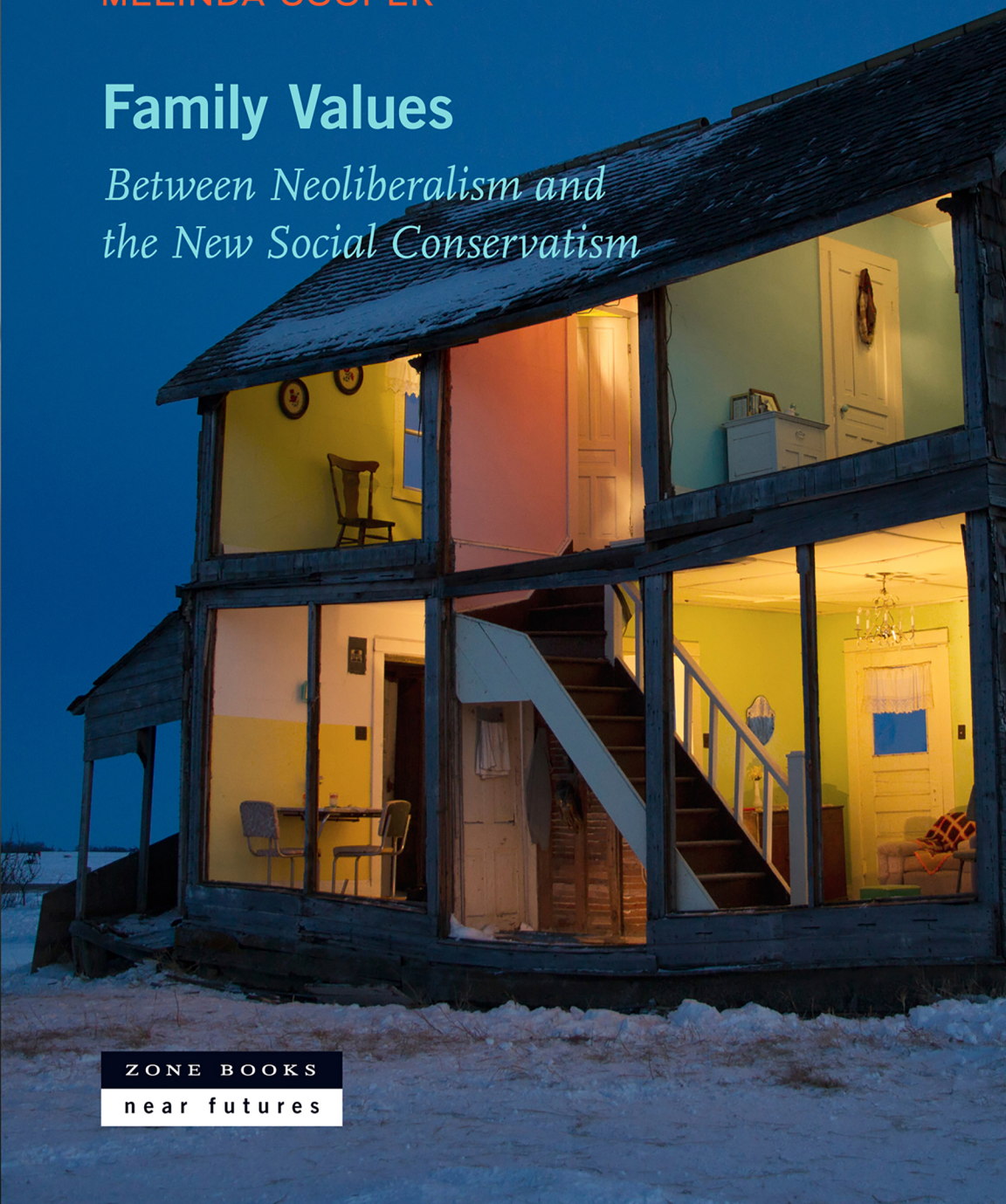


MELINDA COOPER

Family Values

*Between Neoliberalism and
the New Social Conservatism*



ZONE BOOKS

near futures

FAMILY VALUES

Family Values: Between Neoliberalism and the New Social Conservatism

Melinda Cooper

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Between Neoliberalism and the New Social Conservatism

The family in the Western world has been radically altered,
some claim almost destroyed, by events of the last three decades.

—Gary Becker, *Treatise on the Family*

The history of the family is one of perpetual crisis. Yet, this crisis presents itself in distinct, even contradictory fashion to different political constituencies. For social conservatives of the left and right—the inheritors of 1970s neoconservatism—the contours of family crisis appear to have changed very little over the past several decades. The American family still seems to be suffering from a general epidemic of “fatherlessness.”¹ Young, impoverished women, particularly African Americans and Latinas, are still having children out of wedlock and still expecting the welfare state to take care of them. In the 1990s, social theorists complicated this story somewhat when they announced that the long-standing, quasi-mythical crisis of the African American family, infamously diagnosed by the neoconservative Daniel Patrick Moynihan in 1965, had now spread to the white middle class, encouraging generations of younger women to forsake the stability of marriage in favor of career-minded narcissism.² Even more recently, they have discovered that marriage itself has become a marker of class in American society—a privilege that appears to be reserved for the college-educated middle class—and inversely, perhaps, a practice that

should be encouraged as a shortcut to social mobility.³ With all its variations and refinements, this discourse has shifted only slightly since it was first fashioned in the 1970s. And although it has inspired four decades of punitive welfare reform, its proponents continue to blame the Great Society welfare state for what they see as the ongoing decline of the American family.

Neoliberals have always entertained a more complex relationship to the discourse of family crisis. It would not be an exaggeration to say that the enormous political activism of American neoliberals in the 1970s was inspired by the fact of changing family structures. Certainly Gary Becker, the Chicago school economist singled out as exemplary by Michel Foucault, understood the breakdown of the Fordist family wage to be the critical event of his time, and one whose reverberations could be discerned in everything from shifting race relations to the recomposition of the labor market and the changing imperatives of social welfare.⁴ In effect, while it lasted, the Fordist family wage not only functioned as a mechanism for the normalization of gender and sexual relationships, but it also stood at the heart of the midcentury organization of labor, race, and class, defining African American men by their exclusion from the male breadwinner wage and African American women by their relegation to agricultural and domestic labor in the service of white households. The neoliberal response to the crisis of the Fordist family can be described, in the first instance, as adaptive and accommodationist. Eschewing the overt moralism of social conservatives, neoliberals are interested in subsuming the newly liberated labor of former housewives within an expanded market for domestic services and are intent on devising new mechanisms for pricing the risks of (for example) racial discrimination or unsafe sex. There is no form of social liberation, it would seem, that the neoliberal economist cannot incorporate within a new market for contractual services or high-risk credit.

Yet it would be a mistake to think that neoliberalism is any less

invested in the value of the family than are social conservatives. “Since the family is the foundation of all civil society,” notes Gary Becker, we have good reason to be concerned about the “enormous changes in the stability and composition of families in recent decades.”⁵ Neoliberals are particularly concerned about the enormous social costs that derive from the breakdown of the stable Fordist family: the costs that have been incurred, for example, by women who opt for no-fault divorce, women who have children out of wedlock or those who engage in unprotected sex without private insurance; and the fact that these costs accrue to the government and taxpayer rather than the private family.⁶ Although they are much more prepared than are social conservatives to accommodate changes in the nature and form of relationships within the family, neoliberal economists and legal theorists wish to reestablish the private family as the primary source of economic security and a comprehensive alternative to the welfare state. If American welfare reform has been singularly focused on the question of marriage promotion and responsible family formation in the past few decades, it is thanks to the ongoing collaboration between neoliberals and social conservatives on this point in particular.

In contrast to both neoliberals and social conservatives, and in spite of the prominence of family in contemporary social policy, a certain kind of left-wing critic has come to see neoliberal capitalism as itself destructive of family life. The idea that the flexible labor relations introduced by neoliberal reform have somehow disabled the long-term obligations of love and parenthood is pervasive among left-wing social theorists interested in the effects of late modernism on the structures of intimate life. Each in their own way, and with varying degrees of nostalgia, Anthony Giddens, Zygmunt Bauman, Ulrich Beck, Elizabeth Beck-Gernsheim, and Eva Illouz all point to the increasingly fleeting character of love in an era dominated by the short-term contract and employment at will.⁷

By far the most elaborate and sustained argument in this direction,

however, is provided by the German political economist Wolfgang Streeck, whose recent work reflects at length on what he sees as the causal relationship between the flexible employment contract and the “flexible family.”⁸ Streeck is concerned here with the dismantling of the standard postwar employment relationship and its correlate, the so-called Fordist family consisting of a male worker, a stay-at-home wife and mother, and two or more children. As he notes, the economic security of the postwar era was premised on a tightly enforced sexual division of labor that relegated women to lower-paid, precarious forms of employment and indexed the wage of the Fordist worker to the costs of maintaining a wife and children at home. How and why did this particular architecture of economic security crumble so rapidly in the 1970s, Streeck asks, and why did its decline provoke so little opposition from those who benefited so much from it?

Searching for an answer to this question, he notes that “the social and family structure that the standard employment relationship had once underwritten has itself dissolved in a process of truly revolutionary change. In fact, it appears that the Fordist family was replaced by a flexible family in much the same way as Fordist employment was replaced by flexible employment, during the same period and also all across the Western world.”⁹ The destabilization of the long-term marital contract, Streeck wants to argue, occurred a short but significant time before the dismantling of the Fordist employment relationship and can be seen as having provoked the decline of the latter.¹⁰ The revolution in family law and intimate relationships that occurred in the 1960s—from the introduction of no-fault divorce to the growing acceptance of cohabitation—destroyed the very *raison d’être* of the Fordist family wage and thereby led to its gradual phasing out over the following years. If women were no longer tied to men in long-term relationships of economic dependence, and if men were no longer obliged to look after a wife and children for life, then who would be left to defend that great Fordist institution of economic security, the family wage?

At this point, Streeck's antifeminism becomes overt. It was feminism, after all, that first challenged the legal and institutional forms of the Fordist family by encouraging women to seek an independent wage on a par with men and transforming marriage from a long-term, noncontractual obligation into a contract that could be dissolved at will. In so doing, feminists (whom he imagines as middle class) robbed women (whom he imagines as working class) of the economic security that came from marriage to a Fordist worker.¹¹ By undermining the idea that men should be paid wages high enough to care for a wife and children, feminism helped managers to generalize the norm of precarious employment and workplace flexibility, eventually compromising the security of all workers.

Without descending into the overt antifeminism of Wolfgang Streeck, Luc Boltanski and Eve Chiapello's *New Spirit of Capitalism* offers a conceptual critique of the countercultural left that leads ineluctably to the same conclusions. Their revisionist history of late Fordist social movements points to an incipient fracture between the productive left, focused on building and maintaining the economic security afforded by the postwar consensus, and what they refer to as the artistic left, more interested in critiquing the predictable securities and norms of Fordist life.¹² If the former can be more or less equated with the trade union movement and old socialist left, the latter consisted of the distinctly new components of the left—from feminism and gay liberation to the student movement and counterculture. Having thus distinguished between a good labor politics (focused on economic security and the permanence of social relations) and a bad sexual politics (focused on liberation from the same set of social relations), Boltanski and Chiapello identify the decline of the family as the most visible sign of neoliberalism's social insecurity. "During these years of social regression," they write, the family "became a much more fluid and fragile institution, compounding job insecurity and the general sense of insecurity.... The search for maximum flexibility in

firms chimed with a depreciation of the family as a factor of temporal and geographical inflexibility, so that...similar ideological schemas are mobilized to justify adaptability in work relations and mobility in emotional life.”¹³ Like Streeck, Boltanski and Chiapello argue that the artistic left prepared the groundwork for the neoliberal assault on economic and social security by destroying its intimate foundations in the postwar family. By implication, their analysis posits the restoration of the Fordist family (or some revision thereof) as a necessary component of a renewed left agenda.

It is somewhat more surprising to find such reflections in the work of Nancy Fraser, who has done so much to uncover the role of the family wage in shaping the sexual divisions of labor constitutive of American Fordism. Yet, Fraser’s longstanding commitment to the conceptual distinction between cultural recognition and economic redistribution places her in a similar bind to Boltanski and Chiapello when it comes to the sexual politics of capital.¹⁴ In her most recent work, Fraser accuses second-wave feminism of having colluded with neoliberalism in its efforts to destroy the family wage. “Was it mere coincidence that second-wave feminism and neoliberalism prospered in tandem? Or was there some perverse, subterranean, elective affinity between them?”¹⁵ Fraser goes on to answer in the affirmative: “Our critique of the family wage,” she writes, “now supplies a good part of the romance that invests flexible capitalism with a higher meaning and moral point.”¹⁶ What she offers as an alternative is a renewed politics of economic security that would allow women (and, in the long run, men) to sustain the families that have been torn apart by the enforced flexibility of the neoliberal labor market. Without advocating the simple return to Fordism that Streeck seems to have in mind, Fraser seeks to imagine an improved family wage that would in the first instance recognize and valorize women’s reproductive labor and perhaps ultimately disrupt the gendered division of labor itself.¹⁷ But having identified the specific evil of neoliberalism as the destruction of

the Fordist family wage, her analysis leads inescapably to the conclusion that resistance demands the restoration of family, albeit in a more progressive, egalitarian form.

Each of these theorists is clearly indebted to the work of Karl Polanyi,¹⁸ whose thesis of the “double movement” is pervasive and well nigh uncontested in contemporary left-wing formulations of anti-capitalist critique.¹⁹ In his signature work of historical sociology, *The Great Transformation* (1944), Polanyi distinguishes laissez-faire capitalism from all previous economies of exchange by virtue of the fact that it strives to include what was once inalienable within the ambit of exchange value.²⁰ Reaching its purest form in nineteenth-century England, Polanyi sees modern capitalism as inhabited by a relentless calculative drive that submits even foundational social values such as labor, land, and money to the metrics of commodity exchange. Under the conditions of modern capitalism, human labor itself loses any intrinsic value and sees its price fixed by the highest bidder; money is subject to the nominal measure of interest and exchange rates; and the price of land is determined by the fluctuations of speculative value. Thus, essential social properties that should by rights function as foundations and anchors to any stable system of exchange are set to circulate in the open market as “fictitious commodities.” Having posited Aristotle’s household economy of measured exchange as ethical reference point, Polanyi can only envisage these innovations as departures from a transcendent norm of economic justice. Polanyi understands modern capitalism as the generalization of Aristotle’s “chrematistics”—an economic regime in which the perverse logic of self-multiplying value has overtaken and subsumed the measured reproduction of foundational social values.²¹ As a twentieth-century social democrat, however, he also wants to argue that the disintegrative forces of the free market will inevitably provoke a “countermovement” bent on protecting the social order (indeed the free market itself) from the excesses of laissez-faire capitalism.

In a somewhat paradoxical manner, Polanyi imagines the countermovement as external to the dynamics of capitalism and yet historically inevitable and indeed necessitated by the free market itself. Reflecting on the history of nineteenth-century industrial capitalism, he observes that the laissez-faire utopia of the self-regulating market cannot survive in the long run without the intervention of some external form of social protectionism. When implemented as an economic ideal, the self-regulating market unleashes destructive forces that threaten the very existence of the market system. Pushed to the limit, then, the individualizing excesses of liberal contractualism will generate at some point a social countermovement intent on protecting workers from the stiff winds of the market. But while it must be understood as external to free-market capitalism, the countermovement is ultimately necessary to the continued functioning of the market itself, since its role will be to safeguard those essential “fictitious commodities”—money, land, and labor—that capital is incapable of protecting of its own accord.

What makes Polanyi’s theory of the double movement so appealing to a certain kind of left is its tendency to conflate capitalism itself with the logic of the free market and thus to reduce its ideological expression to economic liberalism, understood as a force of social disintegration. Once one has accepted these premises, however, resistance can only be imagined as conservative. If capitalism as an ideological formation is reducible to the tenets of economic liberalism, and if market freedom tends inexorably to disintegrate, disembed, and homogenize social existence, then any viable countermovement must seek to reanchor value as a way of arresting these trends. This imperative applies not only to the “fictitious commodities” of land, labor, and money—which the social protectionist movement seeks to “decommodify” and restore to a position of fundamental value—but also to social life more widely, which ultimately demands to be stabilized and reembedded within the institution of the family.²² If capitalism is theorized as uniquely

and exclusively destructive of prior social solidarities, then the countermovement can be imagined only as an effort to restore, or at least reinvent, that which was allegedly destroyed by the advent of industrial capitalism. It is not by chance that Polanyi evinces an unmistakable nostalgia for the old territorial order of feudal England, where (he imagines) aristocrats and peasants shared a common attachment to land, family, and community.

Polanyi himself was well aware of the potential affinities between his theory of the countermovement and the social conservatism of the right. Indeed, he saw the fascist movements of early twentieth-century Europe as one particularly destructive manifestation of the countermovement, and one that could be avoided only by implementing the alternative of a socially protectionist and politically democratic welfare state.²³ For Polanyi, the difference between a social democratic countermovement and the social conservatism of the right was decisive in its historical consequences—and yet it was a difference of methods and degree, not of kind. The Polanyian social democrat shares the conservative's nostalgia for community, land, and family but seeks to transform these institutions into conduits for state-based forms of social protection. Where the Burkean conservative strives to instill family values by force, the social democrat seeks to encourage them through the redistribution of social wealth. Polanyi, it might be said, replaces the private family values of the old Elizabethan poor-law tradition with the redistributive family values of a certain kind of social progressive left. In this respect, his philosophy of the double movement can be read as the ideological expression of the mid-twentieth-century welfare state, which perfectly combined social democracy and social conservatism in the form of the Fordist family wage.

This book assumes instead that what Polanyi calls the “double movement” would be better understood as fully internal to the dynamic of capital. This is to say that economic liberalism and political conservatism—even when the latter speaks the language of

anticapitalist critique—are equally constitutive expressions of modern capitalism. We need not defer to a Hegelian reading of Marx to recognize that this double movement is central to his depiction of capital's "differential calculus," putting him radically at odds with Polanyi on the question of critique.²⁴ Most lucidly in the *Grundrisse*, Marx discerns two countervailing tendencies at work in the logic of capitalist valuation: on the one hand, a propensity to deflect from all external limits to the speculative generation of social wealth, and on the other hand, a drive to reestablish such limits as the internal condition of value's realization as private wealth.²⁵ In more suggestive, less austere mathematical terms, Marx recognized that the capitalist injunction to self-valorization "drives beyond national barriers and prejudices as much as beyond nature worship, as well as all traditional, confined, complacent, encrusted satisfactions of present needs, and reproductions of old ways of life,"²⁶ at the same time that it calls for the reaffirmation of such limits as a way of channeling and restricting the actual realization of wealth.

Yet, while Marx recognized that the restoration of fundamental value could be accomplished through any number of institutional and juridical means—from the gold standard to private property in land to vagrancy laws limiting the mobility of workers—his analysis does not extend to the intimate, reproductive dimensions of this process.²⁷ In its efforts to overcome all quantitative barriers to the generation of wealth, Marx observed, capital transgresses all established forms of reproduction—that is, all customary or religious strictures on the organization of gender, all status-like constraints on social mobility, and all national restrictions on the circulation of money.²⁸ But is it not also compelled to reassert the reproductive institutions of race, family, and nation as a way of ensuring the unequal distribution of wealth and income across time? Isn't it compelled, in the last instance, to reinstate the family as the elementary legal form of private wealth accumulation?

On this point, Marx's thinking must be radicalized.²⁹ The assertion of foundation is never merely "economic" in character since it must ultimately incorporate the "social and cultural" conditions under which value is to be reproduced and reappropriated in private form—kinship, lineage, and inheritance. If the history of modern capital appears on the one hand to regularly undermine and challenge existing orders of gender and sexuality, it also entails the periodic reinvention of the family as an instrument for distributing wealth and income. Thus, according to Reva Siegel, the legal history of the modern family can be understood as a process of "preservation through transformation" rather than one of progressive liberalization, where challenges to established gender and generational hierarchies are repeatedly recaptured within new, more democratic, but no less implacable legal structures.³⁰

What Eric Hobsbawm refers to as the "reinvention of tradition" can usefully be understood as the expression of this double movement, provided that we accord no prior stability to tradition as such and recognize the very historicity of the term as an invention of nineteenth-century industrial capitalism.³¹ Translating these insights into a general reflection on the philosophy of history, Peter Osborne argues that the peculiar temporality of modern capitalism is defined by the oscillation of tendencies that are alternatively self-revolutionizing and restorative, speculative and radically nostalgic. For Osborne, both these orientations "may be regarded as temporally integral political forms of capitalist societies, alternative political articulations of the social form of capitalist accumulation itself: that 'constant revolutionizing of production, uninterrupted disturbance of all social conditions, everlasting uncertainty and agitation,' which Marx and Engels identified as the distinguishing feature of the present epoch nearly one hundred and fifty years ago."³² One consequence of this analysis is its neutralization of Polanyian critique. We cannot hope to counter the logic of capitalist exchange by seeking merely to reembed or stabilize

its volatile signs, as Polanyi counsels, since this project is already a necessary component of capital's double movement. The tension between the adaptive forces of credit expansion and the appropriative drive to social foundation is constitutive of capital itself, although realized in widely different political forms in different historical moments.

Accordingly, this book takes neoliberalism and the new social conservatism as the contemporary expression of capital's double movement. In doing so, I follow Wendy Brown, whose seminal essay "American Nightmare" argues that neoliberalism and neoconservatism must be thought together—in their convergences, collisions, and symbioses—if we are to understand the political rationality of power in the United States today.³³ This thinking together, I would add, is necessary if we are to avoid the trap of mobilizing a left neoliberalism against the regressive forces of social conservatism or a left social conservatism against the disintegrating effects of the free market.

By neoliberalism, I refer in particular to the American schools of new economic liberalism that emerged at the University of Chicago, the University of Virginia, George Mason University, Virginia Polytechnic University, the UCLA Department of Economics, and various other institutional outposts in the early to mid-twentieth century. The historiography of American neoliberalism is vast.³⁴ Here I focus on a distinct phase in the evolution of this new economic liberalism, one that was defined by the social and economic upheavals of the 1960s and '70s and the intellectual response that it provoked among free-market economists of the Chicago and Virginia schools. During this period, American neoliberals refined and in some cases utterly revised their founding concepts in direct response to the changing gender and racial composition of the workforce, the civil rights and welfare rights movements, and the rise of student radicalism. Throughout the 1970s, leading neoliberal intellectuals such as Milton Friedman, Rose Friedman, George Stigler, Richard Epstein, Richard Posner, James M. Buchanan, Gordon Tullock, Richard Wagner, and Gary Becker helped

redefine the intellectual and popular consensus on state deficit spending, the role of the central bank, inflation, taxation, consumer protection laws, tuition fees, and welfare. At no other moment before or after have the affiliates of the Chicago and Virginia schools been so directly involved in formulating and implementing government policy. A figure such as Milton Friedman, for instance, was remarkably involved in the policy decisions of the Nixon, Carter, and Reagan administrations: At various moments, he could be found lending his hand to proposals to introduce a basic guaranteed income, informing central bank policy on inflation, and calling for the introduction of tuition fees in the University of California system. If Milton Friedman went on to become more of a public intellectual than a political insider, and if neoliberalism itself later lost the clearly identifiable profile it once enjoyed in the 1970s, it was because it had become so widely accepted among policymakers of all political stripes and so thoroughly disseminated throughout mainstream economics.³⁵

By new social conservatism, I refer to the spectrum of conservative movements that emerged in or after the late 1960s, often in response to the same set of concerns that mobilized neoliberals into action. Under this umbrella term, I include the neoconservative movement as such (which in its earliest incarnation was almost exclusively preoccupied with domestic social issues), the new religious right comprising conservative Catholics and evangelicals, the new paternalism of Lawrence Mead (the principal American architect of welfare-to-work programs), and the communitarian movement in social welfare. Although others have used the term “neoconservative” to refer to this broad coalition of conservative currents, I prefer to use the more generic term “new social conservatism” so as to address the specificity of the actual neoconservatives within this coalition. The “new” in “new social conservatism” serves to distinguish these various currents from the traditionalist or Burkean conservatism of the American paleoconservatives, whose antistatism, anti-Semitism, and

aversion to racial democracy made them ill-suited to any compromise with the New Deal left.³⁶ Many if not most of the new generation of social conservatives, in fact, had traveled some part of the way with the political left and were opposed to the Great Society expansion of the New Deal, not the New Deal experiment itself. The representatives of these movements came from diverse political backgrounds. A small handful of them had been fellow travelers of right-wing figures such as Barry Goldwater or the *National Review*'s William F. Buckley Jr., key figures in the Cold War conservative-libertarian alliance.³⁷ Others had emerged out of the more fundamentalist, traditionally quietist currents within American Protestantism.³⁸ Many more came from the political left. Most of the first generation of neoconservatives were former Trotskyists and Cold War Democrats who remained fiercely committed to the New Deal welfare state and its conservative sexual order.³⁹ Although the more prominent among them—Irving Kristol and his son Bill Kristol most notably—would later join forces with the Republicans, others remained firmly attached to the Democratic Party. The communitarians who succeeded them on the political stage after the 1980s were closely aligned with “Third Way” New Democrats such as Bill Clinton and were always striving to bridge the divide between religious and secular conservatives, the partisan left and right.⁴⁰ For his part, the new paternalist Lawrence Mead never identified with any party in particular and in fact achieved his greatest policy success under President Clinton, who introduced sweeping workfare legislation in 1996.⁴¹ Throughout this period, only white religious conservatives have remained overwhelmingly associated with the political right.

During the 1970s, American neoliberalism and the new social conservatism matured and came together in response to the same set of events and a convergent perception of crisis. It is almost always assumed that the neoliberal–new social conservative alliance was forged in response to Keynesianism itself, as exemplified in the New

Deal welfare state and radicalized under Johnson's Great Society. But this is to misunderstand the specificity of their critique. Emphatically, what prompted their reaction was not the New Deal welfare state itself (although neoliberals certainly had a long tradition of critique on this front) but rather the panoply of liberation movements that emerged out of and in excess of the postwar Keynesian order toward the end of the 1960s. At various moments between the 1960s and 1980s, poverty activists, welfare militants, feminists, AIDS activists, and public-interest lawyers articulated a novel politics of redistribution that delinked risk protection from the sexual division of labor and social insurance from sexual normativity.⁴² These movements were historically unique in that they continued to fight for greater wealth and income redistribution while refusing the normative constraints of the Fordist family wage. While neoliberals and neoconservatives were surprisingly sympathetic to efforts to democratize the New Deal welfare state—most notably when it came to the inclusion of African American men within the family wage system—they balked when the Fordist family itself came into question.

In short, it was only when the liberation movements of the 1960s began to challenge the sexual normativity of the family wage as the linchpin and foundation of welfare capitalism that the neoliberal–new social conservative alliance came into being. What they proposed in response to this “crisis” was not a return to the Fordist family wage (this particular nostalgia would be the hallmark of the left), but rather the strategic reinvention of a much older, poor-law tradition of private family responsibility, using the combined instruments of welfare reform, changes to taxation, and monetary policy. Under their influence, welfare has been transformed from a redistributive program into an immense federal apparatus for policing the private family responsibilities of the poor, while deficit spending has been steadily transferred from the state to the private family. Through policies designed to democratize credit markets and inflate asset values, these reformers

have sought to revive the tradition of private family responsibility in the idiom of household debt, while simultaneously accommodating and neutralizing the most ambitious political desires of the 1960s.

Despite its prominence in the political rhetoric of the Reagan revolution and beyond, most accounts of this era see the politics of family values as peripheral to structural economic battles waged over (for example) monetary policy, state-deficit spending, or the redistribution of wealth through taxation.⁴³ Thus, Ronald Reagan is said to have deployed family values rhetoric to cover for his macroeconomic policies and to seduce the working class into alliances that would ultimately work against them. The neoconservative culture wars are understood in retrospect as a useful distraction from the real business of cutting funding to public education and the arts, while Clinton's communitarianism is similarly understood as a ruse designed to soften the edges of his neoliberal economic policy and a useful instrument for healing the historical breach between New and Old Democrats. Typically emanating from the left, these accounts tend to dismiss the florid defense of family values as so much flotsam and jetsam floating above the real story of monumental wealth redistribution and class warfare.

The idea that economic processes can and should be separated from the merely cultural phenomena of gender, race, and sexuality has a long intellectual pedigree, expressed variously in the Marxist vocabulary of base and superstructure, the vernacular distinction between identity and class politics, and the late Frankfurt school language of recognition versus redistribution (although all are perhaps ultimately indebted to the contract versus status opposition deployed by nineteenth-century anthropologists such as Henry Sumner Maine).⁴⁴ As a methodological and political point of departure, such distinctions have always been suspect. The nineteenth-century anthropological language of status and contract, for example, served to obscure and sentimentalize the existence of women's unpaid labor in the home at precisely the historical moment when the boundaries

between the labor market and the private family were being established. Women were thus relegated to the quasi-sacred space of kinship and the gift relation at a time when they were being actively excluded from the contractual labor market by an alliance of male trade unionists and conservative protectionists.⁴⁵ In general, leftist demands for the decommodification of social life or the protection of kinship relations all too readily lend themselves to the social conservative argument that certain forms of (domestic, feminized) labor should remain unpaid.

The distinction between recognition and redistribution performs a similar kind of revisionist work today, obscuring the actual historical intricacies of economic and sexual politics while actively quarantining the family from critique. We need only look at the historical example of the Fordist family wage to see that redistribution and recognition cannot be understood in isolation: As an instrument of redistribution, the standard Fordist wage actively policed the boundaries between women and men's work and white and black men's labor, and in its social-insurance dimensions, it was inseparable from the imperative of sexual normativity. The Fordist politics of class was itself a form of identity politics inasmuch as it established white, married masculinity as a point of access to full social protection.

Today the politics of distribution is no longer channeled through the instrument of the Fordist family wage and (as Thomas Piketty has shown) is much more heavily influenced by the wealth-transmitting mechanism of private inheritance than it was in the postwar era.⁴⁶ But here again, the distinction between recognition and redistribution proves unhelpful as a way of understanding the actual imbrication of sexual and economic politics. How after all are we to separate the wealth-distributive work of inheritance from the legal and cultural legitimization of family? In what sense can the regulation of sexuality be abstracted from a legal instrument of wealth appropriation that takes the form of family genealogy?

This book proceeds from the assumption that the history of economic formations cannot be prized apart from the operations of gender, race, and sexuality without obscuring the politics of wealth and income distribution itself. By revisiting and questioning established historical accounts of the stagflation crisis of the 1970s, I seek to show that the question of family was as central to the formation of a post-Keynesian capitalist order as it was to welfare state capitalism, and therefore it cannot be ignored without profoundly misrepresenting the political history of the era. Unlike many on the left, the key actors of the neoliberal–new social conservative alliance had no hesitation in recognizing the family as the locus of crisis. These actors were in no doubt that the grand macroeconomic issues of the time, from inflation to budget deficits to ballooning welfare budgets, reflected an ominous shift in the sexual and racial foundations of the Fordist family. Given this assessment, they could see only one possible solution: the wholesale reinvention of the American family itself. This book will be dedicated to the project of exploring how this process of reinvention was conceived and how it eventually overtook the intellectual ambitions of its authors.

The Moral Crisis of Inflation: Neoliberalism, Neoconservatism, and the Demise of the Family Wage

During every great inflation, there is a striking decline
in both public and private morality.

— Henry Hazlitt, *The Inflation Crisis and How to Resolve It*

In 1979, the incoming Chairman of the Federal Reserve, Paul Volcker, initiated a new era in American political life by taking decisive action on inflation. After years of increasingly polarized debate, Volcker deployed the technocratic instrument of covert interest-rate adjustment and the ideological cover of monetarism to plunge the American economy into its deepest period of recession since the Great Depression, thereby ending a long-drawn-out process of spiraling inflation. The so-called Volcker shock created the conditions for the Reagan revolution and profoundly reshaped the landscape of American and global politics over the following decades.

It is at this turning point that neoliberalism and neoconservatism (and their derivatives) emerged as fully fledged social philosophies and dominant forces on the political stage. But it was in the preceding decade, in response to the combined problems of inflation and rising unemployment, that neoliberals and neoconservatives first elaborated and perfected their signature critique of the Great Society welfare state. If we are to understand how a discourse of crisis was born and how neoliberalism and neoconservatism leveraged this discourse

to redefine the terms of political power over the following years, it is imperative that we revisit the debates of this period and question the established historical accounts of their resolution.

The economic and political factors that contributed to the inflation of the 1970s are well known, although few would claim to calculate the precise weight of each contributing cause.¹ It is widely believed that President Lyndon Johnson precipitated the onset of inflation in the late 1960s by refusing to cut back on military expenditures even while he initiated an ambitious new program of health, welfare, and education spending under the aegis of the Great Society. Historically, periods of inflation have routinely followed the exceptional military expenditures of wartime: President Johnson launched a disastrous new war in Vietnam while at the same time pursuing an expansionary domestic politics at home—a double venture that may have been feasible if he had at the same time increased revenue from taxes.² Inflation also reflected a shift in the old balance of powers between former colonial states and the metropolitan centers. America's military venture in Vietnam came at a time when many former colonies were gaining independence and were able to demand higher prices for their export commodities, a shift that ultimately fed into the price of all consumer commodities, from food to oil. By the mid-1970s, America was importing a third of its oil from foreign sources, as compared to one-fifth in 1960.³ This left the entire productive and consumer economy vulnerable to the oil embargoes imposed by OPEC in 1973 and 1979. These then were the key factors contributing to the economic phenomenon of consumer price inflation.

How and why inflation became a political crisis is less clear. Today, many if not most accounts of the economic predicament of the 1970s subscribe to the idea that inflation represented an unmitigated crisis for all social classes, a narrative that has hardened into orthodoxy in the wake of the Reagan revolution and which in itself represents the triumph of a certain kind of revisionist analysis. The historian Iwan

Morgan contends that the 1970s “represented the most miserable period for the United States economy since the Great Depression of the 1930s,” bringing to an end “the perpetual increase in living standards that had marked the post-war era.”⁴ Drawing on the work of the neoconservative Daniel Bell, the economic sociologist Greta Krippner attributes the “bitter distributional struggles” of the 1970s to “increasingly severe limits on the nation’s prosperity,” without asking how and where wealth was being redistributed and how a marked trend toward downward redistribution might have precipitated a neoconservative discourse around limits to growth in the first place.⁵

Yet, more than one contemporary observer of these economic trends acknowledged that the redistributive consequences of inflation were far from transparent. The economist Edward N. Wolff, who conducted a study investigating the effects of inflation on household wealth between 1969 and 1974, went so far as to argue that inflation “acted like a progressive tax, leading to greater equality in the distribution of wealth.”⁶ The force of trade unionism at the time was such that wages continued to rise alongside the consumer price index, with the consequence that inflation actively benefited those who “depended on wages for their income, not on interests and dividends from financial assets.”⁷ The Brookings Institution economist Joseph J. Minarik found that the benefits were particularly clear for middle-class homeowners, but even the lowest-income groups were not as vulnerable to rising prices as was generally assumed, since most social insurance programs were indexed to the Consumer Price Index.⁸ Inflation, moreover, had the curious effect of redistributing wealth from creditors to debtors by steadily eroding the price of debt. As long as wages kept rising, it made sense for workers to buy for the future on credit—giving rise to the popular perception that everyday workers were turning into investors and speculators, indulging in luxury consumer goods that had only recently been out of their reach.⁹

For those whose net worth derived from financial assets, however,

the consequences of inflation were unremittingly negative. Institutional and personal investors, including the wealthiest ten percent of households, searched in vain for a safe avenue of investment throughout this period as inflation eroded the real rates of return on their long-term financial assets.¹⁰ Uncertainty hovered over the future of investment for rich and poor alike; but whereas the unpredictability of the dollar's future price promised depreciating interest payments to everyday workers and debtors, it signified the exact opposite to the nation's creditors—ever-diminishing asset values and the futility of investment itself. By the late 1970s, this situation prompted a sensibility of outright antigovernment rebellion among free-market neoliberals such as Rose and Milton Friedman, who accused the Federal Reserve of defrauding investors of their wealth via the manipulation of the money supply.¹¹

For the investment class, the sense of crisis was exacerbated by the fact that the labor unions of the 1970s were able to hold their own against any attempt to push down wages in response to inflation. Business owners lamented the fact that rising costs of production could not be offset by a corresponding rise in labor productivity, as they encountered an ever more militant and restive workforce. It was similarly impossible for American corporations to recoup losses by pushing up prices, because they were now confronted with rising competitive pressures from Europe and Japan. The growing political influence of organized labor was reflected in the fact that wages continued to rise against a background of high unemployment. This phenomenon, known as stagflation, confounded the predictions of postwar Keynesian economics, which in the form of the so-called Phillips curve, posited “a stable negative relation between the level of unemployment and the rate of change of wages.”¹² For the business and investment class, stagflation was a sign that the Keynesian consensus between labor and capital had outlived its political usefulness. Simply put, what had looked like a consensus solution to all parties in the wake of the

Great Depression now appeared to be empowering the working class over investors.

Today, a number of scholars argue that the Volcker shock of 1979 must be understood as a concerted political response to the rising militancy of the Fordist working class. In their illuminating analyses of this period, the political economists Leo Panitch, Sam Gindin, and Edward Dickens remind us that Arthur Burns, chairman of the Federal Reserve between February 1970 and February 1978, openly ascribed the problem of stagflation to the overweening power of trade unions and the social welfare expenditures that, in his view, served to subsidize strikes.¹³ These theorists perform the important task of restoring the question of class politics to the historiography of inflation. Yet they are less successful in accounting for the peculiar focus and moralizing tenor of attacks on social welfare during this period. Having assumed an already unified conception of the working class, they cannot tell us why contemporary diagnoses of crisis focused so insistently on one welfare program in particular—AFDC or Aid to Families with Dependent Children—and why that program came to be associated with a general crisis of the American family. Consequently, they are unable to explain how the problematic of family dysfunction became so central to popular understandings of inflation or why the Reagan-era response to inflation would propel family values to the forefront of American politics over the next several decades. For contemporary commentators, however, the stakes were clear enough: Stagflation was a problem not only because it skewed the Fordist social consensus in favor of the working class but also because it threatened to undermine the normative foundations of the Fordist family wage.

In effect, by the late 1970s, commentators from across the political spectrum agreed that inflation represented a threat to the moral fabric of American society. With a nod to the work of Friedrich Hayek, Federal Reserve Chairman Paul Volcker described inflation as a “moral issue.”¹⁴ “It corrodes trust, particularly trust in government.

It is a governmental responsibility to maintain the value of the currency that they issue. And when they fail to do that it is something that undermines an essential trust in government.”

Others traced a direct line of causation between this erosion of political trust and the breakdown of traditional family structures. The monetarist Milton Friedman understood inflation as a dangerous distortion of money that undermined its intrinsic neutrality and imposed a fraudulent tax on investors. For Friedman, inflation was foremost a consequence of excessive growth in the money supply, and yet the money supply also became entangled with fiscal policy when the government paid for indulgent social welfare programs by monetizing debt rather than raising taxes or borrowing funds.¹⁵ Inflation then was not only an evil in and of itself; it had also served to finance welfare programs “whose major evil [was] to undermine the fabric of society”—that is, the natural incentives of the “family” and the “market.”¹⁶

The Virginia school public-choice economists James Buchanan and Richard Wagner discerned an even more direct relationship between inflation and moral crisis. Unlike the monetarist Friedman, the Virginia school economists expounded a fiscal theory of inflation that pointed to government deficits as the primary cause of monetary instability. Accordingly, Buchanan and Wagner did not hesitate to attribute inflation to the decline of the “old time fiscal religion” that had once upon a time committed both governments and households to balanced budgets and everyday austerity.¹⁷ By creating uncertainty about the future value of money, they argued, inflation had the effect of shortening time horizons and inducing a desire for speculative indulgence among the consumer public. This in turn had led to a general breakdown in public morality whose effects were visible in everything from expanding welfare rolls to sexual promiscuity. “We do not need to become full-blown Hegelians,” they wrote:

to entertain the general notion of *zeitgeist*, a “spirit of the times.” Such a spirit seems at work in the 1960s and 1970s, and is evidenced by what

appears as a generalized erosion in public and private manners, increasingly liberalized attitudes toward sexual activities, a declining vitality of the Puritan work ethic, deterioration in product quality, explosion of the welfare rolls, widespread corruption in both the private and the governmental sector, and, finally, observed increases in the alienation of voters from the political process.... Who can deny that inflation... plays some role in reinforcing several of the observed behavior patterns. Inflation destroys expectations and creates uncertainty; it increases the sense of felt injustice and causes alienation. It prompts behavioral responses that reflect a generalized shortening of time horizons. "Enjoy, enjoy"—the imperative of our time—becomes a rational response in a setting where tomorrow remains insecure and where the plans made yesterday seem to have been made in folly.¹⁸

The American Hayekian Henry Hazlitt was even more emphatic in his denunciation of the moral effects of inflation. "During every great inflation," he wrote, "there is a striking decline in both public and private morality."¹⁹

These theorists can all be classified as neoliberals of one kind or another, variously aligned with the competitive price theory of the Chicago school of economics, the Virginia school of public choice theory or a peculiar brand of Austrian economics derived from Friedrich von Hayek and Ludwig von Mises.²⁰ Each in his or her own way was associated with the resurgence and reinvention of radical free-market liberalism in American political and economic thought in the post-war era. For all their singularity, however, the neoliberals offered an understanding of inflation that in key respects converged with that of the neoconservatives, political theorists who were otherwise opposed to the fundamental precepts of economic liberalism.

The sociologist Daniel Bell, for instance, perhaps the most famous neoconservative commentator on inflation, thematized the moral and economic crisis of the 1970s in terms very close to those of the

Virginia school neoliberals in particular. His sociological classic *The Cultural Contradictions of Capital* indicted the welfare state for undermining the proper order of familial relations and expanding consumption beyond the limits prescribed by Protestant good sense.²¹ Inflation, he believed, was intimately connected to this breakdown of moral values. Time and again, both neoliberals and neoconservatives focused their attention on one welfare program in particular, Aid to Families with Dependent Children (AFDC), a marginal public assistance program that consumed a very small proportion of federal social expenditures. How did the great inflation of the 1970s come to be associated with a breakdown of the family, and why did public concern focus so obsessively on this one social welfare program?

To answer this question, one must attend to the sinuous complexities of political debate around the Fordist family wage and social welfare through the late 1960s and 1970s. As noted by the historian Marisa Chappell, an initial effort to expand the family wage to African Americans in the early 1970s progressively gave way to a wholesale critique of the family wage itself—a critique that became more vocal as inflation impressed itself on the political agenda.²² In effect, a bipartisan consensus on the basic premise of redistributive social welfare existed right up until the 1960s. Until this time, Democrats and Republicans alike were committed to the redistributive policies of the family wage, although they were divided on the question of whether or not it should be extended to African American men. Old Democrats (and future neoconservatives) such as Daniel Patrick Moynihan were convinced that the family wage should include African American men, a view they shared with many liberals and leftists in the welfare rights movement. A free-market economist such as Milton Friedman preferred the racially neutral solution of a basic guaranteed income, channeled through the tax system, although he too remained pragmatically committed to a minimal system of income redistribution.

By the late 1970s, however, this consensus had given way to a com-

prehensive critique of the welfare state tout court. Critics on the left and right now accused AFDC—and by extension the welfare state itself—of radically undermining the American family and contributing to the problem of inflation. In response to this crisis, they now called for a much more dramatic reform of welfare than they themselves had hitherto imagined. It was now agreed that the redistributive welfare programs of the New Deal and Great Society would need to be radically restricted, even while the private institution of the family was to be strengthened as an alternative to social welfare. Welfare reformers now looked back to a much older tradition of public relief—one embedded in the poor-law tradition with its attendant notions of family and personal responsibility—as an imagined alternative to the New Deal welfare state. It is in this shift that we can locate the simultaneous rise of neoliberalism and neoconservatism as mature political philosophies. Neoliberalism and neoconservatism may be diametrically opposed on many issues, but on the question of family values, they reveal a surprising affinity.

AFDC, WELFARE, AND THE AMERICAN FAMILY WAGE

The controversy surrounding AFDC is in many respects illuminated by the peculiar position it holds within the history of the American welfare state and family wage. Unlike many European welfare states and indeed unlike the welfare policies of the American Progressive Era, the American New Deal did not espouse an overtly gendered politics of the family, a fact that the Catholic Daniel Moynihan lamented.²³ In its administrative and institutional form, however, the New Deal set forth a series of abstract category distinctions that subtly served to reinforce the privilege of the white male breadwinner family. By sorting citizens according to the purportedly neutral category of employment status, the New Deal created a welfare system that was highly divided along the lines of gender and race. Its panoply of programs,

moreover, came under the jurisdiction of different levels of government, with federal programs administering a far more impersonal, generous, and predictable system of benefits than the states, which were free to exercise considerable discretion in the distribution of welfare. The hierarchization of welfare benefits was further inscribed in the very design of welfare programs: Social insurance programs that targeted life-long workers and collected contributions from workers or their employers enjoyed a much higher social status than the public assistance programs reserved for the noncontributing poor.²⁴ Public assistance came under the rubric of relief programs and was highly dependent on prevailing public opinion about the deserving or undeserving character of the poor. ADC fell on the wrong side of each of these institutional divides.

Aid to Dependent Children, as AFDC was first called, was one of the many welfare programs created by the Social Security Act of 1935. Although it was a public assistance program and subject to a high level of public scrutiny and state discretion, it inherited its original structure from the earlier Mothers' Pensions program and therefore enjoyed a certain level of respect.²⁵ Mothers' Pensions had embodied the family wage ideal of the Progressive Era, which mandated that white women and their children should be supported by the state in the event of their husband's death. The Social Security Act nationalized this program and reproduced many of its normative ideals. Unlike social insurance programs, however, which were heavily regulated by the federal government, ADC allowed states considerable freedom to enact and appropriate funds, with the result that many states funded the program poorly and were highly restrictive in their allocation of benefits.²⁶ Many states replicated Progressive Era rules that favored widows over women who had divorced or had never married, and most Southern states excluded African American women on the grounds that their work was needed outside the home. The predictable result was that, at least in the first few years of the program, most ADC recipients were white.²⁷

In 1939, however, the Social Security Act was changed to allow widows formerly covered by ADC to access the more respectable Old Age Insurance (OAI) if they had been married to men covered by the program.²⁸ This decision allowed deserving women to upgrade to a more respectable form of family wage allowance—one that was premised on a woman's attachment to an independent male worker in standard, long-term employment. But the elevation of a certain class of woman, mostly white and middle-class, to a more respectable social insurance program also led to the further devaluation of the status of ADC. By default, ADC was now primarily reserved for widows who had been married to poorer men and to unmarried, divorced, or separated mothers. Increasingly, it also became associated with African American women.

During the postwar era, the composition of ADC changed dramatically as the number of African American women signing up outpaced that of white women, and more divorced or never-married women joined the rolls.²⁹ These changes were linked to the transformation of the Southern plantation economy and the racial composition of the Fordist labor force: The mechanization of agriculture in the South compelled many African Americans to migrate to the Northern rust-belt cities where they filled nonunionized and noninsured positions in factories.³⁰ Few African American men enjoyed the family wage privileges of the unionized industrial labor force, and, as a surplus population of cheap workers, African Americans in general experienced a disproportionate level of unemployment even during the boom years of the 1960s. In the North, however, state rules governing the allocation of ADC benefits were often less restrictive than those in the South. By 1961, then, 48 percent of African American women were on ADC, and many of these were single mothers—although, as Premilla Nadesan notes, their numbers were far lower than one would expect given actual rates of poverty and out-of-wedlock birth.³¹

ADC had always been a restrictive program, but faced with what

the public perceived as a flagrant affront to the ideals of white American motherhood, many states responded to the 1939 amendments by redoubling their efforts to police the morality of welfare recipients. By the late 1950s, even the Northern states, which previously had been more generous, reinforced old laws or invented new ones to limit ADC payments to deserving mothers. These laws functioned as a kind of negative of the white family wage ideal embodied in Mothers' Pensions, their multiple exclusions serving to define the boundaries of state-subsidized reproduction. "Man-in-the-house" rules allowed states to refuse benefits to women who lived with or were in a sexual relationship with a man, deeming him a proper substitute for the paternal function of the state; "suitable home" laws allowed welfare case workers to deny aid to unmarried or immoral women; "employable mother" laws, often invoked in the South, designated African American women as indispensable workers outside the home and therefore excluded them from the domestic ideal of white motherhood; while residence laws sought to discourage interstate migrants from applying for assistance.³²

Despite the ostensible neutrality of federal welfare law then, in practice, public assistance programs were qualified by a panoply of state administrative laws that strictly policed the moral and racial boundaries of the Fordist family wage. These racial and sexual normativities were truly foundational to the social order of American Fordism, determining just who would be included and who would be excluded from the redistributive benefits of the social wage. By the 1960s, however, some of the more egregious forms of "police power" embodied in state administrative law were coming under challenge as welfare recipients became increasingly organized and civil rights lawyers transferred their judicial activism to the field of welfare.³³ During this period, the Supreme Court was receptive to plaintiffs who challenged the right of the states to deviate from the general terms of federal welfare law. In a series of test-cases initiated by welfare rights

activists and public interest lawyers, the Supreme Court proceeded to limit the prerogative of state welfare agencies to make judgments about the perceived morality of welfare recipients. In one particularly significant case, *King v. Smith*, decided in 1968, the Supreme Court unanimously overturned the state of Alabama's "substitute father" rule, which denied benefits to women who were in a sexual relationship with a man.³⁴ The decision enraged conservative Republicans and Southern Democrats who believed that African American women on welfare were benefiting from a program that was not designed for them in the first place. But it also troubled a surprising number of liberals and leftists who thought that welfare activism should be focused on the task of restoring and promoting the African American male-breadwinner family rather than subsidizing the non-normative lifestyles of unattached African American women.

MOYNIHAN, THE LEFT, AND THE BLACK FAMILY WAGE

In June 1965, President Johnson delivered a remarkable speech before the graduating class of Howard University, a traditionally African American institution with strong ties to the civil rights movement. Reflecting on the progress of the Great Society reforms, Johnson acknowledged that neither opportunity liberalism nor the formal recognition of civil rights would be enough to overcome the enduring legacy of racial discrimination in the United States. The most important factor in the persistence of black disadvantage, he argued, "was the breakdown of the Negro family structure."³⁵ Accordingly, any effort to go beyond the Great Society agenda would require both affirmative action and a comprehensive program to strengthen the African American family.

The Howard University speech had been drafted by Richard N. Goodwin and Daniel Patrick Moynihan, advisors in the early Johnson administration, and reflected the content of a report, then unpublished,

that Moynihan had recently written. The report, entitled *The Negro Family: The Case for National Action*, would prove much more divisive than Johnson's speech before an audience of African American graduating students. In this study, Moynihan reflected on postwar trends in the formation of black and white families, the changing composition of welfare rolls, and the rise in unemployment rates among young black men—all familiar themes to readers of the popular press—and offered a longue durée historical analysis to account for them. For Moynihan, the contemporary situation of African Americans living in the inner cities was unambiguously pathological. High rates of criminality, youth alienation, and unemployment were all signs that something was seriously wrong; and this malaise could ultimately be traced to the disintegration of the black family. Moynihan lingered over the details of this apparent disintegration—the rising rates of separation, divorce, unwedded childbearing, and female-headed families in which women had assumed an unnaturally dominant and overbearing role.

As many critics on the left would point out, the Moynihan Report subtly shifted the focus of attention away from the structural factors of urban segregation, discrimination, and educational disadvantage that might implicate contemporary white racism in the reproduction of poverty and pointed instead to the distant crime of slavery as a causal factor. By destroying the proper order of gender relations in the African American family, slavery had engendered a pathological kinship structure that was transmitted from generation to generation and was now quite “capable of perpetuating itself without assistance from the white world.”³⁶ Yet, Moynihan did concede that New Deal social welfare policy had also played a key role in exacerbating the decline of the black family. In particular, he singled out AFDC as responsible for allowing this process of decline to proceed as far and as fast as it had done in the 1960s. “The steady expansion of this welfare program,” he wrote, “can be taken as a measure of the steady disintegration of the Negro family structure over the past generation in the United States.”³⁷

In 1965, Daniel Patrick Moynihan was not yet a self-identified neoconservative. Although Irving Kristol points to 1965 as the year in which the neoconservative movement was born,³⁸ Moynihan was still very much a New Deal Democrat at this time, one with decidedly social-democratic leanings. An enthusiastic adherent of Johnson's Great Society agenda, Moynihan was in favor of extending the New Deal welfare state beyond its original constituencies by including African American men within the family wage. Moynihan's views on welfare were shaped by a Catholic social philosophy that had long seen the welfare state as the ideal conduit of family values.³⁹ He was concerned, however, that the abstract individualism favored by American liberalism had undermined the implicit familialism of the New Deal vision, allowing a program such as AFDC to subsidize frankly pathological forms of sexuality as its constituencies changed.⁴⁰ As a solution, he urged Johnson to adopt a "national family policy" on a par with the Employment Act of 1945 and to include all races within its provisions.⁴¹

The Moynihan Report met a hostile reception from many liberals and leftists who otherwise supported the goal of progressive welfare reform. By the mid-1960s, a coalition of middle-class liberals and radical leftists had united around the cause of pushing for a more generous and activist expansion of welfare than that envisaged by Johnson's rather tepid Great Society reforms. This coalition included established labor unions, welfare associations, religious charities, civil rights groups, social workers on the liberal spectrum, and, farther to the left, more radical groups such as the Black Nationalist movement, the emerging National Welfare Rights Organization, and feminist activists. Independently, these activists had developed an analysis of racial injustice that responded to precisely the kind of malaise identified by Moynihan, but whose causes they had carefully located outside of the African American community itself, in the enduring nature of structural discrimination. Many of these people responded angrily to the

tone of Moynihan's report, accusing him of pandering to existing psychocultural explanations of African American oppression. It is this hostile reaction that is most often recalled in contemporary accounts of the Moynihan Report. And yet, as the historian Marisa Chappell has recently argued in some detail, the anathema surrounding Moynihan's name has tended to obscure the considerable affinity between Moynihan's family wage ideology and leftist and liberal conceptions of welfare reform at the time.⁴² The liberal and left coalition for welfare reform may have quibbled with the causes of African American disadvantage adduced by Moynihan, yet they were in fundamental agreement on the point that this disadvantage undermined the family and that any long-term solution to racism would therefore require an effort to restore the African American family and the place of men within it.

This consensus reached across the spectrum of liberal and left participants in the welfare reform movement. Reformist civil rights leaders such as Martin Luther King were sympathetic to the findings of the report, while Black Muslim and Black Nationalist leaders were in frank agreement with its suggestions of pathological matriarchy and male castration.⁴³ But even those on the radical labor left were receptive to Moynihan's arguments. A few years after the publication of Moynihan's report, a new kind of labor activism would erupt on Detroit's auto plants as African American workers, both men and women, adopted strike tactics outside the wage bargaining framework of the New Deal labor unions. Brought together under the umbrella of the League of Revolutionary Black Workers in 1969, these unions openly repudiated the reformist and assimilationist methods of civil rights activism on the one hand and the white New Deal labor unions on the other. But they were by no means hostile to the family wage arguments proffered by Moynihan; indeed, even while the first wildcat strikes were initiated by women, the Revolutionary Unions saw the restoration of African American manhood, via an extension of the New Deal family wage to black men, as the ultimate aim of their extralegal activism.⁴⁴

In the meantime, the sociologist Richard Cloward, who helped found the National Welfare Rights Organization in 1966, was as forceful as Moynihan in condemning AFDC.⁴⁵ Cloward could hardly be accused of New Deal reformism. Along with Frances Piven, Richard Cloward famously coauthored the 1966 call to arms, "The Weight of the Poor: A Strategy to End Poverty," which advocated a strategy of crisis for pushing through a radical overhaul of the American welfare system.⁴⁶ The article pointed to the fact that the actual numbers of poor people receiving benefits was much lower than it should have been due to the multiple institutional obstacles which prevented eligible citizens from recognizing and claiming their welfare dues. Piven and Cloward understood this discrepancy to be a constitutive feature of rights discourse: Their activism, then, was not based so much on an appeal to formal rights as a strategy of sabotage through excessive deference to the letter of the law. If all eligible poor people were to claim their welfare rights en masse, the welfare system would be overwhelmed and the state would be forced to institute a guaranteed income instead. This strategy rested on the idea that the formal equality promised by federal welfare law could, if taken at its word, force a more revolutionary change on the state. Despite their methodological radicalism, what Cloward and Piven meant by a basic guaranteed income was in fact a male breadwinner's wage. Thus, where Moynihan suggested that increasing enrolments in AFDC were a symptom of the disintegrating black family, Cloward and Piven went further and identified AFDC as a leading *cause* of family breakdown. Commenting on local programs to train welfare mothers for work in the *Nation*, they complained that:

such measures reinforce the female as breadwinner in an already female-headed household. Men for whom there are no jobs will nevertheless mate like other men, but they are not so likely to marry. Our society has preferred to deal with the resulting female-headed families not by putting men to work but by placing the unwed mothers and dependent children

on public welfare—substituting check-writing machines for male wage earners. By this means, we have robbed men of manhood, women of husbands, and children of fathers. To create a stable monogamous family, we need to provide men (especially Negro men) with the opportunity to be men, and that involves enabling them to perform occupationally. Over the long term, women will then leave the welfare rolls, not to work but marry.⁴⁷

This statement, published in the same year as the Moynihan Report, attests to the considerable political affinity between Moynihan and the founding members of the National Welfare Rights Organization. However loudly these leftists disavowed the details of the Moynihan report, there was very little of substance to distinguish their positions. To be sure, the family wage politics of welfare activists such as Piven and Cloward did not exhaust the spectrum of positions held within the National Welfare Rights Organization. In fact, many of the welfare mother activists who would later assume a more dominant position in the organization articulated a much more complex position on the intersections of race, sexuality, and gender and were critical of the family wage tout court.⁴⁸ Yet, it was the male breadwinner activism of leftists such as Cloward and Piven that resonated most strongly with the New Left and the Black Nationalist movement. The practical—if disavowed—proximity between the Democrat Moynihan and the welfare activists of the New Left would soon become even more pronounced when both came out in favor of a new family wage system based on a guaranteed basic income.

NIXON AND THE BLACK FAMILY WAGE: EXORCISING AFDC

In June 1969, the National Welfare Rights Organization officially launched a new campaign in favor of an annual guaranteed income of \$5,500. This campaign was designed to phase out AFDC as a stigma-

tized, stand-alone program and to guarantee a living wage to all welfare recipients. In August 1969, on the advice of Moynihan, President Nixon announced a similar program to replace the state-based AFDC with a more secure federal program known as the Family Assistance Plan. Unlike AFDC, the latter targeted working families and promised to extend basic income guarantees to men, to two-parent families and those engaged in low-waged work.⁴⁹ Nixon, who adopted the plan against the advice of his more conservative colleagues, envisaged the reform as a way of extending the family wage to black men while catering to the resentment of the mostly white lower-income workers who felt excluded from existing public assistance programs.

In its broad conception, the Family Assistance Plan was inspired by Moynihan's arguments in favor of the black family wage. By extending welfare to men and two-parent households, the proposed reform was designed to eliminate what many saw as the perverse disincentives to family formation that were built into the AFDC program.⁵⁰ Its practical blueprint was based on the idea of a negative income tax first proposed by Milton Friedman in 1962.⁵¹ Friedman conceived of the negative income tax as a way of channeling income redistribution through the federal tax system, thereby eliminating the excessive administrative costs associated with dedicated welfare programs. Those whose income fell below a certain threshold would receive a fraction of their unused tax exemptions and deductions in return, guaranteeing them an annual basic income. By replacing in-kind welfare with the most liquid form of benefit—cash—Friedman thought that the negative income tax would encourage the poor to behave as responsible free-market actors. He also specified that those in low-wage work should continue to receive subsidies in order to avoid the moral hazard of promoting nonwork. With its minimal but efficient system of redistribution, the negative income tax would bypass the disabling paternalism of the welfare state and undermine the entrenched power base of liberal welfare bureaucrats.⁵²

The fact that Nixon's proposal for an expanded family wage attracted such a broad alliance of supporters—embracing the Republican president and moderate conservative Richard Nixon, the neo-liberal Milton Friedman, the Democrat Moynihan, the liberals and leftists of the National Welfare Rights Movement, and liberal economists such as John Kenneth Galbraith and James Tobin—is testament to the very different political atmosphere of the 1960s. During this period of steady economic growth, Keynesian fiscal expansionism was an orthodoxy shared by left and right. In a reflection on federal welfare reform published in the *National Catholic Weekly Review* in 1966, Moynihan noted that the “United States is now in the 53rd month of unbroken economic expansion—the longest and strongest in peacetime history. During this brief, fleeting period... we have raised the Gross National Product by some \$160 billion.”⁵³ It was now the perfect time, he concluded, to supplement the founding moment of New Deal social reform with a second generation of family-based policies.

This remarkable consensus continued into the early years of the Nixon administration, even as inflation became a discernible problem. This is not to say that the various supporters of Nixon's black family wage shared exactly the same vision of reform. Among those who supported the plan, differences of opinion were already incipient—Friedman, for example, envisaged a more frugal form of welfare redistribution than that favored by liberals or leftists (in private correspondence, he conceded that he saw the negative income tax as a pragmatic step toward the elimination of all social welfare programs).⁵⁴ But with the exception of a few dissident, feminist voices in the National welfare rights movement, all agreed that welfare in its existing form undermined the traditional family. And all converged on the necessity of maintaining some kind of redistributive welfare system. In the 1960s, even Friedman recognized the need for a basic income redistribution program to ameliorate the inevitable market failures of private charity.