this respect, women are a minority in our patriarchal society as homosexuals are (in a twofold respect) in a heterosexual world.[16] This is why one also has to ask oneself from the positive point of view (that is, the self-interest or group-interest oriented view as opposed to the normative social perspective of welfare policy) for the reasons why the usually employed measures and valuation methods are falling short of explanatory power. For in the end, if anything should be altered politically in terms of sexual roles, social power and welfare, the problems must be made visible in order to set appropriate targets, and the particular group interests have to be understood as a prerequisite for overcoming the obstacles to reform.

This is exactly where our reasoning on the social political impact of mainstream (i.e., neoclassical) economic analysis from paragraph 1.4.2. fits in and is continued: "So what explains the persistent enthusiasm for GDP as a measure of welfare rather than a measure of aggregate market production? ... it reflects more general affinities with the implicit assumptions of neoclassical economic theory reflected in the GDP measure – the measurable, quantifiable, readily observable is

[16] The pictures are very similar, in this respect. As for lesbians and gays, there is yet the additional burden of deciding on the tempting alternative to conceal one's same-sex orientation. We shall regard that in due course, later in this section.

preferred to the nonmeasurable, qualitative, unobservable; market activity (public) is deemed more valuable than household activity (private); universalizable concepts and measures are preferred to context-specific ones" (O'Hara 1999, p. 84). Contrary to that and in the light of the GDP-critique, social outcomes should be evaluated sophisticatedly instead of just measuring market outputs.

2.2.2. Multidimensional welfare, qualitative dimensions and social exclusion

We are now going to look from the normative perspective at the requirements for measures that should be able to indicate the particular welfare of people codetermined by their sexual orientation.

One approach by feminist economics has been developed in the field of measuring gender-specific poverty. Starting from the situation where a positive statistical correlation between female-headed households and income poverty incidence was suggested for most parts of the world, whereas this relationship was not observed in many Asian and African countries, income data were found out to be treacherous as a measure for poverty. Rather, poverty has been recognised as the deprivation of choices and opportunities most basic to human life. Being therefore a multidimensional phenomenon, poverty revelation also has to check the criterion of social exclusion – the inability to participate in the social life of the community. Interestingly, social exclusion does not depend substantially on income poverty. Conversely, social participation is an important nonmaterial factor of wellbeing that cannot be purchased for money (Fukuda-Parr 1999).[17]

This is why economic theory has come to be regarded unable to fully explain human poverty (and wellbeing, respectively), because it has disregarded social exclusion (and social participation, respectively). These findings are certainly relevant for evaluating the individual welfare (or better: "hellfare") of those lesbians and gays who are stigmatised by, and excluded from, their social environment. In addition, it seems promising to investigate the influence of social exclusion on individual and aggregate economic performance (this issue will be raised later in paragraph 4.2.).

What is more, qualitative aspects of social welfare should not only be included in the official census or other surveys. In connection with producing public goods – i.e., goods yielding common rather than individual utility (Varian 1999) – one should also try to incorporate qualitative factors in the economic models of decision-taking (and finally in real-world collective decision-taking). In the opinion of feminist economists, meeting this challenge requires a "humanisation" of the Economic Human Being (Aslaksen et al. 1999). In the opinion of this paper's author, however, this would require

- tearing down with the frontiers between the social sciences disciplines which seems impossible in view of the substantial differences in the categories of reasoning as well as in the methodological approaches and
- altering the societal system of social judgement, esteem and hence motivation – an attempt that also appears to be doomed in view of the individualistic and

[17] In interviews in African and Asian countries, people who had been asked for poor villagers happened to nominate women, among them even such with considerable income or economic wealth (Fukuda-Parr 1999).

competitive setting in contemporary society, an attempt failing in spite of the rise of Communitarianism (Honneth 1995) that is by its character largely restricted to theorising. We shall return to that issue when dealing with the political aspect in sections 6. and 7.

2.2.3. Non-acceptance and violation social needs

(a) The general view of social needs

Progress has been made in developing quality-of-life measures, being in line with the "needs theory" and based on the Abraham Maslow's material (economic) and immaterial (cultural) factors of motivation, dating back even to 1970: (1) physical needs, (2) safety needs, (3) affection and belonging needs and (4) esteem needs.

What is crucial to the concept of enlarging the economic through cultural elements of wellbeing is that the latter are subjective by character. This implies that revealing qualitative factors affords interviewing people from representative population samples that allow to catch

- the unsatisfied needs that are typical for the members of the different social groups (defined, inter alia, by gender and sexual preference),
- the options from which the members of such a group can choose or do not dispose of within the social circumstances to satisfy their needs and
- the particular, subjective perception of their situation and opportunities within the social setting (O'Hara 1999).[18]

(b) A specific view in terms of same-sex orientation

In terms of sexual orientation and, most importantly, discrimination against lesbians, gays and same-sex partnerships, cultural (immaterial) factors of wellbeing are crucial in that they reflect the social position in, and the degree of integration into, the social order which, in turn, determine the chances of meeting the economic (material) needs. This aspect that has been captured by labour economics is by far not the whole story.

Starting with a look at affection and belonging needs, it seems at the first sight that satisfying such desire is not restricted by society in a system that does not forbid same-sex relations by law. Broadening the perspective by including non-legal social norms and taking a closer look, one has to take account of the largely disapproving attitude of society toward same-sex relations and hence lesbians and gays. Such an attitude can be understood as an informal, even implicit social norm in the shape of a commonly held opinion, at least one that is held by some authoritative personalities of public life, prominent media or commentators, one's closer social environment or religious community and the like.

This is why an intra-individual conflict arises between the lesbian or gay individual's identification with, compliance with, integration into, and harmony within his or her social environment on the one hand and the acceptance of their own per-

[18] Such procedures were enhanced in the early nineties by the work of the economist and Nobel Prize winner Amartyra Sen (O'Hara 1999).

sonality in its entirety, including his or her unconventional sexual orientation as one important facet that is rejected by the group to which they belong. People who regard themselves as tolerant against lesbians and gays but who at the same time disapprove same-sex relationships often deny the existence of discrimination on the basis of sexual orientation.[19] As a solution for LGB people for escaping from social disapproval, they suggest that they should satisfy their affection and belonging needs within their (closed) sphere of privacy.[20]

Humans, however, are social beings. In a pluralist society, this entangles that an individual plays many roles and is therefore a member of a few social groups (workgroup, domestic community, hobby clubs, relatives, circles of friends etc.). Typically, the social interactions in one group are not strictly separable from those occurring in the other groups. Even more so, a group member's endeavour to isolate his or her interactions within one group from their interactions in, and information from, other groups (which is unusual) raises the other group members' attention and their suspicion of a non-conformist social behaviour. Such a suspicion or the knowledge about unconventional social (sexual) behaviour may substantially affect social esteem.

Additionally, the potential satisfaction received from a partnership cannot be fully realised if the same-sex partners (believe that they would) have to keep their relationship secretly in order to achieve social esteem. Such a "closeting" strategy – also called "'passing', that is, providing a facade of heterosexuality" (Escoffier 1975, quoted from Badgett and King 1997) – rules out living together and requires meeting in different, frequently changing places. The passing strategy intended to comply with the norms of common behaviour inevitably induces truly peculiar behaviour toward the groups which the same-sex partners are members of. Most importantly, this strategy produces a quite uncommon, even asocial and inhumane behavioural pattern within the partnership.

Another closeting strategy is to do without a partnership, perhaps even without sexual relations, or to content oneself just with anonymous, superficial, one-time sex contacts in secret meeting places for closeted gays. The latter sexual behaviour in the mostly dark meeting places ("cruising areas" such as parks at night) obviously bears an extraordinarily high risk of falling victim to a crime (Escoffier 1997) as well as being infected with the Human Immunodeficiency Virus (HI Virus), as it is difficult to handle a condom under such adverse circumstances.

Both the passing and the abstaining strategy affect the quality of life in that sexual relations ought to satisfy the longings for closeness, privacy, protection and bliss. Sexuality is also an urgently needed, most subtle form of human bondage and communication through an intimate kind of body language (Loewit 1999). Moreover, being closeted or abstinent usually bears cost in the form of not being promoted, because a closeted queer (concealed homosexual) does not take part in work-related social events or cannot play his or her heterosexual role convincingly. This is why psychical as well as economic costs accrue to closeted lesbians and gays (Badgett and King 1997; also see paragraph 4.2.). Escoffier (1997, p. 126) exemplifies illustratively the "high cost of double life".

[19] "Tolerance should actually be a transitory attitude: it must mead to acceptance. To tolerate means to insult" (Johann Wolfgang von Goethe).
[20] "Not the homosexual is perverse, but the society in which he or she lives" (Rosa von Praunheim).

This is why the affection and belonging needs and the esteem needs cannot be treated independently from each other, neither in theory nor in practice. There is a trade-off for lesbians and gays between these two components of wellbeing – a situation that also reduces social welfare on the aggregate level (see paragraph 6.2.3.). In the some cases, this kind of trade-off is of limited duration, though. As time goes by, the chance of giving credible reason for living on one's own, having no partnership, as well as the capability of carrying the burden of concealing a same-sex partnership decrease more and more. Meanwhile, the process of "coming out" – that is, the development towards greater self-respect, self-acceptance and self-assuredness – is progressing at a greater or lesser speed. In some cases, the consequent step of "going public" is "officially" made: passing, implicit information and supposition are substituted for explicit information through revelation or "living out". Finally, it will depend on the relation between the increase in utility induced by an unhindered satisfaction of the affection and belonging needs made possible by leading the unconventional partnership in a conventional way and the potential decrease in utility suffered from a loss of social esteem. [21]

Concerning the latter aspect, experience has proved that there is clearly a difference in social esteem for a homosexual when heterosexual people only surmise the same-sex orientation of their colleague, relative etc. or when they are informed about this property by the homosexuals themselves. This is why in many cases homosexuals prefer a permanent passing strategy, even when their social environment has become suspicious about, or subjectively certain of, the same-sex orientation of the respective person. For some cases, the passing strategy is continued even after the social environment has developed a pejorative and aggressive attitude against the surmised homosexual. In the last case, the safety needs cannot be satisfied, either.

People who are commonly supposed to have a same-sex preference and people who have not succeeded in being integrated in their social environment as a lesbian or gay, may suffer not only from a lack of satisfaction of their affection, belonging and esteem needs. They also lack satisfaction of their economic (physical, material) needs, if they are discriminated against in the labour market (see paragraph 4.2.) and social security system (see paragraph 3.1.). On the other hand, living in a same-sex partnership mostly brings about the advantage of a two-person household income and the lack of child expenses (we shall deal with the economic wealth aspect in paragraphs 5.1.).

2.2.4. Social position, quality of relationship and wellbeing

We now return to the question of how to value life quality and elicit the necessary information through interviews. It is evident that social groups are not homogeneous and that it is therefore difficult to picture the given situation in a representative and thus reliable way. This is why it is crucial to organise diligently what types of members of smaller social entities are to be interviewed in order to grasp the representative individual's subjective notion of wellbeing.

[21] "Life is delightful. One must only have the courage to lead one's own life." Peter Rossegger

The individual perception of welfare is likely to depend on the social position held, for instance in the family. Accounting for this possibility avoids the employment of the probably misleading concept of conventional family economics, that is, the fiction of the head of the family maximising the family's utility as an omniscient "benevolent dictator". Consequently, the family need not be the suitable level of interrogation (O'Hara 1999). This argument is extraordinarily valid in the case of members of a traditional family who (are still able to) conceal their same-sex preference, at a price that has to be paid : what is good for the family need not be good at all for him or her.

On the other hand, the quality-of-life valuation need not have to differentiate according to the position of the individual within an openly and freely led same-sex partnership: It has been suggested that such unconventional "families" are marked by behavioural patterns that are found to be mutually satisfying to *both* partners to a greater degree than in a heterosexual partnership. The wellbeing is supposed to be comparatively more balanced between the same-sex partners because they are not (and even if so through role imitation, not so much) subject to conventional role behaviour that reflects the governance of patriarchs that is common in our society (Gottlieb 1984).

Structural economics puts much emphasis on specific details not only about the chosen technologies but also the social relationships. From the structural point of view, Duchin and Sinha (1999, p. 125) contend that "these features are readily described within the framework of social accounting, provided that relevant categories of households, workers, and economic activities are used. The taxonomy can be devised in ways that reveal systematic differences in the roles of different social groups (...) and the associated economic and social outcomes."

2.2.5. Economic distribution, social equality, integration and sustainability

(a) Economic equality and wealth

Regarding social positioning and wellbeing, one should also direct attention at the aggregate level, concerning the relative deviations of social positions in a community and their consequences for social (instead of individual) welfare. Economics has been debating on this issue largely in terms of economic efficiency, to be precise, the effect of distribution on the long-tern growth rate of real income (GDP). The fundamental notion of utility increasing with disposable income by less than one by one, that is, by a positive but decreasing amount, with the gap between income and utility widening more than proportionately, has clarified the requirement of a progressive tax rate on personal incomes. But even this notion of just redistribution has been weakening since the liberalist views started triumphing (note the flat-tax debate).

What is dominating in mainstream economic theory is the notion that high incomes provide predominantly incentives to work and save. It is held that a substantial, progressive redistribution and a rather equal distribution of income and wealth is incentive-incompatible and hence detrimental to economic performance on the individual and aggregate level and to the long-term growth of income and wealth. Most economists are not even much troubled by the fact that, on the other hand, empirical records do not support theory but point to a positive, if any, relationship between economic equality and growth. Heterodox theory still has to make up for this explanatory lack in orthodox theory. Let us therefore consider approaches other than economics.

(b) Social equality and welfare

Social research beyond the economics field has introduced a concept that is wider than economic equality: Social equality is to serve as a better criterion of life quality. Based on the GDP-critique (see the beginning of this section) and contributions by ecological economics, the concept of "sustainable community development" has been established, with ecological integrity, human health, longer-term economic viability and social equality as its integrative pillars. In this context, health is employed as a wide concept, as health is said to be indicated by signs as the following: people greet each other and respond to greetings, caring neighbours, service organisations working together and so on. In terms of social equality, it is held that the "more equitable the benefits of social and economic development are distributed among people, the better the health of the general popuplation will be, and the higher will be the quality of life of the whole community" (Wismer 1999, p. 110).

From this very concept that attributes social health and equality a positive role for a sustainable community development one can conclude that social integration of LGB people at least enhances social (i.e., aggregate) welfare, if it is not even a prerequisite for sustainable social development, although some people may find same-sex orientation unacceptable, immoral or even disgusting from their proper cultural perception of basic values and (limited) personal freedom (Barth 1999). From an economist's perspective, this means that so-called positive external benefits (Varian 1999, chp. 32) are supposed to exist that are produced by social integration (or equality). This is to say that aggregate (or social) utility created by social integration goes beyond the individual (or private) utility of all those LGB people who have been benefiting from being integrated. The difference between the social and the private is the external utility. Such a positive external effect is reinforced by a supposed interrelationship operating in both directions, as the "capacity for individual health is largely dependent on community quality of life" (Wismer 1999, p. 110).

2.2.6. State-of-the-community reports, discrimination and anti-discrimination

In 1998, the Swedish national gay and lesbian organisation conducted an inquiry that likens the state-of-the-community reports suggested by Widmer (1999).[22] On the basis of several criteria, they scrutinised the friendliness of communities towards lesbians and gays. As a result, they produced a ranking of larger Swedish municipalities. Such a project not only makes transparent the more or less dissatisfying living conditions of LGB people but may also serve as an incentive for not

[22] A state-of-the-community report may answer questions such as the following: "Create more opportunities for friendly interaction and neighborly support among people... Encourage all those affected, including people often left out, to participate in making decisions that affect them? Increase people's capacity to choose what's best for them?" (Wismer 1999, p. 111).

so well performing communities to improve. In well-performing communities, the result serves as a mediate but encouraging signal of the local society represented by the municipal government and administration towards its LGB citizens that furthers social integration.

As an immediate political signal, in 1996, the municipal parliament of Bludenz, a small town in the tiny, mainly conservative West Austrian province Vorarlberg, issued a so-called declaration of tolerance, stating its political will of non-discrimination. For this step, the town was awarded that year's Pink Triangle Prize by the Austrian Lesbian and Gay Forum.

In contrast to that, in 1998, the municipal parliament of Linz, the third-largest town in Austria and the industrial, cultural and administrative centre of the province Upper Austria, did not adopt the "Linz Resolution on Justice and Equal Treatment" that would have strictly renounced discrimination in general and on the basis of sexual orientation in particular. It is likely that compliance with implicit social norms and the supposed voters' will have been the true motives of the conservatives to decline the motion, although the officially given reasons were the absence of discrimination in Linz and the legal competency of the central government.

The failure of this motion, especially the absence of discrimination that was given as an official reason for voting against the resolution, serves as a good example of the need for analytically more powerful inquiries in the manifold living conditions and hence the life quality, without omitting the specific wellbeing of certain social groups. For, admittedly, the usual quantitative income-per-capita measures indicate that the citizens of Linz are among the richest (happiest?) in Austria and one of the best-employed in Europe.

Moreover, the concept of the state-of-the-community report clearly emphasises that "local government has an important role to play in determining the quality of life of communities". This implies for the case of Linz that politicians must not tolerate the illiberal, intolerant, discriminating and inhumane attitude still prevailing in large parts of the population. Instead, from the point of view of statesmanship and welfare politics, it would be required to actively countervail such phenomena by issuing information, explicitly declaring the political will for anti-discrimination and taking all the legislative and administrative measures possible that support the abolishment of factual discrimination in direct and indirect ways.

2.2.7. Cross-section analysis, cultural relativity and explanatory power

(a) Valuation, values and standards of self-value

When performing cross-regional or, more generally, cross-section valuations comparing the quality of life, the anthropological argument of cultural relativity has to be heeded. This is particularly valid for comparisons of lesbians' and gays' life quality among social environments that are different by the commonly prevailing attitude towards same-sex relations.[23] Using uniform, undifferentiated measures

[23] Characteristically different regions may be very distant from one another, such as Afghanistan and Denmark, but also very close, like Amsterdam and Volendam, or even adjacent, as in the case of a small rural community neighbouring a larger town.

across cultures, measurement results may falsely indicate identical welfare (Wilk 1999).

This can be due to different reasons:
- People differ culturally by *basic values*: "What is widely regarded as good, desirable, forbidden, or disgusting varies among different populations" (Barth 1999, p. 96).
- In addition, there are cultural differences in a group's or region's conception of basic concepts such as "self and *standards of self-value*: Everywhere, the quality of a person's life depends on one's ability to think well of oneself. But what is needed for a person to be able to experience self-value – i.e., how self-images are indeed constructed and judged – varies profoundly between populations. Acts that count as signal achievements in one population may cause shame, or revulsion, in another; and the conceptual dimensions of achievement, or shame, are themselves cultural constructs in highly variable form and salience" (Barth 1999, p. 96).

(b) The relativity of the concept of culture

Generally speaking, cross-section measures of life quality can be limited in their analytical power by substantial cultural differences. Beyond that, constructing even broadly conceived, variably applicable valuation concepts that comprise various (incommensurate) measures of quantitative and qualitative character requires decisions about selecting those measures and attributing them a certain relative importance (at least when finally interpreting their results).[24]

2.2.8. Uncommon people, unusual evaluation concepts and research requirements

What is criticised with respect to the proper conduct of surveys is that the design of the interrogation and measurement concept is often made by experts who do not know from their own personal experience the specific social conditions for the different types of interviewees (O'Hara 1999). Here the argument comes in again that such a design may be made intentionally with regard to the (desired) range of potential outcomes. On the premise of a patriarchal and heterosexual social order, it is concluded that discrimination against women and homosexuals is – consciously or not – perpetuated by the very methodology of empirical research. Instead, participatory research design and "discourse-based reflections of citizen preferences" (O'Hara 1999, p. 86) are demanded, preferring complexity to reducibility of information (compare our considerations on analytical convenience and the choice of methods in paragraph 1.3.).

Measures should be based on interviews that, in turn, are founded on subjective questioning categories that allow to catch the interviewees' individual perceptions in the light of their personal value judgements (Naess 1999). If this requirement is

[24] "... the idea of indicators is a flawed construct. Objectified cross-cultural comparisons presuppose a view from nowhere, a God's-eye perspective from no real-life position. But quality of life must be, in its bases, an experimental and subjective magnitude; and comparisons will therefore always be perspectivbal" (Barth 1999, p. 97).

not met, the need for improving LGB people's living conditions can be made neither visible nor understood or even supported.

As it is surmised that different disciplines with their proper knowledge systems produce different biases of outcomes, it is suggested to make use of these discrepancies (O'Hara 1999). Kurt Rothschild (1993) made it clear that economics is a methodology only apt for the strictly economic aspects of social life and that broadly conceived analytical endeavour has therefore to rely on a multidisciplinary strategy.[25] As such, economics – at least mainstream economics – is a discipline that is not very apt for making further contributions to the measurement of the quality of life.

This is especially true for those people who, by their personal properties, do not match the social scheme designed by society for its "normal", that is typical, members and who therefore most likely do not fit into the fiction of the representative citizen or household on which the explanative power of the current, conventional economic measures depends. So it is not by chance that, by and large, quality-of-life measures have been developed independently from economic indicators and that economics has to be integrated yet in the bulk of non-economic research on wellbeing.

Flynn (1999) maintains that it is particularly feminist economics that is ready for, and successful in, establishing co-operation between economists and other social scientists and that it can achieve the integration of social sciences in the field of quality-of-life-research. This has been admittedly tried; only, ecological (and perhaps radical) economics has to be added to this list, but this strand of economics has its own problem of being recognised by the mainstream environmental economists as an economic discipline (Bartel 1997).

[25] The quest for interdisciplinary research has so far failed for the reason of the proper characteristics of the different social sciences, but perhaps heterodox economics will succeed some day. In the same way, the individual utility-maximising behaviour of the representative individual is likely to exclude optimal social solutions in the various fields of economic decision-taking as long as government does not succeed in modifying the social incentive schemes (see below).

"Family is where loving and caring partners live together."
Austrian minister of women's affairs, Barbara Prammer, addressing the ILGA European Conference in Linz on 21 October 1998

3. Special characteristics of same-sex families

3.1. Morals, non-/marriage and social outcomes

3.1.1. The impact of religiousness and chauvinism on government's social politics

Same-sex couples are discriminated not only against married couples but, in most countries, also against heterosexual couples living in concubinage. Even in present-day society, that is, in a basically liberalistic system in which churches and the state ought to be clearly separated from each other, we still observe that, in fact, a nimbus, a normative character, is associated with church wedding and even with the secular form of marriage. It is peculiar, indeed, that the close institutional and mental intertwinement between the enlighted state and a country's major church has been producing an informal impact on secular life (a fact that is heavily criticised in Christian countries with regard to Islamic society).

The influence of the (Roman Catholic) church is strong enough to offer people certain legal opportunities, demands and benefits only on the condition of secular marriage (for the illustrative 1982 incident in San Francisco, see Anderson (1997)).[26] This means that the criterion for conceding (generally speaking) a benefit to someone is not determined by the social aim that ought to be achieved through a social political institution. Most importantly, it can be analysed that an input of (secular) government policy in a humane society has been made dependent on a moralising criterion that must be regarded, in scientific terms, as neither a necessary nor a sufficient condition for achieving the desired social outcome, that is, a satisfyingly functioning social organisation unit, such as a good partnership (a family in a wide sense).[27]

[26] Even more so, in a complementary way, moralisation produces social exclusion. Its effects, operating via negative external effects (in analogy with positive externalities, see paragraph 2.2.5.), cause much more social cost than the mere exclusion from opportunities and benefits by law. "It is not enough to recite that the bloodiest hate crime appear to be linked to the Levitical teaching about abomination, teaching which is carried out explicitly or implicitly by almost all churches which, *at best*, merely tolerate those lesbigayers who adopt the pose of synthetic straight (i.e., desiring 'marriage' and all the other trimmings of liberal respectability we have inherited)" (Cornwall 1989, p. 74).
Sometimes religious extremists confess that it is the reign of God (i.e., the prevalence of his rules) on earth in a quite profane way that is aspired and thriven for: Amendment 2 to the Colorado constitution that principally denies civil rights to LGB people "is about authority... It's about whose authority takes precedence in the society in which we live... Is it the authority of God? ... You see we say we should have the separation of the church and state, but you see, Jesus Christ is the King of Kings and the Lord of Lords. That is politics; that is rule; that is authority" (Tebedo 1992, quoted from Hardisty and Gluckman 1997, p. 217).

[27] "... intellectual generalities are always interesting, but generalities in morals mean absolutely nothing." Oscar Wilde, in: A Woman of No Importance.

3.1.2. Critiques of the moralist impact on secular politics and policy-making

Critical social scientists, in the economics sphere mainly feminist economists, look at that issue from the positive (as opposed to the normative) point of view, hypothesising marriage to be an institution unofficially intended to support patriarchy and preserve the social status quo. Such an approach can also make reference to the nationalistic power politics through procreation and population growth as well as racist politics preventing foreigners from immigrating (and clearing population imbalances), increasing the home population and mixing up with residents.

From the normative perspective of economics (welfare economics and social policy implications), social outcomes are striven for via so-called strategic factors – or, equivalently, intermediate aims – on which policy makers, acting as altruistic social planners ("benevolent dictators"), hopefully rely. Even if the quality of social outcomes (the achievement of social aims / intermediate factors) cannot be measured exactly and proxy variables have to be used, it has to be clarified that the criterion of marriage is obviously a poor and misleading one, because it is, on the one hand, much too simple for a catch-all variable and, on the other hand, not to the point, because means (inputs) are being confounded with ends (outputs).[28]

In this connection, two issues are of interest: First, what are the specific properties of same-sex relationships as families in a wide sense (see the quotation heading this section on the preceding page), as compared to the narrower concept of the traditional family consisting of a father and a mother – mostly married with each other – and at least one child? Second, using this terminology, what are the dimensions of the discrimination of wide-sense against narrow-sense families?[29] But before we deal with those issues, a much more general aspect has to be raised: How do heterosexual people basically perceive non-heterosexual people and consequently a same-sex partnership?

3.2. The perception of partnerships as microforms of social organisation

3.2.1.Reiteration and judgements

Richard Cornwall (1998, pp. 73-74) points out the significance of a phenomenon called "discursive structure" which he describes "as a mental structuring of concepts, each of which has an 'aroma' of connotations, where these concepts are linked via physically developed neurological channels which guide, often in a probabilistic and certainly in a nonconscious way..., how we make inferences about what is 'true'... In short, discursive structures are (largely) linguistic cognitive structures which develop as we learn to understand, to map, our social embeddedness".

[28] In Austria, for instance, it has been estimated that in around nine of ten cases of sexually abusing children the offender is a member of the family (in its traditional concept).
[29] In Austria, a study is currently being undertaken that aims at evaluating the costs of allowing same-sex couple to marry and benefit from the legal demands associated with matrimonial status. Though interesting, the resulting figures are just a non-achieved lower limit of the social damage caused by the discrimination from the social institution of marriage.

The discursive-structure approach is a notion of how concepts, such as otherness and abjection, are perceived. They are interpreted not per se in an objective way, but in the particular social context through which the discursive structures have been formed and social institutions, such as marriage, are determined.

In order to make use of discursive structures, introduce more of them – such a practice of "producing that what it names" is called a "performative" – and make them credibly and thus reliably, they have just to be reiterated. What has been repeated often enough is, in the end, regarded as a fact, its reiteration has been institutionalised, and its 'truth' and importance are perpetuated. Judgements have been created.

3.2.2. Performatives and social identities

In our case, such performatives might run: the proper place of sexuality is in marriage, and: I pronounce you man and wife. That performative has created and has been maintaining a discursive structure around the concepts gender, sex, sexual orientation and marriage – a discursive structure which, in turn,

- has assigned sex and gender roles,
- has created and has been maintaining the social institution of heterosexual wedding,
- has prompted government to grant benefits of all kinds (material and non-material) exclusively to married families and, as a result,
- has founded the discrimination against all other types of sexual and concubinary relationships.

In such a way, social identities (institutions in a wide sense) have been defined: They have been introduced by performatives and institutionalised. The long-term effect of performatives is based on the operation of the discursive (i.e., lingual and mental) structures created by the reiteration of the performatives. The discursive structures purport the normative character of the social identities and, as an offspring, typical institutions, such as marriage. Cornwall (1998) even regards this approach to be the essence of what he calls queer (lesbian and gay) theory.

3.2.3. Homophobia and queer liberation

As an example, Michel Foucault (1978, p. 105, quoted from Cornwall 1998, p. 76) identifies a "psychiatrization of perverse pleasure: the sexual instinct was isolated as a separate biological and psychical instinct; a clinical analysis was made of all the forms of anomalies by which it could be afflicted". This hypothesis is in line with propositions that there is nothing like a sharp dichotomy in terms of opposite-sex and same-sex orientation and that people with their socially determined identities try to protect themselves against non-compliance in heeding the discursive structures (rules of social language) that prescribe what one can think, what one may or must not say and what one has to just tolerate or even despise. This proposition (probably among others) gives a reason for homophobia.

In the course of social development, however, the social language can be altered, as the lesbian and gay movement has demonstrated. The mental categories, the social language and consequently also the concept of what lesbian and gay is (deemed to be) changes over time, when the historical context changes and new performatives are created and introduced.

In the earlier 20th century, the change toward consumerism also entailed a new view of sexuality, expressed by a shift away from the sake of procreation toward that of pleasure (being supported by increasingly accepted and convenient means of birth control). This would have fostered the destigmatisation of homosexuals (deemed vile for being non-procreative but pleasure-oriented) and the lesbian and gay liberation, if it had not been for medicine that pathologised same-sex relations (the World Health Organisation considered homosexuality a mental disease and same-sex relations as deviant sexual behaviour, even for more than four fifths of our century). Especially those gays who adopted the gender and sex role opposite to the conventional male role, were stigmatised, as sexuality was strictly associated with marriage and heterosexual intercourse, also for economic and power-related reasons (compare paragraph 3.3.2.).

Nonetheless, lesbians and gays have succeeded in establishing a proper homosexual culture. The growing dissatisfaction with the strict norms and rules of sexuality in parts of the heterosexual population supported homosexuality in being finally regarded, though being far from broad acceptance, as an identity, an emancipated, individualistic way of life. Despite non-acceptance and even because of suppression, the latest and apparently most successful upswing of queer pride, self-assuredness and liberation occurred in New York City in 1969, when after a vexatious police raid of the gay bar Stonewall in Christopher Street, Greenwich Village, a three days' rebellion broke out. Finally, the spirit of Stonewall and Christopher Street has spread around the world, strengthened queer pride and solidarity, entailed an out-of-the-closet movement and speeded up the queer liberation movement (Matthaei 1995).

The constructionist view of (endogenous) social development is a kind of obstacle to mainstream economic analysing, as economists are keen on relying on clear-cut definitions and exogenous structural data without or only with distinctly discernible structural breaks. On the other hand, the alterability of lingual and mental structures gives the LGB movement's information and lobbyist policies a chance of success and an appealing perspective. Such a development may be reinforced by the suggested interplay between discursive systems and the markets – a field in which economic research is still waiting to be done (Cornwall 1998).

3.3. Opposite-sex versus same-sex partnership in comparative analysis

3.3.1. The basic economic view and its bias

From the sociological perspective as well as from the authentic experience of same-sex partners, it has been stressed that a substantial characteristic of same-sex partnerships per se – i.e., apart from their being discriminated against – is that they are, in principle, "equal and symmetrical relationships" (Matthaei 1998, p. 86).

Contrarily, mainstream economists – who are either heterosexual or socially determined in their attitude of mind by heterosexual discursive structures (see also paragraph 3.1.3.) – characterise same-sex partnerships quite differently, from their own personal perspective that deviates from the one of non-heterosexuals (Badgett 1997), namely

- looking at the matter from an outsider's perspective, being handicapped by the lack or unable to make use of personal experience,
- without much capacity for projecting oneself into the mind, social situation and feeling of same-sex oriented partners,
- using and overstressing or even abusing the analogy of personal relationships with market relations and
- confining the analysis of agents and social interactions to an emotionless economic calculus,

as the following quotation may suggest:

"Homosexual unions do not result in children, and generally they have a less extensive division of labor and less marital-specific capital than heterosexual marriages. Moreover, the opprobrium attached to homosexuality has raised the cost of search to homosexuals and thereby has reduced the information available to them. Furthermore, homosexual unions, like trial marriages, can dissolve without legal adversary proceedings, alimony, or child support payments" (Becker 1981, quoted from Patterson 1998, p. 69). [30]

Moreover, the prevalence of the discriminatory status quo is simply assumed for analysis, without considering alternatives and exploring the opportunities of improving the conditions of LGB people towards an equalisation of rights and chances. Such an improvement could be relatively easily supported and enacted, at least in theoretical terms. This point of critique refers to the issue of social responsibility of those researchers who try or pretend to refrain from making normative statements, though the merely positive analysis (in an epistemological sense) may implicitly express, or be interpreted as, a value judgement in terms of sexual orientation.

3.3.2. Gender and the division of labour

(a) A n i n t e r d e p e n d e n c e

The same erroneous, biased conduct of analysis can be detected in the fact of neglecting or assuming away the negative aspects of social "normality" and normativity in the study of a heterosexual environment and its comparative analysis with same-sex oriented forms social organisation: Persistent sexism, wage inequality, women's believe in the need of husbands in order to be able to parent, homophobia, analytical reliance on "marriage markets" etc. are accepted without being questioned and challenged. Rather, they use the concept of "... heterosexual men who are loving, hard-working, faithful and even remotely feminist...." (Matthaei 1998, p. 87).

In the context of such a distribution of gender in a partnership – that is, 100 percent male and 100 percent female and no same-sex orientation – plus the special assumption of gender-specific comparative advantages that are something like "god-given" (Matthaei 1997, p. 138), one can easily predict (in analogy with foreign

[30] For examples of this analytical style see Gary S. Becker (1981) and Richard Posner (1992).

trade theory) a household's utility maximum that is associated with a strict division of labour among female household production and male market production (Becker 1981). In such a conservative, mainstream economic modelling, the fiction of a household is a monolithic, autocratic, solely economics-prone and exclusively rational decision-taking unit.

However, there are socialist-feminist economists (e.g. Matthaei 1997) who adopt the opposite view: "Marxist-feminist theory has focused on the institution of heterosexuality as key to patriarchy; it has shown how the sexual division of labor, and in particular the exclusion of women from high-paying jobs, has forced women into unequal marriages with men, including the provision of unpaid domestic labor to their husbands" (Matthaei 1995, p. 2). Such critical and structure-oriented approaches explain "class as the ongoing production of social relations structured through the division of labor, rather than simply as class background". Marxist-feminist economists develop view "that also comprehends the significance of lesbian identity as a historical construct affecting social relations in lesbian institutions" (Weston and Rofel, 1997, p. 25).

By help of the historical examples of the beginning and end of World War II as radical structural breaks in a system explained as a Marxist-type of class system, Matthaei (1995, pp. 24-25) makes it clear that unimaginably huge class interests were at stake at the end of that war, thereby explaining the reasons for witch-hunts for communists (explainable from the traditional viewpoint of class) as well as for lesbians and gays (explainable from the novel notion of class): "If World War II exerted major pressures against the traditional sexual division of labor and toward women's paid employment, lesbianism and male homosexuality, the immediate post-war period brought a major backlash aimed at reversing all of these trends. As historian Allan Berube describes: 'Churches, the media, schools, and government agencies conducted a heavy-handed campaign to reconstruct the nuclear family, to force women back to their traditional roles, and to promote a conservative sexual morality. A tactic of this campaign was to isolate homosexual men and women and identify them, like Communists, as dangerous and invisible enemies' (1990: 391). The military conducted anti-gay witch-hunts, purging thousands of lesbians and gay men from its ranks. Anti-gay hearings were held in the U.S. Senate, in which it was argued that homosexuals were unfit to be federal employees because they were 'generally unsuitable' (due to being abnormal, and lacking in moral stability and moral fiber)..." (also compare Escoffier 1997).

Hartman (1981, quoted from Giddings 1998, p. 98) even goes as far as to hypothesise that "the division of labour creates gender". Matthaei (1997, p. 139) enlarges this hypothesis in embedding it in a more comprehensive model comprising a larger number factors: "The sexual division of labor, present in all previously known societies... plays a key role in constructing gender identity – mascuninity and femininity, or manhood and womanhood – because preparation for and involvement in different and complementary work activities makes the sexes into different and complementary genders, masculine men and feminine women. However, this division of labor is only one part of the social construction of gender, which begins much earlier. One's gender identity is assigned at birth, according to one's perceived biological sex, and is imprinted upon the infant and child's personality at every level, from clothing to recreation to vocabulary and way of speaking. Most people, then, by the time they are adults, accept their assigned gender identities as given and immutable parts of themselves – and actively attempt to prove and reprove them to others by doing things appropriate to their gender and by distancing themselves from behaviors attributed to the 'opposite sex'."

Cornwall (1997, 1998) explores more closely the way how such social patterns originate and spread. He particularly focuses on "illusory correlations" (1997, p. 93) between perceived personal properties, such as one's sex, and the preferences that are falsely attributed to them. He also explains that those illusory correlations may remain, although, as the term suggests, the "socially articulated desires" (p. 93) do not match the true desires. Such a behavioural deviation from one's true preferences can be accounted for in plain analogy with search processes in markets, where one seeks persons with similar tastes to get information about the quality of the supplied goods and ascribes similar taste to persons with certain perceivable properties (that need not relate to their actual preferences at all).

This sort information problem may lead to long-lasting market failure. Cornwall achieves this result even in a search model in which preferences are exogenously given (e.g., sexual preference cannot be adopted by socialisation) and abjection, shame and homophobia do not exist to force lesbians and gays into the closet. In a way, this appears to be a most conservative test for LGB persons to be closeted and, in doing so, to support the reign of the sexual division of labour (Cornwall 1997).

However, Matthaei (1995) has already predicted the decline of the sexual division of labour, recognising the long-term increase in women's labour participation rate, women's growing economic self-sufficiency and the ongoing emancipation from the traditional, conservative, patriarchal sexual practices and social roles. This is how queer and straight female liberation go hand in hand, fostering one another. "While such social ostracism may work to pressure some people into heightened efforts to 'fit in', it can also succeed in convincing others that their efforts to conform to their correct gender roles are doomed – that they are really 'men in women's bodies' (or vice versa) or belong to some in-between gender. Some individuals, especially females ..., consciously choose to change their gender roles for those of the opposite sex" (Matthaei 1997, p. 139).

Most interestingly, the two opposed propositions – gender properties determining labour division versus labour division determining gender roles – reflect in an illustrative manner the basic social scientific controversy on the natural-law versus the social-construction view of phenomena in society, previously addressed in paragraph 1.4. This antagonism is expressed by Matthaei (1995, p. 3): "One of the most valuable insights of Marxist economics is the recognition that individuals – are constructed by the relationships that they enter into with other members of their society. Economic relations constitute a key part of this social production of the individual... This social constructionist view of the individual is the polar opposite of the prevailing neoclassical view, which starts from a predetermined individual whose preferences, along with those of other isolated individuals, determine the economy..."

(b) A continuum of sexual identities

Proceeding methodically beyond both of these two discrete-features approaches, Giddings (1998) suggests an analytical setting with a continuum of agents between the two extreme poles of complete masculinity or femininity, where each agent faces his or her specific gender as a constraint for their utility-maximising task. When enquiring into the problem of causality direction between gender (including sexual orientation) and division of labour, lesbian and gay couple's households are of advantage to empirical researches as statistical control groups vis-à-vis the heterosexual households.[31] In contrast to the findings of mainstream economists and based on her theoretical approach, Lisa Giddings (1998, p. 97-98) has so far achieved in her current empirical investigations the first preliminary result that "lesbian couples exhibit a variety of different divisions of labor ranging from those that parallel the most unequal heterosexual stereotypes ... to those that resemble the most purposefully egalitarian relationships".

Such a judgement obviously results from an analysis that typically reaches beyond, if it touches at all upon, the concept of "homo oeconomics" (the Economic Human Being). Instead, it is based on the concept of "homo sociologicus" (the Social Human Being) who is driven by factors such as social harmony, protection, dominance or submittal etc.[32] This approach has made possible the broad range of results that have been arrived at. The mentioned study must have been organised and performed taking in account the fact that the purpose of, and motivation for, a partnership – particularly an unconventional one between same-sex partners – and hence its organisation have not been of an economic character, at least not to a considerable extent.

Economic motives can be surmised to be relevant only in a situation where same-sex partners can freely choose whether to marry or not in the same way as opposite-sex couples do, when there are economic benefits (tax reductions, social transfers) for married rather than unmarried couples of either sexual orientation. The aspect of the comparative wealth of same-sex households, being or becoming a target group of firms' marketing strategists, will be considered better in connection with lesbian and gay markets (section 4.).

3.3.3. Patriarchy versus family webs, same-sex families and feminism

Beside the aspect of division of labour, the social organisation of same-sex families (families in a wide sense) does not match that of opposite-sex, essentially patriarchal families (families in a narrow sense). Therefore, the two types cannot be simply and correctly compared by assuming identical structures. To control just for gender and not also for sexual orientation has turned out to be analytically insufficient for fully understanding the variation in the social organisation of partnerships.

[31] By contrasting homosexual couples with ... heterosexual couples, we can see how relationships function when there are no male/female differences to contend with." And what is even more, "by comparing gay men to lesbians, we explore differences in male and female contributions to relationships" (Blumstein, Schwartz1983, quoted from Badgett 1998, p. 131).

[32] "What is needed ... is an effort to overcome the model of 'homunculus oeconomicus' who is at all times in full control of his or her emotions, who does not know any cognitive limitations, who is not embedded in a personal network, who is but extrinsically motivated and whose preferences are not influenced by processes of discussion" (Frey 1993, p. 97).

Moreover, to empirically identify the unbiased influence of gender on social and economic behaviour, it appears appropriate and convenient to analyse same-sex relationships (Badgett 1995).

From occasional observations and personal experiences, Rose and Bravewomon (1998) contend that there are family networks, so-called family webs, representing families that are chosen deliberately on an individual basis and cross household lines. So, different household members may define their family even differently. A family network is also supposed to comprise persons of different sexual orientations. Finally, family webs are expected to intersect and overlap.

It appears that it is a continuum of sexual orientations, similar to Gidding's continuum of gender identities, that, especially in connection with the not so rare parentage of LGB people and their still very rare opportunity of adopting children, creates and helps explain such farther reaching family structures. Systematic research on that, however, is still left to be done. At any rate, family webs evidently tend to display much flatter hierarchies than the traditional, patriarchal family (or even flat, non-hierarchical organisation forms).

The tendency towards family webs in the sphere of same-sex relations somewhat parallels the development in industrial organisation and economics. Facing a growing complexity and perplexity in the world-wide technical and economic conditions and relations, it has been realised that flatter hierarchies entailing a higher degree of self-determination both afford and effect a better quality of social interaction (comprising features such as communication, responsibility, co-operation, decision-sharing and conflict settlement). Interestingly enough, the achievable results have turned out to be substantially better.

The social organisation of partnerships has begun to get increasingly heterodox, individualistic and complex, not least because of the feminist emancipation and queer liberation movement.[33] In this domain, one has been searching for, and experimenting with, organisational solutions that maximise wellbeing on an equal base for both of the individuals forming a – their proper – relationship (namely, in analogy with the constraint of a Leontief production function and in rejection of the Hicks-Kaldor principle of *potential* compensation of the losers by the gainers (Brent 1996), e.g. by a probable tax deduction for opposite-sex household incomes). On this premise, common challenges to both of the individual actors are more likely to be best solved, similar to flexible, innovative, flat-hierarchy enterprises. Industrial and social micro-organisation have experienced the superiority of solutions that respect the needs of the individual who is crucial to common (corporate or social) outcome.

Thoughtlessly internalised roles and rigid social structures are comparatively unapt for coping with novel societal developments, such as striving for more personal freedom and self-determination. Sticking to the traditional family concept at any

[33] Escoffier (1997) even contends that during World War II, being forced to leave the inert structures of their families, men facing the compulsion and women being confronted with the need of new forms of social organisation have begun to experience a new kind of freedom in terms of sexual choices. This was to be the beginning of a marked long-term change in family structures, although this tendency was fiercely countered by a witch-hunt-like discrimination against homosexuals after the end of the war, at least in the U.S. (see Matthaei 1995).

rate "costs" much (in a wide sense): Under such conditions, problems are insoluble, they remain unsolved and have been bottled in the individuals afflicted, often breaking finally free in outbursts of mental cruelty, physical violence, sexual abuse of partners or children[34], verbal and written attacks on, and even hate crimes against, same-sex oriented people and their institutions (for an example, see section (2) of the text appendix). Attacks and hate crimes are perhaps motivated by the feeling of relative deprivation.[35]

Such findings are extremely important to counter the notion that same-sex orientation, pathological deviation of sexual behaviour, asocial conduct in general and child abuse in particular are closely interconnected or even tantamount. From the tactical perspective, however, it seems to be more promising to highlight the advantages of heterodox, same-sex oriented relationships than conveying the impression of trying to abolish the institution of the traditional family because of its adverse side effects. What the queer liberation movement is aiming at is – in Galbraith's (1973) terminology – the "neutrality" of society vis-à-vis the organising of personal, private, even intimate relationships. Such a neutrality is regarded to be the basis of a free, that is, institutionally unbiased, individual decision that is taken in the desire to find a maximum-utility solution free of social pressure.

3.3.4. Social structures, sexual satisfaction, discrimination and social welfare

In the heterosexual (mostly patriarchal and marriage-based) relationship, that is, the traditional family, the distributive issues of household versus market production and the common notion that this is the locus of parentage absolute, be it through procreation or adoption, are not the only aspects of individual wellbeing, its distribution among the partners and social welfare – the latter also via features of discrimination against other microforms of social organisation. What is left is the issue of individual satisfaction through sexual practices that fits into the scope of (welfare) economics but has never been considered in economics (see paragraph 1.3.).

(a) Opposite-sex orientation and equality in pleasure

In order to investigate the consequences of sexual practices for personal relationships and the society as a whole, Rhonda Gottlieb (1984) refers to the 1976 nationwide Hite Report on female sexuality in the U.S., indicating that women – unlike men – commonly regard orgasm and masturbation as synonyms, whereas only 30 percent are regularly satisfied by (heterosexual) intercourse (see paragraph 1.4. on the aspect of sexuality and power). She concludes from her investigations that "intercourse was never meant to stimulate women to orgasm" and

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[34] In Austria, the fact has been repeatedly published by social scientists and practitioners via press releases that 90 or 95 percent of the reported cases sexual abuse of children occurred within the traditional family.

[35] A recent survey conducted in the U.K. indicates that one in three of the 4,000 lesbians, gays and bisexuals surveyed has suffered at least one physical attack in the previous five years. The figures for young people were even higher: One in two of those aged under 18 has been physically attacked, over 60 percent have been harassed and 90 percent verbally abused. 40 percent of these attacks have taken place in schools. For those aged between 18 and 25, almost four in ten have been physically attacked (ILGA Europe 1998).

points from this perspective to the social relevance of the "dominance of intercourse over all other forms of sexual expression" (Hite 1976, quoted from Gottlieb 1984, p.145), with intercourse destined to satisfy men rather than women.[36]

Social norms and roles, among them family and sexual roles, are a matter of power. At the same time, same-sex partnership and practices are abominated and declined by the established, traditional society. Therefore, it appears worthwhile to consider this issue in the form of a comparison, instead of (intentionally) assigning it, as usual, to the tabooed sphere of intimacy and the restricted area of privacy, in order to protect one foundation of power from being scrutinised and challenged.

The supposed sexual exploitation of women is paralleled by Rhonda Gottlieb (1984) with the economic exploitation of workers in Marxist theory ("Arbeitswertlehre"), although she admits that it cannot applied to intimate relations, but only to market relations. Nonetheless, the equality of participants in the "relationship or marriage market" and their freedom to enter a relationship under the given social conditions is regarded similar to the equality of traders in any market satisfying the condition of Pareto-efficiency (Varian 1999, p. 15) and their freedom to take or leave an offer under the circumstances governing the (labour) market. The socially dominant method of sexual interaction (analogously, the prevailing system of trading labour and paying for labour services) leads to a systematic sexual exploitation in the form of withholding satisfaction through the patriarchal system (i.e., the male's "surplus orgasm" in analogy with the surplus value of labour, over and above its reproduction value withheld through the capitalist system).

From this viewpoint, institutions (even intimate ones) clearly do matter, as they predetermine the economic transaction results in the markets (the labour division and income distribution) as well as the sexual interaction outcomes in the personal, intimate relationship.[37] It is also straightforward that it is for the uneven distribution of power in society in general and in heterosexual relations in particular that the uneven distribution of sexual pleasure and the factual inequality of standard heterosexual practice has not yet been altered.[38]

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[36] "The root of the problem is the fact that sex is almost exclusively defined as hetrosexual intercourse... The overwhelming majority of people have been conditioned, both through family socialization and the pervasive cultural climate by which the intercourse is glorified, to accept current heterosexual practice as mutually gratifying to both sexes. However, if the sexual scenario were reversed, with men receiving little or no penis stimulation" which they are use to from masturbation "(and hence, achieving few or no orgasms) while women almost always received clitoral stimulation (and hence, almost always achieved orgasm), the gross inequalities of the orgasm ratio would be obvious to all. But because male sexual primacy is celebrated in our society, with female sexuality relegated to a secondary, unimportant status, few people are shocked by the grossly inequitable ratio when the subordinate sex is women" (Gottlieb 1984, p. 145).

[37] "... despite appearances of mutuality, heterosexual relations tend to be nonreciprocal... The male returns less stimulation, and hence fewer orgasms, to the female than she has produced for him... Women's sexual activities are therefore constructed under specific conditions and in specific social relations. Far from being individualistic and spontaneous, heterosexual practice is highly structured and socially directed... Obviously, inequality in sexual practice deals fundamentally with inequality in pleasure" (Gottlieb 1984, p. 146).

[38] In her interviews, Shere Hite (1976, quoted from Gottlieb 1984) elicited that men felt that they were under social pressure to often perform sexual intercourse. Hit's suggestion to regard penetration only as one alternative of sexual practice, however, was declined by a vast majority. "They felt falsely maligned and expressed anger at women's attempts to gain sexual equality... Thus, it appears that from their position in heterosexual relation men derive an interest in maintaining the dominant male-female role structure" (Gottlieb 1984, p. 148).

(b) Same-sex orientation and equality in pleasure

"It is a deeply entrenched bias that has allowed sexuality and heterosexual sex behavior to be viewed as almost synonymous" (Gottlieb 1984, p. 151). However, in various respects, that is, the in-/equality of sexual practice and satisfaction, the division of labour, labour-market performance and capacity of self-dependence, the social position and esteem, same-sex partners are said to be substantially more equal in a relationship than opposite-sex partners are.[39] Only in terms of the intra-relationship quality, same-sex oriented people are not put at a disadvantage by society: "The essential difference between heterosexual and homosexual relations is that within the homosexual network there exists no dominant model of sexual and social interaction. Despite prevailing stereotypes of lesbian and gay male involvement in 'role-playing', research testifies that role-playing is uncommon in the homosexual world... The absence of well defined roles renders moot the question of which partner will dominate, and hence, more equitable relations are possible since no one person's enjoyment is considered primary" (Gottlieb 1984, p. 152; for evidence on sexual and social equality, see the various references there; also compare Giddings' (1998) respective findings on relationship structures mentioned in paragraph 3.2.2.(b) that support the preceding statement).[40]

In a seminar on psychological experimenting, held in 1997/98 at the University of Vienna, a survey was conducted about concepts of relationship, the contentment with, and love in, the current relationship. The data from interrogating 56 homosexuals and 86 heterosexuals of both sexes were statistically processed in an analysis of variance, yielding the following significant results: First, women appreciate independence, rooms of self-determinedness and tolerance within a relationship considerably more than men do; this holds good irrespective of sexual orientation. Second, concerning the topic of this paragraph, homosexuals sense their relationships to be substantially more passionate than heterosexuals do; among the same-sex oriented partners, lesbians feel their relationships to be more intimate than gay men do. Third, being an unexpected result for the investigators, men are generally less content with their relationships than women are, with no significant difference by sexual orientation (Ehrlinger and Etlinger 1998).

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[39] As for lesbian women, there are additional advantages that accrue to them specifically: First of all, "perhaps the major benefit of the lesbian lifestyle has been that sex is not routinely transformed into a commodity to be bartered for economic survival and social prestige." Gottlieb (1984, p. 155) thereby alludes to the fact that in patriarchal marriage women are in charge of household production, are denied income-creating market production and, thus, become as economically dependent on their husbands and wage-earners as they are dependent on them to acquire social esteem. In a traditional society, this aim can only be achieved by adopting the role of a housewife that is associated with a strict protocol of sexual conduct and its unequal results that have been discussed in the preceding paragraph (a). Second, the probability of being beaten (which occurs not infrequently to married women) is much lower, probably even next to nothing, namely for the reasons of a fairly balanced social power physical strength. This is why there is practically no necessity of fleeing from physical maltreatment into sexual servicing to the offender.

[40] "It is ironic that the popular conception of lesbianism is linked with sexual frustration... This attitude not only conveys the general public's ignorance concerning lesbian sexuality but also underscores society's profound fixation with heterosexual intercourse..." (Gottlieb 1984, p. 153).
"In the popular consciousness, gay male sexuality is synonymous with anal intercourse. Heterosexuals tend to project their sexual value system onto the gay male community. But this is not the case. Anal intercourse is not institutionalized as the primary activity in gay male relations... Gay male sexuality includes a variety of techniques, but the techniques are not ranked hierarchically" (Gottlieb 1984, p. 154).

It is an obvious obstacle for the queer liberation process that the common notion of homosexuals is falsely associated with the stereotypes of womanly men and virile women, especially when the appearance of "faggots" and "dykes" (as they are labelled) makes heterosexual people feel inconvenient for all those reasons we have so far discussed (particularly in paragraphs 1.3., 3.1. and 3.3.5.). This is an effect that might also be produced by the glamorous, vaudeville-like Gay Pride Parades and "drag balls". Participants do know very well that this does not reflect everyday life, but many observers really do not and use this sort of "crazy" otherness as an argument against liberalising the societal system, namely in order to preserve the traditional cultural values and religious beliefs and protect youths from such influences, not to mention the ever-present implicit disgust of same-sex relations and the mission to push them back or even wipe the out (see the example in section (2) of the text appendix).

But apart from this aspect, when those living stereotypes are in a relationship with gays and lesbians who appear plainly and match the traditional image of men and women, one might be tempted to surmise the same role structure to exist in homosexual as in heterosexual relations. These subgroups of lesbian and gay stereotypes alive, however, are but the smallest part of the queer community. In a showy way, they represent the lesbian and gay community in the broad public, as they are extremely visible, also via the media that convey these unrepresentative stereotypes. Perhaps the living stereotypes form the greater part of those lesbians and gays that are out and known as homosexuals. Extremely role-compliant appearance of gays as "real men or women" and lesbians as "tough guys" may be taken as a kind of protest, a purposefully shocking and self-assuring behaviour towards our heteronormative society. Probably such role compliance may even be an expression of the longing to live up as far as possible to the stereotype of a heterosexual couple (pretending to the public and/or to themselves that, in the end, they are leading a plain life in the orthodox sense – even if it is only a vision that is illusionary in the strictly conservative spirit).

Apart from such attempts at role-playing, reality appears to be much more creative, complex and open-ended in terms of the social organisation of a partnership. "The picture that emerges from this discussion is that gay sexual relationships are generally egalitarian" (Gottlieb 1984, p. 155). With regard to appearance and conduct in the public, however, most same-sex oriented people are just like their opposite-sex oriented counterparts.

On the other hand, problems between same-sex partners may arise when one of them has already completed his or her coming-out process, whilst the other one has not, and/or one of them leads a more politicised life than their partner.[41]

[41] For a beaux-arts illustration of a similarly discriminatory situation, we quote from the Jewish author's Manès Sperber's autobiographical novel Die Wasserträger Gottes: "The self-respect of each human being experienced for the whole life. For people like myself, however, this sentiment was determined by the way how intensively each of us experienced his being a Jew: as a shame or as an honourable faithfulness, as a state created by the chance of birth or as a mission to live as if one bore the responsibility for the others. Who found himself compelled to despise himself could not complete this mission, hence, the essential thing was to win one's self-respect daily not to endanger it for any sake."

(c) A case for equalisation and anti-discrimination

Summing up, the relationships within patriarchal partnerships have been basically criticised by feminist economists as unjust in social terms, and, when challenging the assumption of gender-specific productivity distributions across market and non-market production activities, even inefficient in economic terms. This criticism refers to the previously mentioned demand for a revaluation and redistribution of household production (see paragraph 2.2.1.). From this perspective, feminists regard gay men who are stigmatised for doing women's work (i.e., engaging in household production) as allies in their struggle for equalisation of duties and rights that are relevant and decisive for the quality of partnerships.

Feminists, in turn, are logical allies of the gay liberation movement for removing the stigma that afflicts same-sex partnerships, primarily as opposed to patriarchal relationships, and lately for abolishing the legal ban on adoption by same-sex couples prevalent in most countries (Matthaei 1998). The "bias" of sexuality towards male-dominated, heterosexual practice and its redestributive and welfare consequences for society "can be eliminated, but only if we are willing to confront the institution of heterosexuality and the study of gay people as a serious academic discipline" (Gottlieb 1984, p. 151-152).

3.3.5. Discrimination of same-sex against opposite-sex partnerships

In view of the dominance of performatives, discursive structures and the notions of normality and abjection determined by majority (see paragraph 3.1.1.), one can better understand how discriminatory practices are introduced and maintained in our society. In terms of the reason for introducing them, Gottlieb (1984, p. 150-151) notices that "the fact that lesbians and gay men are still denied civil rights ... indicates the heterosexual fear that without such repression people would express homosexual inclinations. This appears to be true, because research shows that sexuality is not fixed and, given the social possibility, more people might choose homosexual lifestyles".

Julie Matthaei (1998, p. 86) quotes Adrienne Rich (1980) who has coined this kind of governance "compulsory heterosexuality". What we have earlier discussed about the conditions for research in sexual orientation within economics is generally true for the life of non-heterosexual people in a heterosexual people's world. Cornwall (1998, p. 79) highlights this fact by a description of the living conditions and life quality in his academic hometown in Vermont: "In ... 'Institutional homophobia of Discursive Inertia: A Queerly Theoretic Case Study', I use as a source of examples my institutional home, Middlebury College, which is a stimulating place to study queer theory since being abjected is starkly tangible: no queer culture exists to counter the suffocating heteronormativity here."

What is more, "lesbians and gay men must wrestle with lack of societal acceptance and overt hostility. It is also unfortunately true that queers are probably the only minority group that not only suffers oppression from the dominant culture but also has no accepted place within their immediate familial environments... The problem of 'coming out' is a burden faced by no other minority group. The continual dilemma of whether one should reveal one's homosexuality or not creates stress" (Gottlieb 1984, p. 156).

Doubts about the net advantage of coming out and consequently going public may not be unreasonable (for some theoretical underpinning, compare paragraph 2.2.3.). "While the process of being openly 'gay and proud' may serve to reduce the lack of self-acceptance often experienced by the closeted individual", openly queer people "risk loss of employment, housing, custody of their children, immigration discrimination, and estrangement from heterosexual friends and family. Thus, within the context of a homophobe society, gay people experience a unique set of problems which may place strain on their personal relationships" (Gottlieb 1984, p. 156).

In concluding this paragraph, one can state that research on the social organisation of families – notably families in a wide sense – and family webs (see paragraph 3.1.2.) might hopefully create sufficient information to counter non-information and prejudice about, and repel the dislike of, same-sex families.[42] This expectance is supported by two facts: First, though differences have to be elaborated on for a better understanding, same-sex and opposite-sex families do not differ completely from each other. Second, a process of diversification has begun, departing from the mainstream, nuclear, straight (heterosexual) family, if you only think of one-parent households or mixed families caused by divorces. This development as well as the existence of mixed families consisting of same-sex couples with their children from former partnerships have been making the narrow-sense type of family more and more similar to the broad-sense one.[43] This is also expected to change the socially determined "family values" in the end (Spielman and Winfeld 1996, Rose and Bravewomon 1998).

Such a turn in mind appears as the only fruitful solution, namely doing away with both kinds of discrimination, that is, the one against women in heterosexual relationships and the one against LGB people in same-sex relationships: "It is essential that the demand for an egalitarian sexual system be defined in the most profound and most radical way; that is, the demand for a society free from socially indoctrinated forms of sexual expression and the commitment to a world which promotes sexual diversity in the society. From this perspective, we cannot limit our vision to the development of egalitarian forms of heterosexual relation. A society based on the suppression of homosexual impulses is repressive *per se*" (Gottlieb 1984, p. 152; for an illustration, see the Upper Austrian lesbian and gay movement's catalogue of demands vis-à-vis the legislator in section (3) in the text appendix).

[42] In analogy with the widespread hate for Jews, we can quote the Galician Jewish psychologist, socialist and writer Manès Sperber from his autobiographical novel Die Wasserträger Gottes in which he narrates about his infancy in Vienna during World War I: "Not infrequently, anti-Jewish utterances occurred in the considerations of people who happened to sit on the park bench next to me. During the first weeks, I reacted to that like to a personal insult and left the enemy with a grim face, not without having proudly declared myself as a Jew. Later, I did not become more tolerant towards these intolerant people, but I tried to discuss with them. In doing so, I discovered to my surprise that they had not known Jews in person, that their hate was constant anyway, but that, though it may sound peculiarly, it was a *light-minded* hate."

[43] "In a sense L/G/B families are simultaneously common and exceptions. We are everywhere; we have children; we're part of the U.S. society. But we're often invisible, an invisibility that family research can help counter. Further, L/G/B families can serve as models for others" (Rose and Bravewomon 1998, p. 108).

3.3.6. Legal recognition of same-sex partnerships

In terms of legal recognition of same-sex partnerships, despite the reserved and even rejecting attitude of society (that is, in large parts of the population, especially in rural, conservative areas), Denmark has served as the frontrunner. They passed a "registered partnership law" in 1989 and amended it in 1999 to make the situation of legally registered lesbian and gay couples even more equal, nearly totally equal with heterosexual couples.

What is most remarkable is the scientific interpretation of the Danish development, contending that "the main purpose of the legislation was political: The only way towards full social acceptance was to give homosexual couples almost the same legal framework as married couples. The legislation was used as an instrument to change attitudes" (Lund-Andersen 1999, p. 1). This view is supported by the 1999 increase in the rights for same-sex partners in Denmark, allowing the adoption of children of one's partner unless adopted from another country and the blessing of the partnership through the state church, but not as a religious marriage. This improvement has been achieved through an amendment of the registered partnership law after ten years of practical experience. Only church wedding and artificial insemination are denied to homosexual registered couples. What can be criticised is the fact that the Danish Registered Partnership Act does not allow unmarried opposite-sex cohabitants to register; they are not covered by general legislation, either (Lund-Andersen 1999).

During the decade since the pioneering event in 1989, several West and North European countries followed the example set by the Danish parliament: Norway (1993), Sweden (1995), Iceland and Greenland (1996) and the Netherlands (1998) have introduced partnership laws, too. The Danish law is reaching farthest, though. Partnership benefits have been regionally granted even in Catholic and conservative Spain, namely in the provinces of Catalonya and Aragon. On the national level, registered partnership laws are being prepared in Finland, Portugal, Switzerland, Germany, Luxembourg, Belgium, Spain and France (http://www.steff.suite.dk/partner.htm).

In technical terms, it has proved to be very easy to introduce a registered partnership law. In Denmark and Norway (Andenas 1999), for instance, one page has turned out to provide enough room for extending the marriage law analogously to same-sex partnerships and enumerating the (few) terms from the marriage law that will not apply for same-sex couples.

3.4. Queer agglomeration and its social economic impact

3.4.1. Economic consequences

With regard to putting through social and political demands, the aspect of agglomeration might also be of considerable importance. Lawrence Knopp (1997) suggests that, since the latest upswing of the lesbian and gay liberation, that is, after the impact produced by the seminal 1969 Stonewall event in Greenwich Village, New York City, same-sex oriented – preponderantly gay – people and couples have been settling in neighbourhoods in the centres of large urban areas which they chose because of the anonymity of big cities (Escoffier 1997). In doing so, they are supposed to have had a perceptible impact on the local economy, to be precise,

- on the demand for, and supply of, specific services (bars, restaurants, gyms and any kind of shops run by queers and for queers) forming a proper, distinct group of customers in terms of demand as well as
- on the local level of housing prices, because gays are supposed to form a group of customers who do not face as many different and high expenses as other people do, e.g. on children's education or lifetime housing[44] (for a contrary view of the economic situation of queers, see paragraph 5.1).

Generally, the economic impact of a minority on the economy will obviously be a more powerful one, the smaller the market volume is which, in turn, is determined by the following factors, namely

- the degree of homogeneity of the customers (e.g. hostile straights and queers are not disturbed by each other in the course of their consumption process),
- the geographical extension, as transaction and translocation costs decrease with the smallness of the market area, and
- the buying potential in that specific market, as it exerts a greater impact on prices if supply and the pricing behaviour are largely constant.

3.4.2. Political and social consequences

This is not yet the end of the story. An agglomeration of same-sex households is also hypothesised to have furthered activism and consequently the (partial, at first only regional) achievement of political aims and the improvement of the quality of life in various respects, such as social acceptance or domestic-partner benefits for queer employees.

The chain of cause and effect from spatial segregation to social and political achievement is not likely to have been consciously planned and purposefully realised. Apart from the (disputed) hypothesis that same-sex oriented people are comparatively wealthy by their extraordinary family structures just mentioned, there are some arguments put forward in the following that might explain the case.

First of all, living out as a homosexual is obviously achieved more easily in the immediate geographical presence of others setting an example worth of imitation and providing thereby an incentive not only to be oneself but also to enjoy the community, even if or because it is a ghetto. No ghetto of such kind is complete, though; this is why a queer community quasi automatically "markets" its way of living simply in living together on as good as possible terms with others, including the non-homosexuals. The opportunistic want for living together smoothly is likely to create a situation in which LGB people are held in high esteem by their straight fellow citizens who, by and large, have not moved away, as Knopp (1997) has

[44] Black et al. (1997) propose additionally that, for this reason, gay men tend to settle in places with greater amenities that are therefore extraordinarily expensive in terms of housing, such as San Francisco. Interestingly, the authors can show an impressive congruence between the ordinal ranking of larger cities by their amenities and the local concentration of gay couples there. Similar results are have been yielded by them for lesbian couples. Apart from that, the more densely populated a certain area is, as it attracts, for instance, ever more people, the higher will be the housing prices there.

stated in his historical analysis of the Marigny quarter in New Orleans.[45] What is more, in fairly small local areas, while being a minority within society in general, LGB people may become even a majority within the ghetto, enjoying the feeling of being rather the rule than the exception.

Co-operation is said to be contingent on the conditions provided by the social environment. The more immediate the contacts, the more personal the social interactions are, the larger is the scope also for non-verbal interpersonal communication. Agglomeration leads to a higher frequency of social interactions and helps bridge gaps between sexes, races, classes and the like (Bell and Weinberg 1978, quoted from Gottlieb 1984). Free-riding behaviour (Varian 1999, pp. 622 f.) that dominates in large collectives where people do not meet regularly in person and produces an unfavourable social outcome, is substantially less in small communities where various ways of interhuman, even non-verbal communication are feasible and prevalent (Frey 1993).[46] So, in a way, co-operation and commonwealth activity can be socially contagious, as they increase with the degree of communication and interaction (in a comprehensive way).

Osborne (1997) points in particular to the 1974 San Francisco example of a tight co-operation between trade unions and the gay movement. The agglomeration of queers locally gave them economic weight that was utilised by trade unions for putting through a boycott against a regional firm, namely in exchange for creating queer jobs in the trade unions and supporting gay-rights clauses in future labour contracts.

Interestingly, it was the very San Francisco local (agglomeration-based) experience that was to trigger a general and still ongoing process of an increasingly institutionalised and important co-operation between the labour and the queer movement. By and large, it is said to have become a success story in the U.S., in spite of the stereotypes of anti-queer blue-collar workers and capitalist gays and despite individual anti-queer actions of trade unionists and hostile policies of various unions. In terms of triggering a general development in a queer agglomeration area, it was also in San Francisco when in 1982 the first firm ever extended domestic partner benefits to same-sex oriented employees. Osborne (1997) gives

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[45] From their estimations, Black et al. (1997) receive a significantly negative statistical correlation between the local concentration index of gay couples in large U.S. cities and a variable catching the degree of intolerance against queer sexuality (i.e. the fraction of city residents believing homosexual sex is always wrong).

[46] "Experiments by psychologists ... as well as by economists ... have by now revealed overwhelming evidence that humans ... do not act rationally... They deviate systematically from expected" (individual) "utility maximization...
Psychologists and sociologists ... distinguish two kinds of motivation: *Extrinsic* motivation induced by manipulations of rewards or sanctions from outside (the economist's relative prices), and *intrinsic* motivation, where people perform an activity for its own sake because of reasons lying within their own person... Intrinsic motivation ... is influenced by social factors...
In economics, language and verbal exchange are attributed a minor role. Economists are particularly fond of models with no communication between the actors. Thus, the classical prisoners' dilemma game, which has shaped our thinking of free riding, artificially constructs a situation in which prisoners are not able to speak to each other. Clearly, communication as such does not guarantee that no free riding occurs, but it definitely helps to form enforceable contracts to prevent it...
A related aspect disregarded by economists are *personal relationships* which again serve against free riding" (Frey 1993, pp. 99-101). For an explanation of free riding, see Varian (1999, chap. 35).

many illustrative examples of the respective situation in the U.S. from where the labour-queer co-operation has spread across the Atlantic.

In present-day Europe, a starkly institutionalised co-operation between the queer and the labour movement can be observed in the United Kingdom and the Netherlands, whereas in Austria such a co-operation is still in its infancy and anti-queer sentiments seem to prevail. Austrian trade unions mostly decline even tackling the issue. After all, problems of that kind are reported even in the U.S. (Osborne 1997).

It has to be added, though, that such a trend towards toward inter-group solidarity and joint political action for queer liberation has not been observed by Knopp (1997) in his case study on Marigny, New Orleans, in the 1970s and 80s. There the closer, more individual interests of LGB people – those of queers being also producers and consumers – had dominated the common interests of the queer community. Hence, the coalitions between of interest groups – in the Marigny example mainly those of buyers and sellers of land, to be more precise – focused on economic and occupational issues. This is what the positive, politico-economic theory of interest groups would suggest (Moe 1980). Looking at the San Francisco case, the primary, dominant interests of (queer) employees and (straight) trade unionists were predictably more apt for effective co-operation.

In a certain way, however, spatial segregation and concentration may also be of disadvantage to the queer community. Being the local majority or at least a major minority, its members might more easily fall victim to hate crimes, as examples of other minorities also indicate.[47]

[47] Again, Manès Sperber's autobiographic novel Die Wasserträger Gottes is going to be used for pointing to a theoretical analogy with the former situation of Jews in Vienna that might be relevant for queers even today: "I stood right at the corner of Schmelzgasse and Taborstrasse, the longest street in the second precinct where the greater part of the needy Jewish population lived. The hardly understandable shouts of the barkers made the people stop in order to buy the newspaper and read it at once, and this caused a jam on the pavement. The moment I tried to make out the report on the event, I felt a burning pain on my neck, on my left side above the bone. I reached to the spot; someone had extinguished the burning end of cigarette there. When I turned around, I discovered a tall man who looked at me derisively, then pushed his way through the crowd and disappeared... The sharp pain continued, but the feeling that I had been humiliated by an unknown person for no reason was even more unbearable. I looked around; nobody seemed to have observed the incident. Why, for what reason had the man done this? He could have been nearly certain that the boy in the Jewish district was a Jewish child... The pain was not unbearable any more, and the compassion I felt for myself comforted me a little, before it yielded again to the indignation and the feeling that I had been humiliated."

"But to explain a fact is not to alter it ... In this world there is always danger for those who are afraid of it."
George Bernard Shaw, in: The Devil's Disciple

4. Dual labour markets, workplace conditions and occupational segregation

4.1. Labour markets and discrimination

Whereas work on favourable discrimination (preferential treatment) is widespread in the economic theory of politics – if you think of "rent seeking" by interest groups (lobbyists) and distribution of "political rents" to them (Moe 1982) or of the normative principles of subsidisation --, discrimination against certain groups of the population has been a common subject-matter only in labour economics since the late 1960s. It has been discovered that the market for labour is a particularly special one in that you have to differentiate between typically different goods and service industries where people are employed as well as, based on that, between crucially differing subsections of the labour market depending on the specific requirements of the industry sectors for certain types of labour. Paragraph 4.1. is mainly based on parts of the contribution made by Eileen Appelbaum (1979) in terms of the labour market to a book that presents in a nutshell the heterodox, post-Keynesian critique of the structure-free and ahistoric position of mainstream (i.e., neoclassical) economics.

4.1.1. Core and periphery industries and their respective labour relations

To better understand the labour market and explain it correctly, it is necessary to acknowledge that the economy as a whole does not consist of just one big firm and that there is not simply one uniform type of "human capital" and labour input, as it has been modelled by neoclassical macroeconomics. Moreover, the nature of the long-term development process entails that entire industry branches and single products first rise, then stagnate and finally decline. In this process, technology plays a major part. Inventions allow product and process innovations that make the innovative firm temporarily a forerunner and "Schumpeterian" monopolist, until this strong market position is swamped by knowledge dispersion, imitation and profit-precipitating competition or fashion-determined demand shifts (Blanchard 1997).

As long as a firm is good enough to identify from the "haze" of basic technical inventions those that can be successfully further developed, applied to a novel utilisation that is strongly welcomed by buyers and thus can be economically exploited with success, anything goes: A good and successful management in a high-quality field will not negotiate to keep wages down and save on the cost of high-grade R&D-activities. Instead, such a management would wonder how to lure and attract the humanpower with its appreciable human capital that is needed as the prerequisite for technical innovation, economic survival, success and market leadership. In the face of rapid technical progress and quickly changing consumption trends, high investment (not least in labour qualifications) is steadily needed to avoid changing from the successful core into the crises-prone periphery of the industry.

From the perspective of such a dual economy, one has to roughly distinguish two opposed industry categories, that is, the core industry as the paragon of excellence and success and the contrary periphery industry.

Core industries are
- oligopolies with research, technical and quality competition rather than price competition, a context that not only allows but even requires high wages,
- developing and producing innovative goods and services,
- run by an excellent management,
- therefore highly capital-equipped,
- R&D-prone and technically sophisticated with the respective need for high-skilled employees,
- facing huge hiring, training and labour fluctuation costs and costs to keep labour fluctuation low, respectively, as well as
- characterised by a highly educated, well-gratified and stable labour force with top wages and fringe benefits and nearly no risk of getting unemployed, at least not in the longer term.

The periphery of the economy is quite or largely the opposite of the core, namely characterised by
- a strong price competition that exerts heavy economic pressure and hence keeps wages down,
- imitating products and procedures, using standard techniques and producing only average quality (also in terms of fashion) that can also be achieved in less developed and low-wage countries,
- a comparatively poor management performance,
- an equipment with relatively few and low-quality physical capital,
- few or even no R&D activities, a low level of technical and organisational sophistication and, as a result, a small (high) demand for high-skilled (low-skilled) employees,
- a labour force that is badly paid as it competes indirectly with workers in low-wage countries that have low social standards and no minimum wage guarantees and
- employees who do not receive fringe benefits but are affected by a hire-and-fire policy and exposed to a high risk of becoming unemployed even in the long term.

4.1.2. Segmentation of, and discrimination in, the labour market

Of course, no industry or firm consists exclusively of core or periphery elements. Core industries and firms, however, are essentially marked by the preponderance of the character of the core, whereas the opposite is true for periphery industries and firms. Caused by these circumstances, the labour market is always a dual, a segmented one. Consequently, we distinguish the primary as the beneficial and the secondary as the unfavourable sector of the labour market. In the primary sector, the good, desirable jobs are offered and high-skill workers for sophisticated tasks are recruited. Whereas in the primary sector pay, other gratification and workplace conditions are excellent and employees enjoy work as an interesting activity that contributes to one's self-fulfilment, work in the secondary sector is not really rewarding, neither in pecuniary nor in the non-pecuniary terms. It is rather a disutility per se that can be characterised by the Marxian term estrangement from work.

In terms of the demand for good jobs, of course anyone who can be somewhat confident to realistically get a job in the primary sector of the labour market will try to do so. As for the supply of good jobs, even the powerful and successful firms in the core of the economy behave efficiently and restrict their primary job sector to as few jobs as possible, though without endangering the success of the firm. In pursuing the economic principle, they save expenses in order to be able to invest more in technical equipment and organisation and to be as competitive as possible in financing the highly risky R&D race. This is why even a core industry firm sharply distinguishes the primary from the secondary sector of its labour force. For this reason and because of the advanced education system in most of the developed economies, there is always an excess demand for the good jobs, that is, an excess supply of labour in the primary sector. So personnel managers have plenty of applicants to choose from.

Formerly, firms used to save much time and expenses on the recruitment process, even in the primary job sector. Nowadays, the situation has somewhat changed, but there is still no perfect screening device for high-skilled labour to yield with certainty whether it will be profitable to invest into a new employee who will have to be made acquainted with the very firm-specific technological and organisational know-how in a fairly costly way. Investments in screening devices for new personnel may, on the one hand, show rapidly increasing marginal costs (i.e., decreasing marginal revenues) of testing the applicants. On the other hand, even high-cost and high-price tests may yield results that rank the numerous candidates very closely together on the performance scale. Hence, decisions whom to hire cannot be taken at a reasonable level of statistical confidence. Moreover, selecting a new manager is a decision that is heavily influenced by personal motives of those who decide, as they will have to closely co-operate with the new colleague. This is where the "animal spirits" of personnel managers come in. As soon as personal sentiments affect personnel management decisions, the human factor comes to operate, common prejudice and subjective aversions enter in the decision process.

Personal motives tend to bias the results of the hiring and even firing decisions. For if demand is weak over a longer term as a result of a structural change (not only a cyclical downswing), whole plants or segments of the output palette must be closed down, with development and management units also being shut down. Then it has to be decided who among the primary-sector employees are going to be dismissed, as they all compete on the internal (intra-firm) labour market, even in the negative way when the supposedly least productive colleagues are to be sorted out.

Among the subjective factors of personnel management decisions (hiring, gratifying, promoting, firing) there certainly are prejudices about, and aversions to, minorities, be they social classes, ethnic groups or groups distinguished by age, gender or sexual orientation. Compliance with social norms is gaining (decisive) importance, because if you may choose freely among candidates, you may select the ones with whom you may harmonise best. The chosen persons will be those who abide by the norms which have already helped the decision-taker to succeed.

The compliance with social norms may be extremely important when it is a matter of advancement in the firms' social hierarchy that is to be decided upon. Also, if you choose among aspirants, you will select those of whom you guess that they appear more appropriate in the eyes of your business partners or your political clientele. For empirical investigations in employers' discrimination against queers and employers' reactions to outings (i.e., non-hiring, firing, non-promoting, underpaying) see the impressive results in Badgett's and King's presentation (1997).

The readers' own personal experiences may support the suggestion of labour discrimination against queers, as it has been observed very seldom that openly lesbian or gay persons hold prominent positions in business and political hierarchies.[48] If, on the other hand, it is true that people leading a lesbian or gay life live in substantially different types of social relations (as discussed in the preceding section) and these different circumstances cause a special way of interacting with people or within groups (Weston and Rofel 1997), it would not be a market economy if business did not include such a particular characteristic of a certain social group's human capital into its productivity-maximising considerations and exploit this fact for profit-maximising.[49] This is why sometimes it also happens that for specific jobs lesbians and gays are sought (e.g. for certain tasks in the police service).

4.1.3. Opposite-sex, same-sex families and women's labour supply and wages

Before turning to workplace relations, a short note should be made on the lack of distinguishing traditional families (with children) from same-sex families (partly without children) and the resulting bias that is caused by such an empirical negligence when investigating in the labour market. Not so much the fact that children are more probable to live in opposite-sex families, but foremost the fact that social structures are far more hierarchical in patriarchal families determine the "sexual division of labour" we have discussed above (see paragraph 3.3.).

First, if one does not reveal and take into account the different power-related circumstances in the continuum between the bipolar family types, economic analyses are based on the implicit premise that the labour-supply decisions of the individual family members (husband, wife, father, mother) are taken freely, that is, in the absence of social norms and compulsion, and result in the maximum individual as well as family's utility. Brown (1998) shows that neglecting those women who, based on the sexual division of labour, have to accept the unpaid part of work as well as representing them in the analysis by fictitious (factually unpaid) wages, both empirical procedures result in biased labour-supply elasticities. This wrongly indicates that women are not as committed to labour-force participation (or simply: work) as men are, just because the respective social norms have been disre-

[48] This notion has been confirmed in an illustrative way by a high-ranking police officer from the Linz police department, Upper Austria, who openly admitted in the course of a discussion that applicants for the police service are scrutinised in a kind of criminological way and that no homosexuals are admitted, because there have always been enough aspirants to choose from and that consequently those are taken who are more in line with what the broad public thinks to be acceptable.
[49] This is a reason why it can be heard again and again that, out of Austria, public authorities, even police departments, are looking for queer staff, not only to be on good terms with their gay clientele, but also because of queer people's special capability for projecting themselves into other persons' mind and interacting with them on a more equal, co-operative and peaceful basis.

garded as crucial factors. Including same-sex relationships (else left out) in the sample of families (in a wide sense) to be investigated in, lessens the bias but does not adequately capture the impact of heterosexist reality on straight women's labour-supply "decisions".

In the same way, Brown (1998) indicates that such a systematic bias occurs when mainstream economic analyses use the concept, theory and sample of the traditional family in order to account for the wage gap between men and women that persists even when similar work is compared by gender. The fact that children are raised, nursed and educated almost entirely by their mothers instead of their fathers, is interpreted as a greater attachment of women to this kind of (unpaid) work than work traded (and paid) in the labour market. This proposal is used to base a further proposition on it, namely that, for this reason, women allocate more time (and opportunity cost) to raising children than investing in their own education and specialising in their careers. As a result, this contributes to explaining the wage differential between men and women, it is contended by mainstream economists.

Again, if it was not for the lack of adequate data, the same-sex family – even the type with children – would be the appropriate sample for investigating in gender-specific labour-supply behaviour dependent on the wage rate and to explain wage differentials between men and women. Studies that were undertaken carefully and responsibly have yielded no significant difference between labour supply by gender. Similarly, they cannot fully explain the wage gap between the sexes by economic factors (Brown 1998).

4.2. Sexual orientation and workplace relations

4.2.1. Between the privacy of personal relationship and the publicity of workplace relations

After the labour market with its supply, hiring and firing decisions, workplace relations are the next logical stage to be considered. At the workplace, conflicts of interests may arise systematically on the basis of sexual orientation (for a survey on the respective literature from the early 1970s up to the first half of the 1990s, compare Ellis, 1996). The reason for such conflicts is "one of the deepest cultural divisions in ... society: the split between private and public life. The very categories 'lesbian' and 'work' mirror this dichotomy, since lesbian identity has historically been defined in terms of sexual and the personal, whereas wage work in a capitalist context constitutes the public activity par excellence" (Weston and Rofel 1997, p. 27). This consideration refers to what we have discussed about different family structures and the respective roles played within a relationship. It further points to the problem that in our patriarchal society sexuality implicitly and even unconsciously structures social interactions in an effective way, even in non-intimate relations, that is, in the "public".

As a result, same-sex oriented people face the problem of usually being reduced in their personality with its manifold facets to one single property, namely their sexual orientation. The reason for it is that same-sex inclination is a distinctive criterion that is largely associated with the notions of otherness, peculiarity, strangeness, non-compliance and even indecency and sexual crimes. This kind of reduction in personality is achieved by most members of the heterosexual majority not only when issues with regard to sexuality are concerned (as for that, it would be logical to narrow the perspective on this single property), but they essentially do so in almost each and every respect, wherever they meet in the public. Thus, this is also the case at the workplace.

The workplace is a very special field of everyday life, as one spends roughly a third of one's time budget on paid work. Furthermore, one cannot choose freely with whom to co-operate and with whom not, because most people are dependent on wage labour, and labour fluctuations as a kind of flight from job to job in order to escape sexism and homophobia need not necessarily be successful and bears costs at any rate, particularly in Europe (though much less in the U.S.). Lee Badgett and Mary King (1997, p. 74) quote from a 1986 contribution to make it clear that "the need to 'manage a disreputable sexual identity at the workplace' (is) the most persistent problem lesbians and gay men face in their daily lives".[50] Citing empirical studies based on interviews, they suppose that improvements in society's attitude of mind – that certainly have been achieved in the meantime, as shown by Spielman and Winfeld (1996) and Escoffier (1997) – appear to be but of gradual character instead of substantial importance for the wellbeing of same-sex oriented employees.

The demand for respect of privacy may appear to contradict many queer people's notion that sexual orientation can be neither suppressed nor concealed (see paragraph 2.2.3.) and that, instead, homosexual lifestyle should be integrated in social life, as sexual orientation is one component of a person's life. Both of these contentions are right, after all. In order to harmonise these two demands, what should be prevented is that a personal, intimate preference is given such a great importance that is determines social life outside the privacy of the relationship and operates as a prejudication for occupational interactions and performance.

Once sexual orientation has become a quite unspectacular, plain and fairly unimportant distinction mark like hair colour or musical taste in social life (we have not chosen skin colour as an example in view of racism and xenophobia where the problem is similar to homophobia), social results will not be predetermined by sexual orientation, and queer people will not be hurt despite the fact that their sexual inclination is observable in everyday life where the private and the "public" sphere naturally interlink: "Gay, lesbian, and heterosexual people have been working together successfully since the beginning of time. What is different today is that many people now openly live out their sexual orientation... Narrow definitions of gender limit us all... When we stop using the stereotypes of gays and lesbians on everyone, we are free to see all people as simply who they are, not who we think they should be (Zuckerman and Simmon 1996, quoted from Bartlett 1999, p. 138).

[50] "Over thirty years ago, Erving Goffman devised an general theory of stigmas... He identified two different kinds of stigmas that had radically different effects on the social organization of people stigmatized. One sort of stigma was visible, for example, race. People often respond to visible stigma by feeling tension, and therefore the main problem facing those whose stigmas were visible was ... 'the management of tension'... The other sort of stigma ... was the stigma that is not obvious or visible. Such a stigma poses an altogether different challenge; it is the harm that a piece of discrediting information can cause that has typically made members of such a group vulnerable to intimidation and threats of blackmail. Thus, 'the management of information' is the strategy open to this group" (Escoffier 1997, p. 125).

This would render the "asexual imperative" irrelevant (Woods 1993, quoted from Spielman and Winfeld 1996, p. 57). This imperative of respectful, harmonious and peaceful coexistence has been largely disobeyed to the present day (e.g. the compulsion of showing photographs of one's children) and has been causing the oppressive and suppressive heteronormativity.

4.2.2. Heteronormativity, discrimination and productivity and profitability losses

As long as employers and colleagues, however, (think that they have to) actively share society's prejudice and discriminate against LGB people in the labour market (hiring, firing) and at the workplace (mobbing, bossing, social exclusion, no promoting, no mentoring through experienced co-workers, no domestic-partner benefits), they cause a loss in productivity (Spielman and Winfeld 1996). This economic disadvantage to the firm can also be caused even by passing strategy that is also costly to the closeted queers and thus reduces their performance (Badgett 1996, Powers 1996). Powers (1996, p. 79) holds that people in organisations just "lack the skills, knowledge, tools, and resources to effectively address gay, lesbian, bisexual, and transgender workplace issues".

Such losses in productivity might not be compensated by the firm's gains in profitability due to the firm's demonstrative corporate compliance with the norm of heterosexuality that rules tacitly also in the business world and is even expressed through legal terms (see for an example, section (3) of the text appendix). The gains from compliance with social norms may account for the fact that there are (in relation to the share of queers in the population) relatively few queer-staffed firms and that they operate mostly in fields where they exclusively service queer people, in larger cities, queer ghettos the fairly anonymous mail-order business.[51]

To support the hypothesis of minor productivity caused by discrimination, we can point to the restricted range of people with their embodied human capital from which firms only can select their employees when discriminating against lesbian and gays (i.e., the potential for selection is reduced). This may shift the effective production possibility frontier inward, as we know it from x-efficiency theory: Uncertainty about the future consequences of changes in behaviour prevent improvements and let behaviour motivated by habits and social norms which keeps productivity systematically down (Leibenstein 1976). We have already referred to such a view earlier when considering extrinsic (economic) and intrinsic (non-economic) motivation in sections 1. and 3.

It must be mentioned, though, that also the opposite argument is put forward, namely that lesbians and gays, although being in general as reliable and trustworthy workers as heterosexuals, try to make up for their weak social position

[51] Nonetheless, there are also examples indicating just the opposite: "A relatively small Southern retail store recently advertised in the gay press that it had more than 100 gay employees on staff (this was presumably a very high proportion of the total staff)." Patterson continues by raising basic questions about the situation in this example: "Should the store be prosecuted for discrimination against heterosexuals? Is there any law protecting heterosexuals from such practices? Should heterosexual be a class of people protected from discrimination? Would it be legally possible to protect heterosexuals from discrimination without giving similar protection to homosexuals?" (Patterson 1998, pp. 67-68). For a case study on a firm with an exclusively lesbian staff, see Weston and Rofel (1997) and paragraph 4.2.3. that deals with it.

when being out or compensate potential future disadvantages in the course of their possible outing. They therefore try hard to work more efficiently (Mohr 1988, quoted from Badgett 1996, and Herek 1990, quoted from Anderson 1996).

In the Netherlands the attitude towards homosexuality appears to be comparatively liberal, a strong anti-discrimination legislation exists and most of the homosexuals are out as lesbians or gays at their workplace. A trade union-commissioned study was performed at the Netherlands Institute of Social Sexological Research and the Gay and Lesbian Studies at Utrecht University to investigate in the workplace situation experienced by homosexual relative to heterosexual employees. Even under such relatively queer-friendly circumstances as in the Netherlands, Sandfort and Boss (1998) have found out that, across all sectors scrutinised, queer employees, in particular the lesbians among them, experience their work less satisfyingly than their straight colleagues do.

To be more precise, homosexual employees

- more often find themselves to get insufficiently informed,
- more often feel to have a poor relationship with their colleagues and superiors, being less able to discuss work-related problems,
- are more often mobbed owing to their lifestyle,
- feel to be less save and appreciated and unable to be themselves at work,
- are worse off in terms of being supported by, or able to rely on, colleagues,
- possess less self-esteem and self-confidence,
- are generally less satisfied by their work,
- suffer more from stress, particularly causing emotional exhaustion and a reduced personal competence and, finally,
- more often face health problems, especially lack of appetite, exhaustion, headache and stomach ache, and therefore need more sick-leave.

On this basis, Sandfort and Boss (1998) call for personnel policy undertaking efforts to bring across to managers, colleagues and trade unionists the message that same-sex orientation does matter in any social interactions and does affect labour relations, contrary to the widely held opinion that it does not. Endeavours to establish good personal relationships at the workplace, irrespective of sexual orientation, are to make people feel protected at work and, in the end, help guarantee the flow of information necessary for both a good economic performance and a high job satisfaction as a major part of personal wellbeing. In other words, the required solidarity and co-operation ought to be provided by a sound social and economic partnership on the firm level.

4.2.3. Gender, sexual orientation and relative wages

Mainstream economic theory maintains that, under perfect information and competition, a worker is paid at the level of his or her marginal product (that is worth of the price of the last output unit they produced within the work and wage period). Cara Brown (1998) used Canadian income data from a 1990 census, differentiated by gender, age (45-54, 55-64), marital status and (presumed) sexual orientation (beside the cases of explicit declaration of being queer, same-sex non-relatives living together were also defined to be homosexual).

Brown's (1998) descriptive data exploration (factors other than sexual orientation were not controlled for) yields in terms of sexual orientation that straight men earn less than gay men (especially in the 45-to-54-year cohort), lesbians earn less than gays (particularly in the 55-to-64-year year cohort) and lesbian women earn more than straight women (with the widest spread is in the 45-to-54-year year cohort). These results seem to support the propositions of mainstream economics about (marginal) labour productivities and wage rates, though the theoretical underpinning appears not to be very plausible (Appelbaum 1979). But, like in the preceding paragraph, further empirical analysis is necessary to ascertain the findings, ruling out by help of proper estimates and statistical inference the impacts from other features that probably bias the current, preliminary results. Finally, data on sexual orientation gained from quantitative surveys should never be fully trusted (see paragraph 2.2.).

4.2.4. An example of queers' economic self-organisation

Issues of discrimination of any kind against queer employees raises interest in cases where only queer people run an enterprise. Weston and Rofel (1997, p. 28) report on a auto repair firm where only lesbians have been working: "One woman's lover acknowledged: 'There's nothing like walking into a women's business and being able to walk right up to my lover and kiss her and have lunch with her and have my kids behind me, our kids. But you can't do that in the straight world...' Friendship spanned all level of the job hierarchy, weaving together employees' lives inside and outside work". At first, lesbian solidarity, the "Politics of Trust", as the authors call it, operated well and smoothed labour relations: the class system in the novel (socialist-feminist) sense dominated the class system in the traditional (Marxian) sense.

It has to be admitted, though, that this did not suffice to permanently overcome conflicts of interest between employers and employees and avoid labour strife reliably. Nevertheless, Weston and Rofel (1997, p. 35) contend that the lesbian workers' "understanding of lesbian business as an 'all-giving, all-nurturing, endlessly supportive' institution" eased the way from the implicit "Politics of Trust" back to the conventional, explicit "Politics of Contract" by help of an again implicitly understood "contrast with the 'cold, unfeeling' world of heterosexual male business."

4.3. Disclosure decisions of, and occupational segregation typical for, same-sex oriented employees

Badgett and King (1997) consider the questions whether and, if so, why the distribution across jobs may differ between straight and queer people. In theoretic terms, queers first of all might deem the potential of being discriminated against to differ between occupations. Second, they might acknowledge differences in the circumstance of how strongly work life and private life mesh in various occupations. In the end, the two mentioned factors can influence the decision of whether or not to disclose one's same-sex orientation. Let us start with considering the last aspect first.

4.3.1. Costs, benefits, choices and careers

One noteworthy characteristic of same-sex oriented people is that, unlike other minorities, such as coloured people within a mostly white population, they may choose between the disclosing and the passing (closeting) strategy: They are free to decide whether to allow becoming fully integrated in the social life at the workplace (which means to join informal social groups formed among the staff talking about private affairs and take part in all work-related social events together with one's partner) and disclose their sexual orientation by that or to resist full social integration in order to pass as a heterosexual who is just a strange, solitary or extremely reserved person. The latter is what Escoffier (1997, p. 125) calls the "bifurcation between public and private space and time" in order to "manage secrets".

Only, the second alternative is clearly associated with the problem of credibility that exacerbates as time elapses. This is why, in co-operation with a same-sex oriented person of the opposite sex, some queers try to stage a heterosexual relationship for their colleagues, or a lesbian and a gay live in a legal or religious, but in fact faked marriage, or a queer person even tries to lead, in social and sexual terms, the life of a heterosexual (Escoffier 1997).

The cases are not very few in which socialisation, education and social control result in a wedding and the true sexual identity of a partner finally comes to the surface after (many) years of marriage, causing comparatively much more trouble, because both partners and their children are personally and quite emotionally involved. Our pointing to such various fates here is to emphasise the non-pecuniary costs that are associated with the different choices that have to be made by queer people about their careers.

Self-outing (disclosure) is likely to be associated with non-material gains (reductions in psychic costs) and pecuniary losses (foregone promotions and wage increases) as well as non-pecuniary costs (hostility). This supports the empirical finding that the higher the position is that is held in the hierarchy (and on the incomes ladder), the lower is the willingness to come out and suffer such losses as just described. This is particularly true for gays, as lesbians are already restricted in their careers by the very fact (factor) of being female (Schneider 1986, quoted from Badgett and King 1997).

Interestingly, Badgett and King (1997) hold the opposite view. They argue that high-level jobs are more easily found by high-skilled workers than low-level jobs by low-skilled workers (competition for jobs being fiercer among low-skilled workers). Moreover, high-skilled workers can get low-skill jobs and can more easily finance a period of job search. Data indicating a positive relationship between income and disclosure of sexual orientation – at least in major parts of the range of income classes – have been presented by Badgett (1996). She proposes that gays on higher income and hierarchical levels are better established in the firm so that they can more easily come to terms with their social environment. But she admits that the outcome of the afflicted individual's cost-benefit analysis of whether or not to out oneself may also depend on the "social nature" of the workplace. Neglecting this argument, lesbians indicate a higher disclosure rate than gays.

4.3.2. Occupational differences by sexual orientation

A priori, one might assume that queer people tend to avoid occupations in which (a) it is more difficult to pass as a heterosexual (that is, in stereotyped occupations that stand for masculinity and femininity, respectively) and (b) the disadvantages that are entailed by outing are fairly big (that is, in relatively intolerant work cultures). The latter might hold good especially for gay men, as it has been mentioned just before. For more details of the theoretical underpinning, the data, empirical procedure and results see Badgett and King (1997). Here are their major findings:

In order to hold the influence of the distinctive features other than sexual orientation (education, area, occupation etc.) constant and secure unbiased results, probit estimations were performed. The sample size of 2,152 is rather small, though, as it has been accounted for in paragraph 1.3.; for this reason, the degrees of freedom are few, and, by and large, the statistical confidence of the results is not really affirmative. So we can only hope that the impression conveyed has not been determined by chance.

In terms of the tolerance of the workplace environment, Badgett and King (1997) established the following survey-based ranking by tolerance (i.e., by the share of tolerant answers to tolerance-related questions) for the U.S. over the period 1989-91: (1.) professional and technical, (2.) managerial, (3.) clerical and sales, (4.) service and (5.) craft and operative occupations. The results hold good for both genders.

It has also been found that the distributions across occupations differ between lesbian and straight women, between gay and straight men as well as between lesbians and gays. This has turned out even for such large occupational categories as those ranked above. As opposed to heterosexual women, lesbians are specially engaged in service, craft and operative jobs, that is, interestingly enough, in those occupations that are marked by less tolerance among the staff, and, within these categories, in less conventional jobs. On the contrary, to a larger degree than straight men gays have been observed in occupations with a more tolerant work culture, that is, professional, technical, clerical, sales and service occupations. Gay men's under-representation in managerial, craft and operative occupations seems to confirm the stereotype of the largely non-masculine gay. The relative absence of gays in managerial occupations is accounted for by the fact that promotions into management positions are depending heavily on subjective valuations by bosses and not so much on credentials.

Badgett and King (1997) admit themselves that larger samples and more qualitative analytical traits (see paragraph 2.2.) would be required. What is more, even when based on anonymous surveys, it can be presumed that many interviewees do not disclose their same-sex orientation, because only 3 percent of the women and 5 percent of the men in the underlying sample reported to have had at least once a same-sex relation. These are figures that are comparable with rather conservative estimates of the queers' share in the population.

4.4. Domestic-partner benefits for same-sex oriented employees

In the early 1980s, the first U.S. firms began to extend domestic-partner benefits to employees living in a same-sex relationship. Between 1990 and 1994 the number of such firms rocketed from five to 130, being still a tiny portion of the U.S. economy, but giving the hope that this development will continue that quickly and spread soon across society. The firms' motivations suggested by Spielman and Winfeld (1996, p. 55) are ethical considerations with regard to justice (perhaps unequal treatment could no longer be argued convincingly) as well as economic considerations for the sake of attaining or maintaining a competitive edge:

On the one hand, "Microsoft recognizes that if they are to achieve their goal of putting a computer on every desktop of every home, they have to know who those people sitting at those desktops are and what they are like. A company that values diversity will make sure its products are accessible to people from all walks of life, and they will actively recruit people of diverse background and implement programs to take care of them... Diversity is a major business advantage. It is the difference between limiting a company or institution to a single cultural value and achieving fullness and wholeness by welcoming difference. Organizations are faced with the reality that their workforces will continue to become more diverse" – a development that is also being furthered by queer liberation.

On the other hand, Microsoft is said to be very conscious of the immensely high costs of labour fluctuation. This is another economic argument for equal treatment and ethic support of people who have outed themselves explicitly or implicitly or have been outed by others, in order to make them feel accepted and stay with the company. Finally, one can, in a way, apply efficiency-wage theory (e.g. see Gordon 1993) that maintains that workers are less productive when they feel that they are paid less than the currently achievable wage rate. This approach may be generalised to all benefits and hence be extended also to the realisable state of equal treatment. From this perspective, equal treatment enhances productivity.

We realise that organisational culture and thus the corporate climate play a major role for the whole organisation, to the disadvantage or advantage of the organisation's minorities among the personnel. What has been observed by Spielman and Winfeld (1996) is that, motivated by the profit-maximising considerations of some firms' strategists, a process of "organizational socialization" (p. 56) has been influencing the value judgements formed by the individual employees, his or her attitudes of mind, the identities and attitudes of the workgroups and social circles within the organisation and finally the values, beliefs and principles underlying the management and operation of the entire firm. This means that organisational culture and corporate climate are not only essential but also malleable and utilisable.

What is even more, this experience can and ought to be utilised in the political sphere. Motions for legal improvements of the situation of LGB people have often failed; the failures have been accounted for and excused by politicians using the argument that the broad public would have voted against such proposals. This argument or excuse can be no longer supported convincingly in view of such experience reported above.

Spielman and Winfeld (1996) and Anderson (1997) give detailed advice how to counter arguments against introducing domestic-partner benefits for queer employees. Zuckerman and Simmon (1996) and Anderson (1997) even suggest a procedure for putting this demand through, even when – as with Anderson (1997) – politicians (who want to be re-elected) are concerned who are in the end politically responsible for public administration and state enterprises.

"The State of Georgia sought in February 1996 to ban the practice by which employers choose to provide health care insurance for the domestic partners of gay and lesbian employees. Firms operating in Georgia and their insurance carriers had sought to provide such coverage. It was noted that the insurance carrier Massachusetts Mutual had recently decided to charge the same charges for spousal and domestic partner plans, having concluded that there was no risk differential."
Perry L. Patterson, 1998

5. The development of LGB markets as a means against discrimination?

Extremely liberalist economists tend to say that practically there would not exist any function that could be fulfilled better by the state than by the markets, as it was expressed, for instance, by David Friedman in an interview recently given to an Austrian newspaper (Der Standard, 21 June 1999, p. 19). From such a perspective, one has to ask whether the incentive to make profit that governs markets will not suffice to do away with any discrimination, if it impedes the full economic exploitation of the markets. This suggestion would be particularly attractive if a group that is being discriminated against is a specifically wealthy one. When firms compete in winning the favour and thus the expenses of a group and if all the world is business, an essential part of our economic society thereby fights for the societal recognition of a hitherto abject group, and social justice will be created quasi as a by-product of business.

5.1. The economic situation of same-sex oriented people

5.1.1. Pros and cons of, and empirical difficulties with, the wealthy-queers proposition

The notion of lesbian and gay people being an extraordinarily educated and wealthy group has also been held and nourished by a part of these persons themselves. Probably they have (unconsciously) used this strategy for attaining and maintaining self-respect by supporting the self-/image of being influential (though not esteemed) in the economy. This can be achieved via buying power as a group and through an one's hierarchical position as an individual, particularly in our economy-prone society. The hypothesis of economic clout, however, has to be questioned in the light of what has been previously discussed in sections 2. and 4., and it has to be investigated more closely in empirical terms. The only apparent theoretical foundation of the wealthy-queers proposition would be the willingness and capability of queers to even overcompensate their structural disadvantage in our society (discrimination) by extra efforts in education and occupation.

Theoretically as well as in individual cases, it is hard to tell whether the absence of discrimination would have furthered accomplishment even more. This is why this question is essentially a case for statistics, as the relative importance of theoretical pros and cons cannot be proved within a fictitious model and case-study results cannot be seriously generalised (see paragraph 1.4.2.). What is needed is a database that allows generalisation of the results yielded by the exploration of the sample, that is, statistical inference from the sample to the entire population by statistical testing.

Again, we have to point out, however, that inference statistics are clearly limited in their explanatory power because of the small-and-biased-sample properties of data sets on tabooed themes (see paragraph 1.3.1.). Poor samples prevent reliable statistical inference that would control for the interrelations between the major social economic factors that influence – in our case – educational and economic performance over and above sexual orientation. Important explanatory variables may lack, sample sizes might be too small, samples may only refer to a single year, and the sampled persons either may constitute a systematically distinct subgroup to the queer population (e.g. people living out as homosexuals, readers of queer magazines) or partly consist of people that have been suggested to be queer in judging from other properties (e.g. cohabiting same-sex non-relatives).

So, in queer samples the educated, rich and socially well-established are likely to be over-represented, as the poor usually do not buy magazines, also illiterates do not unless (erotic) pictures dominate the motivation to buy the magazine, and the closeted queers do not use to cohabit with their partners, do not identify themselves as LGB in surveys or even are afraid of ordering a queer magazine. In short, samples are statistically unrepresentative; they do not reflect reality because they have not been "drawn" by chance (for further details, see Badgett 1997a).

5.1.2. The notion of the wealthy queers reconsidered

In the U.S., business does invest much to get representative data, but appropriate questions in terms of sexual orientation have not been included until recently.[52] Now it is "possible to make better statistical comparisons. Detailed analyses of these surveys suggest that is much more common for lesbian, gay, and bisexual people to earn *less* than heterosexuals... In this (1989-91) random sample, the behaviorally l/g/b people who work full-time earn less on average than behaviorally heterosexual people, even before adjusting for other differences" (Badgett 1997a, pp. 68-69; also compare Badgett 1995 for this particular analysis). The last part of the preceding sentence is most interesting, as satisfying merely the random-sample condition was sufficient to reverse the former (biased) results (but of course, the descriptive results could have been – but have not been – re-reversed by testing. Multiple regression analysis that can separate out the effect of sexual orientation from other factors determining the income has yielded lower incomes by 11 to 27 percent for gays and 12 to 30 percent for lesbians. These are average figures as compared with the mean income calculated for straight men and women, respectively. However, it must be admitted that the sample contained only very few (self-identifying!) queers (Badgett 1995).

[52] "Economic research on gay and lesbian life suffers from the virtual non-existence of empirical information. No systematic or periodic social surveys have ever been undertaken, nor have statistics on lesbian and gay life been routinely collected" (Escoffier 1997, p. 124).

Other studies based on different data could not find differences in income between queers and straights at all. But what remains true is that, still for data reasons, "we need more research on larger sample sizes and with other ways of measuring what it means to be gay or bisexual" (Badgett 1997a).

So the myth of the wealthy queers is living on, as it has not yet been rejected by an analysis on a statistically database that is truly reliable. Sound empirical results, in turn, can be helpful even to theoretical research, namely as an indication in which direction to proceed with refining our view of how social reality operates.[53] In view of this unclear situation, the question arises whether or not it pays for firms to include in, or exclude from, their marketing efforts a stigmatised minority that – being rich, poor and medium-endowed – might not differ in income terms from the rest of the population. So can business firms afford to reject a part of the population's income to be spent on their products?

5.2. Same-sex oriented people's income as a potential demand and profit

5.2.1. Emergence, development and scope of marketing aimed at queers

"In fact, the proof that the (queer) market exists is that marketers like AT&T *believe* that it exists; commercial interest is, after all, what defines a market. Such interest in the gay market has come about gradually over the last twenty-five years. The 1969 Stonewall uprising heralded the emergence of a self-conscious gay community, and various small businesses responded by starting up to serve gay men and lesbians" (Baker 1997, p.11), primarily in the form of bookshops, magazines and bars. The queer magazines and newspapers have helped create the notion of the lesbian and gay market via commercial advertisements (primarily for local bars, other queer-owned firms and the specific sex industry) as well as personal inserts to find a partner. But at first, unspecific supplies (as it is generally customary in the media) had not been advertised, not even in queer media.

In the era before Stonewall, however, stigmatisation and suppression were so extreme and constraining that there was no real chance for queer markets to develop in a way that straight businesspeople would have become interested in it. Jeffrey Escoffier (1997, p. 123-30) coins it "closet economy". The queer market was restricted to the bars, baths etc. within the lesbian and gay community and operated "on the margins of legality". Such small and specific enterprises had been primarily providing a kind of shelter in extending private space to the community area and offering protection from offence through restricting the public character ("protection business": p. 127). This development eventually lead to the emergence of "gay ghettos" and the "territorial economy". During the eras of the closet and ghetto economy in particular, the transactions costs for concealing one's same-sex orientation – the costs of passing as a heterosexual in the family and at the workplace, but enjoying life in the queer community (also see paragraph 2.2.3.) – lead to higher expenses, as compared with those of heterosexuals. This kind of demand-pull together with the various costs of discrimination against queer bars,

[53] "Because of its nature, economic theory cannot ever be taken as complete or 'true'. The only meaningful evaluation of it turns on its being 'not false' and on its being useful in supporting and directing research and policy endeavors" (Chase 1979, p.71).

baths, bookshops and the like, caused, for instance, through extortion and police raids, raised primarily the prices in the protection market to an unusually high level, but not so much profits and employment (businessmen and employers were even preponderantly straight).

The former "protection businesses" could spread considerably only in the aftermath of the Stonewall event, leaving semi-legality (earlier, it had even been illegality) in the course of the era of the "liberation economy" (Escoffier 1997, p. 129-130) and loosing consequently the character of a black market affected by extortion through the Mafia and harassment even through the authorities. Lately, ten years after Stonewall, the queer niche in the market was for the first time tried for introducing a good (it was vodka) that, by its nature, was not specific for same-sex customers, and the project has turned out to be a success story. The huge returns on advertising also raised the interest of queer print media to secure their survival and even expansion through larger business ads.

Either the vodka example by itself or the queer media have managed to appeal to bigger business and institutionalise co-operation in the course of the 1980s. First market analyses were undertaken, creating the image of the wealthy queers that was, in fact, true for the customers of the advertising firms (Baker 1997), but not for the LGB community as a whole, as had been argued in the previous paragraph. A self-assured queer liberation movement started providing non-profit services, namely not only counselling, but even in the form of public goods (see paragraph 2.2.2. and Varian 1999), that is, mainly the protection from societal hostility against those queers that have come out, have been outed or are coming out in future.

Lately, during the 1990s, the social and economic development just sketched speeded up: A kind of domino effect could observed, with more and more firms believing it would pay to invest in marketing aimed at the same-sex oriented population. This occurred not only because the data were too optimistically interpreted by some firms (compare paragraph 5.1.) and other companies would not give the forerunners a competitive edge, but also because of the growing notion that lesbians and gays did form a more or less coherent community with its own trends that may quickly spread and allow to successfully place a product in a distinctly emerging and dynamic segment of the market (Baker 1997). For it had not been earlier than the liberation period that, in the queer community, a proper lesbian and gay culture has been developing in everyday life (Escoffier 1997) that has made the queer market an increasingly promising target zone for marketing.

In the end, however, the scope of such marketing activities has turned out to be clearly limited, if you look at the small number of markets where such activities have been introduced and managed to produce a domino effect. It is likely that a forerunner is needed for a quick, successful penetration of a queer market.[54] It might also be easier to introduce another good by a firm already established in the queer community market. But by and large, the markets where firms specifically address lesbians and gays are not numerous.

[54] "'The big thing in this market is being first... People who come in second are seen as cowards by this market.' In this case, the important thing was to be first into this market with an *openly gay* campaign" (Baker 1997, p. 17).

At least, advertising to lesbians and gays has resulted in an upswing of the diversity of their print media the sexual content of which is limited in order to make it possible even for traditional firms to advertise in queer media. Even the ads themselves do not openly appear as messages to the queers, abiding by the motto "Marketing Dare Not Speak Its Name... Without using the words 'gay' or 'lesbian', it nevertheless contains a cornucopia of queer codes and images. ... homoeroticism is hinted at..." (Baker 1997, p. 16-17).

Escoffier (1997, p. 131) makes it clear that "despite these radical changes in the organization of gay and lesbian economic life, the historical economics of the closet is not a remote and irrelevant piece of arcane knowledge. Even today, the closet continues to play an important role in the political limitations that lesbians and gay men encounter. The enemies of homosexual emancipation want to push lesbians and gay men back into the closet. 'Don't ask, don't tell' is the contemporary formulation of concealment, and, not insignificantly, the reimpostition of an economic burden". This point of view calls for a somewhat more general consideration of the economic potential and social significance of lesbian and gay markets.

5.2.2. On the importance of product marketing aimed at queers

As long as advertisement effectively works and only a limited, relatively small number of generally oriented firms[55] engage in queer marketing, it appears that lesbians and gays do respond to being courted by business as a cardinal institution of our heterosexual society. Being esteemed in this was, LGB people appear to redirect their demand towards the goods specifically advertised to them. Therefore, the queers' economic response has been noticed, appropriated and appreciated by the advertising firms.

Moreover, the fact that this group-specific advertising has been performed over years may testify that, in the cases observed, the heterosexual public has not reacted in a crucially negative way to the courting of homosexuals by heterosexuals' firms. After all, these success stories cannot by generalised. Baker (1997) confirms that the firms engaging in queers-oriented marketing do fear a backlash through campaigns by the organised religious right (and obviously most firms do not take that risk), although, in the most prominent case, the campaign against Levi Strauss did not have noteworthy effects on profits, despite its high publicity. Moreover, some products specially advertised in the queer community (like vodka) do not find many customers in extremely conservative circles, thus reducing the potential impact of a boycott.

Similarly, it can be doubted that demand could be directed by the queer liberation movement in a way that would allow to use it as an economic weapon against homophobe companies. First, only a part of the lesbian and gay population can be reached effectively by queer mass media in order to co-ordinate a boycott. Second, as analogous experience with regard to elections suggests, same-sex oriented people do not vote very differently than the rest, because in a pluralist society they state their preferences not only in terms their sexual orientation but also

[55] Thereby, firms are meant that offer goods that, by their nature, are not specifically destined for lesbians and gays.

their ideology, occupation etc. This is why free-riding can be expected when campaigning against a homophobe party or company; we have previously mentioned this problem together with the aspect of agglomeration and organisation of interests in a local community, based on the historical study by Knopp (1997, see paragraph 3.4.).

With regard to both its very limited scope and, interestingly, at the same time its fairly large success, queers-oriented marketing resembles the granting of domestic-partner benefits to same-sex oriented employees (see paragraph 4.4.). Therefore, also the judgement on the significance of queers-oriented marketing for society may be fairly similar to the judgement on the societal importance of domestic-partner benefits for same-sex couples (as a kind of direct job marketing and indirect product marketing): "Things have changed in the last two decades; more and more companies are leaving homophobia behind in their marketing practices and their internal policies. But much more progress remains to be made" (Baker 1997, p. 20).

On the other hand, one useful social function in the interest of lesbians and gays can be apparently fulfilled more effectively thanks to queers-oriented marketing: that is serving as a sort of ratchet against reactionary tendencies and societal setbacks. Queer markets certainly cannot achieve equality between heterosexuals and homosexuals, but they do make the queer community visible and acknowledged in the broad public. As long as queer markets succeed in doing so, they thereby demonstrate to same-sex oriented people the feasibility of being out, just by shedding light on the community. Even more so, the courting of lesbian and gay clients also means, in a way, respecting them and accepting their lifestyle. "The visible existence of lesbian and gay communities is an important bulwark against the tide of reaction; the economic vitality of contemporary lesbian and gay communities erodes the ability of conservatives to reconstruct the closet. The closet is the specter that haunts lesbian and gay politics – and lurks in every social and political action that seeks to isolate and contain lesbian and gay communities" (Escoffier 1997, p. 131). This aspect leads us to the remaining political aspects and issues.

"... at that time, I fully realised what humiliation is and how cruel and despicable those are who humiliate the defenceless. I discovered the meanness of the majority."
Manès Sperber, Die Wasserträger Gottes

"How selfish soever man be supposed, there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it, except the pleasure of seeing it."
Adam Smith, The Theory of Moral Sentiments

6. The political economy of sexual orientation

6.1. Organising society

6.1.1. Norms, rules, principles and justice

Considering issues affecting LGB people in the previous sections, we have repeatedly encountered norms in a comprehensive sense, created by society, namely by the majority of the population, that is, by those people who are mighty enough to introduce rules for thinking, expression, decision-taking and behaviour. In this sense, the majority need not constitute the majority of people or voters; the one-person-one-vote principle does not operate perfectly in practice; otherwise, there would not occur such phenomena as political rent-seeking (lobbying) and rent-distributing. In fact, the votes or any other means of articulating a political will are often weighted by power, with the weights being determined largely by differences in information about the future consequences of the collective decisions that are being taken in the current rule-creating process and fix the future procedures (Mueller 1989, compare also paragraph 1.4.1., including footnote 5).

Rules are necessary, as one has come to acknowledge that complete liberty – that is anarchy in the end – is an inefficient, unnecessarily costly social regime (including the "costs" of injustice). Transaction costs and costs of uncertainty, risk and conflict settlement based on individual, illegitimate (instead of collective, legitimised) power exertion are reduced by rules that have been agreed upon through some (democratic, oligarchic etc.) mechanism. In the economic sense, rules are meant for reducing societal costs. Therefore, rules for rule creation are necessary in each field where an individual's commission or omission affects other people's production or consumption process and finally his or her utility directly (that is, effects are not as indirect as through the system of relative prices). In the extreme case, there are common-pool resources and properties the allocation and maintenance of which should be co-ordinated among the numerous possessors by rule; or, if there are public goods that can and will be provided only by joint effort, it has to be commonly agreed upon the individual contributions to providing the public good (Brent 1996, Varian 1999).

In view of potential and actual power, the economic theory of politics ("public choice") has yielded, that institutions do matter in that the procedure of creating rules decides on the level and distribution of the utility that results from abiding by those very rules once they will have been introduced (Mueller 1989). From this perspective, ever higher and higher hierarchical levels of decision-taking on rules (i.e., decision mechanisms) would be required. In theory, one is confronted with an infinite search for higher even higher principles of collective decision-taking. In practice, however, principles are sought that would secure justice in the process of collective decision-taking.

Again, on various hierarchical levels, such principles are expressed by, or incorporated in, ethical values, religious foundations, common notions of fairness, political morals, categorical imperatives, ideologies, the spirit of the Constitution, declarations of Human Rights, legal maxims and remedies provided by the constitutional state, common-sense, declarations of the political will through indirect and direct democratic means, manifestations, demonstrations and the like. Principles of justice are basically intended to legitimise collective decision mechanisms and decision outcomes in a certain broadly accepted spirit (i.e., on a normative basis).

However, as the previous enumeration of examples makes it clear, even in developed democracies, by far not all of those principles are created in a democratic way (religious foundations, for instance). Even more so, democratic procedure need not faithfully reflect and reliably specify the political will of the majority of the population; this is because of the information inequalities and power distortions described above. Finally, when departing from the unrealistic principle of unanimous decisions in order to achieve operability in a large collective, the various majority votes need not comply with a certain – what?, *the*? – concept of justice (see the first of the two quotations heading this section). Finding a commonly accepted concept of justice, in turn, requires a mechanism of defining justice that is generally agreed upon.

6.1.2. Changing the Social Consensus by arguments

The only, though also not completely satisfying way out of the political philosophic maze sketched in the previous paragraph is applying the concept of Social Consensus (Frey 1983), that is, a widely shared basic agreement about the conduct of collective affairs, a concept that can be employed because it is unspecific, general and comprehensive enough and, at the same time, explanatory enough to serve as a public guideline in society. The Social Consensus is the common notion of what can or cannot be said and done, should and should not be thought, ought or ought not to be said and done, for instance, the sensed limits of the relations between liberality and social organisation.

It is crucial for public life and politics to acknowledge that the Social Consensus is neither created by itself nor transcendentally revealed, neither granted automatically nor unachievable, neither inalterable nor unchallenged, neither eternal nor secured, neither sophisticatedly constructed nor formally voted upon, uniform neither across nations nor cultures, but that the Social Consensus has been just developing through a complex and even partly unconscious process of social interactions.

Taking all these considerations into account, it can be concluded that what is most important for minorities that are discriminated against, such as LGB people, is to provide information in order to weaken the power (see above) of the oppressors and to convince the opponents of queer emancipation with the help of arguments that are reconcilable with common-sense and apt for altering the Social Consensus, in spite of the conservative character of the greater part of our social norms:

"... in a liberal democratic society" – here Bamforth (1998, p.1) refers to the Social Consensus which he feels to prevail in our society or wants to propagate, before he starts reasoning – "any law or law reform measure requires a sound normative justification given law's inherently coercive potential. Such a justification comes from our theories of justice and political morality (which are often interlinked). A theory of justice prescribes the rightful allocation of entitlements amongst members of a society; a theory of political morality concerns the ways in which it is right (and wrong) for the political institutions of a society to act. Laws designed to protect 'minority' groups such as lesbians, bisexuals and gays require justification just as much as laws which restrict or penalise. For ... a law which is politically or morally controversial – one which, for example, gives full legal recognition to same-sex partnerships – is likely to be far more vulnerable to attack from opponents if its supporters cannot present a plausible and appealing justification for it. The legitimacy – and success – of demands for legal recognition of same-sex partnerships ... thus depends on the soundness of the justifications advanced for legal recognition."

6.1.3. Violating privacy and going public as a strategy for queer emancipation

As we have expounded on in paragraphs 2.2.4. and 3.3., sexual orientation and relations are basically a matter of privacy. Being implemented by the system of norms, however, sexual orientation operates at the same time as a criterion that decides about the individual's chances and achievement in society. Thereby, sexual orientation has been made an instrument of politics (just think of the title of Rhonda Gottlieb's 1984 cardinal contribution running The Political Economy of Sexuality).

Consequently, sexual orientation and the economic and social consequences of its regulation by society through (explicit and implicit) norms that are based on subjective (not divinely revealed) value judgements have to be deliberately made a matter of public affairs, even though private, intimate issues are touched which, anyway, cannot not be effectively and meaningfully concealed in the end. Such a self-violation of privacy is politically necessary, particularly because value judgements can be neither communicated, conveyed and compared interpersonally nor collectively optimised. Also, many value judgements are non-democratic by their nature, for instance, when they are founded on religious paradigms or axiomatic reasoning by applying the natural-law or divine-law concept in order to (intentionally) "explain" social phenomena and base social regulations on it. This is why argumentation is required on a sound basis that can be effectively communicated to other persons in order to bring the message across. Such a method is arguing with the help of personal examples.

In going public, the privacy of LGB people is basically not violated to a greater extent than by their being forced to pass as heterosexuals. For, by its normativity (heteronormativity, to be more precise), the heterosexual society most brutally violates the privacy of same-sex oriented citizens in the form of either forcing them into heterosexual roles or making their sexual orientation a matter of public interest and social positioning and achievement. As a defence against that kind of offence and intrusion, lesbigayers should come out and make the queer liberation movement visible and convincing. Otherwise, it is impossible to argue authentically and convince not only based on theoretical arguments, but also on an emotional basis through one's directly given personal example (in what manner one interacts with others and how well one organises one's relationship).

6.1.4. Arguing for social change: Pareto-efficiency, externalities and public goods

The procedure suggested here can be expected to be successful, if it is possible to convey at least the impression of Pareto-efficiency (Varian 1999, p. 15), if not an improvement of everyone's welfare through the proposed change: When same-sex oriented people are relieved from suppressive laws as well as the oppressive social climate, from making them sense that their otherness is recognised abjectly by their fellow citizens, when LGB people are relieved from stigmatisation and social exclusion, opposite-sex oriented people need not be affected, neither objectively (the conviction of it must be achieved by logical arguments) nor subjectively (the conviction can also be achieved by personal examples). Pareto efficiency is realised if no one can be better off without another collective member being thereby worse off.

After all, the welfare of LGB people will be certainly increased by their liberation and social inclusion, as can easily be argued (see section 2). The first message that ought to be brought across is that through discrimination on the basis of sexual orientation negative externalities (external costs: Varian 1999) are produced that directly affect queer people's utility (many uninformed straights seem to really believe that queers are not being discriminated, as homosexual relations are not illegal). Beyond that, it has to be argued that, plainly speaking, being different is not harmful by itself, neither to oneself nor to others. Let us begin with the first of these two aspects.

First of all, one has to insist on the individual's right to choose his or her way of living, as long as it does not directly affect the wellbeing of others. On this premise, religious, moral and social mission would consequently receive a new content, that is, mission would adopt the character of an offer, suggestion or invitation instead of an oppression and a compulsion to live one's life in a certain way that is based on a transcendentally revealed "truth". Such an absolute norm, however, cannot be communicated interpersonally but must be experienced individually. Therefore, the decision to select a norm as absolutely true must be left to the individual, as it cannot be objectively proved to be true (Seel 1995).

Even if an individual's lifestyle, judged by some moral principle, is considered far from being optimal, the individual ought to be conceded sovereignty and self-responsibility in this respect. Morals that concern the individual alone must be clearly considered to be a private matter, whereas morals are a matter of public affairs, if and only if externatities (i.e., direct effects on other people's utility) are thereby produced; most clearly this is the case with political morality, as political morals stipulate the conditions of how one should be decide on issues that concern the community – or certain regions or groups of it – as a whole.

Concerning the question about the harmfulness or harmlessness of a lifestyle (e.g. characterised by same-sex orientation), it is more difficult to convince intolerant straights that homosexual behaviour would not and should not affect their own (the straights') wellbeing, even when, at first, they feel astonished, confused and even disgusted by watching self-sex partners show their affection for one another (or even by the mere thought of it). To prevent such a feeling, straight persons should be confronted with same-sex relationships in order to get accustomed to that.

Additionally, they should be made aware of the facts that same-sex orientation can be neither suppressed nor concealed and that the social compulsion to hide homosexual relations produces negative external effects on LGB citizens. But essentially, this is a question of social justice in that it is to be decided on how far the room for free individual behaviour reaches, because only when entitlements are allocated and thereby borderlines are drawn between the individuals, one can define what external effects are and which type of behaviour is commonly considered to affect the others and which one does not. Drawing borderlines is basically justified, but it must also be specifically justified in each social respect, as so many human fates and so much personal un-/happiness depend on its consequences. We are going to deal with the issue of justice in the following paragraph.

Finally, it can be shown that, if social (i.e., the entire) welfare is raised by improving the queer people's situation, not only the queers' but also the straights' welfare is increased. That is to say that, first of all, by way of liberating the queers, also the straight persons' economic wellbeing will be enhanced. Straight people can be convinced of that by emphasising that the aforementioned negative external effects on LGB people also affect the efficiency of the economic system and diminish national income and the development of total wealth. For an adequate argumentation, one may refer to what was discussed above about productivity and income losses caused by discrimination against LGB people (see paragraph 4.2.2.).

But of course, such material gains have to be weighed against potential immaterial, ideal, non-economic losses in the form of disutility resulting from setbacks in religious mission, ideological defeat, personal disgust etc. But there are also positive influences in this respect that counter such religious, ideological and emotional setbacks.

We have learnt in paragraph 2.2.2. that, apart from pecuniary aspects, individual wellbeing and social welfare also comprise immaterial, non-pecuniary components. If it is right that without being inhibited by stigmatisation and exclusion, social interactions operate smoothly, each step towards full social integration can be regarded to have positive external effects furthering the satisfaction of human beings as social beings longing for social protection through integration in the community. It is essential to note that this is true not only for the same-sex oriented people (whose situation is improved by abolishing the negative externalities that have affected them) but also for the opposite-sex oriented people (whose situation is improved by creating positive externalities in the form of an enhanced feeling of social togetherness).

Moreover, in the final state of complete social integration, a public good (Varian 1999) called social peace, is being produced. It hinges upon the co-operation of all citizens (at least substantial free-riding behaviour must be prevented) and benefits all community members. Social peace is based on the following intermediate targets (strategic factors): information, tolerance, understanding, acceptance, social equality and integration.

However, it has to be repeated that such immaterial, ideal values and value judgements are hard to communicate. Thus, they are individually and subjectively perceived. Although not well operable in science and politics, such factors are too important to be left unconsidered. Lately, this leads us completely away from the question of what is or could be (the aspect of positive social science) to the question of what should rightfully be possible and allowed (the issue of normative social science). Now we have arrived at the question of what justice is and hence at the issue of justifying discrimination and non-discrimination, respectively.

6.2. A matter of justice

6.2.1. The need for discrimination and its justification

The basic problem is that policy-making essentially depends on discrimination, because no political measure can be imagined that would produce exactly the same effect on each and every individual. If structural policy is to be made, the breakdown of aggregates, such as the whole population, all households, enterprises, branches, goods etc. should be altered. This means to grant benefits (subsidies, social transfers, preferential treatment in public procurement and through regulation) to certain social groups, households and enterprises, but not to other subsets within the aggregate. Likewise, policies directed at influencing the structural composition of aggregates can be performed by burdening (e.g. through taxes and regulations) only specific entities characterised by certain criteria. This means that if policies are to be performed at all – the alternative would be extreme liberalism (anarchy) with all its inefficiencies – one has to accept discrimination. Consequently, discrimination is never good or bad by itself. Instead, it should be regarded to be good if it is convincingly justified and bad if it is not or unconvincingly justified. Conversely, anti-discrimination is not a straightforward case either.

6.2.2. Justification in social sciences and politics

Justifying a normative statement is a task the cannot be perfectly fulfilled by social sciences (see paragraph 1.4.2.), for it would require an objective proof that is independent from assumptions which, in turn, are necessary to perform a social scientific analysis. In such assumptions on which theorising and even empirical testing fundamentally rests, value judgements are unavoidably contained (Bartel 1994, 1997). This implies that although a model is, as it is required, logically consistent and coercive in deducting results from it, it is not necessarily convincing, as people differ by their value judgements and the premises for their arguing. Nonetheless, applied social scientists are eager to be as objective as possible in extending, as far as possible, the field of arguments that can be communicated coercively to other persons to the field of normative statements (i.e., suggestions relevant for policy-making). This is why justifications will never be complete, but they have to be as convincing as possible.

The arguments brought forward so far (i.e., externalities and public goods) are from the field of positive economics, though, but they are themselves necessarily based on models that require assumptions; these premises for analysing, however, are commonly agreed upon, at least by mainstream economists. From this perspective, a clear borderline between positive and normative economics cannot be drawn.

In the realm of politics, the problem is not that severe, because in meta-economic questions one can rely on ideologies expressed through party programmes that have been democratically adopted by a (qualified) majority. Similarly, political programmes in the form of a coalition agreement or governmental declaration for a certain legislation period act as political guideposts for major decisions on questions that cannot be answered in purely technocratic terms. Though being useful with regard to political operability, political programmes are certainly not a perfect substitute for a clearly defined concept of justice and for justifying an anti-/discriminatory step.

6.2.3. Justifying anti-discrimination in non-economic terms

Now we are trying to extend our considerations beyond our previous arguments from the field of economics (externalities, public goods and their impact on economic efficiency and social welfare) in order to justify non-discrimination (but we shall sometimes find the aforementioned economic concepts to be applicable even to non-economic approaches).

Bamforth (1998) argues from the perspective of legal philosophy. He points to various principles on which to base the argumentation for non-discrimination and consequently measures of anti-discrimination that can be either steps towards equal treatment or even preferential treatment in order to counter structural disadvantages of a certain group within society:
(a) the principle of respect for privacy from which the right for privacy may be derived,
(b) the principle of equality from which the right for equal treatment may be deduced and
(c) the principle of autonomy and empowerment on the basis of which one may argue in favour of the right for self-determination.

(a) Respect and right for privacy

In terms of privacy, the chain of arguments runs that "consenting sexual activity between adults fall within the private sphere, and the law should respect that sphere both by not regulating it unduly and by protecting people against unfair social reaction to their private conduct. One might therefore try to formulate a privacy-based claim for the legal protection of same-sex partnerships on the fact that such relationships are intimate, private matters which deserve the law's respect" (Bamforth 1998, p. 2).

After all, the concept of privacy can be interpreted differently, that is, either as the "physical space of home or certain types of act which are conceptually private wherever they actually take place" (p. 2). The difference in interpretation is crucial to what is allowed by the law: meeting one's same-sex partner in one's apartment with the curtains drawn versus meeting and kissing him or her in public? Before, we have dealt with this argument in terms of external, immaterial costs arising to intolerant straights when watching queers on TV or in the street. Opponents of queer liberalisation argue that there is no moral value in same-sex relations and that such behaviour should not be forbidden and punished only on condition that it does not occur in public. Bamforth (1998, p. 2) concludes that the principal right for privacy is not "a terribly strong or positive defence of same-sex sexual acts or relationships".

(b) Equality and the right for equal treatment

The principle of equality requires that queer persons and relationships are defined to be of equal worth to straight persons and relationships. The egalitarian concept expresses moral equivalence of same-sex and opposite-sex orientation. Such an equivalence is a moral category that cannot be proved. But once it is adopted, it is clearly violated by discrimination against, but also by preferential treatment of, either of the two different types of persons and relationships. Individuals and couples of opposite-sex and same-sex orientation alike can rightfully demand legal protection (Bamforth 1998).

For this reason, conservatives who want to make this fail tend to argue in a purposefully misleading manner that LGB people are seeking special rather than equal rights, because queers would be extremely well off in economic terms (see paragraph 5.1.) and not restricted in their private sphere; in short, they would not be a disadvantaged minority. By help of such arguments, economic envy is whipped up, and lesbians and gays are thereby tried to be divided from other minorities (e.g. the coloured) in terms of solidarity (Hardisty and Gluckman 1997). In spite of the ideology-prone controversy about equality, Bamforth (1998) argues that, in technical terms, the equality principle is easily realised, it promotes consistency and is thus basically appealing.

The concept of moral equivalence, however, can be challenged by the principle of responsibility for future generations which, as it is be argued by "utilitarianists", imposes the duty on living persons to beget additional human beings who are capable of getting satisfaction, adding thereby to (future) social welfare.[56] From this perspective, opposite-sex relations and partnerships should get preferential treatment because of their ability of procreation (see paragraphs 3.1. and 3.2.). Con-

[56] This utilitarian approach is problematic in that it does not preclude euthanasia: In order to maximise the sum of individual wellbeing, mentally handicapped people would have to be killed if they were unable to experience joy but decrease all other people's opportunities of consumption and wellbeing. Analogously, the right for begetting children could be restricted if rapid population growth reduced the future generations' welfare through overpopulation (Seel 1995).

versely, same-sex oriented people, their relations and partnerships can be rightfully discriminated against on the basis of their expected childlessness. Improving the tradition of Immanuel Kant, however, the Frankfurter Schule (Frankfurt school of thought) maintains that an existing human being has its sake in himself or herself and should not be regarded as a means, for instance, for procreation. Furthermore, the responsibility for future generations is a problematic concept, because a duty for begetting future human beings is not paralleled by a right of the future generations to be begotten. At best, a conditioned duty can be argued for: a duty that is only imposed by the begetting behaviour itself, because everyone who has been born should be given the freedom to lead a self-determined life (Seel 1995, also compare paragraph 6.1.4.). This demand leads us to the argument of personal freedom (in the sense of self-determinedness, autonomy).

(c) Personal autonomy, basic rights and empowerment

The right for personal autonomy can be based on the conviction that it does not suffice to be convinced oneself about what is true or not for justifying the persecution of people who do not share the same conviction as oneself does.[57] This conviction, however, cannot be proved. In the field of the ethics of value, the only meaningful method of arguing in favour of personal autonomy is to reason and point out what would happen if society did not live up to the principle of personal self-determinedness (autonomy). Seel (1995) concludes from this that if norms in the form of moral or ethical imperatives should be introduced at all, they should be rather weak and unspecific, such as the principles of tolerance and rational (sensible) behaviour.

Personal autonomy and empowerment of the individual recognise that "sexual expression and emotional feelings are central to our well-being as humans. People engage in sexual behaviour both as a means of expressing emotional affection (for example in a committed relationship) and as an end in its own right (for achieving sexual stimulation, for example). Either type of expression is of fundamental importance to those involved, and either type implies a certain level of basic human interdependence. In short, sexual and/or emotional behaviour is central to our autonomy as thinking and choosing human beings. This being so, it seems fair to argue that the law should allow for and support the widest possible range of sexual and/or emotional behaviour between consenting adults – a stipulation which can

[57] In debates, religious fundamentalists tend to pity same-sex oriented people, and even when confronted with the assertion by queers that they feel happy – if only left alone by missionaries and respected by society – fundamentalists contend that LGB people cannot feel the difference in happiness and should try to become a convert or get cured from homosexuality. In the realm of the churches, however, attitudes of respecting the individual's conscience as the ultimate non-transcendental moral instance are sometimes shared, making the point that basically no-one should be excluded from society because of his or her personality: "When I stand up and say that I want to oppose discrimination against people because of their sexual orientation, it is not because I want to seem niche. It is because if I don't, everything I have done in my life will be in vain... It is all part of the same passion. We opposed apartheid precisely because it wanted to shut out certain people because of their particular attributes" (Archbishop Desmond Tutu, Anglican Church, 1984 Peace Nobel Prize Winner, in his speech delivered at the Human Rights Committee's 12th annual Atlanta black-tie dinner in 1999, quoted from ILGA Bulletin, no. 2., 1999, p. 7).

encompass legal recognition of same-sex partnerships as much as legal protection of casual sexual activity" (Bamforth 1998, p. 4).[58]

6.2.4. Excursion: A concept of political justice and the justification of institutions

The most prominent contemporary scientist who elaborated on the concept of justice is obviously John Rawls (1995). What makes his recent work extraordinarily interesting in terms of what we have discussed in the previous paragraph (remember in particular the contribution by Gerhard Seel in 1995) is that he has endeavoured not to base his concept – "Rawlsian justice" – on philosophical and metaphysical premises, such as universal truth and the character and identity of people. This makes the concept independent from religious and philosophical paradigms, at least as far as possible. Rawls has developed his concept of justice for the setting of a democratic constitutional state, as observed in Western-type industrial countries. He maintains that social justice, being a public affair, should be politically instead of philosophically determined (of course, justice is a moral category, but applied to society's institutions, it becomes a political concept). On such a relatively sound basis, constitutional principles, basic rights and basic freedoms should be provided. We are going to look at that more closely.

Rawls (1995) starts from a situation of fundamental dissent in society where the diverging opinions appear to irreconcilable (for a specific example see footnote 58). Under such circumstances, political philosophy is called on to search for a latent broad fundament of consent on the basis of which a solution can be derived that can be accepted by either group of interest. At least, the divergence between opinions should be narrowed as far as to guarantee sufficient respect and operable political co-operation. The hypothetical setting sketched is similar to the cir-

[58] According to Hardisty and Gluckman (1997), liberal, humane approaches and steps are repeatedly countered by anti-queer campaigns, carefully organised and effectively launched by the (mostly Christian) right wing: Protection of children from sexual abuse, protection of the family from other ("amoral") forms of concubinage that would ruin or society and protection from HIV infection, illness and premature death: arguments of such kind are deliberately abused for creating and nourishing anxiety of, and hatred for, homosexuals, denying them civil rights ("special rights" as they call them), although it is argued that queers are basically not minor people: "The homosexual movement is nothing less than an attack on our traditional, pro-family values. And how this movement is using the AIDS crises to pursue its political agenda. This, in turn, threatens not only our values but our lives... They are loved by God as much as anyone else. This we believe while affirming the disordered nature of their sexual condition and the evil nature of the acts this condition leads to, and while fully committed to the proposition that homosexuals should not be entitled to special treatment under the law. That would be tantamount to rewarding evil" (Schwartz and Rueda 1987, p. viii, quoted from Hardisty and Gluckman 1997, p. 211).
Like others, Christian Voice used homosexuality as a major theme in fund-raising, for instance, in a letter that began, "I am rushing to you this urgent letter because the children in your neighborhood are in danger" (quoted from Hardisty and Gluckman 1997, p. 212).
"Family Research Council distributed a 'homosexual packet', available through Focus on the Family, which contained the lengthy document 'The Homosexual Agenda: Changing Your Community and Nation'. This detailed guide includes instruction on how to start an anitgay initiative" (Hardisty and Gluckman 1997, p. 214).
"Colorado provides a case study of the effective involvement of national right wing groups at the local level. Amendment 2, an amendment to the Colorado institution, was passed by the state's voters in 1992. If enacted, it will prohibit the state as well as any of its localities from providing civil-rights protection to lesbians, gay men or bisexuals; it will repeal gay civil-rights ordinances already on the books..." (Hardisty and Gluckman 1997, pp. 212-213).
For the dark side of the contemporary Austrian situation see section (2) of the text appendix.

cumstances currently given in Austria where in a political stalemate the conservative and the progressive parties seem to be unable or unwilling to co-operate for a legislation abolishing the discrimination of lesbians and gays, primarily in terms of an equal age of consent and a government-recognised partnership (see section (3) in the text appendix). For the sake of finding such a foundation (a basic societal structure) for a political co-operation that should be able to grant justice, first of all, two principles of justice are suggested (Rawls 1995, p. 41):

(1) "Each person has an equal right for a completely adequate system of equal basic rights and freedoms, a system that is reconcilable with the same system for all others persons."
(2) "Social and economic inequalities need to satisfy two conditions: first, they must be associated with functions and positions accessible for all on the premise of a fair equality of chances; second, they must be of the greatest advantage to the members of society who are least favoured."

Together, these two principles should regulate the institutions that are to realise those values that the principles are referring to: basic rights and freedoms, fair chances and the claim for equality. Dissent on the institutional order that realises freedom and equality best can only be reduced in the short term, whereas in the long term even strong convictions do change towards the two principle of justice, Rawls (1995) holds and gives the examples of religious tolerance and rejection of slavery.[59] A common pool of implicitly accepted, intuitive basic thoughts and principles has been developing. It is hoped that these things we have in common are sufficiently concrete to incorporate them in a concept of political justice which we are strongly convinced of.

Rawls concedes, however, that in practice the political culture may be expected to be contradictory in itself, especially when debating on the best institutional order in terms of freedom and equality. In order to resolve this, he suggests to rearrange traditional thoughts and principles in a way that allows a new perspective of hitherto controversial issues. In this sense, a political concept need not be creative but only harmonising. A viewpoint that is conducive to achieving such a harmonisation – a consistent political culture – is the basic imagination of society as a system of fair social co-operation between free and equal individuals. Looking at the present Austrian situation again, the Rawlsian proposition of developing a consensual concept of political justice and checking the public institutions by it is mirrored by the Green Party's demand to reconsider and redefine the state aims and adapt the constitutional law adequately, for instance, in terms of ethnic and sexual minorities, political asylum and immigration, thus inducing amendments of laws and decrees.

If a harmonisation of political culture has been achieved in the form of a concept of political justice commonly agreed upon and the current institutions are scrutinised by each citizen, irrespective of his or her social position and specific interests, a consensus will be reached on what laws are to be created newly (e.g., an anti-discrimination law) and how to amend laws and government decrees through introducing anti-discriminatory terms.

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[59] In view of these historical facts, one might be confident that some day in a not too distant future discrimination on the basis of sexual orientation will also be commonly declined.

Rawls (1995) maintains that such a justification of institutions is not achieved depending on the validity of assumed premises, but by making reference to basic thoughts and principles of those other community members who, at that time, have not yet consented. It goes without saying that such a consent must be achieved freely, without being distorted by power and information asymmetries. It is not a question of whether the concept of justice is true or not, because it has not been created by philosophy or religion, but in practice, by social interactions, through political negotiations, in a fair process in search for consent. In this process, philosophical, moral and religious issues that represent unalterable "truths" are purposefully avoided as far as possible, because they tend to create intolerant attitudes of mind. Tolerance, however, is necessary for a fair process of generating political justice, as "the principle of tolerance is the only alternative to an unlimited application of government power" (Rawls 1995, p. 44). The chain of cause and effect is therefore the following: tolerance - fairness - justice. Referring once again to the case of Austria, it is always a compound of the principle of religious truth, moral arguments, the preservation of the privileges of marriage and population policy in conjunction with xenophobia that prevents steps to remove discrimination against LGB citizens.

Contrary to intolerance, social co-operation is expected to lead to justice. Being more precise on that, Rawls (1995) points to three elements of social co-operation:
(1) Social co-operation is guided through commonly accepted rules and procedures rather than commands.
(2) Fair conditions for social co-operation are those stipulations that are sensibly accepted by each participant on condition that all other participants will accept them, too.
(3) Social co-operation crucially hinges upon the concept of rational individual advantage of each participant which is defined by what the single participant wants to achieve when co-operation is considered from his or her proper viewpoint.

The democratic framework which is required for a fair process of social co-operation suggests that all citizens are free and equal persons. The fundamental intuition of it is that persons are free because of their moral capability and, associated with it, their quality of reason, thought and power of judgement. Rawls (1995) defines that humans are equal if they have sufficiently developed their moral capability. From this Rawls concludes that persons are gifted with a sense of justice and the capability for perceiving what is good (i.e., what is worthwhile in human life and constitutes ultimate aims). The sense of justice allows to develop a concept of political justice that, in turn, determines fair conditions for social co-operation (in any respect). Such a reasoning supports what we have discussed about externalities, freedom and autonomy of the individual in paragraphs 6.1.4. and 6.2.3.; it is easily recognised that under such conditions, people are able to decide on their private lives and must be free to do so.

Finally, John Rawls searches for the circumstance that is most conducive to a fair process of social co-operation. Equality must be guaranteed in the co-operation process, in order to secure fairness. For this sake, Rawls (1995, p. 50) introduces the concept of the original state, that is an ahistoric fiction, a "viewpoint" that is free of the random processes, social economic circumstances and historical influences that mark and co-determine the real-world social interactions and their outcomes. In the original state, the (informational) symmetry between the participants is given and allows equality and fairness. The essential characteristic of the original state is the "veil of ignorance" under which all participants are assumed to act. The original state is a model for understanding how fair conditions for social co-operation in establishing a basic structure of society look like. Under such conditions, a concept of political justice is chosen which is chosen by all of the participants. The veil of ignorance prevents all the participants equally from exercising power in the sense that they would anticipate the future consequences of the present agreement to their own personal advantage (Mueller 1989, compare also paragraph 1.4.1., including footnote 5) which is deemed unfair.

In terms of legal regulation and social valuation of homosexuality, the Rawlsian model would imply that decisions on these matters should be taken as if decision-takers were in a state in which the individuals do not know what their sexual orientation will be. This fiction may be helpful as a device for trying to consider one's viewpoint in an unprejudiced manner, free of any unreasonable influences and merely on the basis of – in Rawlsian terminology – one's moral capability. The results will be theoretically the same with each individual, and in practice differences in opinion will be small enough to reach consent on the issue that is to be collectively decided upon. If such an application of Rawlsian justice to practical decision-taking and making up one's mind is unrealistic, one may at least hope that heterosexuals be not subjectively for certain that their children are going to be opposite-sex oriented and that they be aware of how unfair, unjust and cruel it is to discriminate against people on the basis of sexual orientation and to take away from them their freedom of leading their own personal lives.

Rawls (1995) brings forward three aspects of why citizens feel free. They do so, because they regard themselves (and others) to
(1) possess moral capability and the capability for conceiving what is good,
(2) be the self-creating sources of valid demands and
(3) be capable of taking responsibility for their aims and aspirations.

These three aspects, at least, can render the individual same-sex oriented person as well as the lesbian and gay liberation movement self-assurance, steadfastness and clout.

"The established theory has reserves of strength. It sustains much minor refinement which does not raise the question of overall validity or usefulness. It survives strongly in the textbooks although even in this stronghold one senses anxiety among the more progressive and commercially sensitive authors. Perhaps there are limits to what the young will accept."
John Kenneth Galbraith, 1973

"Homosexuals are not men who sleep with other men. Homosexuals are men who within fifteen years of trying cannot get a pissant anti-discrimination bill through City Council. Homosexuals are men who know nobody and who nobody knows. Who have zero clout."
Tony Kushner, Angels in America. Part one: Millennium Approaches

7. LGB economics and politics   are they rising fields?

7.1. Economics' perspectives

The functions of economics have been the following since the German "Werturteilsstreit" (value judgement controversy) around the latest turn of the century:

- creating a common terminology in order to smooth communication between economists and thus utilise resources efficiently in the scientific process,
- describing economic reality by statistical data records,
- explaining the causes of real-world economic phenomena,
- predicting economic development and the effects of alternative economic policy measures and, lately,
- political counselling in terms of setting target combinations and assigning measures to achieve them.

Despite two facts – the predominance of neoclassical economics that largely neglects structural features of the economy and some feminists' concern that differentiating women analytically by there sexual orientation might split and weaken women politically – Badgett and Hyman (1998) find that there have been scientific contributions on discriminations against lesbians, discussing its private and social costs (see paragraph 2.2.5.) even long before the most recent beginning of LGB economics within formal feminist economics. The commentators also state, however, that authors still use different definitions, not fulfilling the first function ascribed to economics (see the list above), causing thereby analytical inefficiencies. Nor do feminist economists share an ideological background that would be as uniform as in mainstream economics and help develop a more coherent bulk of theory; no social theory can be free of value judgements, but judgements are more similar within a single ideology (see paragraph 1.4.); nor do feminist economists agree on a similarity of experience and political needs.

If this proposition holds, it implies that LGB economics is still at the start of becoming a proper science that is efficient in the procedure of knowledge creation and influential in the political process (in this respect, LGB likens post-Keynesian economics). This situation affects gay economics even more, as, due to the origination of LGB economics within the field of feminist economics[60], there have been less contributions on gay than on lesbian subject-matters.

Real-world achievement of LGB economics also depends crucially on the impact which the LGB liberation movement can get from the domain of social sciences (provided the scientists' language is commonly understandable and the media are willing to distribute the information). As it was shown at the beginning of the paper, it is mainly economics that will have to make up its arrears, as compared to other social sciences. This, in turn, requires a substantial change in the mainstream economists' minds in terms of what to analyse as being socially important and how to analyse it best in view of the real world's challenges for social analysts. This is why a quote from John Kenneth Galbraith's critical paper from 1973, The Useful Economist, heads the concluding section. The facts that he wrote the paper more than a quarter of a century ago and that mainstream economics have been developing in the opposite direction of what Galbraith and other critical economists have been suggesting are, indeed, not very encouraging, though. LGB economics is certainly a rising field; LGB politics could and ought to be it. But satisfactory, even noteworthy marginal achievement will afford much more and concentrated effort in both fields.

In Patterson's (1998) opinion, the recent upswing of LGB economics can and should be sensibly supported by introducing topics in same-sex orientation in sections of undergraduate textbooks, such as "Inquiries for Further Thought", in order not just to mention the issue with the help of another example, but to enlarge the scope of economics by economic problems and possible solutions that would have been otherwise overlooked and omitted[61] – not to mention the chance of dealing fairly early with a "hot", else emotion-prone topic on an intellectual, rather objective level, perhaps even mostly neutral in terms of value judgements. Last not least, such a procedure would enhance integration and the quality of social interactions and outcomes in the classes and spare much personal grief for the non-heterosexual participants and even teachers.

[60] "The development of lesbian communities, organizations, and culture, and the creation of lesbian theory, ethics, values, and philosophy, is therefore creating lesbian economics" (Badgett and Hyman 1998, p. 50). Such a marked development may have also been enhanced by the governance of patriarchy and, to be precise, the resistance against it (for a closer consideration also see Badgett and Hyman 1998). What is even more, the emergence of lesbian community and politics has had a positive impact on the heterosexual part of the feminist movement against male governance. Matthaei (1998) even identifies an interdependent, positively re-enforcing relationship between feminism in general and lesbianism in particular and their common that has turned out as a success story. In terms of political activity and influence in present-day Europe, it appears, however, that lesbians are minority in LGB organisations and lesbian organisations are fewer than gay ones.

[61] For a good illustration through examples, see Patterson 1998, pp. 67-69, or the survey in section (1) of the text appendix.

7.2. Social and political perspectives

7.2.1. Challenging systemic homophobia

"Homophobia is a bedrock value in our society, one that crosses class, race, and even gender. Our ... attitudes toward sex, based in religious teaching that sex is only for procreation, and a macho culture that is threatened by any breakdown of rigid sex roles, all combine to create a culture that has traditionally been able to deal with homosexuality only in the artistic and commercial spheres. The gay-rights movement has pushed homosexuality of the artistic and commercial worlds and into the political and social spheres. This is almost guaranteed to create a backlash while society absorbs and adjusts to new values. While that backlash may be inevitable, it can be tamped down or fanned by political forces" (Hardisty and Gluckman 1997, pp. 220-221).

For this reason, it appears to be necessary for the queer movement to search for and gain institutionally established and commonly respected allies that transmit and disperse the queer message and claims as well as reinforce and secure the process of introducing a deeply human and socially relevant character trait, such as sexuality of either orientation, humanely into human society (see paragraph 7.2.4.).

7.2.2. Social moving forces and the special role of legal science, legislation and jurisdiction

Legislation (that cannot be separated strictly from government) plays a prominent part in creating a certain social climate, as the spirit of norms that have been created produce signals to the public and thereby provide signposts for people in their process of making up or changing their minds. In this sense, the science of law (specifically the philosophy of law) constitutes a social science, though it need not reflect the opinions held by legislators or the public. Similarly, jurisdiction may signal, create or reinforce social trends in attitude that may not be shared by politicians.[62] Such influence from jurisdiction becomes socially effective by way of mass media. In the course of social development, any one of the driving forces – be it science influencing public knowledge of the appropriateness of the laws, public opinion criticising the laws, politics expressed through laws and jurisdiction interpreting the laws – each of them may alternatively take the lead. One has not been

[62] Bamforth (1998) points out that jurisdiction sometimes uses concerns about the division of power not to touch upon a hot spot in creating a judicial precedent that might pave the way for the legal recognition of an entitlement, such as the right for registering a same-sex partnership: "Courts seem to find it easy to say that such a recognition would be sufficiently politically controversial that it must be left to the legislature" (p. 1). This type of concern is relevant mainly in legal systems like in the U.K. and the U.S. but can also be observed in Austria, for example (see section (2) of the text appendix and in particular the acknowledgement attached to that section). This is why constitutional law may play an important role in this respect in that it can make it more or less easy for judges to interpret it and base his or her judgement on it. Especially in the continental European legal systems, the same is true for legislation outside the constitutional law and legislatures on lower levels on the hierarchy of the federative state. If adequately backed by a respective legal term in the constitution (preferably an explicit ant-discrimination clause in terms of sexual orientation, regional and local parliaments and administrations as well may dare to recognise same-sex partnerships.

certain about the true leading force presently at work, as it varies across countries and over time and cannot be identified sharply; but essentially, in view of the changing reality, one can say that there are such moving forces operating effectively.

There is, indeed, some indication that the case of lesbians and gays is at the fore and even legal matters are beginning to develop in theory and practice. This year, a conference on the legal recognition of same-sex partnerships was held at King's College School of Law, London. At this occasion, Michael Kirby, Justice of the High Court of Australia and Laureate of the 1998 UNESCO Prize for Human Rights Education, expressed his opinion about that development:

"This conference could not, and would not, have happened even a few years ago. The attendance of many senior judges from a number of countries would have been unthinkable. Same-sex relationships were the outward manifestation of impermissible love. Such love, or at least the physical acts that gave it expression, were criminal in many countries. If caught, those involved would be heavily punished, even if their act were those of adults, performed with consent and in private. Such laws, whether enforced or not, led to profound alienation of otherwise good citizens, to serious psychological disturbance when people struggled to alter their natural sexual orientation, to suicide, blackmail, police entrapment, hypocrisy and other horrors..." (Kirby 1999, pp. 1-2).

"A measure of continuing erosion of public opposition to legal change in this area, and of strong generational differences in attitudes to such objects, can be seen in a recent survey conducted in the United States of America. Accepting that country as probably the most conservative on this subject amongst the Western democracies, what is notable in the comparison with the results of a similar survey conducted thirty years ago is the strong shift towards acceptance of the legalisation of homosexual relations (then 55%; now 82%) and the strong support amongst younger people for legalising homosexual relations. The young tend to be those who know someone who identifies openly as gay or lesbian. Similar surveys in other Western countries ... indicate identical and even stronger shifts in public opinion" (Kirby 1999, p. 3).

"Virtually every jurisdiction of the common law is now facing diverse demands for reconsideration of legal rules as they are invoked by homosexual litigants and other citizens who object to discrimination. To some extent the standards of change have been set by regional bodies such as the European Court of Human Rights and international bodies such as the United Nations Human Rights Committee. In the past, litigants to prosecute these issues could not be found. This was because of various inhibitors: the risk of criminal prosecution; the fear of social or professional stigmatisation; the desire to avoid shame to oneself or the family. Now these controls are removed, it must be accepted that courts and legislatures will face increasing demands that legal discriminations be removed and quickly. The game of shame is over. Rationality and science chart the way of the future. The same thing happened earlier to laws and practices which showed discrimination on the grounds of race and gender" (Kirby 1999, p. 4-5).

7.2.3. Achievements and setbacks, confidence and reservations

The feasibility and potential effectiveness of pressure for change in the attitude of mind is theoretically supported inter alia by the discursive-structure approach (see paragraph 3.2.) contending that mental and linguistic structures and hence social identities can be altered by introducing, reiterating so-called performatives (such as: many people are different, that is normal; different is beautiful; or simply substituting the words lesbians, gays and queers for perverts). Thereby new discursive structures, social identities and sex, gender and partnership roles are institutionalised. "We have already spoken the unspeakable, our love for someone of the same sex" (Hussain 1997, p. 248).

Already back in 1984, Gottlieb deemed the development at that time to be a success story: "Within the past decade the meaning of homosexuality has vastly changed. Homosexuality has been politicized while its historic and feminist dimensions have been explored. Recently, lesbians and gay men have emerged as a new minority with their own politics, history, culture and lifestyle. The efforts of gay activists helped promote gay pride and gay power in primarily two ways: first, by developing a network of cultural social and service organizations which now constitute a self-defined gay community and second, by politically mobilizing the community to secure legal rights and representation in the broader society. As a result of such activism, gay people have developed a stronger collective group identity and reduced much isolation. The movement for gay liberation not only helped individuals, who identified as gay, come to terms with their sexuality but questioned the manner in which sexuality is defined and enforced in society. It is here, perhaps, that the Lesbian and Gay Liberation Movement made a major contribution to progressive movements in general" (Gottlieb 1984, p. 160).

With regard to the present situation, Rhonda Gottlieb's judgement seems to have been a bit over-optimistic and premature. Having fairly quickly gained momentum in the decade about which she spoke, the momentum can be easily lost, when those who have come out are more or less self-content and not ready to provide a public good, when political success is being delayed and backsets occur in the course of recurring right-wing advancements and fashionable consumerism.

"Deprived of its old enemies – particular communists – and needing a new issues to promote, the Right's antihomosexual organizing is rank opportunism. The antigay backlash is in large part a creation of the Right. It is generating funds, keeping alive right-wing organisations that were in danger of complete eclipse, and generating the all-important evidence of political power – media attention. Many additional New Right and 'old right' organizations are climbing on the antihomosexual bandwaggon as the issue becomes more prominent. The threat this backlash represents is very real" (Hardisty and Gluckman 1997, p. 221).

Solidarity of those who are out identifying as queers with those who have still been unable to come out on their own may readily weaken or be actively weakened by divide-and-reign politics (see paragraph 6.2.3.(b)), and basically progressive politicians may consequently lose interest in the matter of anti-discrimination and equal treatment when the costs (in a wide sense) of queer liberation policy appear not to be justified in view of the stagnant political issue.

Moreover, it has not yet been achieved to make it clear to the general public, that the infection with the Human Immunodeficiency Virus is not a matter of sexual orientation but only a matter of high-risk or low-risk behaviour, whether it be same-sex or opposite-sex practices. This fact, has contributed to slow down the process of acceptance, solidarity and liberalisation, too.

On the other hand, homophobia is irrational, as, apart from individual gains from an anti-queer exercise of power, it is inefficient in social and even economic terms for society as a whole. "Violence is the most blatant manifestation, but the litany of pain and waste caused by homophobia is all too long. It takes time, energy, and money away from the work necessary to bring about reform to guarantee equal rights for lesbians and gay men. It also distracts large sectors of the public from seeking out the real causes of their social and economic insecurity" (Hardisty and Gluckman 1997, p. 221).

The last sentence of the preceding quotation stresses the aspect of opportunity cost (alternative cost), the quantified disadvantage produced by not being to realise another project and letting forgo its benefits. In this sense, discrimination against same-sex oriented people who serve as a kind of scapegoats is not only costly to the scapegoats but clearly bears opportunity cost for those who have been put at a disadvantage that should be covered up by fanning homophobia – an aspect that has not been propagated so far.

7.2.4. Strategic alliances and spatial problems

The group of lesbians and gays still has a vast potential of closeted people who may some day become outs, convincing their straight fellow-citizens of their legitimate demands in giving a personal example of the social usefulness of their unhindered way of life. But beforehand, these people have to be encouraged to come out and backed in their coming out: "... once you have snuck out of your closet and come to Washington to march with a million of other gay people, you can't just slip back in your closet when you go back home. You may become one of the increasing number of people who are becoming empowered to live more openly where they are, people who are saying, 'I live here. My job is here. I'm not moving off to some big city: I'm staying.' And there has likewise been a bubbling up of activism in small and medium-sized towns..." (Hussain 1997, p. 247; see also the quotation heading this section). Outreach work is essential for a widely spread movement. For this sake, appropriate circumstances must be created in society.

Minorities should incite policies for their equal treatment through their self-empowerment, but they cannot easily put them through themselves in a democracy. Therefore, minorities must seek to gain other minorities as strategic allies for co-operation in achieving greater social impact and equality. This holds particularly good for the co-operation between progressive social scientists and activists of the LGB liberation movement.

Generally and most importantly, queer people must try to gain allies in the straight (respected) part of the population which is not an easy task, particularly not for the straight ally: "Being an ally is serious work. In some environments, it could mean becoming a target of physical threats and violence." After all, there is also some reason for being confident: "Remember the legacies of courageous people who took on struggles that did not directly affect them, because to do anything less was not enough". In pursuing queer emancipation, support can be expected from the pecuniary incentive mechanism provided by the competitive markets (goods and service markets as well as labour markets): It is emphasised "how many of today's most successful corporations have led the way by using people of various sexual orientations to their fullest" (Zuckerman and Simmon 1996, quoted from Bartlett 1999, p. 139).

Bringing these arguments finally together, a circular relationship with affirmative feed-back information and incentives to co-operate can be hypothesised. Alliances of the activists living out as homosexuals with other minorities create political weight, change the legal conditions and the social climate, encourage closeted LGB people to come out and participate in an ever more promising movement that becomes increasingly attractive as an ally for other minorities and so forth.

Even in a small county like Austria, however, it is difficult within the LGB community to co-operate across regions, between agglomerations. As Hussain (1997) acknowledges even for the U.S., most of the queer movement consists of small local and regional all-volunteer organisations. Therefore, the cost of travelling for meeting in person, efficiently debating issues and taking joint decisions and measures leads to a kind of self-selection: Those people who cannot afford the expenses nor bear the risk that only a (small) fraction of the disbursed amount or even nothing of it can be reimbursed to them later are forced to be absent, and their immediate personal inputs in the liberation process are lacking. Consequently, diversity is reduced (not the best but richer representatives are chosen), matters are perceived from a certain social class perspective, the agenda and the outcome are biased, the results remain below the potential level of achievement, and discrimination is probably even increased by the very distributive welfare effects produced by socially selected representation.

Not only the quality but also the quantity of co-operation can be expected to be lower through expenses for travelling, telecommunication and special needs of handicapped people (generally termed: transaction costs).[63] Narrow, higher-class leadership may also operate as a disincentive to people from lower classes to engage themselves as volunteers in the movement (Hussain 1997).

From experience we know that not even the communication via the internet has been able to solve the co-ordination problem satisfactorily. This may be regarded as another argument in favour of building sound organisations on the local level and striving for coalitions and clout there, and endeavouring to use the strategic partners' more ample institutional and financial facilities as well as the (financial) leverage effect produced by external co-operation to reduce, externalise and/or finance the transaction costs.

[63] For this reason, those member organisations of ILGA, the International Lesbian and Gay Association, that organise and finance the annual conferences are expected to oblige themselves to provide for special needs of handicapped people (including sign language interpreters) and offering scholarships for participants who else could not afford participation. On the national level, however, such institutions are not common.

7.2.5. Political responsibility, statesmanship and secular justice

All these proposals, strategies, developments and hopes, however, do not relieve politicians from their cardinal duty to perform policies in the direct interest of minorities and indirect interest of all society, although there might not be a majority in favour of them when the respective policy option would be voted upon in a referendum. In this respect, considerable parts of the society have developed perhaps even farther than politics has done and surmised. There are examples, indeed, that the population has learnt more about the statesmanship-like intention of a political measure unpopular at the first sight and finally has accepted it rather soon after its coming into operation, for instance, the introduction of registered partnership laws in West and North European countries (see paragraph 3.3.6.) without triggering off social unrest and public disorder. These cases are proving the political feasibility of an equalising legislation.

With regard to my country, Austria, large arrears will have to be made up in every aforementioned respect, in order to achieve that the society lives up lately to its pretension of being a centre of European civilisation and humanity as well as a highly developed constitutional and welfare state (for details compare section (4) in the text appendix, and for comparisons with other countries see table A.2 in the data appendix). Not only in terms of Austria, but any conservative country, "we must decide what role religious institutions and religious tenets are going to play, especially when those tenets are in conflict with the Constitution and the Bill of Rights. If we are truly a society in which church and state are separate, then the prohibitions of church dogma cannot overrule the protections provided by the Constitution. And the Constitution ... is progressive and not fastened to the obsolete but may acquire meaning as public opinion becomes enlightened by a humane justice" (Hardisty and Gluckman 1997, p. 221).

We may summarise that in many places and respects much has been changed and improved within the past three decades. There are also various indications that may create optimism, though some partial, but serious setbacks have been occurring. Above all, one should not forget that it is for certain that only the smaller part of lesbians and gays has already come out and an even smaller part has managed to come to terms with their situation within society. Apparently, by far the longer part of the way still lies in front of us. We have the chance to succeed, but for achievement every chance must be taken: in science, at the workplace, in private lives and in politics. Freedom and justice are created neither automatically nor once forever.

"If a bullet should enter my brain, let that bullet destroy every closet door."
Harvey Milk, first openly gay San Francisco City Supervisor, assassinated in 1978

8. Summary

8.1. On the quantitative and qualitative scope of LGB economics

Searching in the Social Sciences Citation Index (SSCI) 1996-98 for keywords representing the notion of same-sex orientation yields fairly clear results: Within the social sciences that show contributions on LGB (lesbian, gay and bisexual) topics, economic contributions hold a share of just three percent and come from the fields of feminist and labour economics. In comparison with all economic contributions, economic articles amount to not more than 0.05 percent.

Leaving the SSCI aside, one realises that there has been an upswing of research in LGB subject-matters only in the past few years. Some authors confirm this finding, stating, however, that the critical mass necessary for a strong, influential and academically widely accepted LGB research has not yet been achieved.

The extremely biased distribution of literature towards heterosexual economics does not reflect at all the situation in our societies in the U.S. and West and Central Europe where neither implicit nor explicit discrimination has ceased to be the most essential feature of same-sex oriented people, even after three decades of queer liberation movement (some documentary evidence is provided in the appendices for illustration). This is why those fields in economics are predestined for coping with LGB problems where discrimination is endemically prevalent as a real-world phenomenon and thus constitutes a matter of interest, that is, welfare, family, feminist, population, labour economics, sales strategies and political economy.

To give reasons for social scientists' and particularly economists' lack of research activity in LGB topics, one has to scrutinise the structure of society that is represented by institutions in a wide sense: norms, rules, conventions, attitudes of mind, organisations etc. One observer even holds that the very character of mainstream (orthodox, neoclassical) economics as a discipline that models in a fairly abstract manner and thereby largely disregards such structural features is mainly responsible for the fact that economics do not elaborate on LGB subject-matters to a noteworthy extent.

Beyond that, after all, institutions do matter in that they constitute circumstances which provide incentives and thus guide socially relevant decisions (i.e., decisions that influence other people directly). Being inevitably embedded in social structures, people have learnt to play roles according to incentives, as they are rewarded by society for complying with norms in a comprehensive sense. The incentives provided by institutions that are, in turn, characterised by heteronormativity even guide social scientists rather effectively. Being humans, scientists pursue quite personal interests (prestige, esteem, protection) and have sentiments (hope, fear, shame, ...).

This is what makes scientists respond strongly to the incentives provided by society's institutions. For this reason, social scientists are very likely to choose not to touch research issues that have been tabooed by society and the elaboration on which will not be rewarded very much (if at all) by the social environment where they seek integration, protection and esteem. This stark motivation holds good for closeted (concealed) homosexuals as well as heterosexuals working as social scientists.

Another way of explaining the unsatisfactory state of social economic research in LGB issues is to adopt the approach of implicit-contract and the bounded-rationality theory. In view of the status quo in society (social positioning), the members of the collective perform an "invisible handshake" not to touch upon critical and hence tabooed issues, because they cannot foresee the consequences of a change in social structure for their own social situation and personal wellbeing. This is why they (or the largest part of them) stick to the tacit contract implicitly formed in society better not to tackle certain problems.

What is more, the societal disincentive for scientists causes that data necessary for inquiries into LGB problems have not been collected until recently. The lack of timely collected data on sexual orientation together with other important social economic variables has shifted analyses into the more difficult domain of social and economic history and produced a data situation which is unapt for econometric analyses that would meet the standards of the state of the art and render sufficient explanatory power to LGB studies to make a good point and argue convincingly. This is why propositions about the social economic situation of LGB people have not yet received the desirable scientific weight which would also be useful in terms of practical social improvements.

Generally, sexuality has been utilised as a means of forcible achieving aims in the micro-organisations (family, enterprise, ...) as well as in the macro-organisations (military, politics etc.) of society. As same-sex orientation challenges the governance-prone function of heterosexuality as a basic principle of social organisation, it is deemed to be especially dangerous for the societal status quo and its hetero-nomative social regime. Hence, conservative forces strictly regulate sexuality and oppress and suppress same-sex oriented people by means of morals.

For this reason, it would be important to dispose of knowledge based on sound social scientific information. Mainstream economics, however, hypothesise on the premise of natural-law-like axioms about the harmonious operation of the economy. Such a value judgement predetermines the range of possible outcomes and tends to findings that the free market mechanism produces optimal solutions to nearly any economic problem. This leads to a far-reaching analytical negligence of structural power (e.g. heteronormativity) in the interest of the status quo and a fairly high tolerance of social problems in the interest of economic efficiency. Nobel Prize winner and dissenter John Kenneth Galbraith characterises this situation by the terms non-neutral economics and useful economists. As long as economists, however, stick to an essentially structure-free, ahistoric method of modelling and manage to preserve it as the mainstream, economics is a discipline among the social sciences that is not particularly apt for improving the analysis of the forms, causes and effects of discrimination against same-sex oriented people.

8.2. The measurement of social welfare and LGB persons' life quality

For the reasons of data collection and theoretical modelling just mentioned, the measurement of wellbeing and social welfare (i.e., utility on the individual and aggregate level) is rather flawed. On the basis of what has been said in the previous paragraph, it is comprehensible that it has been feminist (beside ecological) economists (and not so much neoclassical economists) who specialise in measuring the nature and distribution of social welfare or, in other words, the quality of life. This very compound of problems has helped create falsely the notion that LGB people are not a disadvantaged minority because of economic discrimination but a privileged group because of their extraordinary good education and high income. This argument has been used (abused) by conservatives to obstruct and make fail motions of respective anti-discrimination laws.

Pure income measures have turned out to be misleading even for grasping poverty which has to be recognised rather as a deprivation of choices and opportunities most basic to human life – a concept that also applies specifically to welfare losses through discrimination on the basis of sexual orientation. To be more precise, social exclusion, a fate that happens to hit LGB persons whether they are out or (ill-)concealed, does not depend significantly on income poverty, but conversely, social participation as an important nonmaterial factor of wellbeing cannot be purchased for money. Therefore, it is in large parts qualitative, hard to catch and incommensurate factors that are essential to life quality. This is why the economic perspective has to be enlarged and completed by approaches from neighbouring social sciences (psychology, anthropology, sociology etc.).

Needs theory suggests that beside material (economic, pecuniary) motives there are also immaterial (cultural, non-pecuniary) factors of motivation that guide human behaviour and, if not achieved, produce longing or frustration: Humans seek satisfaction of their physical, safety, affection and belonging as well as esteem needs. It is crucial to this approach that cultural needs are subjective needs that are individually sensed and cannot reliably be communicated to other persons. Hence, it cannot be argued that same-sex oriented people are not discriminated against just because homosexual relations are no longer prohibited by law. Rather, it can be shown that in a heterosexually indoctrinated society the safety, affection, belonging and esteem needs are very easily violated by non-legal norms that are still reinforced by the homophobic signal that is given by laws discriminating lesbians and gays in many respects. Thereby it is irrespective whether the cultural needs cannot be objectively satisfied or the discrimination is subjectively felt; the difference does not change substantially the situation of the affected person.

For same-sex oriented people basically an intra-individual conflict arises between compliance with the societal norms (mostly morals) and the self-acceptance of their own personality with all its traits, including their unconventional sexual inclination. There is a welfare-reducing trade-off between the affection and belonging needs in the partnership and the esteem needs in relation to the rest of the social environment. Passing as a heterosexual does affect the partnership quality.

What is more, the strategy of passing as a heterosexual as a strategy of reconciling all his or her cultural needs is not very apt for the long term. In a pluralistic society one plays various roles in different social fields that are by far not perfectly separable from each other. This is why passing looses credibility in the course of time, because heterosexual marriage is the rule rather than the exception.

As there is still a difference between being suspected of, and having disclosed one's, same-sex orientation, many queers (i.e. homosexuals) permanently conceal their sexuality. Some of them feel forced to seek just quick, secret, one-time, anonymous sexual contacts in dark meeting places and expose themselves to the increased risk of an HIV infection. Some marry a same-sex oriented person of the opposite sex for the reason of camouflage. Some even force themselves into straight (i.e. heterosexual) marriages. Some try to abstain completely from sexual relations.

These alternatives make evident the deprivation of the cultural needs of closeted queers who are urged into the passing strategy, but also people who have identified as homosexuals happen to find themselves violated in their immaterial needs on the ground of social exclusion. Social psychologists have identified sexuality as an urgently needed, most subtle form of human bondage and communication through an intimate kind of body language. Moreover, whether being socially excluded for living out as a homosexual or passing poorly as a heterosexual, even the economic needs can be affected through being put at a disadvantage at the workplace (e.g. non-co-operation, non-promotion, dismissal).

Social positioning and relative deviations of social positions in the community do influence the quality of life. Mainstream (liberalist) economics deems economic equality (i.e., equality in income and wealth) to be detrimental to incentives, performance and growth, though such theory is not significantly supported by empirical evidence. Other social sciences disciplines, however, apply the much wider concept of social equality that comprises several qualitative characteristics in terms of social interactions which are much more able to capture the distributive situation of LGB people in terms of welfare. They consider social equality, for which social integration is a prerequisite, a necessary condition for social sustainability (i.e., the advanced concept of ecological and economic sustainability, enlarged by the qualitative standards discussed so far).

In order to elicit the social situation, state-of-the-community reports have been suggested and realised in Sweden, even particularly in terms of lesbian and gay life. Performing cross-regional comparisons is difficult in that basic values, the notion of self and standards of self-value vary across culture, and fairly homogenous regions can be very small. So, acts that are accepted in one population can cause shame and revulsion in another. This is why the proper conduct of interviews is essential and why it is supposed that common surveys are intended not to reveal in what way and how deeply minorities are affected by discrimination.

Measures of coping with discrimination should therefore be based on subjective questioning categories that allow to grasp the interviewee's individual perception of his or her situation in the local community, even at the cost of incommensurate "measures". Otherwise, improvements are doomed to fail, especially as unconventional people cannot be understood just by the help of conventional benchmarks. This also holds good for women under a patriarchal regime.

8.3. Special characteristics of same-sex families

The factual intertwinement of church and state has still been producing an impact of religious "truths" and morals on secular regulations that privilege marriage, for instance. This is achieved despite the fact that morals are value judgements which cannot be proved or interpersonally communicated; instead, they must be individually experienced because of their transcendental nature. This is why morals concerning privacy and even intimacy should not be imposed by the state. Moreover, privileging heterosexual marriage means trying to pursue a social aim though a moral rule which can be identified in scientific terms neither as a necessary nor a sufficient condition for an optimal organisation of social life.

It is crucial how same-sex relations are perceived by heterosexuals. To explain it, the concept "discursive structure" is used which is the mental structuring of concepts, such as otherness and abjection. They are interpreted not per se in an objective way, but in the particular social context through which the discursive structures have been formed and social institutions, such as marriage, are determined. Discursive structures are introduced by reiteration: What has been repeated often enough is in the end regarded as a "truth", and its reiteration itself has been institutionalised. Value judgements and rules for a social language have been created. The discursive-structure approach that is said to be characteristic for queer economics helps explain the governance of even unfounded, discriminatory and homophobic norms but also opens up the chance of abolishing them in the same way they have been created, i.e., via discursive structures (e.g., "different is beautiful" or using "gay" instead of "pervert") that are institutionalised by reiteration.

As in the course of the 20th century the pleasure of sexuality has been increasingly separated from its church-stipulated procreation sake, the prospects were basically good for achieving a destigmatisation of same-sex relations. But then medicine began to separate the psychic from the biological aspect and psychiatrised same-sex pleasure up to the 1980s. When this phase had ended, the tragedy of AIDS was utilised to incriminate same-sex orientation.

Mainstream family economists, whether they be heterosexual or closeted, look at the matter form an outsider's perspective and, without projecting themselves much into the mind of same-sex partners, overstress or even abuse the analogy of market with personal relations, confining the analysis of social interactions in relationships to an emotionless, purely economic calculus. On the premise of God-given comparative advantages of the male (female) gender for market (household) production, they deduce a loss in productivity, income and utility from same-sex household structures.

Critical economists, in particular Marxist-feminist economists, are oriented to history, societal institutions and power structures. They apply the socio-constructionist approach and contend that heterosexuality is the key to patriarchy which, in turn, determines the division of labour. From this perspective, women in a straight relationship are put at a twofold disadvantage: First, the conventional heterosexual intercourse results in an extremely uneven distribution of pleasure. Second, the traditional male governance forces women into unpaid or underpaid work. Hence, "the sexual division of labour creates gender" in the sense of gender identity (masculine men and feminine women). This is also the reason for LGB people feeling to be urged by societal norms into the traditional social structures which they do not fit in.

On the other hand, feminist economists (followed by LGB economists) point to a greater variety of social organisation in same-sex relationships, leading to a considerably greater equality of the partners' wellbeing in terms of labour division (occupational self-fulfilment, economic self-sufficiency and social independence) as well as sexual satisfaction. This is identified as one respect in which lesbians and gays are not disadvantaged (if they do not pass). In fact, it has turned out that, contrary to the widely held stereotypes of same-sex couples consisting of a manly and a womanly partner, role-playing is not common in queer relations. Moreover, one has discovered that there exists a continuum of gender and sexual identities rather than the polar system of 100 percent male and female, respectively. For this reason, the empirical study of gender benefits from using samples from same-sex relationships that are not (so much) biased by patriarchal power structures that would swamp the gender-specific characteristics.

LGB economics also focus on "illusory correlations" between perceived personal properties (primarily the natural sex) and preferences that are falsely attributed to them (such as opposite-sex inclination or the gender associated to the natural sex). In economic search models, it is shown that even in the absence of shame and stigmatisation (i.e., with the sexual preferences inalterably fixed) "market failure" can persist in parts. This means that illusory combinations of same-sex orientation and opposite-sex behaviour do not exclude each other even when social norms do not discriminate against homosexuals.

After all, the sexual division of labour is predicted to decline, as women's labour market participation increases and undermines patriarchy. This is how queer liberation and feminists' emancipation (both knowing the disadvantage of conventional roles) go hand in hand, fostering one another. Moreover, in the course of social development, same-sex and opposite-sex relationships have become more and more similar. In the homosexual sphere, there are family networks, so-called family webs, representing families that are chosen deliberately on an individual basis and cross household lines. Different household members may define their family even differently. A family network is also supposed to comprise persons of different sexual orientations. Finally, family webs are expected to intersect and overlap. As divorced persons and singles are increasingly common, family webs are developing noticeably in the heterosexual sphere, too.

Thoughtlessly internalised roles and rigid social structures are comparatively unapt for coping with novel societal developments, such as striving for more personal freedom and self-determination. Sticking to the traditional family concept at any rate bears much cost in a wide sense: Problems remain unsolved and are bottled in the individuals afflicted, breaking free in outbursts of mental cruelty, physical violence, sexual abuse of partners or children, verbal and written attacks on, and even hate crimes against, same-sex oriented people and their institutions. Such findings are extremely important to counter the notion that same-sex orientation, pathological deviation of sexual behaviour, asocial conduct in general and child abuse in particular are closely interconnected or even tantamount.

However, doubts about the queers' net advantage of coming out and eventually going public may still not be unreasonable. While being openly queer and proud furthers self-acceptance, avowed homosexuals risk a loss of employment, housing and custody of their children as well as immigration discrimination and estrangement from their heterosexual family and friends. Within the context of a homophobe society, gay people experience a unique set of problems that put strain on their personal relationships.

After the 1969 Stonewall revolt in Christopher Street, New York City, had paved way for a noticeable queer liberation movement, LGB (mainly gay) people have been settling in neighbourhoods in the centres of large urban areas, having a perceptible impact on the local (queers-specific) economy (bars, baths, bookshops etc.). Agglomeration of same-sex households has also furthered political activism and the partial (at first only regional) achievement of social and political aims: Living out as a homosexual is achieved more easily in the immediate neighbourhood of others setting an example worth of imitation. In this way a queer community quasi automatically "markets" its way of living simply in living together on as good as possible terms with others, including the heterosexuals who, by and large, do not move away. Co-operation is contingent on immediate, verbal and non-verbal social interactions. Free-riding behaviour in terms of social and political engagement dominates only in large collectives where people do not meet regularly in person. Thus, commonwealth activity can be socially contagious and bridge gaps.

It has been shown that such a solidarity has led to local co-operation with trade unions has succeeded in putting through anti-discrimination clauses in labour contracts, the extension of domestic-partner benefits to same-sex oriented employees and even partnership benefits through local government. Moreover, the San Francisco example indicates that local achievements can spread across the country and even the Atlantic. In present-day Europe, a starkly institutionalised co-operation between the queer and the labour movement can be observed in the U.K. and the Netherlands, whereas in Austria such a co-operation is still in its infancy, as Austrian trade unions mostly decline tackling the issue.

In terms of legal recognition of same-sex partnerships, Denmark has served as the frontrunner, passing a registered-partnership law in 1989 and amending it in 1999 to make the situation of legally registered lesbian and gay couples nearly totally equal with that of heterosexual couples. The main purpose of this legislation was political: It was regarded as the best instrument to change attitudes of mind, pushing things towards full social acceptance of homosexual couples. In technical terms, one page has turned out to provide enough room for extending the marriage law to same-sex couples in analogy with same-sex partnerships, enumerating the (few) terms from the marriage law that do not apply for same-sex partners.

During the last decade, several West and North European countries followed the Danish example: Norway (1993), Sweden (1995), Iceland and Greenland (1996) and the Netherlands (1998) have introduced partnership laws, too. Partnership benefits have been regionally granted even in Catholic and conservative Spain (Catalonya, Aragon). On the national level, registered partnership laws are being prepared in Finland, Portugal, Switzerland, Germany, Luxembourg, Belgium, Spain and France. Even most of the Central and East European reform countries have provided a more progressive legislation than Austria has.

8.4. Dual labour markets, workplace conditions and occupational segregation

Labour markets are segmented in that there is a primary sector with good jobs (i.e., well-paid, stable and personally satisfying labour relations) and a secondary sector with bad jobs ("Mac jobs"). Discrimination in the labour market occurs with regard to admission to the primary (privileged) sector of employment where there is always an excess supply of labour and hence firms can select their personnel. As there is no perfect screening device for high-skilled labour, even high-cost tests may yield results that rank the numerous candidates closely together on the performance scale. Thus, decisions whom to hire cannot be taken at a reasonable level of confidence. Moreover, selecting a new manager is a decision that is heavily influenced by personal motives of those who decide, as they will have to closely co-operate with the new colleague.

This is where personal sentiments affect personnel management decisions, common prejudice and subjective aversions enter in the decision process. Among the subjective factors of personnel management decisions (hiring, gratifying, promoting, firing) there are prejudices about, and aversions to, minorities, be they social classes, ethnic groups or groups distinguished by age, gender or sexual orientation. Compliance with social norms is gaining (decisive) importance, because if one may choose freely among candidates, you may select the ones with whom one may harmonise best. The chosen persons will be those who abide by those norms which have already helped the decision-taker to succeed. The compliance with social norms may be extremely important when a matter of advancement in the firms' social hierarchy is to be decided upon. Also, if you choose among aspirants, you will select those of whom you guess that they appear more appropriate in the eyes of your business partners or your political clientele. It has been observed very seldom that openly queer people hold prominent positions in business and politics.

At the workplace, same-sex oriented people face the problem of being reduced in their personality with its manifold facets to one single property, namely their sexual orientation. The reason for it is that same-sex inclination is a distinctive criterion that is (via discursive structures) largely associated with otherness, peculiarity, strangeness, non-compliance and even indecency and sexual crimes. The need to manage a disreputable sexual identity at the workplace has turned out to be the most persistent problem LGB people face in their daily lives.

The demand for respect of privacy may appear to contradict many queer people's notion that sexual orientation can be neither suppressed nor concealed and that homosexual lifestyle should be integrated in social life. In order to harmonise these two demands, it should be prevented that a personal, intimate preference such as sexual inclination is given such a great importance that is determines social life outside the privacy of the relationship and operates as a prejudication for occupational interactions and performance. Once sexual orientation has become a quite unspectacular, plain and fairly unimportant distinction mark at the workplace, social results will not be predetermined by sexual orientation, and queer people will not be offended despite the fact that their sexual inclination is observable in everyday life where the private and the "public" sphere naturally interlink.

As long as employers and colleagues, however, discriminate against LGB people (mobbing, bossing, social exclusion, no promoting, no mentoring through experienced co-workers, no domestic-partner benefits), they cause a loss in productivity. This economic disadvantage to the firm is even caused by a passing strategy which is also costly to the closeted queers and thus reduces their performance. Such losses in productivity might not be compensated by the firm's gains in profitability due to the company's demonstrative corporate compliance with the norm of heterosexuality that dominates the business and political spheres. The hypothesis of minor productivity caused by discrimination is also supported by the argument that the firms select their personnel only from restricted range of people with their embodied human capital when they do not hire avowed lesbian and gays.

Even in the Netherlands where the attitude towards homosexuality is comparatively liberal, a strong anti-discrimination legislation exists and most of the homosexuals are out as lesbians or gays at their workplace, a recent study has found out that queer employees, in particular the lesbians among them, experience their work less satisfyingly in almost any respect than their straight colleagues do. It must be mentioned, though, that also the opposite argument is put forward, namely that lesbians and gays, although being in general as reliable and trustworthy workers as heterosexuals, try to make up for their weak social position when being out or compensate potential future disadvantages in the course of their possible outing. They therefore try hard to work more efficiently.

Queer people tend to avoid occupations in which it is more difficult to pass as a heterosexual (i.e., in stereotyped occupations that stand for masculinity and femininity, respectively) and the disadvantages that are entailed by outing are fairly big (i.e., in relatively intolerant work cultures). In terms of the tolerance of the workplace environment, the following survey-based ranking by tolerance was established for the U.S. (1989-91): (1.) professional and technical, (2.) managerial, (3.) clerical and sales, (4.) service and (5.) craft and operative occupations. The results hold good for both genders. As opposed to heterosexual women, lesbians are specially engaged in service, craft and operative jobs, that is, in those occupations that are marked by less tolerance among the staff, and, within these categories, in less conventional jobs. On the contrary, to a larger degree than straight men gays have been observed in occupations with a more tolerant work culture, that is, professional, technical, clerical, sales and service occupations.

In the early 1980s, the first U.S. firms began to extend domestic-partner benefits to employees living in a same-sex relationship. Between 1990 and 1994 the number of such firms rocketed from five to 130, being still a tiny portion of the U.S. economy. The firms' motivations are suggested to be not only enhanced productivity and profitability but also ethical considerations with regard to justice. One has come to acknowledge that organisational culture and thus the corporate climate play a major role, especially for the organisation's minorities among the personnel. It has been observed that, motivated by the profit-maximising considerations of some firms' strategists, a process of "organisational socialisation" has been influencing the value judgements formed by the individual employees, their attitudes of mind, the identities of the workgroups and social circles and finally the values, beliefs and principles underlying the management and operation of the entire firm. This means that organisational culture and corporate climate are not only essential but also malleable and utilisable.

Similarly, this experience ought to be utilised in the political sphere. Motions for legal improvements of the situation of LGB people have often failed; the failures have been accounted for and excused by politicians using the argument that the broad public would have voted against such proposals. This argument, however, can be no longer supported in view of the aforementioned experience.

8.5. The development of LGB markets as a means against discrimination?

Enterprises tend to address rich or large groups of customers. In the light of obvious discrimination in the labour market and at the workplace, the proposition of the wealthy homosexuals has to be empirically checked. Facing the problematic data situation described above, there is some indication that in the samples the educated, rich and socially well-established lesbians and gays have been systematically over-represented and thus biased the results. Only recently, a data set has been created in the U.S. that allows to statistically separate out the effect of sexual orientation from other factors determining the income. The results indicate lower incomes by 11 to 27 percent for gays and 12 to 30 percent for lesbians (compared with the mean income calculated for straight men and women, respectively). However, the sample contained relatively few (self-identifying) queers. Other reliable studies based on different data sets could not find statistically significant differences in income between queers and straights at all. But larger sample sizes are still needed to soundly reject the rich-queers proposition.

After the 1969 Stonewall uprising queer magazines and newspapers have helped create the notion of the lesbian and gay market via commercial advertisements (primarily for local bars, other queer-owned firms and the specific sex industry) as well as personal inserts to find a partner. But at first, unspecific supplies (as it is generally customary in the media) had not been advertised, not even in queer media. As late as ten years after Stonewall, the queer niche in the market was for the first time tried for introducing a few goods non-specific for same-sex customers. The large commercial success also raised the interest of queer print media to secure their survival and even expand through larger business ads. A self-assured queer liberation movement started financing and providing non-profit services (counselling, lobbying). Lately, during the 1990s, a kind of domino effect could be observed in the U.S., with more and more firms believing it would pay to invest in marketing aimed at the same-sex oriented population, for in the queer community a proper lesbian and gay culture had been developing in everyday life, making the queer market an increasingly promising target zone for marketing.

In the end, however, the scope of such marketing activities has turned out to be clearly limited, if one looks at the relatively small number of markets where such activities have been introduced and managed to produce a domino effect. At least, advertising specifically to lesbians and gays has resulted in an upswing of the diversity of the queer print media. The sexual content of the inserted ads is limited in order to make it possible even for traditional firms to advertise in queer media. The fact that this group-specific advertising has been performed over years may testify that the heterosexual public has not reacted in a crucially negative way to the courting of homosexuals by heterosexuals' firms. After all, the few firms engaging in queers-oriented marketing do fear a backlash through campaigns by the organised religious right, although the most prominent campaign, the one against Levi Strauss, did not have noteworthy effects on profits, despite its high publicity.

With regard to both its very limited scope and, interestingly, at the same time its fairly large success, queers-oriented marketing resembles in terms of its importance the extension of domestic-partner benefits to same-sex oriented employees. Vice versa, it can be doubted that demand could be directed by the queer liberation movement in a way that would allow to use it as an economic weapon against homophobe companies.

8.6. The political economy of sexual orientation

Political economy is not only the compound of collective decision-taking, viewed from the economic perspective. It also deals with consequences for the individual, in terms of either being guaranteed rooms for free individual behaviour or being regulated in one's freedom, as well as for society as a whole, in terms of social welfare. Social welfare comprises the entirety of individual utilities plus the total of common utility which, by its character, is derived for each collective member in an equal manner from public goods, such as freedom, justice, protection, equality, integration etc. When suggesting a connection between a quite personal, intimate matter from the private sphere, such as sexuality, and the public sphere in the form of political economy, one refers again to two issues: first, the societal (not the individual) functions of sexuality, that is, governance (mostly patriarchy) and procreation (for reasons of power by numbers, productive capacity, potential income and financing of collective goods) and, second, the definition of rooms of personal freedom by drawing borderlines around the privacy of the individual and justifying the restriction of personal freedom in the interest of the community.

Norms, rules and regulations are necessary for regulating freedom, as complete liberty (i.e., anarchy) is inefficient (e.g., "costs" of injustice). In terms of justifying them, principles are formulated on various hierarchical levels, expressed by ethical values, religious foundations, common notions of fairness, political morals, categorical imperatives, ideologies, the spirit of the Constitution, declarations of Human Rights, legal maxims and remedies provided by the constitutional state, common-sense, declarations of the political will through indirect and direct democratic means, manifestations, demonstrations and the like. Principles of justice are basically intended to legitimise collective decision mechanisms and decision outcomes in a certain broadly accepted spirit (i.e., on a normative basis). However, even in developed democracies, these principles are not created in a completely democratic way, and hence, the question of justification is a steadily challenging one.

In order to make this task operable, one relies on the Social Consensus which is a widely shared basic agreement about the conduct of collective affairs. Justification means containment of power, as power is regarded in political terms as the egoistic use of exclusive knowledge about the consequences for others that will be created by the rules that are currently being decided upon. It can be concluded from these considerations that it is most important for minorities which are discriminated against to provide information in order to weaken the power of the oppressors and convince the opponents of queer emancipation with the help of arguments that are reconcilable with common-sense and apt for altering the Social Consensus. In this way, one may overcome the inert character of conservative social norms.

Though being a matter of privacy, sexual orientation has to be made a matter of public affairs, because of the economic and social consequences of its regulation by society through (explicit and implicit) norms that are based on subjective (not divinely revealed) value judgements. Even when private, intimate issues are touched, they could not have been effectively and meaningfully concealed anyway. Such a self-violation of privacy appears to be politically necessary, because value judgements are in large parts undemocratic and cannot be exactly compared interpersonally. This is why argumentation is required on the illustrative basis of personal examples in order to bring the message across. After all, in going public, the privacy of LGB people is basically not intruded on to a greater extent than by their being forced to pass as heterosexuals. For, by its heteronormativity, society most brutally violates the privacy of same-sex oriented citizens in the form of either forcing them into heterosexual roles or making their sexual orientation a matter of public interest and social positioning and achievement. This is why the queer liberation movement should not only be visible, but also convincing.

Argumentation on a theoretical basis is more likely successful if economic arguments are brought forward: Pareto-efficiency can be reached by the proposed change, that is, when same-sex oriented people are relieved from suppressive laws as well as the oppressive social climate. Their welfare will be certainly increased, because through discrimination on the basis of sexual orientation negative externalities (external costs) are produced that directly affect queer people's utility; but opposite-sex oriented people need not be affected by anti-discrimination, neither objectively nor subjectively. As a result, one group is better off and the others are not worse off (i.e., Pareto efficiency).

Generally, being different is not harmful by itself, neither to oneself nor to others. But even if homosexuality were harmful to the respective person, the individual has the right for choosing his or her way of living, as long as it does not directly affect the wellbeing of others: There are no external costs that should be internalised by the state through regulation of the private sphere. On this premise, religious, moral and social mission would consequently receive a new content. The decision to select a norm as absolutely true must be left to the individual, as it cannot be objectively proved to be true. Even if an individual's lifestyle, judged by some moral principle, is considered far from being optimal, the individual ought to be conceded sovereignty and self-responsibility in this respect. Morals that concern the individual alone must be clearly considered to be a private matter, whereas morals are a matter of public affairs, if and only if externatities (i.e., direct effects on other people's utility) are thereby produced.

Therefore, the economic content of externalities counters the conservatives' paternalistic argument. But essentially, this is a question of social justice in that it is to be decided on how far the room for free individual behaviour reaches, because only when entitlements are allocated and thereby borderlines are drawn between the individuals, one can define what external effects are and which type of behaviour is commonly considered to affect the others and which one does not.

It is more difficult to convince intolerant straights that homosexual behaviour would not and should not affect their (the straights') own wellbeing, even when, at first, they feel astonished, confused and even disgusted by watching self-sex partners show their affection for one another (or even by the mere thought of it). To prevent such a feeling in future, straight persons should be confronted with same-sex relationships in order to get accustomed to that.

Finally, it can be shown that, if social (i.e., the entire) welfare is raised by improving queer people's situation, not only the queers' but also the straights' welfare is increased, because the negative externalities on LGB people had also affected the efficiency of the economic system and diminished national income growth before. Of course, such material gains have to be weighed against potential immaterial, ideal, non-economic losses in the form of disutility resulting from failures of religious mission, ideological defeat, personal disgust etc.

Without being inhibited by stigmatisation and exclusion, social interactions operate more smoothly. This is why non-discrimination has positive external effects for the opposite-sex oriented people: Their situation is improved by an enhanced feeling of social togetherness. Moreover, in the final state of complete social integration, a public good called social peace is being produced. Social peace is based on the following intermediate targets (strategic factors): information, tolerance, understanding, acceptance, social equality and integration.

A basic problem is that policy-making essentially depends on discrimination, because, first, no political measure can be imagined that would produce exactly the same effect on each individual and, second, many policy measures are destined to have structural effects which change the breakdown of aggregates. This means that if policies are to be performed at all – the alternative would be extreme liberalism (anarchy) with all its inefficiencies – one has to accept discrimination. Consequently, discrimination is never good or bad by itself. Instead, it should be regarded to be good if it is convincingly justified and bad if it is not or unconvincingly justified. Conversely, anti-discrimination is not a straightforward case either.

Justifying normative statements (e.g., on anti-/discrimination) is a task the cannot be perfectly fulfilled by social sciences, for it would require an objective proof that is independent from assumptions which necessarily contain value judgements. Legal philosophy points to various principles on which to base the argumentation for non-discrimination, i.e., first, the principle of respect for privacy from which the right for privacy may be derived, second, the principle of equality from which the right for equal treatment may be deduced and, third, the principle of personal autonomy and empowerment on the basis of which one may argue in favour of the right for self-determination.

First, the concept of privacy can be interpreted differently, that is, either as the physical space of home (meeting one's same-sex partner in one's apartment with the curtains drawn, as there is no moral value in same-sex relations) versus certain types of act which are conceptually private wherever they actually take place (meeting and kissing him or her in the public). Second, the principle of equality requires that queer persons and relationships are defined to be of equal worth to straight persons and relationships. Such an equivalence, however, is a moral category that cannot be proved, but once it is adopted, it is clearly violated by discrimination against, but also by preferential treatment of, either of the two different types of persons and relationships.

Anyway, the concept of moral equivalence can be challenged by the principle of responsibility for future generations which, as it is be argued by "utilitarianists", imposes the duty on living persons to beget additional human beings who are capable of getting satisfaction, adding thereby to (future) social welfare. From this perspective, same-sex relations can be rightfully discriminated against on the basis of their childlessness. Contrary to that, the Frankfurter Schule maintains that an existing human being has its sake in himself or herself and should not be regarded as a means, for instance, for procreation. Furthermore, the responsibility for future generations is a problematic concept, because a duty for begetting future human beings is not paralleled by a right of the future generations to be begotten. At best, only a conditioned duty is imposed by the begetting behaviour itself, because everyone who has been born should be given the freedom to lead a self-determined life.

Third, the right for personal autonomy can be based on the conviction that it does not suffice to be convinced oneself about what is true or not for justifying the persecution of people who do not share the same conviction as oneself does. This conviction cannot be proved either. The only meaningful method of arguing in favour of personal autonomy is to point out what would happen if society did not live up to the principle of personal self-determinedness. Consequently, if norms in the form of ethical imperatives should be introduced at all, they should be rather weak and unspecific, such as the principles of tolerance and sensibility. Personal autonomy and empowerment of the individual recognise that sexual expression are central to human well-being. Sexuality is both a means of expressing emotional affection (e.g., in a committed relationship) and an end in its own right (e.g., for achieving sexual stimulation); either type of expression is fundamentally important. Emotional (also sexual) behaviour is central to our autonomy as thinking and choosing human beings. Therefore, the law should allow for, protect and support the widest possible range of sexual behaviour between consenting adults, irrespective of whether it be same-sex partnerships or casual sexual activity.

John Rawls, the most prominent contemporary scientist elaborating on justice, endeavours not to base his work on philosophical and metaphysical premises, such as universal truth and the character and identity of people. This makes the concept of justice independent from religious and philosophical paradigms; it becomes a democratic concept. For the process of finding a foundation for a political co-operation that should be able to grant justice, two principles of justice are suggested: First, each person has an equal right for a completely adequate system of equal basic rights and freedoms, a system that is reconcilable with the same system for all others persons. Second, social and economic inequalities need to satisfy two conditions: (a) they must be associated with functions and positions accessible for all on the premise of a fair equality of chances; (b) they must be of the greatest advantage to the members of society who are least favoured. Together, these two principles should regulate the institutions that are to realise those values which the principles are referring to: basic rights and freedoms, fair chances and the claim for equality. If a harmonisation of political culture has been achieved in the form of a concept of political justice commonly agreed upon, a consensus will be reached on what laws are to be created (e.g., an anti-discrimination law) and how to amend existing laws through introducing anti-discriminatory terms.

Contrary to intolerance, fairness is expected to lead to social co-operation and lately justice: The democratic framework which is required for a fair process of social co-operation suggests that all citizens are free and equal persons. Persons are free because of their moral capability and, associated with it, their quality of reason, thought and power of judgement. From this Rawls concludes that persons are gifted with a sense of justice and the capability for perceiving what is good. The sense of justice allows to develop a concept of political justice that, in turn, determines fair conditions for social co-operation. It is obvious that under such conditions, people are able to decide on their private lives and must be free to do so.

John Rawls also searches for the circumstance that is most conducive to a fair process of social co-operation and concludes that equality must be guaranteed in the co-operation process in order to secure fairness. For this sake Rawls introduces the concept of the original state – a fiction where the informational symmetry between the participants is given and allows equality and fairness. The essential characteristic of the original state is the "veil of ignorance" under which all participants are assumed to act. The original state is a model for understanding how fair conditions for social co-operation in establishing a basic structure of society look like. Under such conditions, a concept of political justice is selected which is voted for by all of the participants. The veil of ignorance prevents all the participants equally from exercising power in the sense that they would anticipate the future consequences of the present agreement to their own personal advantage which is deemed unfair.

In terms of legal regulation and social valuation of homosexuality, the Rawlsian model would imply that decisions on these matters should be taken as if decision-takers were in a state in which the individuals do not know what their sexual orientation will be. This fiction may be helpful as a device for trying to consider one's viewpoint in an unprejudiced manner, free of any unreasonable influences and merely on the basis of one's own personal moral capability. If such an application of Rawlsian justice to practical decision-taking and making up one's mind is unrealistic, one may at least hope that heterosexuals be not subjectively certain that their children are going to be opposite-sex oriented and that uncertainty will be large enough to make them unprejudiced.

8.7. LGB economics and politics are they rising fields?

Neoclassical economics that largely neglects structural (sex- and power-related) features of the economy have still been dominating the economics profession from a strong position, that is, disposing of a consistent bulk of theory, a convenient methodology and data base as well as a sound political support.

Though there had been some scientific contributions emphasising discrimination against lesbian women, discussing its private and social costs long before the most recent beginning of LGB economics within formal feminist economics, it is observed that authors have been using different definitions. This is why LGB economics have not been fulfilling yet the first function ascribed to economics in general, i.e., creating a common terminology in order to smooth communication between economists and thus utilise resources efficiently in the scientific process. Nor do feminist economists share an ideological background that would be uniform enough to help develop a coherent bulk of theory. Nor do they agree on a similarity of experience and political needs. Moreover, some feminists are concerned that differentiating women analytically by their sexual orientation might split and weaken women politically. Real-world achievement of LGB economics also depends crucially on the impact which the LGB liberation movement can get from the domain of social sciences.

All this implies that LGB economics is still at the start of becoming a proper science in that it is efficient in the procedure of knowledge creation and influential in the political process. Among the social sciences, it is mainly economics that will have to make up its arrears. In terms of LGB economics being integrated in mainstream economics without loosing its content, a substantial change in the mainstream economists' attitude of mind towards what to analyse as socially important and how to analyse it best in view of the real world's challenges for social analysts is required, though it appears to be unrealistic. LGB economics is certainly a rising field, but satisfactory marginal achievement seems to afford a much wider participation and more concerted effort in both fields.

The recent upswing of LGB economics can and should be supported by introducing topics in same-sex orientation in sections of undergraduate textbooks, in order not just to mention the issue with the help of some examples, but to enlarge the scope of economics by problems and solutions that would have been otherwise overlooked and omitted. Moreover, this would be a good chance of dealing with a "hot", else emotion-prone topic on an intellectual, rather objective level. Last not least, such a procedure would enhance integration and the quality of social interactions and outcomes in class and spare much personal grief for the non-heterosexual participants and even teachers.

"Homophobia is a bedrock value in our society, one that crosses class, race, and even gender. Our ... attitudes toward sex, based in religious teaching that sex is only for procreation, and a macho culture that is threatened by any breakdown of rigid sex roles, all combine to create a culture that has traditionally been able to deal with homosexuality only in the artistic and commercial spheres. The gay-rights movement has pushed homosexuality of the artistic and commercial worlds and into the political and social spheres. This is almost guaranteed to create a backlash while society absorbs and adjusts to new values. While that backlash may be inevitable, it can be tamped down or fanned by political forces" (Hardisty and Gluckman 1997, pp. 220-221). For this reason, it appears to be necessary for the queer movement to search for and gain institutionally established and commonly respected allies that transmit and disperse the queer message in the interest of a humane and economically efficient society.

Legislation (which cannot be separated strictly from government) plays a prominent part in creating a certain social climate, as the spirit of the legal norms that have been created produce signals to the public. In this sense, the science of law (specifically the philosophy of law) constitutes a social science with political content, though it need not reflect the opinions held by legislators or the public. There is some indication that the case of lesbians and gays has been brought to the fore and even legal matters are beginning to develop in theory and practice. Various jurisdictions of the common law are facing demands for reconsideration of legal rules, as they are invoked by homosexual litigants and even other citizens who object to discrimination. To some extent, the standards of change have been set by the European Court of Human Rights and the United Nations Human Rights Committee.

The feasibility and potential effectiveness of pressure for change in the attitude of mind is theoretically supported inter alia by the discursive-structure approach. What is more, homophobia is irrational, as, apart from individual gains from an anti-queer exercise of power, it is inefficient in social and even economic terms for society as a whole. Already back in the mid-eighties, the queer liberation movement had been deemed to be a success story: "The movement for gay liberation not only helped individuals, who identified as gay, come to terms with their sexuality but questioned the manner in which sexuality is defined and enforced in society. It is here, perhaps, that the Lesbian and Gay Liberation Movement made a major contribution to progressive movements in general" (Gottlieb 1984, p. 160). With regard to the present situation, this judgement seems to be a bit over-optimistic and perhaps premature.

The momentum can be easily lost, when those who have come out are more or less self-content and not ready to provide further liberation as a public good, falling probably victim to divide-and-reign politics; when political success is being delayed and backsets occur in the course of recurring right-wing advancements (see the quotation heading this summary) and fashionable consumerism; when politicians as well as mass media are therefore loosing interest in the queer issues. Moreover, it has not yet been managed to make it clear to the general public, that the infection with the H.I. Virus is not a matter of sexual orientation but only a matter of high-risk or low-risk behaviour, whether it be same-sex or opposite-sex practices. This fact has contributed to slowing down the process of growing acceptance, solidarity and liberalisation, too.

Discrimination against same-sex oriented people who serve as a kind of scapegoats is not only costly to the scapegoats but clearly bears opportunity cost for those who have been put at a disadvantage that should be covered up by fanning homophobia – an aspect that has not been paid much attention to, so far.

The group of lesbians and gays still has a vast potential of closeted people who may some day become outs, convincing their straight fellow-citizens of their legitimate demands in giving a personal example. But beforehand, these people have to be encouraged to come out and must be backed in their coming out, not only in the queer ghettos or big cities; outreach work is essential for a widely spread movement. For this sake, appropriate circumstances must be created through lobbying. Minorities should incite policies for their equal treatment through their self-empowerment, but they cannot easily put them through themselves in a democracy. Therefore, minorities must seek to gain other minorities as strategic allies for co-operation in achieving greater social impact. This holds particularly good for the co-operation between progressive social scientists and activists of the LGB liberation movement.

Generally and most importantly, queer people must try to gain allies in the straight (respected) part of the population which is not an easy task, particularly not for the straight ally. A circular relationship with affirmative feed-back information and incentives to co-operate must be reached: Alliances of the activists living out as homosexuals with other minorities create political weight, change the legal conditions and the social climate, encourage closeted LGB people to come out and participate in an ever more promising movement that becomes increasingly attractive as an ally for other minorities and so forth.

Even in a small county like Austria, however, it is difficult within the LGB community to co-operate across regions and agglomerations. Everywhere, most of the queer movement consists of small local and regional all-volunteer organisations. Therefore, the cost of travelling for meeting in person, efficiently debating issues and taking joint decisions and measures leads to a kind of self-selection: not the best but richer representatives are chosen. Especially in larger countries, this may cause that diversity is reduced, matters are perceived from a certain social class perspective, the agenda and the outcome are biased, the results remain below the potential level of achievement, and discrimination is probably even increased by the very distributive welfare effects produced by socially selected representation. From experience we know that not even the communication via internet has been able to solve the transaction-cost and co-ordination problem satisfactorily. Narrow, higher-class leadership may also operate as a disincentive to people from lower classes to engage themselves as volunteers in the movement.

All these proposals, strategies, developments and hopes, however, do not relieve politicians from their cardinal duty to perform policies in the direct interest of minorities and indirect interest of all society, although there might not be a majority in favour of them when the respective policy option would be voted upon in a referendum. In this respect, considerable parts of the society have developed perhaps even farther than politics has done and surmised. There are examples, indeed, that the population has learnt more about the statesmanship-like intention of a political measure unpopular at the first sight and finally has accepted it rather soon after its coming into operation. These cases are proving the political feasibility of an equalising legislation.

In any conservative country, "we must decide what role religious institutions and religious tenets are going to play, especially when those tenets are in conflict with the Constitution and the Bill of Rights. If we are truly a society in which church and state are separate, then the prohibitions of church dogma cannot overrule the protections provided by the Constitution. And the Constitution ... is progressive and not fastened to the obsolete but may acquire meaning as public opinion becomes enlightened by a humane justice" (Hardisty and Gluckman 1997, p. 221).

In many places and respects much has been changed and improved within the past three decades. There are also various indications that may create optimism, though some partial, but serious setbacks have been occurring. Above all, one should not forget that it is for certain that only the smaller part of lesbians and gays has already come out and an even smaller part has managed to come to terms with their situation within society. Apparently, by far the longer part of the way towards equality still lies in front of us. For achievement every chance must be taken: in science, at the workplace, in private lives and in politics.

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Data appendix

Table A.1: Social sciences articles on issues in sexual orientation published and cited in journals, on average over 1996-98

(A.) Breakdown of articles in terms of sexual orientation, by disciplines

Disciplines	*Year*	*Number of citations*	*As percentage of the citations in all listed disciplines*
Psychology, psychiatry, social biology, bio-ethics etc.	1996 1997 1998	9 11 24	27 24 51
Health	1996 1997 1998	10 11 4	30.5 24 9
Sexology	1996 1997 1998	2 13 4	6 30 9
Sociology, pedagogy etc.	1996 1997 1998	10 5 4	30.5 11 9
Law	1996 1997 1998	2 3 6	6 7 13
Economics	1996 1997 1998	0 1 3	0 2 7
Philosophy	1996 1997 1998	0 1 1	0 2 2
TOTAL of social sciences articles in terms of sexual orientation	1996 1997 1998	33 45 46	100 100 100

(B.) Sexual-orientation compared with non-sexual-orientation economics

Disciplines	*Year*	*Number of citations*	*As percentage of the citations in all listed disciplines*
(a.) Economics dealing with sexual orientation	1996 1997 1998	0 1 3	0.00 0.04 0.11
(b.) Economics NOT dealing with sexual orientation	1996 1997 1998	2,497 2,544 2,516	100.0 99.96 99.89
Relation between (b.) and (a.)	*Year*	*(b.)/(a.)*	*(b.)/(a.) as percentage*
	1996 1997 1998	infinity 2,544 839	infinity 25,440 8,387

Source: Social Sciences Citation Index 1996, 1997, 1998

Table A.2: Historical overview of the main legislative steps in the legal recognition of homosexuality in EU countries

Country	Adoption	Registered partnership law	First anti-discrimination law	Equal age of consent	Decriminali-sation of homosexual acts
Denmark	1999	1989	1987	1976	1930
Sweden		1995	1987	1978	1944
Netherlands	in preparation	1998	(1983) 1992	1971	1810
Spain		[1998/99]	1995	(1822) 1988	1822
Ireland			1989	*(1993)*	*1993*
Finland		in preparation	1995	*1998*	1971
Luxembourg			1997	1992	1792
France		in preparation	(1985)	1982	1791
Germany		in preparation	[1992/98]	[1989] 1994	[1968] 1969
Italy				1889	[1861] 1889
Belgium		in preparation		1995	1792
Greece				(1951)	1951
Portugal					1945
Austria					1971
United Kingdom				in preparation	[1967/80] 1982

Source: Waaldijk (1999)

Acknowledgements: [19..] applies only in parts of the country or legislation
(19..) ambiguously worded legislation
19XY criminal law changed only after the enactment of an anti-discrimination law

Text appendix

(1) Survey of suggestions for introducing lesbian and gay issues in the sections "Inquiries for Further Thought" in economics textbooks, taken from Patterson (1998, pp. 67-69)

(1) Statistics and the knowledge of losses to lack of proper questions?
A statistician is studying the home-buying patterns of "single" and "married" persons. She finds no differences across these groups. What may she have missed by failing to ask if the "single" people had domestic partners (of either sex)? Can you think of other economic research that might produce invalid results without asking such a question? How could changes in the U.S. Census Bureau surveys improve the accuracy of statistical work in economics?

(2) Marketing surveys and the financial losses to lack of proper questions
The Daisy/Daisy Bicycle-Built-for-Two Company conducts telephone marketing campaigns targeted at adult, two-person households. The firm has collected information on the gender of the household members. Some of the households to be contacted are lesbian and gay couples. What might be the financial consequences of telemarketing strategies that begin: "May I speak to Mr. or Mrs. Smith?" Can you suggest strategies that might make more money?

(3) The economic costs of discrimination against lesbians and gays
(a) Why might a firm that refuses to hire lesbian and gay employees face higher production costs than a non-discriminatory firm? What would be the fate of such a firm under perfect competition?
(b) Discuss circumstances under which a firm might gain by discriminating against lesbian and gay employees or customers, due to the tastes of its straight employees and customers.
(c) In the above case, who would pay the higher production costs associated with the discriminatory practices?
(d) What does this example suggest about the trade-off between fairness and efficiency?
(e) A relatively small Southern retail store recently advertised in the gay press that it had more than 100 gay employees on staff (this was presumably a very high proportion of the total staff). Should the store be prosecuted for discrimination against heterosexuals? Is there any law protecting heterosexuals from such practices? Should heterosexual be a class of people protected from discrimination? Would it be legally possible to protect heterosexuals from discrimination without giving similar protection to homosexuals?

(4) States versus markets on health care insurance for gay and lesbian domestic partners
The State of Georgia sought in February 1996 to ban the practice by which employers choose to provide health care insurance for the domestic partners of gay and lesbian employees. Firms operating in Georgia and their insurance carriers had sought to provide such coverage. It was noted that the insurance carrier Massachusetts Mutual had recently decided to charge the same charges for spousal and domestic partner plans, having concluded that there was no risk differential.
(a) Does the economy face a trade-off between efficiency and traditional morality?
(b) What would you predict would be the costs to a firm operating in Georgia under such a ban, as compared to similar firms operating elsewhere?
(c) What are the implications for the economic growth of a state maintaining such a policy?
(d) Is the state or the market usually the source of radical social change?
(e) Should the State of Georgia intervene in the private decisions discussed above?

(f) Would it matter to your answer above if domestic partner insurance cost more than that for legally married couples?

(5) Insurance and privacy issues

(a) Should a gay man pay a higher health insurance premium than a heterosexual man, based on the higher incidence of AIDS among gay men in general?
(b) Should a lesbian pay a lower health insurance premium than a heterosexual woman, based on the higher incidence of AIDS among straight women in general?
(c) How can an insurer tell if a single man or woman is gay or straight?
(d) How can an insurer tell if a married man or woman is gay or straight?
(e) What do you think about the ethics of an insurance company's attempt to acquire answers to the above two questions?

(6) The state and discrimination

Sometimes, discrimination on the basis of sexual orientation is not simply *allowed*, but it is *required* by the state. Examples in the U.S. include President Clinton's "Don't Ask/Don't Tell" policies in the military, and bans on discussion of gay issues in schoolrooms.

(a) Analyse the cost to the taxpayers of policies that reduce the labour pool for military jobs.
(b) Discuss the economic and ethical harm done by lack of open discussion in schools. Is there any economic benefit to the lack of discussion and information?
(c) Are the policies stated above "efficient"?
(d) Discrimination on the basis of race has also sometimes been banned and sometimes required by the state. What has determined the role of the state? Market forces? Public opinion? What will determine the behaviour of governments on questions of sexual orientation?

* * *

(2) Excerpts from the rightist catholic magazine "Der 13." from 13 Nov 1997 written as a reaction to a peaceful demonstration for queer liberation on the square in front of the cathedral of Sankt Pölten, the province capital of Lower Austria

"... a subterranean vault at the Danube Canal where the waste waters of Vienna flow together is the appropriate locus for homosexual propaganda..."
Jesus "once grabbed a rope to expel the traders and moneychangers from the temple. How much more dishonour homosexuals and lesbian the church ... with their degenerate and sinful corporeality: they ought to be gender-specifically rebuked with the whip and cowhide!"
"In combating organised crime in America, more and more 'civic guards' have been forming: We, too, need such institutions in our struggle against the organised, government-supported and privileged fornication."
Should the normal, decent and orderly people let themselves be permanently provoked by the abnormal, indecent and chaotic people? The current provocations by the perverse ought to be challenged and answered: by all means of possible resistance."
"... on Sunday, the queers marched to the cathedral square in order to annoy by their complexion the faithful coming out of the cathedral. During the Nazi era, the Hitler Youth acted similarly: Who applies 'Nazi methods' should be confronted with the same ones!"
"Everywhere, the homosexuals now crawl like rats out of their holes and are 'lovingly' fed by politicians and churchmen..." (Dieman, 1997, pp. 7-9).

Acknowledgement: It has to be mentioned that the author and the magazine were sued under private law by dozens of lesbians, gays and queer organisations, as criminal prosecution was ruled out, as the law that does not protect the group of lesbians and gays from incitation. In the first instance, the author was declared not guilty, and the editing company has to pay damages altogether amounting to little more than 1,000 Euro just to those four people who were identifiable on the photos that were also published of the demonstration. Meanwhile, after a settlement out of court, the editing company has made and published a full apology; as for the lawsuit against the author that had been continued in the second instance, the case has been relegated anew to the first instance. It is expected, after all, that only the Supreme Court will be likely to decide against the author, as the lower instances will avoid creating a judicial precedent in conceding that an individual lesbian or gay is entitled to sue an offender that generally insults and threatens the queer population.

* * *

(3) Catalogue of Demands vis-à-vis legislation raised by Homosexuelle Initiative Linz (HOSI-Linz), The Lesbian and Gay Movement in Upper Austria, and renewed in 1998

Equal treatment for lesbians, gays, bisexuals and transgendered persons

Love, affection and sexuality are basic needs of human life. To satisfy these needs, a variety of creative opportunities is at one's disposal. Personal relationships are not restricted to a single form of social organisation; they can be developed outside heterosexuality, marriage or the traditional family. In an open, free and democratic society, all forms of social organisation that are unanimously chosen by the individuals concerned must be able to coexist as equally good and equally entitled opportunities.

To discriminate against people on the basis of their sexual orientation means to disregard Human Rights and thereby destroys a substantial foundation of any free and humane society that must rest on the respect of the dignity and singularity of the fellow-citizen and the right for self-determination of human beings.

Therefore, HOSI-Linz consciously opposes the attitude that subordinates sexuality to the single sake of procreation.

Although in 1994 the European Parliament has called on its member states to end the discrimination against lesbians and gays, in Austria there still exist numerous laws that result from the aforementioned attitude of mind and violate the most fundamental rights of lesbians, gays, bisexuals and transgendered persons. Above all, the right of lesbians, gays, bisexuals and transgendered persons to be treated in the same way as all other citizens is violated and hence their right to organise their lives freely.

For these reasons, HOSI-Linz makes the following demands:

Constitutional law

- Introduction of the concept "sexual orientation" into the list of categories worth being protected that is contained in paragraph 1 of Article 7 of the Federal Constitutional Law, running: "Privileges of birth, gender, social position, class and religious belief are excluded."
- Protection of homosexuals from discrimination by legislature and administration through an anti-discrimination law, in order to provide legal security for them, guarantee the abolition of all unequal treatment and serve as a guiding rule for public authorities

- HOSI-Linz also demands that the Upper Austrian Provincial Constitution and the constitutions of the Upper Austrian statutory cities be amended by introducing identical terms about ant-discrimination.

European Union and International Law

- The concepts "genocide" and "penal offences against the public peace" are to be extended in order to cover the organised persecution and extermination of lesbians, gays and transgendered persons, too. HOSI-Linz calls on the Republic of Austria to do its utmost that this will be incorporated in the law of nations.
- In particular, it is required that the concept "sexual orientation" will be embodied in the European Union's primary law as a category worth being protected and also in a future Constitution of the European Union.

Sexual penal law

- Paragraph 209 of the penal law ("Same-sex fornication with youths") fixes the age of consent for sexual relations between males at 18 years, though for heterosexual and lesbian sex relations the age of consent is 14 years (paragraph 206 f of the penal law). HOSI-Linz demands the immediate and unrestricted abolition of this term that violates the principle of equal rights.
- HOSI-Linz requires a clear definition by law that excludes a discrimination against lesbians and gays by the penal law on the basis of the "announcement of bringing about an illicit sexual act" when they put advertisements in newspapers and magazines to find same-sex partners.
- HOSI-Linz opposes any form of sexual violence. Therefore, the penal law must not distinguish between forced vaginal and anal intercourse. Besides, HOSI-Linz calls for cancelling the obsolete requirement for prosecution that the enforced intercourse occurred out of marriage.
- Further, HOSI-Linz demands to substitute the out-of-date concept of "fornication" for the term "sexual practice".

Pornography law

- Homosexuality and same-sex practices are not to be treated differently from all other forms of sexuality. Thus, it has to be secured that the discrimination against lesbians and gays is ruled out when interpreting the pornography law.

Partnership law

- HOSI-Linz requires from the law the fully equal treatment of same-sex partnerships to all other forms of partnership, including marriage. This is to be achieved by a proper partnership law that replaces all currently existing legal terms.
- HOSI-Linz also demands the opportunity of registering same-sex partnerships at Austrian registry offices as well as the recognition of the partnerships of those foreign citizens in whose home countries same-sex partnerships are already recognised (e.g. Denmark).
- In particular, HOSI-Linz calls for amendments of the following legal terms:
  - paragraph 14 of the law governing tenancy (the right to succeed to one's partner's letting contract),

- paragraph 16 of the law governing leave (leave for nursing one's partner back to health)
- paragraph 152 of the code of criminal procedure and
- paragraph 321 of the code of civil procedure (the right for declining to give evidence against one's partner),
- paragraph 32 (indent 1) of the bankruptcy code,
- paragraph 4 (indent 1) of the contestation code,
- paragraph 757 of the Austrian Civil Code (the hereditary title for the marriage partner),
- paragraph 123 of the Social Security Act (the legal demand of relatives),
- paragraphs 108 and 254 (indent 2) of the Social Security Act (the right for succeeding to the deceased partner's old-age or invalidity pension),
- paragraph of the old-age insurance law (surviving dependants' pensions)

and so on.

Family law

- HOSI-Linz requires that parents cannot be divested of their right to educate their children because of being lesbian or gay (paragraph 176 of the Austrian Civil Code).
- Besides, HOSI-Linz calls for creating the opportunity for lesbian and gay couples that foster children be committed to them by the youth welfare offices.
- Furthermore, HOSI-Linz demands the opportunity for lesbian and gays the adopt children.
- Also, HOSI-Linz requires that the province governments issue decrees granting the rights for lesbians and gays to see their children in hospital and inquire about their health status with doctors and participate in medical decisions about their children's fate.
- The right of partners jointly to apply for public-assistance dwelling is to be extended to lesbian and gay partnerships.

Law of inheritance

- HOSI-Linz calls for fully equal treatment of same-sex partnerships with married couples and unmarried heterosexual couples by the law of inheritance, particularly in terms of fixing the inheritance tax, and demands to cancel the disinheritance criterion of "exhibiting a way of life contrary to public morals" (paragraph 768, indent 4, of the Austrian Civil Code).

Labour law

- HOSI -Linz requires the unrestricted abolishment of abstruse reasons for dismissal, such as "enticement to an improper way of life or immoral conduct", by which lesbians and gays have been in fact discriminated against.
- Further, HOSI-Linz calls for the clear regulation that dismissal on the basis of sexual orientation of an employee is itself an immoral legal transaction.

Administrative law

- HOSI-Linz requires a law that gives the right for damages to persons who were persecuted by the Nazi regime or were even kept prisoners in concentration camps on the basis of their same-sex orientation. HOSI-Linz calls for extending the current laws (in particular the law governing the public relief of victims) to the aforementioned group of victims as well as a quick and non-bureaucratic treatment of the respective applications.

- HOSI-Linz also demands a harmonisation of the legal protection of children and young people which hitherto has been the competency of the provinces and calls for the basic right of young people for sexual self-determination. HOSI-Linz consequently requires the abolition of all those legal terms that curtail the developing perspectives of lesbian and gay youths.
- HOSI-Linz finally stands up for an amendment of the law governing police penalties which secures the protection from discrimination on the grounds of race, colour, nationality, ethnicity and religious belief and offers opportunities to enjoy such protection; HOSI-Linz demands that this law be extended to the discriminatory criterion "sexual orientation".

Transgendered people law

- HOSI-Linz demands the immediate introduction of a proper law governing the issues afflicting transgendered people, taking special account of their difficult situation and guaranteeing them humane treatment and a quick solution to their specific problem.
- HOSI-Linz demands a legal regulation that secures the complete and immediate receipt of the costs of the operations and other medical treatments of transgendered people by the public health insurance carriers.
- HOSI-Linz also calls for the legal definition of a time-span of no longer than six weeks in the course of which the change of the name of transgendered persons has to be performed and concluded and to release them from the accruing administration fees.

Demands on education policy

- In school, particularly during sexual education, the presentation of lesbian, gay and transgendered people's relations should be emphasised to a greater extent, and such relationships should be presented as being equally good as heterosexual relationships.
- Regular offers of courses, lectures and seminars on topics concerning homosexuality at the Austrian universities as well as artistic treatment of this subject at the universities of arts
- Supporting scientific studies on, and setting up archives of, lesbian and gay culture and life.

Other demands

- The province of Upper Austria and its municipalities and statutory cities are called on to completely abolish unequal treatment occurring within their sphere of competency (allocation of flats built by the province and municipal administrations etc.) and secure the equal treatment of lesbian and gay civil servants and employees with public utilities (giving leave for nursing one's partner back to health, granting social benefits to families etc.). The Upper Austrian province and municipal parliaments are called on to adopt anti-discrimination resolutions.
- The institutionalisation of an ombudsman-like equal-treatment authority for lesbians, gays and transgendered people on the province level and establishing it as a centre for making complaints, scrutinising provincial laws in terms of discriminating, sexist and homophobe terms, informing and enlightening public authorities on the subject, providing advice in the process of law-making on the municipal level calling on the

legislators to adopt anti-discrimination resolutions, and a centre for adult education courses (e.g. for pedagogues)

- Commissioners for lesbian, gay and transgendered people's affairs with the district authorities and municipal administrations of the statutory cities as well as with the provincial police departments and the provincial military commands in order to investigate cases of unequal treatment and mobbing and to improve the public services for the respective persons
- In the interest of equal treatment in terms of sexual orientation and because of the still ongoing discrimination against homosexuals that has been lasting for centuries, governments have to support financially, in kind as well as idealistically the institutionalisation and running of service centres for lesbians, gays and transgendered people, in particular in providing infrastructure and financing employees.
- Also, the public relations activities of lesbians and gays are to be subsidised by the public sector.
- Not least, HOSI-Linz demands the AIDS service centres and, above all, the self-help groups formed by HIV-positive people to be sufficiently supported in pecuniary and non-pecuniary terms.

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fax +43 732 60, 98 98, e-mail hosi-linz@netway.at, web http://www.hosi-linz.gay.at

* * *

(4) Authorised interviews with the longest-serving (Mr. L.) and the shortest-serving (Mr. S.) board member of Homosexuelle Initiative Linz (HOSI-Linz), one of the first lesbian and gay organisations founded in Austria nearly 20 years ago, the only larger group in the province of Upper Austria and one of the few Austrian organisations of more than regional significance

Question 1:

(a) How would the representative (heterosexual) male Austrian characterise lesbians and gays?

Mr. L.'s answer:

--

Mr. S.'s answer:

Gay men are thought to be womanly, feminine and transvestites, abnormal, attached to anal intercourse and other unconventional sexual practices. Often, homosexuality is mixed up with paedophilea. Gays are people on does not want to have on one's circle of friends.

Lesbian are expected to be manly, radically emancipating women who want to penetrate into men's domains.

(b) How would the representative (heterosexual) female Austria characterise lesbian and gays?

Mr. L.'s answer:

--

Mr. S.'s answer:

Gays are considered to be sensitive and creative, working in creative and artistic occupations and exhibiting a kind of exotic aura.

Lesbians are deemed to be very masculine in their appearance and conduct.

Question 2:

(a) Has HOSI-Linz ever co-operated with social scientists?

Mr. L.'s answer:

No, not in an active way. However, HOSI establishes contacts to enable interviews and surveys.

Mr. S.'s answer:

I cannot remember.

(b) If yes, for what sake? If not, what prevented it, in your opinion?

Mr. L.'s answer:

Hitherto, HOSI has not disposed of the necessary humanpower, time and opportunity; we have not got to know respective persons.

Mr. S.'s answer:

I cannot tell.

Question 3:

(a) How many percent of the population do you think to be same-sex oriented?

Mr. L.'s answer:

Ten percent.

Mr. S.'s answer:

Between five and ten percent.

(b) How many of them are in your community?

Mr. L.'s answer:

40 percent.

Mr. S.'s answer:

Two or three percent, approximately.

(c) Where does the rest of them spend their leisure hours?

Mr. L.'s answer:

In private cercles; they do not go out.

Mr. S.'s answer:

They live in their heterosexual environment either concealed or out and spend their leisure time in private gay and lesbian circles.

Question 4:

(a) How would you shortly characterise the quality of life of lesbians and gays living in Upper Austria?

Mr. L.'s answer:

Good, according to tendency. But it is difficult for persons who do have problems with their homosexuality and have to face problems which result from it, such as unemployment, health troubles and so on. In the countryside, the situation is psychically stressing for queers.

Mr. S.'s answer:

In legal terms, they are more discriminated against than in other European countries and regions. In rural areas, in particular, an enormous stress is put on them, as they have to pass as heterosexuals.

(b) What, in particular, can they be happy about?

Mr. L.'s answer:

A relatively good income situation, no financial burden through children, a well developed queer community since a few years ago. In some circles, being gay has come to be chic.

Mr. S.'s answer:

They enjoy a substantially larger supply of queer bars and organisations than in other provincial capitals.

(c) And what are they specifically worried about?

Mr. L.'s answer:

To be no longer able to afford a certain standard of living, for some reasons; deteriorating social circumstances.

Mr. S.'s answer:

Physical attacks, an extraordinarily conservative provincial government and the right-wing party (FPÖ) gathering strength.

Question 5:

(a) Of what type are the "families" (in a wide sense) in which lesbians and gays mainly live hereabouts?

Mr. L.'s answer:

Two-person relationships with a relatively large circle of friends.

Mr. S.'s answer:

Integrated in circles of close friends most of whom are also lesbian or gay. Partly they live in concubinage, partly on their own, spend the larger part of their leisure time and holidays together, taking responsibility for each other and forming in this way a kind of familial bondage.

(b) Are there typical roles of sexual practices that are played in queer relations, as observed in straight relations?

Mr. L.'s answer:

Probably so.

Mr. S.'s answer:

Frequently, sexual practices occur with one partner preferring to take the active, "male" part in it and the other one the passive, "female" part, if you think of anal intercourse. However, these are merely sexual preferences which in my opinion do by no means reveal roles that are possibly played within the relationship.

(c) Are there stereotypes of social behaviour (that is roles of social interactions) within a queer relationship, as observed in straight relationships?

Mr. L.'s answer:

Yes.

Mr. S.'s answer:

To a rather small extent, yes, because lesbians and gays have been socialised by a heterosexual society.

(d) How do you, in general, judge the similarity or difference between queer and straight relationships?

Mr. L.'s answer:

The main difference lies just in the fact that the two partners are of the same sex.

Mr. S.'s answer:

I think that they are not very similar, as the usual roles have been adopted only in an essentially attenuated form, if at all.

Question 6:

(a) Do you think queers basically face problems or even enjoy comparative advantages in the labour market or at their workplaces?

Mr. L.'s answer:

If so, they have problems that originate from social prejudice.

Mr. S.'s answer:

I suppose that, in most cases, queers are treated equally, with the exception of educational and pedagogical occupations where they are frequently disadvantaged.

(b) Are you yourself out at your workplace? If so, are you explicitly or implicitly queer there?

Mr. L.'s answer:

You cannot give a straightforward answer to that. The situation differs from colleague to colleague. Some have been informed, some perhaps surmise, some do not know.

Mr. S.'s answer:

Yes, but only implicitly.

(c) Do you think that problems in workplace relations are better overcome by being out or closeted?

Mr. L.'s answer:

Either strategy has its advantages and disadvantages; it depends on the specific problem whether is can be better solved this or that way. After going public, however, there is no choice any more.

Mr. S.'s answer:

If you are openly gay or lesbian, yes.

Question 7:

(a) Have firms in your country discovered lesbian and gay people as specific target groups for their products?

Mr. L.'s answer:

No, not yet, but first attempts can be discerned.

Mr. S.'s answer:

Yes, namely IKEA, McDonald's, Diesel Jeans, various insurance carriers and so on.

(b) Is this also true for your local community, if you think of queer shops, bars, partner services etc.?

Mr. L.'s answer:

Not as an business strategy aiming at the target group, but as a result of personal acquaintances.

Mr. S.'s answer:

Yes.

(c) How can firms that do not exclusively specialise in, and depend on, lesbian and gay customers manage to court lesbians and gays against the tastes of the straight majority of customers?

Mr. L.'s answer:

In pursuing a strategy directed at clearly defined target groups.

Mr. S.'s answer:

In establishing a proper queer advertising strategy or in inserting a lesbian or gay subject in a posters series.

(d) If firms in your country perform a specific marketing strategy towards queers, does this occur in noteworthy quantitative dimensions?

Mr. L.'s answer:

No.

Mr. S.'s answer:

Not yet, at present.

Question 8:

(a) Please, name three keywords that characterise the work of your organisation and rank them by importance!

Mr. L.'s answer:

Social events, political lobbying, counselling.

Mr. S.'s answer:

Lobbying, counselling, creating self-assuredness.

(b) Judging the success and failure of your organisation, are you content with what you have been achieving? Why or why not?

Mr. L.'s answer:

Yes, I am content, for under the given circumstances, HOSI does an excellent job. The reason for it is the strong emphasis on teamwork which is attractive even for those who basically have been lonely workers.

Mr. S.'s answer:

I am often discontent because so many projects cannot be financed. They are not realised for the politicians' lack of determination to help.

(c) What do you find to be the strengths and what the weaknesses of your organisation?

Mr. L.'s answer:

Our strengths are a clear overall strategy and a high capability for teamwork. Our weaknesses are individually diverging intensities at work and conflicts between individual and corporate interest.

Mr. S.'s answer:

Our strength is the large potential of activists, our weakness the financial dependence on public funds.

Question 9:

(a) When you think of your country's society, what are the major obstacles to a great breakthrough and final success of the work of your organisation?

Mr. L.'s answer:

The political situation, that is, the coalition between the two major parties, a widespread clerical and conservative attitude of mind, partisanship in the population and the parochial attitude within the lesbian and gay movement.

Mr. S.'s answer:

An extremely conservative population; their values have been formed by the Roman Catholic church and the conservative party, the ÖVP.

(b) When you think of more important politicians in your country, province and city, what are the main obstacles to a good co-operation with politics and a substantial political success in the interest of your clientele?

Mr. L.'s answer:

Fear of close contact and concern about their public image.

Mr. S.'s answer:

On the central government level, the conservative party has made her opposition to queer emancipation a matter of ideology.

On the province and community level, the problem is that politicians are uninformed, insensitive and unfamiliar with queer issues.

(c) If you had the chance to make one political wish come miraculously true tomorrow morning, what would you change?

Mr. L.'s answer:

Abolition of the privileges associated with marriage.

Mr. S.'s answer:

I would amend the constitution in introducing a protection of lesbian and gays from discrimination; all other laws would have to be adapted in the spirit of this constitutional term.

Question 10:

(a) Considering all the factors of a queer person's life together, would you say that queers lead a better, more satisfying life than straight people?

Mr. L.'s answer:

Potentially yes, but not necessarily in the real world.

Mr. S.'s answer:

Not as a rule. But, after all, they are better off in financial terms, as both of the partners earn their living, and they do not have to make expenses for children.

(b) If you could take a pill that safely and instantly turned you straight forever, would you take it? Why or why not?

Mr. L.'s answer:

No.

Mr. S.'s answer:

No, because I am feeling all right with my gay socialisation.

(c) Under what circumstances will your organisation, being part of the queer liberation movement, will have become superfluous?

Mr. L.'s answer:

If we acted only politically, after having arrived at our political aim.

Mr. S.'s answer:

When all legal and social discriminations will have been abolished.

(d) Please, guess in how many years the main obstacles to equal treatment of lesbians and gays will be overcome?

Mr. L.'s answer:

Within five years.

Mr. S.'s answer:

Ten to fifteen years.