



12-2010

From Reproduction to Consumption: The Economic Deterioration of Families in the United States after World War II

Michael David Gillespie
Western Michigan University

Follow this and additional works at: <https://scholarworks.wmich.edu/dissertations>



Part of the Demography, Population, and Ecology Commons, Family, Life Course, and Society Commons, and the Politics and Social Change Commons

Recommended Citation

Gillespie, Michael David, "From Reproduction to Consumption: The Economic Deterioration of Families in the United States after World War II" (2010). *Dissertations*. 560.

<https://scholarworks.wmich.edu/dissertations/560>

This Dissertation-Open Access is brought to you for free and open access by the Graduate College at ScholarWorks at WMU. It has been accepted for inclusion in Dissertations by an authorized administrator of ScholarWorks at WMU. For more information, please contact wmu-scholarworks@wmich.edu.



FROM REPRODUCTION TO CONSUMPTION:
THE ECONOMIC DETERIORATION OF
FAMILIES IN THE UNITED STATES
AFTER WORLD WAR II

by

Michael David Gillespie

A Dissertation
Submitted to the
Faculty of The Graduate College
in partial fulfillment of the
requirements for the
Degree of Doctor of Philosophy
Department of Sociology
Advisor: Susan M. Carlson, Ph.D.

Western Michigan University
Kalamazoo, Michigan
December 2010

FROM REPRODUCTION TO CONSUMPTION:
THE ECONOMIC DETERIORATION OF
FAMILIES IN THE UNITED STATES
AFTER WORLD WAR II

Michael David Gillespie, Ph.D.

Western Michigan University, 2010

The United State's "great recession," beginning in December 2007, is the latest indicator of the economic decline of middle- and working-class families. This research questions why the economic condition of U.S. families deteriorated after World War II. To address this research question, social structure of accumulation theory is used to examine the changing role of the family as an institution in capitalist society.

First, a qualitative institutional analysis of federal welfare, labor, and financial regulatory policies from the New Deal to the present is conducted. This analysis shows that, initially, the family was vital to the capitalist economy as the institution reproducing labor power. As economic growth stagnated in the mid-1970s, this role changed as the family became more important as a consumer of goods and services than the supplier of labor.

Time-series models test expectations derived from these qualitative analyses. A strong indicator of family economic deterioration is increasing household debt. During the late-1960s through the 1970s, high levels of public assistance spending significantly reduced change in consumer debt while it had no significant effect after 1980. Bank mergers at the state and local level after WWII significantly increased change in

consumer debt, while bank mergers across states since 1993 had over four times the impact on increasing consumer debt levels, showing the increasing role of the family in consumption. In turn, increasing consumer debt significantly enhanced the rate of capital accumulation up until 1992, while it had a significant negative impact thereafter as families exhausted their ability to repay their debts.

Conclusions show that after WWII the state provided a social safety net to support the economic wellbeing of families and a stable environment for capital accumulation. Eventually, the social safety net was replaced by the promotion of self-sufficiency and responsibility of families to provide for their own needs. Up until the current recession, the family propped up economic growth and capital accumulation, first through public support, and then through private expenditures. Because earned income was no longer able to sustain consumption, the economic condition of families deteriorated as they became dependent on unprecedented levels of debt.

UMI Number: 3440993

All rights reserved

INFORMATION TO ALL USERS

The quality of this reproduction is dependent upon the quality of the copy submitted.

In the unlikely event that the author did not send a complete manuscript and there are missing pages, these will be noted. Also, if material had to be removed, a note will indicate the deletion.



UMI 3440993

Copyright 2011 by ProQuest LLC.

All rights reserved. This edition of the work is protected against unauthorized copying under Title 17, United States Code.



ProQuest LLC
789 East Eisenhower Parkway
P.O. Box 1346
Ann Arbor, MI 48106-1346

Copyright by
Michael David Gillespie
2010

ACKNOWLEDGEMENTS

First and foremost, I would like to extend my deep gratitude to Dr. Susan Carlson who has played the most prominent and important role in developing my scholarship. As my dissertation chair and mentor, you have given creative feedback, critical reflection, and promoted my muse, all while sharing good tofu recipes and coffee beans. You are, in a word, amazing. I am looking forward to much collaboration in the future.

I would also like to thank the other members of my dissertation committee: Dr. Barry Goetz, who cultivated my love for social and political theory, Dr. David Hartmann, who made me into a methodologist, and Dr. Gunther Hega, who gave me my comparative lens.

I must also express my gratitude for my undergraduate mentors from the University of Michigan-Dearborn. You planted the seeds for my life as an academic and an educator, and I owe much of my passion and success you. I would especially like to thank Dr. Jim Gruber for fostering my intellectual interests in poverty and inequality and for also providing feedback on this project. I would also like to acknowledge Dr. Lora Lempert, the perfect example of a scholar and activist.

To my peers, colleagues, and friends in the sociology program at Western Michigan University, thank you for your support, camaraderie, and enlightenment. Whether parsing regression diagnostics, lending input and feedback on my teaching or writing, and simply joining me for refreshments at Bell's, you are all brilliant.

Acknowledgements—Continued

A special thanks to C. Wright, Karl, Michael, Frances, Richard, Studs, and Howard who, through their work, have given me my intellectual roots. An important amount of appreciation must also go to Mingus, Miles, Dizzy, Trane, and Monk, among others, who provided the backbeat and rhythm section to my productivity.

At the base, I hope this project demonstrates that we are most indebted to our families and in the process of completing this project, mine has been imperative. My extended family is a wonderful collection of aunts, uncles, cousins and friends. An important tip of my glass goes to Dani Meier. You, at the most important times, provided me with a safety net and continue to redefine the bonds of brotherhood.

Love and appreciation goes to my in-laws, Bob and Sue Hammond for asking all the right questions and acting as the most competent and complete landscaping service.

To my sister, Anndrea Foster and her family, who may not get it, but I know you understand. Especially to my nephew Wesley, despite our geographical distance, your energizing smile was, and remains, in my mind's eye.

And to my parents, David and Debbie Gillespie, who have been, and will always be, my champions. I am nothing without your love, support, and understanding (and batches of oatmeal fudge at improbably perfect times). I love you.

And finally, to my partner, my heartbeat, my wife, Beth, who above everyone else continues to endure the passions of this man with beauty and grace. The realization of my dream cultivated your own, and now it is your turn. I will always be at your finish lines.

Acknowledgements—Continued

In closing, I would like to make two dedications. First, to those families who everyday struggle to make ends meet; your fight is mine, and it will endure.

Second, I dedicate this project to my grandfather Alex Hillebrand. Grandpa wanted nothing more than to call me “professor,” but passed away 3 months before this project was completed. We shared much time together during this research process, talking baseball over lunch, haircuts, or a never-too-large piece of apple pie. But more important than moments of respite, grandpa gave me an amazing perspective on life and the constant reminder that we shall endeavor to persevere.

Michael David Gillespie

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	ii
LIST OF TABLES	xi
LIST OF FIGURES	xii
CHAPTER	
1. INTRODUCTION	1
THE ECONOMIC DETERIORATION OF FAMILIES	3
<i>The Current Recession and Continued Deterioration</i>	12
RESEARCH QUESTION.....	14
HISTORICAL CONTINGENCY AND THE FAMILY	14
<i>The Family</i>	16
<i>A Theory of History</i>	18
FOCUS OF THE ANALYSIS.....	19
CONCLUSIONS AND IMPLICATIONS.....	22
<i>Major Findings</i>	22
<i>Other Implications</i>	24
2. THE FAMILY IN CAPITALIST SOCIETY	26
DEFINING ‘FAMILY’	27
<i>Family Theories and Conceptualizations</i>	29
CONCEPTUALIZING THE FAMILY AND CAPITALISM	34
<i>The Family as an Institution</i>	35

Table of Contents—Continued

CHAPTER		
	MICRO-/MACRO-INSTITUTIONAL THEORY AND THE FAMILY.....	38
	<i>Functionalism</i>	39
	<i>Critique of Functionalism</i>	47
	<i>Exchange and Rational Choice</i>	52
	<i>Critique of Rational Choice Theory</i>	59
	AN HISTORICAL-INSTITUTIONAL CONCEPTUALIZATION OF THE FAMILY IN CAPITALIST SOCIETY	65
	<i>The Political Economy of the Family</i>	71
	<i>The Economic Deterioration of Families</i>	75
	CONCLUSION.....	78
3.	POLITICAL AND STATE THEORY.....	83
	THEORETICAL FRAMEWORK.....	83
	<i>Social Structure of Accumulation Theory</i>	84
	<i>Toward a Stronger Capitalist-Citizen Accord</i>	92
	<i>Marxist State Theory: Enhancing the SSA Approach</i>	99
	<i>The State as a Social Relation: The Strategic- Relational Approach</i>	104
	<i>The Capitalist-Type State</i>	107
	<i>Capital, the State, and an Accord Reorientation</i>	110
	THE WELFARE STATE AND THE POST-WWII SSA	112
	<i>The Family and the Welfare State</i>	116

Table of Contents—Continued

CHAPTER

CONCLUSION: SUMMARIZING THE THEORETICAL FRAME	120
<i>The Capitalist-State-Citizen Accord, the Capital-Labor Accord, and the Family</i>	121
<i>Reconsidering Effective Demand, Political Economy, and the Family</i>	122
<i>The Post-WWII SSA, the Capitalist-State-Citizen Accord, and Capital-Labor Accord</i>	124
4. A MULTI-METHOD APPROACH TO HISTORICAL CONTINGENCY	126
INSTITUTIONAL ANALYSIS	128
DATA COLLECTION AND ANALYTICAL METHODS	129
SUMMARY	134
5. INSTITUTIONAL ANALYSIS: CHANGING U.S. FAMILY CONDITIONS IN THE POST-WORLD WAR II ERA	135
EXPLORATION AND THE NEW DEAL COMPROMISE: 1929-1948	136
<i>The Capital-Labor Accord</i>	137
<i>The Capitalist-State-Citizen Accord</i>	139
<i>The Financial Regulatory Regime</i>	140
<i>The Post-WWII SSA and the Family</i>	142
<i>Contradictions Revisited</i>	149
CONSOLIDATION: 1948-1966	151
<i>Institutional Arrangements in Consolidation</i>	153

Table of Contents—Continued

CHAPTER		
	<i>Families and the Contradictions of Consolidation</i>	157
	DECAY: 1966-1979	163
	<i>The Capitalist-State-Citizen and Capital-Labor Accords in Initial Decay: 1966-1973</i>	164
	<i>Capital, Labor, and Citizens in Further Decay: 1973-1979</i>	168
	<i>Outcomes for Families in Decay: 1966-1979</i>	171
	PROLONGED DECAY AND INITIAL EXPLORATION	172
	<i>Liberalization in Prolonged Decay and Initial Exploration</i>	173
	NEOLIBERALISM: 1992-2007	178
	<i>Neoliberal Institutions</i>	179
	INSTITUTIONAL ANALYSIS SUMMARY.....	184
	EMPIRICAL EXPECTATIONS	188
	<i>Family Economic Deterioration Models</i>	188
	<i>Capital Accumulation Models</i>	192
6.	TIME-SERIES ANALYSIS OF HISTORICAL CONTINGENCY.....	196
	QUANTITATIVE TIME-SERIES DATA	196
	<i>Primary Variables</i>	197
	<i>Control Variables</i>	202
	<i>Data Transformations</i>	203
	QUANTITATIVE TIME-SERIES METHODS.....	203
	<i>Univariate Analysis</i>	203

Table of Contents—Continued

CHAPTER		
	<i>Family Economic Deterioration Models</i>	205
	<i>Capital Accumulation Models</i>	209
	ANALYSIS OF UNIVARIATE TIME PLOTS	212
	<i>Primary Variables</i>	212
	<i>Control Variables</i>	222
	FAMILY ECONOMIC DETERIORATION MULTIVARIATE MODELS	224
	<i>Model 1: Total Consumer Credit Outstanding</i>	225
	<i>Model 2: Household Debt Ratio</i>	227
	<i>Model 3: Income Inequality</i>	228
	<i>Model 4: Liabilities-to-Assets Ratio</i>	230
	CAPITAL ACCUMULATION MULTIVARIATE MODELS	232
	<i>Model 1: Capital Accumulation on Total Consumer Credit Outstanding</i>	233
	<i>Model 2: Capital Accumulation on the Household Debt Ratio</i>	235
	<i>Model 3: Capital Accumulation on Income Inequality</i>	236
	<i>Model 4: Capital Accumulation on the Liabilities-to-Assets Ratio</i>	237
	REVISITING EMPIRICAL EXPECTATIONS	238
	<i>Family Economic Deterioration Models</i>	239
	<i>Capital Accumulation Models</i>	244

Table of Contents—Continued

CHAPTER	
	<i>Summary</i> 248
7. CONCLUSION AND DISCUSSION.....	251
SUMMARY OF FINDINGS.....	253
IMPLICATIONS.....	259
LIMITATIONS AND FUTURE DIRECTIONS.....	262
REJOINDER.....	267
ENDNOTES.....	271
APPENDICES.....	273
A. DATA SOURCES.....	273
B. MULTICOLLINEARITY DIAGNOSTICS.....	280
C. FORM OF EACH UNIVARIATE SERIES BY MODEL.....	288
D. STANDARDIZED REGRESSION COEFFICIENTS.....	291
BIBLIOGRAPHY.....	294

LIST OF TABLES

1. Comparison of Three Conceptualizations of Family and Family Economic Deterioration	78
2. Institutional Conditions Across Phases of the Post-WWII SSA.....	186
3. Family Economic Deterioration Model 1, Total Consumer Credit Outstanding	225
4. Family Economic Deterioration Model 2, Household Debt Ratio	227
5. Family Economic Deterioration Model 3, Income Inequality	229
6. Family Economic Deterioration Model 4, Liabilities-to-Assets Ratio	231
7. Capital Accumulation Model 1, Capital Accumulation on Total Consumer Credit Outstanding	233
8. Capital Accumulation Model 2, Capital Accumulation on the Household Debt Ratio	235
9. Capital Accumulation Model 3, Capital Accumulation on Income Inequality	237
10. Capital Accumulation Model 4, Capital Accumulation on the Liabilities-to-Assets Ratio.....	238
11. Family Economic Deterioration Multivariate Models: Summary of Effects	239
12. Capital Accumulation Multivariate Models: Summary of Effects	245

LIST OF FIGURES

1. Difference in the Mean and Median Family Income, 1948-2007 (2007 Dollars).....	5
2. Comparison of the Aggregate Share of Family Income between the Lowest Two-Fifths and Top Five Percent of Families, 1948-2007.....	6
3. Proportional Rate of Change in Median Family Income and Net Corporate After Tax Profits, 1948-2007	7
4. Proportional Rate of Change in the Annual Average of Real Consumer Loans, 1948-2007.....	10
5. Annual Average of Consumer Credit Outstanding, 1948-2007 (Billions of 2007 Dollars).....	10
6. Comparison of Ratios of Household and Consumer Liabilities to Assets, 1948-2007 (Dollars per \$1.00 of Assets)	12
7. Public Cash Assistance Expenditures Across Phases of the Post-WWII SSA: 1948-2007 (Billions of 2007 Dollars).....	213
8. Total Capital Accumulation: Net Stock of Private Nonresidential Fixed Assets Across Phases of the Post-WWII SSA: 1948-2007 (Billions of 2007 Dollars)	214
9. Total Consumer Credit Outstanding Across Phases of the Post-WWII SSA: 1948-2007 (Billions of 2007 Dollars).....	215
10. Household Debt Ratio of Total Liabilities to Disposable Incomes Across Phases of the Post-WWII SSA: 1948-2007 (Billions of 2007 Dollars).....	217
11. Income Inequality: the Ratio of the Proportion of Total Income of the Top 5% of Families to the Bottom 40% of Families Across Phases of the Post-WWII SSA: 1948-2007	218
12. Liabilities-to-Assets Ratio Total Household Liabilities to Total Value of Household Assets Across Phases of the Post-WWII SSA: 1948-2007 (Billions of 2007 Dollars).....	219

List of Figures—Continued

13. Total Number of Unassisted Mergers of Commercial Banks Across Phases of the Post-WWII SSA: 1948-2007	221
14. Not Seasonally Adjusted Unemployment Rate Across Phases of the Post-WWII SSA: 1948-2007 (Percent).....	222
15. Capital's Tax Share Across Phases of the Post-WWII SSA: 1948-2007 (Billions of 2007 Dollars)	223

CHAPTER 1

INTRODUCTION

“[H]istory...contains a material result, a sum of productive forces...which is handed down to each generation from its predecessor; a mass of productive forces, capital funds and circumstances, which on the one hand is indeed modified by the new generation, but on the other also prescribes for it its conditions of life and gives it a definite development, a special character. It shows that circumstances make [individuals] just as much as [individuals] make circumstances.” – Karl Marx (1998:61-2)

“The children of this generation, white as well as black, can hardly hope to live better than their parents, even if they’re in the so-called middle class...Perhaps more than any other group...[the] young are left with no hope, so necessary for people to move forward.” – Timuel Black (quoted in Terkel 1995:53)

On December 1, 2008, the National Bureau of Economic Research (NBER) made it official—a deep and punishing economic recession in the United States began twelve months earlier, in December 2007. Through econometric adjustments and rational analyses, the NBER Business Cycle Dating Committee (2008:2) plainly stated, in its official proclamation of the commencement of the recession, “The committee identified December 2007 as the peak month, after determining that the subsequent decline in economic activity was large enough to qualify as a recession.” While it took a statement by the NBER to specify *large enough declines* making the recession official, economic deterioration was already well rooted in the lived experiences of millions of families. This pronouncement of an official recession, “landed atop a lengthy period of extraordinarily lean economic gains among American workers” (Goodman 2009:10).

This recession, more so than previous contemporary downturns, is distinguished by the impoverishment of formerly economically stable families who were relatively secure during times of economic growth and prosperity and minor recessions in the past.

The current recession brings to the fore the difficulties of families denoted as “working class” or “blue collar” and “middle class” – the “*typical*” American families (Newman and Chen 2007; Rubin 1994; Skocpol 2000). While families that perpetually or intermittently live in poverty are pushed further to the margins of society, this recession brings the struggles of “*typical*” families into focus and exposes contradictions between the economic stability of families and capital in an advanced capitalist society. However, by providing a lens into the lives of those families in the United States who most contribute to the economy, the experiences of middle- and working-class families show the vulnerability of the family vis-à-vis the political economy (Frank 2007; Iversen and Armstrong 2006; Newman 2006). The economic susceptibility of multiple social classes challenges a dominant explanation that one’s level of economic success is a function of individual initiative and accomplishment. Lareau (2003:7) writes, “discourse in America typically presents life accomplishments of a person as a result of her or his individual qualities...Americans are much more comfortable recognizing the power of individual initiative than recognizing the power of social class.”

Such discursive elements underlying popular explanations for the economic conditions of families are most visible in the work of University of Chicago economist, and Nobel Laureate, Gary S. Becker. By analyzing the impact of extra-economic institutions on the stability of a macroeconomic system, Becker argues that none are more important than the family. In a presidential address to the American Economic Association, Becker (1988:11) acknowledged that “family welfare is the principal goal of a well-run economic system” because “[f]amilies have large effects on the economy, and evolution of the economy greatly changes the structure and decisions of families.”

Credited with broadening the scope of economic theory to human behavior (Henderson 2008), Becker (1991:19) justified the inclusion of the family as an extra-economic institution stating, “despite major changes over time and enormous variations across social and economic environments, it remains the most influential of all institutions.” By applying a behavioral economic model to the pursuit, acquisition, and use of human capital, wellbeing is linked individual initiative. As a result, explanations for family economic deterioration typically blame a lack of individual assets rather than recognizing the impoverishment of individuals and families is the result of socially and historically-contingent factors, including political, institutional, or structural inequalities (Iceland 2006; Mangum, Mangum, and Sum 2003; O'Connor 2001).

THE ECONOMIC DETERIORATION OF FAMILIES

Becker’s human capital perspective provides an important link between the family and economy, but an empirical analysis of historical trends in family and capitalist economic welfare in the United States uncovers substantial contradictions. As elaborated below, on average, when the economy expands, the family deteriorates. This calls into question the legitimacy of explaining economic wellbeing as a function of individual investments in human capital, and places the relationship between the family and the economy in conflict. In the period following World War II families in the United States have experienced a precipitous decline in their wellbeing. More specifically, this economic and social decline has *escalated* over time, and led to troubles experienced by middle-, working- and lower-class families particularly stark during the most recent recession.

For instance, the gross domestic product (GDP) in 1948, chained in 2000 dollars, was \$1.6 trillion. By 2007, despite expected periodic fluctuations through business cycles, the GDP increased over 600 percent to \$11.5 trillion with an average annual increase of 3.3 percent (U.S. Department of Commerce, Bureau of Economic Analysis 2009c; U.S. Department of Commerce, Bureau of Economic Analysis 2009a). In addition, from 1948 to 2007 the fixed stock of the non-financial corporate business sector in constant dollars (1982-1984 = 100), a measure of capital accumulation, increased 644.7 percent from \$461.0 to \$3433.3 billion (U.S. Department of Commerce, Bureau of Economic Analysis 2009e). Finally, net after tax corporate profits in 1948, in constant dollars (1982-1984 = 100), were \$77.6 billion and, as a measure of income going to capital, increased by 641.0 percent to \$575.0 billion by 2007 (U.S. Department of Commerce, Bureau of Economic Analysis 2009d). Even GDP per capita, a measure reflective of the growth of the economy controlling for population changes (Krugman and Wells 2009), grew nearly 250.0 percent from 1948 through 2007, with an annual average growth of 2.2 percent (U.S. Department of Commerce, Bureau of Economic Analysis 2010c).

Despite such economic growth, a comparison of median and mean family incomes shows that, while the accumulation of capital increased by multiple hundreds of percent in the post-WWII period, the family as a social institution did not share in this economic success. The median family income from 1948 to 2007, in constant 2007 dollars, increased only 156.1 percent and the mean family income increased 185.7 percent (U.S. Census Bureau 2008b). A larger increase in the mean income as compared to the median income highlights a skew in the income distribution in the direction of the

highest family incomes. What is more, as shown in Figure 1, the disparity between the family mean and median income measures increased from \$3,638.00 in 1948 to \$17,490.00 in 2007 showing increasing inequality in family incomes.

**Figure 1: Difference in the Mean and Median Family Income, 1948-2007
(2007 Dollars)**

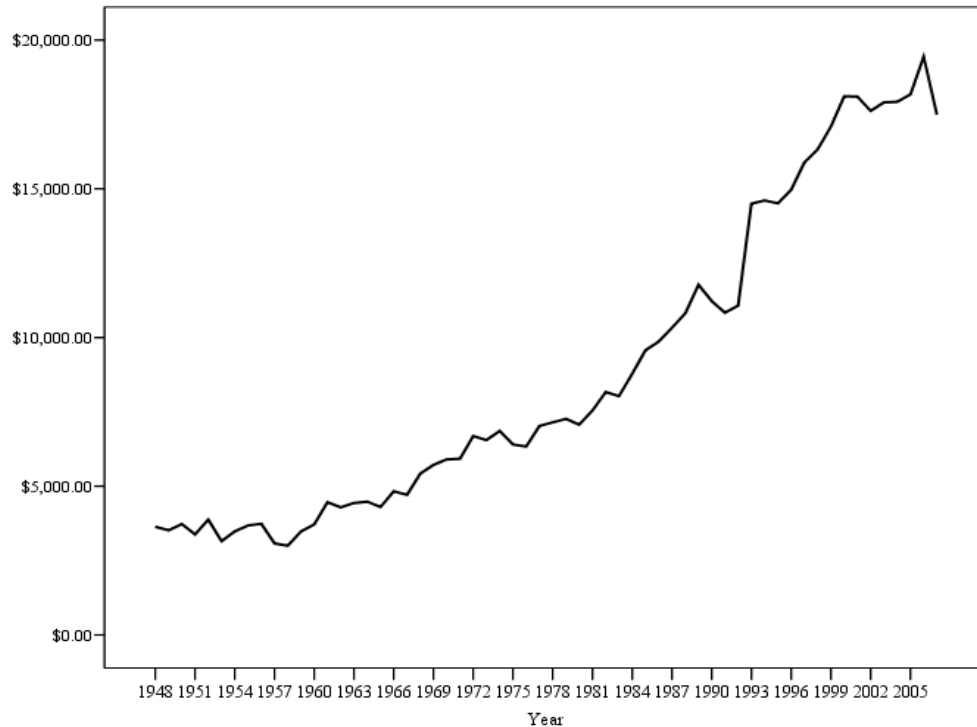
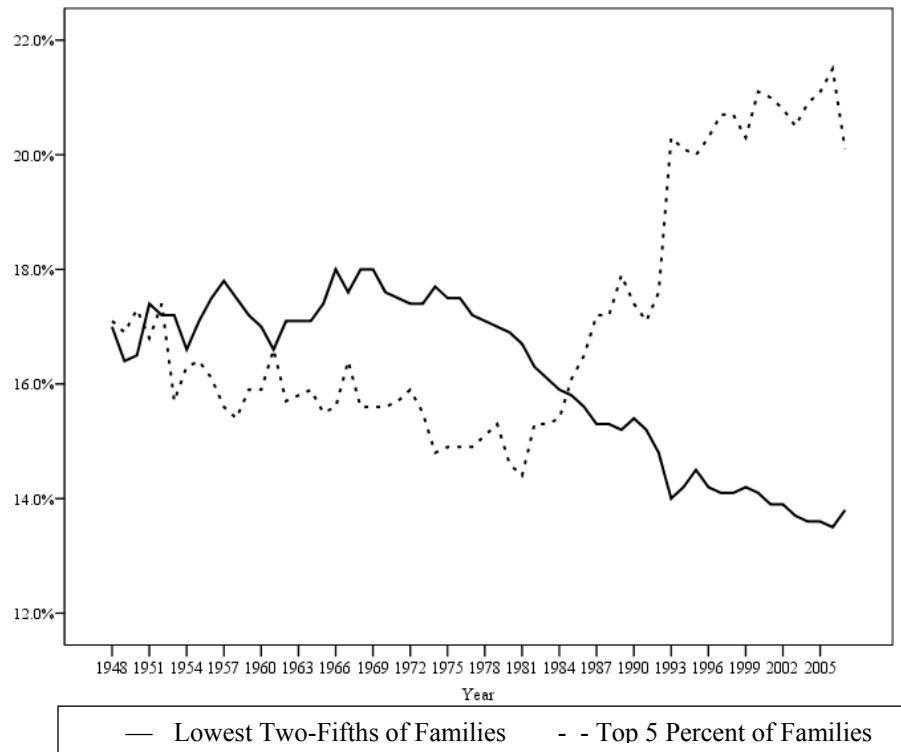


Figure 2 compares the share of aggregate family income going to the lowest two-fifths and top five percent of families. Between 1948 and 2007, the share of income of the lowest two-fifths decreased by 18.8 percent, while the top 5 percent of families increased their share by 17.5 percent. Moreover, the fourth and fifth quintiles, the two highest, were the only two that increased their aggregate share of income, 0.43 percent and 11.60 percent respectively (U.S. Census Bureau 2009b). It is no surprise the highest fifth of families saw the greatest increase in aggregate income because they share in corporate and financial sector profits and rely more on returns on investments than a

wage, a point even referenced by Lawrence Summers (2009), the head of President Obama's Economic Council.

Figure 2: Comparison of the Aggregate Share of Family Income between the Lowest Two-Fifths and Top Five Percent of Families, 1948-2007



Finally, Figure 3 compares the proportional rates of change in median family income and net corporate after tax profits. The clear spikes in the rate of capital income growth show an obvious disparity with the growth in family income. Combined with disproportionate shares of family income and the widening of the family income gap, the economic conditions of families have not kept pace with the economic conditions of capital.

Figure 3: Proportional Rate of Change in Median Family Income and Net Corporate After Tax Profits, 1948-2007



After WWII, there has been a negative correlation between GDP and poverty rates of families, especially during the recessionary periods of 1973-4, 1981-2, and 1991-2 (Iceland 2006:73). After declining from 18.5 percent in 1959 to 9.7 percent in 1969, the percentage of families below the official federal poverty threshold fluctuated between 8.0 and 12.0 percent for the remainder of the post-WWII period. As recently as 2007, the percentage of families in poverty was 9.8 percent (U.S. Census Bureau 2009a). However, the official poverty measure obfuscates the level at which families experience hardship because it is a measure of minimum subsistence solely tied to inflation. Each year, when new thresholds are calculated, they do not take into account other social, demographic, or geographic conditions. The Organisation for Economic Cooperation and

Development (2008), reports alternate poverty rates based on median family incomes after taxes and transfers. Using 50 percent of the median income for the United States, 15.4 percent of families were poor in the mid-1970s, jumping to 17.9 percent in the mid-1980s, and leveling to 17.0 percent through the 1990s and 2000s.

As the post-WWII period progressed, poverty has not been uniform across different types of families, with the largest increase found in families with a single-mother. Between 1959 and 1974, the share of all poor families that were single-parent, female-headed families more than doubled from 23.0 percent to 47.2 percent and continually increased in proportion of all families in poverty to, in 2007, represent the majority of poor families at 53.5 percent. Moreover, in 2007, the percentage of two-parent married families below poverty was 4.9 percent compared with 28.3 percent for single-parent female-headed families, a disparity present throughout the post-WWII period (U.S. Census Bureau 2009a).

Comparing actions taken by the state for the poor and rich further illuminates these trends. For example, public assistance for poor families through the Aid to Families with Dependent Children (AFDC) program formerly focused specifically on poor, single mother families. AFDC ended in 1996, and its replacement, the Temporary Assistance for Needy Families (TANF) program, aimed specifically at helping poor families reach a level of subsistence, witnessed increased expenditures as a percentage of GDP from one-tenth of one percent in 1948 to nearly five-tenths of one percent in 1978. However, this percentage declined to a fraction of one-tenth of one percent, .076, by 2007.ⁱ Conversely, as assistance to needy families declined, corporate taxes and those for the top personal tax brackets declined from 70.0 percent in the late 1970s to 28.0 percent

by 2003 (Harvey 2005). This shift in state intervention shows the deterioration of the economic wellbeing of the family, especially poor families, compared to the economic prosperity of capital.

Despite increased income inequalities between families, the gap between family incomes and corporate profits, and negative correlations with family poverty, the rate of change in GDP is highly correlated with the rate of change in consumption patterns.ⁱⁱ From 1948 to 2007, the average annual increase in GDP of 3.3 percent is matched by a 3.5 percent increase in personal consumption expenditures on services and both durable and non-durable goods (U.S. Department of Commerce, Bureau of Economic Analysis 2009c). Further, from 1948 the real personal consumption expenditures increased 693.8 percent to \$9.3 trillion in 2007 (Federal Reserve Board 2009). As considered above, however, family income and subsequent economic conditions, have not kept pace with capitalist development. This inconsistency calls in to question divergent trends in income and consumption, and the ability of families to purchase goods and services amidst the declining economic conditions of the family and increasing levels of poverty. Specifically, *how are consumption levels maintained?*

One troubling indicator, and another measure of the deterioration of families within the post-WWII economy, is the specter of consumer credit. This impacts not only those families living in poverty, but to a greater extent, the near poor, working-class, and middle-class families who, having easier access to credit, are the backbone of the U.S. economy (Newman and Chen 2007). Figure 4 shows the proportional rate of change in annual average consumer loans in the post-WWII period. While declines in consumer

credit occurred during the major recessionary periods in the 1970s, 1980s, and 1990s, consumer loans have increased every year since 1993 (Federal Reserve Board 2010a).

Figure 4: Proportional Rate of Change in the Annual Average of Real Consumer Loans, 1948-2007

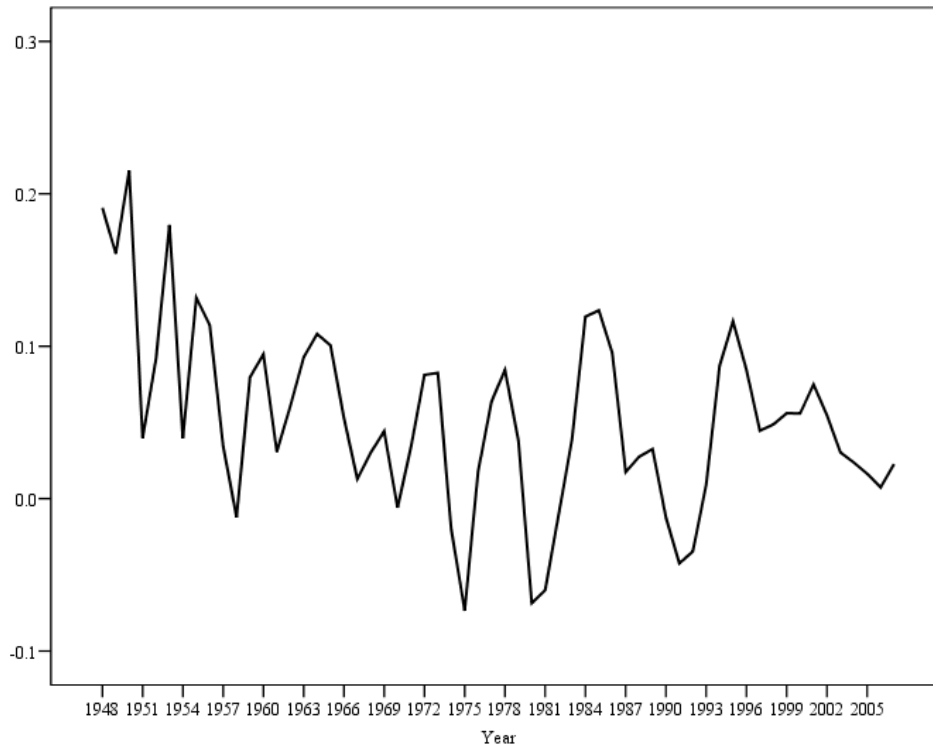
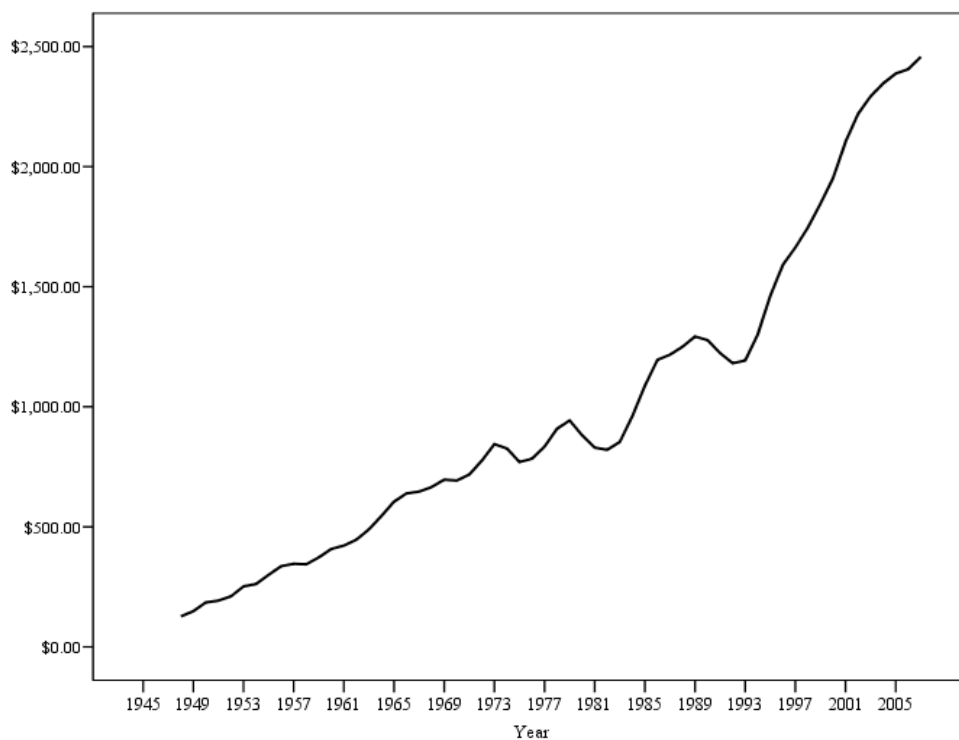


Figure 5: Annual Average of Consumer Credit Outstanding, 1948-2007 (Billions of 2007 Dollars)

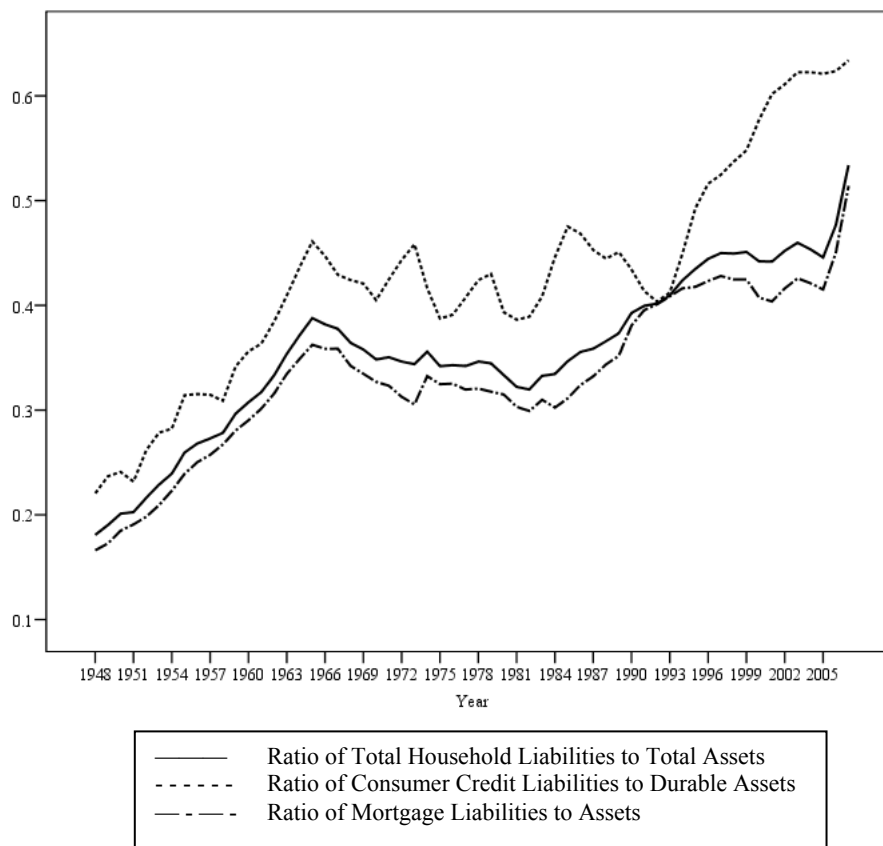


Concomitant with the increase in consumer loans, as depicted in Figure 5, between 1948 and 2007, the annual average of monthly total of outstanding consumer credit, in constant 2007 dollars, increased 1833.6 percent from \$127.1 billion to \$2.5 trillion, as debt out-paced increases in family income (Board of Governors of the Federal Reserve System 2010b). Additionally, household financial obligations, as a percentage of disposable income, increased by 3.2 percentage points from 15.9 to 19.1 percent between January 1980 and July 2008 (Federal Reserve Board 2008).

Elmer and Seelig (1998) argue that home foreclosure rates rose as household financial obligations increased. From 1972 through the 1990s, defaults increased one percent for conventional loans and 2.3 percent for Federal Housing Assistance (FHA) backed loans. The home is the primary asset for most families and climbing debt leads to increasing mortgage defaults (Foster 2006).

As Figure 6 shows, the increasing contradiction between household debts to assets is a combination of mortgage and consumer debt. By comparing the ratio of total household debt to assets, the ratio of consumer credit debt to the value of durable goods, and the ratio of mortgage debt to the value of the home, it is clear, as real wages have decreased, families are supporting their standards of living through the increased use of credit and lending mechanisms, albeit to fall further behind. Here, the amount of total debt for every dollar in total assets rose from roughly 18 cents in 1948 to 55 cents in 2007, and the steady increase in both consumer and mortgage debt sustains this trend over the period (Federal Reserve Board 2010b).

Figure 6: Comparison of Ratios of Household and Consumer Liabilities to Assets, 1948-2007 (Dollars per \$1.00 of Assets)



The Current Recession and Continued Deterioration

Disparities between indicators of growth in corporate profits and declines in family incomes provide the historical context for both capital accumulation and family economic wellbeing leading up to the most recent economic catastrophe. The increases in capital accumulation associated with decreases in the standards of living of families and individuals are a real outcome of an economy in crisis, and more prevalent as the United States experiences an ongoing and deepening recession. Families are continually experiencing a rapid decrease in their ability to engage, let alone survive, in the U.S. economy. According the U.S. Census Bureau (2010b; 2010c), from the beginning of the

recession through December 2009, the unemployment rate increased across industries, including business and professional sectors, and across levels of education, race and ethnicity, and gender. In addition, the percentage of job losers from the total number of unemployed persons increased from 50.0 percent in December 2007 to 63.7 percent in December 2009, a majority of whom are not on temporary layoffs. Finally, the unemployment rate, as a percentage of the civilian labor force, was 9.8 percent in January 2010, down from the recession's peak of 10.2 percent in October 2009 (U.S. Census Bureau 2010a). Neubeck (2006a:282) suggests that the increased reliance on market forces, coupled with the dwindling availability of living wage work and overall shortage of jobs, combined with corporate tax breaks, have "produced a widening gap between the affluent and the poor, while decreasing the economic security for growing numbers of middle- and working-class people."

The continual loss of jobs has not led to significant decreases in spending. For example, personal consumption expenditures since 2000, tracked by the U.S. Department of Commerce (2009c), decreased for the first time in the third quarter of 2008. While durable goods, nondurable goods, and services independently saw marginal increases and decreases in consumption over the period, the third quarter in 2008 was the first quarter to see a decrease in all three consumer categories. The majority of the decrease is due to durable goods (-11.7 percent), while services only saw a nominal decrease (-1.3 percent). These trends flattened through 2009 where, at the end of the fourth quarter, expenditures on goods grew at a low 2.6 percent and services by a mere 1.7 percent. Finally, according to the U.S. Federal Reserve Board (2010a) consumer credit decreased at an annual rate of 10.6 percent in November 2009 and 0.8 percent in December 2009, an

overall decrease of 4 percent for 2009 after nearly a decade of increases in consumer lending. These decreasing loan levels come with increases in household debt, home foreclosures, and a continued retrenchment of the social safety net by the U.S. government (Bilmes and Stiglitz 2009). As Pressman and Scott (2009a; 2009b) argue, the increase in consumer debt necessitates a reconceptualization of poverty, because “there is a large and rising fraction of U.S. households who are debt poor; their incomes put them above the official poverty line but, because of the interest payments, they cannot purchase the minimum set of goods needed to exist above the poverty threshold” (2009a:143).

RESEARCH QUESTION

These statistical trends show a contradiction between the accumulation of capital and deteriorating economic conditions of a majority of families. As employment markets tightened and family incomes decreased, consumer spending has, only recently, declined conspicuously in tandem with decreases in consumer credit and, arguably, the ability of families to participate in the economy. Most important, these statistics highlight the increasing marginalization of families whose conditions of existence deteriorated as capital accumulation grew. Therefore, this research investigates these contradictions and their historical conditions by asking: *Why has the economic condition of the family deteriorated after World War II in the United States?*

HISTORICAL CONTINGENCY AND THE FAMILY

If the wellbeing of families is a baseline objective of a stable economy, as Becker (1991) posits, why are typical, let alone middle-class, families failing to keep pace in a growing economy? By considering these trends, exploring family wellbeing and their

economic conditions within the current recession necessitates a historical view. Given the interdependence of the family and the economy, this historical examination requires focusing on the family as a social institution in capitalist society. Therefore, this research takes the current economic recession as only the latest manifestation in the long-run degeneration of the family in direct conflict with capitalist growth.

It is Mills' (1959) classic orientation to sociology that, in order to understand social problems, one must consider both historical and contemporary phenomena, including macro-societal issues and micro-private troubles. Considering the indicators above, the economic crisis is experienced at both the institutional and personal level. What is left to explore is a broader, historically-contingent view of the crisis. Mills writes,

The image of any society is an historically specific image...any given society is to be understood in terms of the specific period in which it exists. However 'period' may be defined, the institutions, the ideologies, the types of men and women prevailing in any given period constitute something of a unique pattern. (P. 149)

First, to address this research question, an analytical frame for the types of people who have lived and endured in the post-WWII United States, here *the family*, is needed. Second, a theory of history that focuses on shifts within U.S. society that condition the lived experiences of families is necessary. Prior to addressing the research question directly, I develop a conceptualization of the family as an institution in capitalist society, and then intersect it with a political and economic theory of history, social structure of accumulation theory. Combining these theoretical perspectives, I explore historically-

contingent mechanisms through which the economic deterioration of families has occurred through the changing institutional structure in the post-WWII United States.

The Family

Historically, the family has been connected to both the political and economic institutions of a given society, contingent on both productive and social development.

The family, which to begin with is the only social relation, becomes later, when increased needs create new social relations and the increased population new needs, a subordinate one... a certain mode of production, or industrial stage, is always combined with a certain mode of cooperation, or social stage and this mode of cooperation is itself a 'productive force'. (Marx 1998:48-9)

The post-WWII U.S. family *is a social institution*—an arrangement of embedded patterns and norms in relationship with other social institutions. This institutional composition is the product of significant shifts in the nineteenth century from a relatively independent, agrarian mode of production and collective, communal interests to an individualized and specialized labor supply sold within the market (Sirjamaki 1959; Zaretsky 1976). As the United States developed an advanced capitalist mode of production, the family became a prominent and vital contributor to, and beneficiary of, industrial society. As a vehicle for *capital accumulation*, the family provides both a breadwinner to the market as an input of labor power for production, and as a durable market for purchasing and consuming the output of goods and services. Through this relationship, the normative family as a two-parent male-breadwinner, female homemaker model became an essential capitalist institution (Abramovitz 1996; Aronowitz 1973; Laslett and Brenner 1989).

Chapter 2 takes this family formation within the capitalist mode of production and reviews various definitions, concepts, and theories of the family and its experiences in the post-WWII United States. While research has focused on the conditions of particular families in comparison to this norm, such as single-parent mother households (Edin and Lein 1997; Sidel 1992; Sidel 1998; Zucchini 1997) or low-wage, working poor families (Rubin [1976]1992; Shipler 2004), there is little contemporary research focused on the family as an institution in and of itself. Further, while research has produced a critical understanding of historical social policies directly affecting poor and working-class families (Abramovitz 1996; Piven and Cloward 1993; Quadagno 1994; Skocpol 1992), it is also focused on specific governmental provisions. Finally, the political economy as a condition of social policy has also received attention in the literature (Block et al. 1987; Esping-Anderson 1998; Janoski and Hicks 1994; Svallfors 2007), including some directly focused on the family (Dickinson and Russell 1986a; Zaretsky 1976).

Using these and other exemplars of relevant research, I generate an informed conceptualization of the family as a social institution in capitalist society where generalized roles— production, reproduction, socialization, and consumption— have commonalities across classes and time, and through them, sociologically, the family possesses an institutional form that is historically-contingent within the capitalist social formation. Focusing on the family as an *institution in capitalist society* contributes to a macro-historical description of their economic deterioration in the United States after World War II. The historically-contingent family as a social institution is promoted through a set of reproduction and consumption norms in relation to the organization of capitalist society. As the interactions between the family and political economy are

traced historically, just as the economic conditions of families shift, their institutional nature also changes form, especially when compared to the accumulation of capital. Therefore, to address the research question, poor-, working-, and middle-class families in the United States are consolidated as an institution within the political and economic arrangements of the capitalist mode of production in the United States in the post-WWII era. In the end, I argue that shifts in the social organization—the relations of production—contribute to the nature of this relationship (Quadagno 1988).

A Theory of History

Exploring the deteriorating economic situation of families in the United States also requires a theory of history that links the institutional and historical dimensions of political economy. Therefore, I anchor this conceptualization of the family as an institution in capitalist society in the process of historical change using *social structure of accumulation theory*. As a theory of history that juxtaposes the conflicts between social institutions in the capitalist mode of production, social structure of accumulation theory provides a framework through which an analysis of changes in state policies and economic conditions after World War II can be developed.

Social structure of accumulation theory argues that a sustained period of economic growth results when a set of social institutions is established that defines and regulates relations between capital, labor, and the state (Gordon, Edwards, and Reich 1982). This institutional ensemble, a *social structure of accumulation* (SSA), is an organizational environment to sustain the capital accumulation process. Over time, this set of institutions erodes due to inherent contradictions and labor/citizen unrest, leading to economic decline. Political and economic entities search for a new set of institutions

to restructure a stable SSA and eventually renewed economic prosperity. As a Marxist theory of long-swing growth in capitalist economies, SSA theory focuses heavily on the historical contingencies of, and relations between, capital and labor within the mode of production.

Chapter 3 outlines the central tenants of SSA theory and provides a foundation to understand the historical deterioration of the family in the United States. However, as no theory is complete, SSA theory is necessarily supplemented by incorporating a coherent theory of the state and its relations with the family. Following O'Connor (1973), Jessop (2002; 2006), and Gough (1979), among others, I build on SSA theory to advance a theoretical approach to the state as a *capitalist welfare state* designed to mediate both capital and family wellbeing. By doing so, I expand the SSA approach by filling theoretical gaps and including a set of supplemental institutions, particularly the family.

FOCUS OF THE ANALYSIS

Through the use of the theoretical framework developed in Chapters 2 and 3, I address the research question in two stages. The complexity of this question, one of historical contingency, demands multiple methods and levels of data analysis and Chapter 4 demonstrates my macro-institutional approach to consider changes through time and shifts over time in the economic stability of families. First, I conduct a qualitative institutional analysis as a detailed, critical, theoretically-informed description of the changing historical context through which families experience shifts in their conditions of existence and connections with other social institutions. This exploration generates an array of expectations for the second mode of analysis, a series of quantitative time-series models. These models provide an empirical lens through which observations of turning

points and changes in the relationships between family, labor, political, and economic institutions are understood. By combining these methods, the qualitative institutional analysis contributes the historical context to the specific periodization of the time-series models and their parameter estimates.

Chapter 5 presents the in-depth institutional analysis of shifts in the family as an institution in the post-WWII United States. With broad brushstrokes, I paint a portrait of institutional changes using existing finely-grained analyses on governmental policy at the federal level and historical accounts of family life, labor, capital, and citizens. This macro-historical picture of the changing social, political, and economic conditions of the family across the post-WWII SSA attempts to utilize various historical documents and records of and about people and institutions to provide historical insight into contemporary experiences (Hodder 2003). To supplement the actual policies enacted by the federal state apparatus, documentary histories, and contemporary institutional analyses, I also consult existing qualitative and quantitative studies of the family, such as those focused on single-mother (Edin and Lein 1997; Hays 2003) or low-income families (Newman 2006; Shipler 2004), political and economic experiences (Sirjamaki 1959; Zaretsky 1976), and oral histories (Rubin 1994; Rubin [1976]1992; Terkel 1974[1997]; Terkel 1995; Terkel [1970]2005). In addition, these and other sources are not focused solely on the sociology *of the family*, but from a broader base of social, political, and economic research.

Chapter 6 provides the quantitative analysis of conditions identified through the institutional analysis comparing historical measures of public welfare expenditures through cash assistance and tax credits; indicators of family economic deterioration such

as the use of consumer credit, income inequality, and indebtedness; and the level of capital accumulation by financial and nonfinancial private corporations. Time-series modeling allows for the empirical analysis of the temporal relationship between variables and I combine these relationships with the institutional analysis for a historically-contingent analysis that situates quantitative relationships over time. The results of the regression models using this approach, provide an understanding of “past actions and events *in* time and *through* time” making parameters understandable as contingent “repositories of particular actions, or the culminations of actions” (Griffin and Isaac 1992:166).

As a caution, however, the combined qualitative and quantitative methods do not constitute a cause-and-effect model nor should they be taken to infer causation. Rather, these methods are purposefully and necessarily employed to offer a theoretically-informed macro-institutional analysis of the economic deterioration of the family. Given the breadth and depth of the impact of the recent recession on families across social classes, the family as a social institution is analyzed qualitatively and quantitatively at a higher level of abstraction by incorporating secondary materials at varied lower levels. Therefore, this project is a case study on a single country within a determinative period of time, focused on a certain subject through a particular theoretical orientation. The results of such an undertaking, not generalizable to other periods of time or other cases, offers a substantial base for a theoretically-grounded and historically-contingent account of important social forces that have shaped the relationship between capital, families, and the state in the United States in the period following World War II.

CONCLUSIONS AND IMPLICATIONS

This mixed-method approach, in the end, merges levels of detail to address the question: *Why has the economic condition of the family deteriorated after World War II in the United States?* In Chapter 7, I present the combined conclusions of the in-depth institutional analysis and time-series regression models for a theoretically-grounded description of the decline of the family amidst changes in political economy. Briefly, I argue that the economic deterioration of families is not a function of a dearth of individual assets or the neglect of building one's human capital, because the state, market, or family are not independent institutions. I conclude that neglecting the interdependence of social institutions and the conditions in which they are created and change restricts understanding the growth and decline of a free market economy. In the history of the post-WWII United States, capital, labor, citizens, and the state, at specific moments, more or less overlap to support the process of capital accumulation.

Major Findings

The family as a social institution in capitalist society follows a trajectory mediated through the actions of these other institutions, but also through their own struggles to sustain a level of subsistence. Beginning with the institutions developed as part of the New Deal in the 1930s and 1940s, the family was once a vital contributor to the growth of the capitalist economy in the United States. As the key institution for the reproduction and socialization of the supply of labor power, strengthening the family as a durable market for consumption supported these roles as well as the circuit of capital.

The federal government, in order to promote the accumulation of capital and the legitimacy of the capitalist welfare state, is constrained by conflicts between these two

functions. Therefore, the capitalist welfare state alters its relationship with and between institutions as needed to maintain an environment conducive to the accumulation of capital. Thus, as poor families became more vocal and demanding of the means of subsistence, the capitalist welfare state first responded with an expansion of relief, but as the post-WWII SSA eroded, replaced it with private workfare. The period of exploration created a liberal institutional structure that stabilized accumulation by loosening relations between finance capital and families. The result, the neoliberal transformation of the political economy, meant families became more important to ensure effective demand for consumer goods and services than as suppliers of labor power for the capitalist economy. Given the slow growth of family median incomes with increases in consumer debt, the promotion of self-sufficiency and responsibility underscore the patterns of consumption correlating the economic deterioration of families to the retrenchment of public cash assistance and the expansion of consumer credit.

The analysis of the quantitative time-series models corroborates the institutional analysis. Combining the results of my analysis, I conclude that the welfare state, in the early decade of the post-WWII period, provided a public social safety net to support the economic wellbeing of families and to provide a stable environment for capital accumulation. However, as economic growth in the United States slowed, public expenditures initially increased under pressure from the poor and marginalized. Eventually, the social safety net and overall regulationist institutional structure were supplanted by the promotion of the self-sufficiency and responsibility of families to privately support increasing levels of consumption and a liberal institutional structure. Throughout these changes, and up until the current recession, the family propped up

economic growth and capital accumulation, first through public support, and then through private expenditures. Yet because earned income was no longer able to sustain effective demand, the economic condition of families deteriorated as the increasing availability of credit led to the accrual of unprecedented levels of debt.

Other Implications

This study also leads to both empirical and theoretical implications. Empirically, the study of history allows for the exploration of changes in the relationship between capital, state, and family. Given the current economic crisis in the United States, considering the historically-contingent interdependence of each institution is not as an ahistorical process, but as temporally dependent outcomes of political and economic relations. Here, a historically-grounded analysis provides an understanding toward how the family as a social institution in capitalist society is vital to the stabilization of the U.S. economy.

Second, this study is important because it models macro-social transformations in the family as a social institution. The multi-method approach explores complex processes in the changing conditions of families and the multiple layers at which other institutions influence these conditions. Because social institutions overlap and are interdependent, studying the family from a macro-political economic approach provides a new dimension to comprehend its economic decline.

Finally, and theoretically, by considering the family as a social institution, SSA theory is reconstructed to be more inclusive. Moving beyond the normative analysis of relations between labor and capital in SSA theory, incorporating the family as an institution and developing a model of the state broaden its theoretical scope. Social

structure of accumulation theory, due to its historical underpinnings, is dynamic and by incorporating other social institutions to transcend theoretical gaps and silences, the larger SSA project is advanced. The importance of continually confronting the shortcomings of theories leads to their reconstruction and capacity for more robust accounts of phenomena. Here, by focusing on the social institution of the family and offering a definition of the state, SSA theory benefits from such a reconstruction.

CHAPTER 2

THE FAMILY IN CAPITALIST SOCIETY

“These are the new rejects: penalized by pensions, penalized by credit, penalized by home-owning, penalized by steadiness and by saving, they are the rightful proud ones who will provide some of the new recruits to the other America.” – Michael Harrington ([1962] 1997:37)

At its base, the political economy of the family analyzes the various points where capital, the state, and the family intersect as institutions within capitalism. Based on the empirical analysis in Chapter 1, I adopt a conflict-oriented, Marxian analysis of capitalism. As both an economic and social system, where the production of commodities in a capitalist market, including labor power, is competitive and driven exclusively by monetized exchange, profit and the accumulation of capital, a class-divided social structure develops within a specific set of historical social conditions (Gough 1979; Wetherly 2005). The political economy of the family is therefore both historical and material, and the empirical data exemplify inherent contradictions within and between capitalist economic, governmental, and family structures. The family as an institution is necessarily interdependent with the needs of capital, though the nature of this relationship is historically-contingent. This chapter serves, therefore, to build a conceptualization of the family as an institution for the analysis of its economic deterioration. In doing so, a review of definitions, concepts, and theories of ‘the family’ will be discussed, leading to a consideration of common modes through which the family as an institution interrelates with the broader capitalist system. From here, I develop an alternative approach, as introduced above, and an alternative conceptualization of the

family as an institution in capitalist society is presented. However, a review of the varied but influential sociological conceptualizations of the family is necessary.

DEFINING 'FAMILY'

'The family' can take different meanings depending on the focus and scope of one's research (Koerner and Fitzpatrick 2004). Definitions of *the family*, historically, have varied from social and biological designations outlining specific *structures* and *formations* of families and kinship groups, *relational* or *transactional* descriptions of the interactions between family members, and *functional* definitions delineating the roles that specific family members take within the family proper, larger kinship groups, and the social structure (Calhoun 2002:160; Marshall 1998:222; Weigel 2008). For example, White and Klein (2008:17-9) define the family as a social group characterized by their enduring intergenerational, biological, and affinal relationships which link members to larger kinship networks. Alternatively, Popenoe (1993; 2005) defines the family in terms of the form or structure of a small domestic group with at least one adult and one dependent person, whether a child, elder, or infirm adult. *Functional* definitions, most prominent historically in sociological research on the family, are generated from evolutionary perspectives on human relationships (Groves 1940), or the reflexive nature of internal family dynamics and broader social associations (Stolte-Heiskanen 1975). As Weil (1979:3) posits, the family is the most basic social institution because it "cares for the fundamental needs of the individual, such as the sexual, the economic, the reproductive, and the education needs—all essential to societal survival[.]"

However, a definitive treatment of 'the family' or 'family' becomes problematic when abstracted for a specific course of research because, for example, there is a divide

between empirical definitions and the definitions generated through lived experience. Following Holstein and Gubrium (1999), Weigel (2008) writes that efforts to define ‘family’ are not always welcome or accepted because of a necessary distinction between *the family* and *family*, the latter being a fluid socially constructed concept and the former being an ideal-typical entity. Instead, “laypeople’s concepts of the features and forms of family are complex, multifaceted, and integrated... These concepts suggest aspects of family that are important to ordinary people but are often overlooked in existing scholarly definitions of family” (Weigel 2008:1445). Coontz (1999:ix) similarly argues,

Everyone has personal experience, both positive and negative, with the tremendous variety, complexity, and contradictory effects of family arrangements. At the same time, most of us tend to sift those experiences through the sieve of a social recipe for what ‘the Family’ ought to be. The result is that the different ingredients of family life lose their distinctive character, and large clumps of people’s experience never even get through.

Hence, structural, functional, or relational ‘definitions’ of the family are less important to family members themselves when compared to actual services and support provided within their own family arrangements and relationships (Baker 2006).

Albeit a necessity for empirical observation and measurement, an objective definition of ‘the family’ is problematic. The family, as an ideal type that transcends the diverse set of family formations and experiences, does not exist in reality (Kirkpatrick 1963). Rather, it is a continually debated, one-sided reflection of a particular point of view (Weber 1949:90). In preference to promoting one of a broad set of definitions, the

diversity of both human experience and theoretical contributions should be consulted to form a lens through which the economic deterioration of families can be viewed.

Family Theories and Conceptualizations

Moving beyond definitional limitations, social research has developed a broad set of conceptualizations by which the family, and changes therein, can be understood. Like the sociological discipline in general, concern with studying and understanding experiences and changes within families developed as modernization and industrialization progressed in the twentieth century. The theories and methods used to study families are a reflection of the time at which the research was conducted—behavioral psychology during the 1930s, macro structural-functionalist theories normalizing the family during the early post-WWII period, symbolic interactionist and theories of racial and gender difference from the late 1950s through the 1970s, and middle-range and pluralist theories in the 1980s and 1990s (Doherty et al. 1993; White and Klein 2008). Throughout this development, family dynamics, and their implications for the larger society, were prominent topics within the sociology of the family.ⁱⁱⁱ While multiple conceptualizations and theories make assumptions about what the family *is*, using broader theories rather than specific definitions, acknowledges that “some intellectual controversies are complex puzzles that resist solution...and testing substantive theories about the family, such issues as the status of conceptual frameworks are likely to remain...in a state of subdued tension” (Klein and Jurich 2009:39). Moreover, multiple conceptualizations, and their relevance, yield varied questions to elicit important perspectives on the family (Sprey 2000).

In their classic work, Hill and Hansen (1960) present five basic conceptual frameworks through which the family can be studied—interactional, structure-functional, situational, institutional, and developmental. These multiple perspectives range from the historical relations of families within the social system, to the internal dynamics of family processes, and subsequent variations for macro and micro studies. Nye and Bernardo (1966) expand this set of conceptual frameworks to cover a range of external social and internal psychological processes to include the anthropological, psychoanalytic, social-psychological, economic, legal, and Western Christian conceptions, each of which possess, “a major commitment to the study of family roles, the family as a group, family relationships, and/or their impact on the socialization and functioning of the child” (p. 6).

To organize the range and extent of possible family research, these foundational works, combined with other attempts to summarize various family conceptualizations (Boss et al. 2009; Burr et al. 1979a; Burr et al. 1979b; Klein and Jurich 2009), can be classified based on their level of analysis. Families can be variously analyzed through their micro-social internal dynamics and relationships to highlight the ‘personality’ of the family, or through macro-social processes in relation to other social groups and institutions intersecting the family and society (Glasser and Glasser 1970). Micro-sociological research, for example, scrutinizes family relationships and family functioning for the affection, security, and guidance of family members (Peters and McMahon 1988), the effects of changes in these relationships (Almond 2006; Burgess, Locke, and Thomas 1963), and in acting toward the overall welfare of the family and its individual members (Baker 2006; Ermisch 2003). Conversely, macro-sociological studies typically consider the reproductive, socialization, and maintenance of family

members in relation to a broader social context (Horwitz 2005). Here, the family is examined through its interaction, at various levels, with the economic, political, religious, cultural, and educational institutions, and how the family sustains or counteracts the processes of these other institutions (Adams 1971; Leslie 1973; Peplar 2002).

In combination with the level of analysis, family theories often also focus on *how families are explained*—the dependent variable—or *how families explain*—the independent variable—to suggest their interrelationships with social phenomena (White and Klein 2008). As a dependent variable, for example, social, economic, and political circumstances can impact the progression through which different family structures experience different social outcomes (Moller 2008). Alternatively, as an independent variable, relational aspects internal to families have been argued to generate different psychological patterns, impacting both individual members and creating and sustaining larger social relations and structures (Coleman 1988; Lundberg and Pollak 2007; Poster 1978). However, using Lasch's observation (1995[1977]:4), the family exists within a web of relations, and is influenced, and influential, at different points because “changes in its size and structure, in its emotional organization, and in its relations to the outside world must have enormous impact on the development of personality.” Therefore, it is important to recognize that the family can be taken as an independent or dependent variable for a similar, if not identical, empirical question. An example relevant to this research is found in the conceptualization of how families come to enter a period of impoverishment.

Bowles, Durlauf and Hoff (2006) show that, at one end, family poverty has been considered as an independent variable in an *achievement model of income determination*.

This neo-classical argument promotes individuals' economic prospects as largely under their control where changes in the economic conditions of one's family are a result of productive effort because "poverty typically does not entrap; only those who don't make the effort remain in its clutches" (p. 1). Alternative explanations of achievement through an individual's initiative do exist, but as Bowles et al. suggest, socio-economic explanations for the persistence of poverty can also render the family dependent on their conditions of existence. Such viewpoints incorporate critical thresholds that balance overall wealth with human capital; dysfunctional institutions mirroring social, political, and economic inequalities; and socio-spatial effects of the access to resources contingent on racial, gender, or economic class membership.

Family theories and conceptualizations each contain their own problematic and focus on different questions about the family specific to their level of analysis. In order to analyze specific phenomena, one must acknowledge the range of possibilities across such levels, while developing the specific explanation. Because of this breadth and depth of possible analyses, as Bahr and Bahr (2001:1235) warn,

Conceptual models are like filters and blinders, increasing awareness of some things at the expense of others. We see what our concepts prepare us to see, and what we have words to express. In scientific inquiry, conceptual models are necessary aids to seeing and interpreting things, but they are dangerous, for they lead us to imagine the things we have highlighted to be more important than they are, and they may prevent us from asking other questions.

Beutler et al. (1989) mobilize this conceptual tension to advocate for an independent *family realm* of social science that, because they are fundamentally different from other

social groups, focuses specifically on familial aspects of human experience. They advocate for such an approach because political, economic, educational, religious, and cultural institutions are characterized by “different ethics, different processes, and different dynamics; and it has important and powerful effects on many aspects of the human experience” (p. 806). However, an isolated *family realm* risks reductionism, as Sprey (2000:21) argues, by focusing solely “on individuals as they perform their respective roles.” Neglecting the range of phenomena that arise through the family/society relationship also overlooks historical social forces that “may strongly influence its course but does not necessarily determine the nature of its ending” (p. 22).

Therefore, the family intersects with other aspects of the social system, and for this analysis, is conceptualized to include its social variability and historical contingency. Taking Mills’ (1959) approach, my proposed conception of the family includes different levels of analysis and “the level of historical reality—which is merely to say that it is in terms of specific social and historical structures” that, parallel to static micro- and macro-sociological explanations, “often it is closer to the world of everyday meanings and experiences” (pp. 124-5). What is more, once history is incorporated, modeling the family at different levels of analysis can take temporal conditions into account and link both the public issues surrounding, and private troubles within, families experiencing economic deterioration (Mills 1959; Singer and Willett 2003). The remainder of this chapter focuses on developing the historically-contingent conceptualization of the family as an institution in capitalist society, and takes, at its base, the range of possible phenomena with which the family is both dependent and influential, across levels of analysis where such observations can be made.

CONCEPTUALIZING THE FAMILY AND CAPITALISM

Conceptualizing the family as an institution, and its economic conditions, must include the social and temporal conditions in which the phenomena of interest are observed, and, through previous research, varied perspectives toward this conceptualization have been advanced. For example, micro-sociological perspectives begin at the inter-personal level to consider the private troubles of specific family forms (Hays 2003; Zucchini 1997), at an intermediate level through community case studies or historical panel data of specific demographic groups (Hennessy 2005; Lareau 2003; McLanahan 2009), or broad, macro-comparative analyses across nations (Hicks and Kenworthy 2003; Mandel and Semyonov 2006). However, as shown in Chapter 1, the economic deterioration of the U.S. family is not constrained to a particular social demographic group at a given point in time, but develops over an extended period within a particular social system. Therefore, I argue that, because societies change concomitant with capitalist development, the political economy becomes a primary organizing factor of social relationships (Heiskala 2007; Polanyi 1957 [1944]). What is more, the family, and its transformation as an institution, should be viewed through the lens of capitalist development within the United States (Horwitz 2007; O'Hara 2004).

A conceptualization of the family as an institution in capitalist society should transcend the individual-family level, but not abstract to a global-political inquiry because, specifically in the post-WWII United States, contradictions transcend multiple families over time. Through the range of concepts and theories available, therefore, the relationship between the family and the capitalist mode of production requires an understanding of the institutional nature of the family within capitalist society. The

conceptualization I develop is of the family as *a social institution within capitalist society during the post-WWII period in the United States.*

The Family as an Institution

Most conceptualizations of the family converge, especially when theorizing its institutional nature, on the *functions* or *roles* of the family in relation to other social institutions. As a social institution, the family is considered one of numerous organized aspects of human existence established and perpetuated by various norms or rules. Like others, such as the economic, political, legal, educational, religious, and cultural institutions, the family is a feature of social organization in which normative and enduring structures constrain changing patterns of behavior.

[B]asic to these types of social organization *historically* has been the family, that institution pertaining to sexual relations, marriage, reproduction and child-bearing, socialization or child training, and the relating of the individual to the other institutionalized aspects of society. (Adams 1971:1)

Broadly, ‘family’ “includes all of the beliefs and practices of and about all of the families in a particular society or geopolitical context. It also includes the ways in which different families are connected to each other and to other social institutions” (White and Klein 2008:19).

As families act to prepare and sustain their members individually, via internal family processes, and through external relationships with other social institutions, they have two predominant roles—reproduction and socialization (Groves 1940; Horwitz 2005). Where individual families may act in response to particular situations to meet specific ends, such behaviors are constrained by these enduring, generalized roles. As a

normative institution, Sirjamaki (1959:6-7) explains, the family and society "inevitably overlap and interrelate with each other...the family's functions are of such fundamental importance to it, the society, in turn, upholds and promotes family stability." For example, the family institution in the United States evolved simultaneously with shifts from pre-industrial to industrial to advanced capitalism (Burgess, Locke, and Thomas 1963; Coontz 1997; Kirkpatrick 1963; Therborn 2007). Immediately after World War II, the organization of the U.S. economy perpetuated an ideal representation of families and "how, ideally, the family should be promoted" (Peplar 2002:4). This 'normative' family places a male breadwinner in the labor market earning a family wage and a female homemaker in private production and reproduction within the home. Promoted as the most efficient means to accomplish reproduction and socialization, the normative family shows the mutual responsibility between adult family members, between adults and children, and between the family and other social institutions in capitalist society.

The consolidation of the normative family model in the 1950s was, however, the short-term confluence of a growing economy, the availability of employment, and vital political stability (Aronowitz 1973; Coontz 1992). An overarching concern with the ability of the family to perform its roles grew as economic development within the post-WWII period expanded, and the development of a mass society under capitalism caused the family to wane in comparison to other social institutions (Morgan 1975). Declines in fertility coupled with increases in the rates of divorce and the labor force participation of married women, for example, challenged the normative family structure and became the catalyst for political, social, and economic concerns regarding the ability of the modern 'family' to fulfill its institutional responsibilities (Cherlin 1983; Goode 2003). Despite

public attitudes on the importance of ‘family,’ including its institutional roles of marriage and child-bearing, coupled with modern, liberal ideals of equality, freedom and individualism, strict family structures and relations loosened under the acceptance of a pluralist understanding of ‘family’ more recently in the United States (Edin and Kefalas 2005; Pagnini and Morgan 1996; Thornton and Young-DeMarco 2001).

The typical family is the benchmark against which theoretical and empirical work on the family has focused to discern the dynamics and processes within diverse families and differences in outcomes across family structures (Adams 1971; Bumpass 2004; Cherlin 1999; Coontz, Parson, and Raley 1999). However, shifts within the family and its relationship with the capitalist mode of production over time have been taken as a point of departure from which the economic deterioration of the family typically is assessed. Because the predominant family form, in the years after World War II, shifts with economic development, volumes of classic and contemporary research on the impoverishment and economic insecurity of families attempt to discern the comparative outcomes of various types of families. While ample, the breadth of this work highlights the difficulty of uncovering a parsimonious explanation for the instabilities and contradictions between individuals, families, and the economy (Bendix and Lipset 1966; Grusky 2001).

Michael Harrington’s ([1962] 1997:162) classic statement describes this complexity as “a web of disabilities...if one problem is solved, and the others are left constant, there is little gain.” Harrington’s ‘culture of poverty’ is defined not as a moralistic failure, but a response to the conditions of existence of poor families in the early post-WWII years. Here, the growing contradictions within capitalism in the United

States, as a monetary and social system, generate a relevant but complex set of politically and economically grounded catalysts for shifts within and between families, their stratification, and marginalization. Harrington's conceptualization of the 'other America' subsequently established political consternation and an on-going field of scholarship to investigate the diverse causal mechanisms for the challenging economic circumstances of poor and near-poor families after World War II. By using differing levels of analysis and their explanatory model for the changing formation and deterioration of families in the years after WWII, a historically-contingent, political economic conceptualization of the family can be generated.

MICRO-/MACRO-INSTITUTIONAL THEORY AND THE FAMILY

To investigate the economic deterioration of families in the United States after World War II, the institutional relationship between families and the broader, capitalist society is best understood by using both the micro- and macro-sociological levels of analysis, including a consideration of the family as an independent and dependent variable. In the sociology of the family, multiple paradigms focus on macro-institutional relations, internal-institutional dynamics, and the reflexive relationship between these two levels of analysis. Establishing an alternative conceptual approach to the family as an institution in capitalist society must begin at the foundations of these analytical levels, specifically through the traditions of the macro-social functionalist approach and the micro-interactionist rational-choice paradigm, as both traditions assess how the family influences and sustains social norms and relationships. However, as with most paradigms, there are limits to their utility, and when scrutinized, a more viable conception

of the family that relies on an analysis of the contradictions between families and capital can be developed.

To construct a framework through which the deterioration of families particular to the post-WWII United States may be explored, the macro and micro paradigmatic foundations must first be explicated, focusing on how the deterioration of families is both a dependent and independent variable. From a critique of these conceptualizations, I develop a third conceptualization based on a more salient consideration of the changing family institution within capitalist society. To do so, the basic concepts of each approach are briefly discussed followed by their application toward explaining family deterioration and its institutional form after World War II. Finally, the functionalist and rational choice approaches are critiqued in an effort to inform a third conceptualization that transcends their limitations.

Functionalism

Social scientists, influenced by biological and natural science, formed functionalist explanations for social integration and equilibrium as elementary functions of cultural and social practices (Calhoun 2002; Turner, Beeghley, and Powers 2007). Functionalism, sometimes termed *structural-functionalism*, focuses on order at the societal level and the constraining effects of social structures and institutions on individuals and groups (Ritzer 1996). Applied to the family, this approach considers its roles or *functions* in maintaining social cohesion, promoting equilibrium, and bridging the relationship between social norms and family processes. Durkheim ([1933] 1997:287), the classical theorist credited with providing the sociological base of functionalism, writes that the social system is reflected in the family as “the sentiments

between parents and children [that] would have been different if the social structure had been different...there is nothing in social life that is not in the consciousness of individuals.” In general “everything to be found in the latter comes from society...Here it is indeed rather the form of the whole that determines that of the parts. Society does not find ready-made in individual consciousnesses the bases on which it rests; it makes them for itself.” Functionalism seeks to explain certain structures and institutions in a society by identifying the functions they fulfill in maintaining the underlying values and processes of the society as a whole (Munch and Smelser 1987). Parsons’ work (1966; 2007) that best exemplifies the establishment of functionalist analysis within sociology, takes society as a fact to analyze how the social system develops “sub-systems specialized about more specific functions in the operation of the system as a whole, and of integrative mechanisms which interrelate the functionally differentiated sub-systems” (Parsons 1966:24). Each social system, accordingly, needs to achieve a state of order and subsystems contribute to the maintenance of the system as a whole including “how certain features of it must be accounted for by factors which in strict theoretical sense are extraneous to it” (Parsons and Bales 1955a:388).

The family in functionalism. The broad functionalist approach to the family connects it with the social system at multiple levels, including its interaction with other subsystems, or human action system, such as community and educational structures, and the functions of its internal dynamics, or the *personality* system (McIntyre 1966; Parsons and Bales 1955b). Combining both psychoanalysis and systems theory to analyze the family, it is one institution of a differentiated and specialized social system through which the functioning of society is maintained (Parsons 1955a:33). More specifically,

the family functions to integrate and maintain the underlying values and norms of the social system within its members, thus both patterning their own equilibrium and regenerating the social whole.

Parsons and Bales (1955b) apply this framework to examine the ‘family’ as it emerged in the United States within the 20th century. Acknowledging its evolution from an extended kinship system to the insulated, specialized, and differentiated nuclear family, they argue the limited parent-child single breadwinner family system has, macro-sociologically, become functionless.

It does not itself...engage in much economic production; it is not a significant unit in the political power system; it is not a major direct agency of integration of the larger society. Its individual members participate in these functions, but they do so ‘as individuals’ not in their roles as family members. (Parsons 1955a:16)

Former familial functions have been replaced by other subsystems, such as economic, political, educational, and religious institutions, and the nuclear family, with its specialized roles between parents—the male breadwinner and female caregiver—and the system of authority and control between parents and children, is the evolutionary optimization of the family as a subsystem in the post-WWII United States. As Parsons writes (1955a:16-7), the distinct specialization of the family as an institution is two-fold: “first the primary socialization of children so that they can truly become members of the society into which they have been born; second the stabilization of the adult personalities of the population of the society.” Family members adopt functional roles, to meet these ends, and when successful, reproduce the patterns of society through the personalities of children and adults (p. 249).

However, Parsonian functionalism, amid its many criticisms, lacks a comprehensive consideration of maladaptation or non-integration. The central question to the functionalist is “how far and in what ways integrative influences emanating from the societal community can mitigate and resolve such conflicts” (Parsons 2007:62). To this point, Merton (1957) argues that the structural tendencies of system integration and maintenance also produce *dysfunctions*. Merton acknowledges that institutions or subsystems may not adequately adapt personalities, resulting in “diverse consequences, functional and dysfunctional, for individuals, for subgroups, and for the more inclusive social structure and culture” (1957:30). The family is implicated in transmitting institutional dysfunctions because children, through socialization and pattern maintenance, are exposed to many maladaptive roles and processes of adults (Merton 1994). A functional analysis of the family, therefore, while narrowly taking the social system in its present temporal condition, investigates subsystems and their processes to determine the overall social structure, just as the social structure helps determine the effectiveness with which the functions are fulfilled (Merton 1957:82). The system adapts, in the end, and reintegrates dysfunctions into *functions*.

For example, social stratification is one aspect of the modern social structure that, on its face, seems contradictory. Functionally, however, stratification is argued to perform positive structural functions by conditioning the concrete behavior of groups and individuals (Davis 1942). A unified social system ranks people and their actions within an ends-oriented structure of integration. To be precise, “[i]t must concern itself with motivation at two different levels: to instill in the proper individuals the desire to fill certain positions, and, once in these positions, the desire to perform the duties attached to

them” (Davis and Moore 1945:242). When the system is taken as a given, stratification is a functional necessity that places and motivates individuals into the social structure by encouraging and compensating the most talented individuals to fill the most functionally imperative and challenging jobs, therefore meeting the needs of the system (Conley 2003; Ritzer 1996).

Neofunctionalism and the family. Functionalism proper, and Parson’s sociological approach, have been heavily challenged and minimally expanded throughout the 20th century. The *neofunctionalist* project, according to Alexander (1985), concentrates the description of the relations between subsystems more on expressive action and its ends rather than on its means, and equilibrium, taken as a reference point, incorporates the tensions between personality, culture, and structure, reflecting processes of differentiation and change. Neofunctionalism moves beyond Parsonian concepts of pure integration to incorporate Mertonian ideas of critical and material analyses, and to consider dysfunctions which, at particular historical moments, may produce strain or disagreement. Neofunctionalism therefore offers a more accommodating approach to contemporary systemic concerns, aimed at the functioning of the social whole and above the sum of systemic parts.

Theoretically, the *neofunctionalist* social system remains interrelated, but now considers “the tension between means and ends, the reference to equilibrium, the distinction between personality, culture, and society, the sensitivity to differentiation as a master trend, and a commitment to independent theorizing” (Alexander 1985:15). However, each of these merely allows for different approaches to think about, for example, how “conflict is intertwined with theories of integration and social solidarity”

(p. 16). Hence, as conflict remains purposeful neofunctionalism offers an alternative mode to understand differentiation while upholding the concern with synthesis (Cosser 1956; Ritzer 2000). As Alexander writes, this offers a macroscopic vision and “the commitment to the independence of conceptualization and theorizing from other levels of sociological analysis” (p. 10).

Swenson (2004) most recently develops a *neofunctionalist* theory of the family by building on Parsons with the dimensions established by Alexander. Traditional Parsonian functionalism sees the social system as transmitted in the same form to all members (Heiskala 2007), however, as neofunctionalists have reoriented the focus on the ends, not the means, Swenson (2004:61) takes into account how different families are constructed by the internalization of cultural values and the interpenetration of internal family relationships with the variety of external organic, personality, social, cultural, and physical sub-systems. The family remains the specialized system of action for socialization and stability, impacted by “a collectivist order that limits and constrains social life” at the macro-social level (p. 401). As the social system evolves and integrates diverse cultural and moral values, Swenson acknowledges the incorporation of diverse family structures and relationships is necessary. Converging with Parsons and Bales, a family in which children are properly socialized and adults are adequately stabilized best contributes to the maintenance of the entire system (p. 391).

Yet, Swenson includes diverse family structures and relationships, and employs symbolic interactionist, social constructionist, and systems theories to determine how the family mimics and reproduces social values and goals through diverse internal dynamics. For Swenson, the family is composed of “interactions that reveal relationship quality,

parental adequacy, the attachment of parents to children that results in security, and role differentiation that includes expressive and instrumental roles” (p. 118). Families become dysfunctional when normal socialization is compromised through negative parenting and partnering, and its members, especially children, are less likely to be “pro-social and conform to cultural values.” Through failures to integrate within the social system, Swenson promotes the traditional nuclear family as systemically optimal despite advocating the integration of various theoretical perspectives.

The economic deterioration of the family. Utilizing a functionalist approach to explain the economic deterioration of the family as an institution in capitalist society necessitates factors of non-equilibrium and the positive functions of stratification (White and Klein 2008). The economic deterioration of families, following the Parsonian tradition, is a result of some maladaptation within the family and its inability to properly socialize its members to the norms, values, and goals of the social system—the dysfunction of economically marginalized families is not systemic because the social system is objective reality. Within society, the integration of subsystems serves the system as a whole and, to be effective, the family must integrate and perform its specialized roles delineated by the system itself. “There is *no* action system without a normative aspect; hence...successful establishment of this normative control will minimize resistance to it” (Parsons 1955b:145). In response, the system either reintegrates the maladaptive parts, or supplements their functions through other subsystems (Mullaly 1997).

Alternatively, Merton’s concept of dysfunctions and the positive functions of stratification lead to a more elaborate (neo)functional analysis of the economic

deterioration of the family. Societies differ in their stratification mechanisms, for example, through the degree of specialization between other systemically required functions, and vary by the nature of their functional emphasis, or social organization. Here, free market society focuses on private production and accumulation, and to a greater extent, competition for economic performance (Streeck 2005). As positions within society provide, at some level, a livelihood though monetary or economic returns, economic stratification arises, as it “becomes convenient for the society to use unequal economic returns as a principal means of controlling the entrance of persons into positions and stimulating the performance of their duties” (Davis and Moore 1945:246). In free market societies, different strata situate the different levels at which individuals, and therefore families, accumulate adequate private property. Surplus accumulation leads to wealth and the “ownership of production goods consists in rights over the labor of others...[and]...has the greatest significance for stratification, because it necessarily entails an unequal relationship” (p. 247). To maintain the underlying goals of the free market economy, stratification motivates individuals to seek higher economic status and prestige, and creates, in effect, “a certain amount of institutionalized inequality” (Davis and Moore 1945:243).

The economic conditions of families directly reflect these functionalist arguments, with location in the social hierarchy based on the family breadwinners’ position in the labor market. The system of compensation promotes competition between labor and families are stratified to reflect the motivation and/or ability of their breadwinner(s) to compete for particular jobs at particular reward levels. Familial economic differentiation is defined “by the function it fulfills for the working and maintenance of society” (Munch

and Smelser 1987:371). The differentiated economic status of families reflects this mutually supportive function to provide labor to the market and the subsequent wages garnered determine their economic wellbeing and social position.

This is most evident through a functionalist analysis of the positive functions of poverty. In a classic statement, Gans (1972) presents fifteen functions through which poverty aids in maintaining the social system. Such functions, using a Mertonian analysis, include the maintenance of a labor pool for the lowest segments of labor, support the work of the affluent, as well as the working- and middle-classes, and therefore guarantee the status of those who are not poor. For stratification, “some people must be defined as inferior to everyone else with respect to a variety of attributes, and the poor perform this function more adequately than others” (p. 285). A functional analysis, Gans suggests, makes it difficult to argue against considering the positive functions of any sub-system, especially if the system as a whole is taken as a given social fact. Thus, as Jencks (1993:128) comments, applying this functionalist argument to the economic conditions of labor and families in the post-WWII United States, even poor families at the economic bottom of the social system serve, to maintain the order of the capitalist mode of production. By competing for employment with low economic rewards, poor families function to provide a reserve labor pool able to work in marginal positions for low, even exploitative wages (Marx [1976] 1990:781).

Critique of Functionalism

Functionalism, as a theoretical orientation, has sustained numerous criticisms since its prominence in the early post-WWII period. Most important to considering the study of the family, White and Klein (2008) offer five basic short-comings of

functionalism: a tautological system of explanation; limitations on generating causal explanation; vague definitions of key concepts such as *function* and *system*; the inability to incorporate explanations of change; and confusing individual action as intentional or functional. These basic criticisms, in similar form, are common and endure because, at the base, they support an overall critique that functionalism is too abstract, making it problematic for empirical observation of systems without reference to the actions of individuals and groups (Mills 1959; Munch and Smelser 1987).

Specific to the economic deterioration of families over time, an adequate analysis using the functionalist paradigm, including neofunctionalism, has three key limitations: a lack of mechanisms for social change, failure to identify the contradictions between capital and families, and the conceptualization of the family as an institution. First, the functionalist school fails to incorporate a salient conception of social change that, as Smith (1973) argues, is both theoretical and methodological. A theory that promotes a model of society as stable and normative, “is prevented from grasping the way in which time alters role relationships and erodes norms, so changing the nature of all social systems” (p. 4). While neofunctionalism addresses alternative and diverse family relationships, the theoretical thrust still aims at explaining norms, values, and order. Methodologically, the focus on functions, needs, and consequences, redirects the scrutiny from causes and initiating factors, to examine “how societies survive and cohere in the face of external pressure and internal strain, not how they change” (p. 4). This, according to Giddens (1986), promotes the functionalist tendency to accept outright a social system as clearly delimited and highly integrated. Opposing this view, Giddens argues the current structure is an historical product and spatial relationships of institutions also

possess temporal associations. It is necessary “to think in terms of time-space rather than treating time and space separately” (p. 363). Social systems, and their interrelated parts, are context dependent and respond not only to *what is*, but exist in a period of historical development. Incorporating a consideration of time therefore undermines a functionalist argument by showing how, when taking an institutional level of analysis, subsystems are multi-layered, contextual, and historically-contingent (Heiskala 2007; Mills 1959).

The lack of a time dimension leads to a second important limitation of functionalism for this research, namely, the lack of conflict and contradiction in the analysis of the family. To evaluate shifts in the economic wellbeing of families over time, an institutional analysis can scrutinize such change from either “a relatively coherent and functionally interrelated social system or...independent or conflicting patterns” (Heiskala 2007:261), however, these approaches are mutually exclusive as conflict and stability provide different explanations of the same phenomenon. The economic condition of a subsystem, the family, diverges from the system as a whole. Because the social system is taken as a given, functionalism seeks to explain any subsystem through its contributions to the existing social order. Stratification, and the differentiated status of families, fulfills the maintenance of social order, *because the social system has evolved and stabilized by incorporating such an arrangement*. Fundamentally opposed to inconsistencies and making conflict a systemic residual contributor to social order, “[s]ociety’ or ‘system’ is hypostatized, made the referent around which theory is to be constructed” (Collins 1975:21). Stratification serves a positive function to maintain the required level of competition between individual laborers and, by connection, their families (Davis and Moore 1945). However, Collins

(1994:199) posits that labeling something as functional “does not answer the question of why certain structures happen to exist to serve that function rather than something else.” Furthering this point, Smith (1973) states that ignoring conflict in competition only promotes the function of pattern maintenance and neglecting *social contradictions* and *conflict* means that ensuring stability through values and norms omits the impact of struggles for limited resources.

Rhoads (1991:297) notes the contradictory nature of integrative forces that ‘maintain’ the patterns of norms, values and actions because, for those at the top of the order, they have positive functions, and those at the bottom have nothing to gain, because “the controls that secure their performances are coercion and material reward.”

Alternative conceptions of social class, or race and ethnicity, for example, question the systemic incongruence between categorizations of difference and the consensual model of functionalism (Kuklick 1996). In addition, misconceptions of how families are best able to meet their needs functionally highlight contradictions between norms and reality (Miller-Cribbs and Farber 2008). Combined with the first criticism above, the contradictions between families and capital, despite the endurance of both, must be incorporated into the conceptual system, rather than attempting to explain inherent, and increasingly durable conflicts and contradictions.

A third and final criticism that further discredits functionalism’s ability to explain the economic deterioration of families after World War II is the weakness of a functionalist conception of the *family as an institution* that is both active and historical yet is a relatively passive subsystem. That is, the functionalist lens, and its *neofunctionalist* variant, considers the creation of subsystems to meet systemic needs

through which it is promoted, supported, and reproduced successfully. However, one does not need look too far to understand that the family has existed long before the post-WWII period in the United States, and has persevered within a magnitude of diverse and historical social systems. The family was not ‘created’ solely for the maintenance of a singular social system, but is a set of pre-existing institutional roles—mutual obligation and affection in production, reproduction, and socialization. The system merely appropriated these roles and textures them to benefit the present social system. Marx (1998:48-9) formulates this argument, showing how the natural tendencies of humans, and the basic social collective of the family, presuppose any social system:

the production of life, both of one’s own labour and of fresh life in procreation, now appears...on the one hand as natural, on the other as a social relation...in the sense that it denotes the co-operation of several individuals, no matter under what conditions, in what manner and to what end.

Human beings and their familial relations have a history independent of a particular social system and “a fundamental condition of all history, which today, as thousands of years ago, must daily and hourly be fulfilled merely in order to sustain human life” (p. 47).

Benton and Craib (2001:90) suggest, “even if we can attribute ‘needs’ to a society or social system or part of a social system, there is no way of showing that these needs *must* be met or that they must be met in a particular way.” Rather, separate social systems, capitalist or not, may expropriate from the family specific functions based on different needs at varied historical moments. This is why, for example, functionalist proponents formulate the necessity for the nuclear, traditional family for advanced

capitalism because this family form and economic growth were prominent at the same historical moment in the early post-WWII period. The family in this form was merely the convergence of political, economic, and social factors, not the master narrative of functional imperatives and systemic needs (Coontz 1997; O'Connor 2001; Quadagno 1994). Neglecting the political economic conditions of the early post-WWII period, functionalism provides an argument of objectivity, the means of scientific rigor to explain norms and values. Rather, the family as an institution is more stable in its general roles, historically, and leveraged more through historically-contingent social contexts, not ahistorical imperatives of a broad social system.

Exchange and Rational Choice

In the Parsonian tradition, functionalists start with the behaviors of individuals, termed *methodological individualism*, to explain larger social systems (Calhoun et al. 2002). While historically distinct, but analytically related, both exchange and rational choice theories take individual actions and interactions, not system maintenance, as the object for analysis. Further, to focus an analysis on the family, and especially on its economic deterioration, these theories consider changes in behavior within and between families, and their impact on the broader society. Given their theoretical linkages, both perspectives will be combined under the term *rational choice theory*.

Rational choice theory is built on the foundations of neoclassical economic theory, including the assumptions of utility maximization and optimization under stable preferences (Coleman and Fararo 1992; Heiskala 2007; North 2005), and sustained by social exchange processes, grounded in the work of Homans (1947; 1974) and Blau (1960; 1964). Interpersonal interactions are social phenomena, defined by the “repeated

exchanges of rewards between [people]” acting and interacting to maximize their benefits at minimal costs (Homans 1974:51). When social exchanges are repeated, and rewards are gained, they become predictable and lead individuals to operate in ways that present the greatest likelihood of anticipated rewards. On this basis, rational patterns of human action are established: “For a person engaged in exchange, what [one] gives may be a cost to [them], just as what [one] gets may be a reward, and [their] behavior changes less as profit, that is, reward less cost, tends to a maximum” (Homans 2002:97).

Blau (1964) extends Homans’ approach to argue that interpersonal social exchange behaviors “derive the social processes that govern the complex structures of communities and societies from the simpler processes that pervade the daily intercourse among individuals and their interpersonal relations” (p. 2). Any social relationship where behavior is oriented to socially mediated goals, also include forms of differentiation, such as intimate attachments and distant connections, power and peer relations, and conflict and cooperation (1964:5). Blau (2002) argues that exchange, therefore, is not always even, but operates on dependence and power, guided by norms of fair exercise of command. These norms legitimate a system of differentiated status and the extraction of value from those who want something but do not have the means to equally reciprocate. Institutional rules and norms are created and reinforced to justify both social goals and the demarcation of status, power, and inequality in personal exchange, thus balancing mutual dependence and support (Blau 1964; Blau 2002; Ritzer 1996).

Coleman (1998) develops a theory of rational choice by arguing that individual action is also purposive. Emanating from the foundational assumption of Homans (1974:12) where “nothing emerges that cannot be explained by propositions about the

individuals as individuals,” Coleman (1986:1320) suggests the utility of institutional economics through which an action system “makes satisfactorily the transition from the micro level to the macro level, from the purposive action of individual actors to the functioning of a system of action.” Individual actions build and sustain macro-level formal and informal social institutions as “webs of interrelated rules and norms that govern social relationships” and provide “the formal and informal social constraints that shape the choice-set of actors” (Nee 1998:8). This technique, termed *methodological individualism*, implies that the “behavior of a society can be explained by adding up the behavior of individual agents that operate in the society” (Kjosavik 2003:205). Coleman (1998:3) combines this method with the concept of purposive action to discern the “knowledge of how the actions of these parts combine to produce systemic behavior can be expected to give greater predictability than will explanation based on statistical relations of surface characteristics of the system.” Similar to economic rationality, *purposive action* is based on the notion that different actions have particular utility for different individuals who in turn choose to act to maximize their utility within a given situation (Coleman 1998:14). Thus, it is argued, the actions of individuals provide an ‘internal analysis’ of systemic behavior, where the distinct actions of individuals communicate the nature of the system as a whole.

On the theoretical base of neo-classical institutional economics, rational choice theory analyzes individuals as abstract actors, characterized by assumed behavioral characteristics within certain constraints in social and economic systems (Kjosavik 2003). To understand social organization, Coleman (1986:1324) argues, is to understand the rationality of *abstract* individuals in exchange, “actions that purposive actors will engage

in when this configuration of interests and resources exists is social exchange, and when a number of these exchange processes are interdependent, we describe the whole set as a market institution.” In such an economic market, individuals are assumed to be interchangeable as their assets and interests combine in competition to produce a structure of equilibrium. Actions promote the growth and stability of social structures, and differentiated systems where individuals have private interests and resources, and different levels of power, provide space where the interests of others can be met through social exchange.

Concomitant with social markets, social capital (the generalized capacity for action) is also generated through the combination of trust and reciprocity between individuals. Coleman (1988:110) argues that social capital connects the individual with particular attributes of the social structure “as resources that they can use to achieve their interests.” Yet, unlike physical forms of capital or one’s skill set of human capital, “social capital inheres in the structure of relations between persons and among persons...neither in individuals nor in physical implements of production” (Coleman 1998:302). Maintained through purposive interactions as a resource for utility maximization, social capital impacts both individuals’ ability to act and their perceived quality of life (1998:317).

These essentials of the rational choice approach rely on the reduction of individual actions to formal theoretical models of future-oriented behavior. Hence, any explanation developed using this approach begins with the formal presentation of a model or models which specify relationships and conditions between actors, and utilizes mathematical analyses to test their explanatory power (Astone et al. 1999; Bohman 1992;

Coleman 1986). To build these formal models, Nye (1978) summarizes six basic propositions: first, humans seek to maximize rewards and avoid costs; second, individuals will choose to act in a way that anticipated or expected rewards are maximized; third, individuals will act to minimize costs; fourth, individuals will act to maximize long-term outcomes; fifth, if long-term outcomes are perceived as equal, individuals will act to maximize their short-term outcomes; and sixth, if costs and rewards are equal, individuals choose to act to maximize social approval. Based on these premises, and the development of rational choice theory above, Lovett (2006:239) argues, “models are best understood as contributing to the construction of ordinary causal explanations, rather than as providing intentional explanations.” Rational choice and exchange explanations can consider two levels of phenomena, macro-structural characteristics and micro-behaviors. However, methodological individualism makes the indirect actions of abstract individuals the generalized and predictable explanation of systemic behavior, “not in terms of final causes but in terms of efficient causes” (Coleman 1998:16).

Rational choice and the family. Rational choice concepts, more often than functionalism, have been applied to study the family and its relations within the larger social system through processes of rational exchange, purposive action, and social capital. For example, the form of family that emerged after World War II is argued to arise out of exchange relationships within and between families to standardize the economic decision process to invest in human capital, especially by allocating human time between labor market and household production functions (Schultz 1974). As Almond (2006:147) writes, this normative family model with “a division of labour in the

family between one partner working in the home, the other in the world of paid work, was economically advantageous to both of them.” What is more, as an economic approach, rational choice considers patterns of economic production *and* consumption in meeting procreation and child socialization roles. Hence, through the rational responses of individuals in families who maximize social and human capital within certain market conditions, this approach expands the institutional characteristics of families to include consumption roles (Coleman 1998). Thus, *family economics*, grounded in utility-maximization, anchors family viability in the “decisions about goods purchases, labor supply, fertility, and child investments [that] maximized a family utility function subject to family constraints” (Lundberg and Pollak 2007:4).

The economic deterioration of families. To focus on changes within families, rational choice theory integrates income, marriage formation and/or dissolution, disabilities, number of children, among others, as variables to determine shifting family patterns (Becker, Landes, and Michael 1977:1142). Family wellbeing, including economic stability, is an outcome of individual choices of rational actors within the family in order to closely estimate the optimal allocation of their collective resources (Berk and Berk 1983). Here, the family is the independent variable, and through its actions builds and sustains institutions through which future behavior is predictable. Building on individual-level descriptions for social differentiation, scrutinizing the family as a collection of rational individuals assumes they “understand their environment and act rationally to maximize their own welfare” (Ermisch 2003:2). Rational choice explanations argue the economic status of the family is the result of the choices that seek to maximize opportunities within individual families, and how these decisions ultimately

impact the viability of the family within the larger economy, that is, the ability to develop, harness, and utilize *social capital*.

Consequently, the growing heterogeneity of families, and their subsequent instability, is evidence of the decline in the value of the internal rational processes of the family, including a weakening of marriage, and the decreasing willingness or ability of individuals to make long-term investments and commitments. These trends challenge the necessary requirements of utility maximization assumptions and, promoting instability by failing to fully carry out their functions to meet social needs, necessitate increasingly complex models of individual and family behavior (Goode 2003; Lundberg and Pollak 2007; Popenoe 1993). As families are a means for an internal analysis of system behavior, when they counteract established social norms, measuring family welfare provides a lens to view varied and complex changes in the social structure and institutional development by other political, economic, and social sectors (Ermisch 2003).

For example, Becker (1988; 1991; 1993), and Becker and Tomes (1986), investigate the long-run macroeconomic implications of the family through their micro-economic decisions. Because parents are concerned about the welfare of their children, for example, “[t]he degree of intergenerational mobility, or the rise and fall of families, is determined by the interaction of utility maximizing behavior with investment and consumption opportunities in different generations and with different kinds of luck” (Becker and Tomes 1993:290). A primary variable in the deterioration of families after the Second World War is “the growth in the earning power of women as the America economy developed” (1991:350). This transition led to women’s investment in market-oriented human capital, devaluing non-market household and childcare activities,

lowering marriage and fertility rates, and increasing divorce. These changes in the allocation of human time weakened the role of families on building, caring for, and promoting intergenerational mobility and future social capital, and differentiating poor and affluent families in their ability and readiness “to self-finance investments in their children” (Becker and Tomes 1986:S32). With limited levels of economic, human, and social capital, children in poor families depend on the allocation of highly restricted resources, where affluent, stable families have a greater quality and quantity of assets. With limited resources, the poor came to depend on other institutions, specifically the state, to fulfill functions formerly provided by the family. As suggested by Becker’s work, family inequality is the combined outcome of decisions and behaviors that produce “the underinvestment by poorer families in their children’s human capital” (1991:19), and determined by their response to, and incorporation of, welfare support, not necessarily the nature of the provisions themselves.

Critique of Rational Choice Theory

Rational choice theory has critiqued functionalist theories and methods, but, on similar grounds, also fails to guide an analysis of the economic deterioration of families after World War II. Using the same three criteria—historical change, the explanation of contradictions, and the conceptualization of the family as an institution—rational choice theory is limited *by design* to consider social action within a historically-specific set of social relations. Hedstrom and Swedberg (1996:130-1) contend that these theories provide models that are “ideally constructed in such a way that it includes only those elements believed to be essential to the problem at hand. The target of the theoretical analysis, then, is this model and not the reality which the model is intended to explain.”

This orientation, therefore, leads directly to an objective and positivistic causal analysis constrained to a limited, thin, and ahistorical view of the social world. This narrow scope serves the purposes of the theory, but fails to advance sociological explanation (Blau 1997; Bohman 1992).

The decisive limits to the theory therefore establish its non-utility as an historical framework. Through *methodological individualism*, rational choice theory first seeks to explain how the actions of individuals generate and sustain particular markets. By aggregating the behavior of individuals, the behavior of society fails to be explained by inert conditions, not in terms of institutional or cultural change (Kjosavik 2003). The static causal frame, lacking a historical dimension, is like shortcomings of the functionalist equilibrium requirement. Valid explanations are temporally and spatially specific where “the dimension of time is not involved in the analysis” (North 2005:65), and “individuals’ actions are to be explained with reference to the logic of the situation in which they occur” (Hedstrom and Swedberg 1996:132).

Explanations of change *over time* are outside of its scope because assumptions of stability and predictability neglect *change through instability*. Specifically, “once it claims comprehensive scope...it merely stipulates definitions of certain types of actions so that they may be described, vacuously, to fit the intentional and maximizing assumptions of the theory” (Bohman 1992:212). Ordinary, objective, and causal explanations within the theory are *the focus* of the tests, *not the actual phenomenon of interest*. As Lovett (2006:248) acknowledges, “it is virtually guaranteed that some rational choice model (and usually more than one) can be constructed for the situation one happens to be interested in...it is usually possible to engineer a model so that it yields

the result one wants.” Stable social systems, the institutions built by exchange relationships, are necessary to test the maximization and utility of objective models of individual behavior, which tautologically, are established by the very outcomes of interest. Becker (1991), as discussed above, exemplifies this approach in the analysis of labor market decisions by women and mothers and the emergence of social welfare institutions. To consider changes in the economic wellbeing of families, rational choice theory must analyze the purposive actions at specific times and only attribute future action and institutions from these previous actions.

In addition to the decisive neglect of temporally-contingent social change, stringent rational choice assumptions on the knowledge and action of individuals limits explanations to very particular sets of interactions. These markets produce content- and context-specific explanations for utility maximization assuming free choice. “Starting from a ‘rational choice’ position...a class as a group of people who by virtue of what they possess are compelled to engage in the same activities if they want to make the best use of their endowments” (Elster 1985:331). Social differentiation becomes influential and reinforcing, and even when a measure of power is included, as long as both parties benefit at some level from the relationship, the relationship will remain in effect. This dynamic creates a class-based, or differentiated, set of relationships, where individual actions are modeled based on these distinctions. However, a power dynamic can also be realized out of overt or covert force, and through exchange, purposively produce contradictory levels of benefits for both parties. “The power-holder is in a position to shape the power-subjected party’s objective situation...in such a way that any alternative

action other than complying with his or her commands is or appears more costly” (Munch 1992:139).

Collins (1975) writes that conflict can be discovered when the analysis is reoriented to focus on “real people pursuing real interests” (p. 21) and takes, as the point of departure, the competition between individuals in self-interested pursuit. When power is involved, the interests are inherently antagonistic where people, not abstracted to a statistical model, act “in self-constructed subjective worlds; that others pull many of the strings that control one’s subjective experience; and that there are frequent conflicts over control” (p. 60). Rather than taking competition and power dynamics as market stabilization forces, when the real interests of ‘rational actors’ are assumed, human life is “a struggle for status in which no one can afford to be oblivious to the power of others...If we assume that everyone uses what resources are available...we have a guiding principle to make sense out of the myriad variations in stratification” (p. 60).

The economic deterioration of families, consequently, is explained as the outcome of choices within given restraints and conditions. More specifically, they are decisions that do not effectively maximize the family’s utility. What these explanations do not provide, however, are an elucidation of social and historical conditions, how they are formed, and for whom they are most beneficial. To this point, Blau (1997) acknowledges that rational choice theory, using the rational pursuit of self-interests in explanation of phenomena, is legitimate in restricting itself to a narrow view of empirical reality. “[T]he central task of sociology is not explaining individual behavior but explaining how the structural context of the social environment influences people’s life chances” (p. 20).

Understanding the economic deterioration of families must transcend these limits and take a broader historical, institutional, and socio-structural approach.

Finally, the rational choice conceptualization of the family limits its application in explaining its economic deterioration over time. Methodological individualism, using the individual as the unit of analysis, restricts the study of the family to a study of transposable, abstract individuals, focusing on institutional roles as an aggregation of purposive action and exchange between family members. However, assuming that individual actors are interchangeable and that families, as social groups, can be explained by the motivation of such individuals is problematic (White and Klein 2008:88). Rather, families are member-specific groups that endure in the long-run, making it difficult to use a rational choice model and the assumption that any individual, through utility maximization, is a generalized actor. An economic analysis of the family is best situated to derive predictions about family behavior such as marriage, fertility, and consumption decisions, and when multiple families have behaved similarly within uniform social constraints and institutions, but cannot produce explanations when families are given agency in the real world.

The application of neoclassical economics to the family, following Cabrillo (1999), for example, is based on general principles of human behavior *within* the institution of the family. The family is defined by a universal set of relationships that models *all families*, as, “from the modern, western family to the extensive family of a traditional agricultural society...[h]uman beings are not considered as essentially different.” Social institutions and customs “are understood rather as responses to a varying environment” (pp. 8-9). What is more, rational choice theory argues for a view

of family life that is antithetical to comparative, cultural, or Marxist analyses, because it “can explain the phenomena systematically” (p. 9). Therefore, “in economic analysis of the family, [people act] rationally, searching for maximum satisfaction from limited natural resources in whatever type of family institution or historical time [they find themselves] in” (p. 9).

The changing and deteriorating conditions of families over time, is best understood through the self-created institutions that result from responses within a very specific *set of historical conditions*. This means that individuals within, and families together, who are poor or near poor, and those in the top strata of the economy, act in response to the conditions in which their previous purposive action has itself created. While it is easy to look at internal family processes and assume a set of decisions to be made based on a set of systematically applied information, when deconstructed, this reasoning ignores the actions of individuals and the institutions that are created in other social sectors. The options and contexts through which families act on behalf of their economic interests, especially when their welfare is implicated, are impacted by the larger political economy. As Creed (2000:349) argues, the economic conditions of families, and their outcomes, are “shaped as much by state actions as by economic factors, albeit often in service to capitalist forces.” Families comprise an institution, even within specific social contexts, that interact with other institutions built and sustained through the purposeful action of others. The rise of the social welfare institution, for instance, is not solely the outcome of intangible family dynamics, but also serves as a means to consolidate the decisions and actions of other institutions—such as those established by the state and capital.

AN HISTORICAL-INSTITUTIONAL CONCEPTUALIZATION OF THE FAMILY IN CAPITALIST SOCIETY

With the shortcomings of both functionalist and rational choice approaches in analyzing the economic deterioration of families over time, another conceptualization beyond the micro/macro conceptual levels needs to be established. An alternative conception that incorporates the actions of individuals, a strength of micro-sociological theories, with the social-structural conditions promoted by macro-sociological paradigms is essential. It should respect multiple levels of analysis while incorporating the fluid and adaptable nature of social life between them. Smith (2003:58) argues that any theory that claims a universal, inalienable drive or interest, “the pursuit of pleasure, the maximizing of rewards and minimizing of costs, the quest for social dominance, genetic reproduction...” misses the fundamental observation that the world is variable, open and inventive and “constitute[s], mediate[s], and govern[s] human consciousness, action, and institutions.” Such a conception will overcome the limitations described above and interject the historical and contradictory nature of economic change, as well as the family as a conditional and temporal institution.

Mills ([1958] 2009:47) writes, “[s]ocial scientists want to understand not only social structure and history; they want to understand the varieties of individual men and women that are historically selected and formed by the social structure in which they live.” It is with this focus that this research relies on an historical-institutional perspective. The historical-institutionalist approach I adopt is inspired by Mills (1959) and derived from the materialist and dialectical premises of Marx (1998) to understand political and economic agents within institutional arrangements. Institutions, within this approach, are formal and informal rules and procedures that condition relationships

between segments of the social system (Campbell 1998). However, these institutions, providing relatively enduring value systems, contain changing patterns of behavior and the outcomes of the network of shifting interpersonal relations. As such, institutions transcend diverse areas of social activity linking the family, polity, economy, and other structural aspects of historical and contemporary social life (Calhoun 2002; Marshall 1998). Institutions, thus, “are the rules of the (social) game, and their function is to partition the strategy space between socially accepted strategies and socially condemned ones” (Amable and Palombarini 2009:132). Institutions regulate social relations, and through varied social conditions, “the emergence of institutions may be varied, but most of them can be thought of as the result of socio-political compromise over the rules of the social game, a way of settling fundamental conflicts of interest between agents” (p. 133).

Defining the family as a social and historical institution in capitalist society, based on the empirical data presented in Chapter 1, leads to this macro-oriented definition:

The family as an institution in capitalist society, possess generalized roles through which they collectively, and their members individually, act and interact within the capitalist social formation. These roles of production, reproduction, socialization, and consumption have commonalities across classes and time, and through them, sociologically, the family possesses an institutional form that is historically-contingent.

When the family is identified as such, the possibility for an analysis of the family in a dialectical relationship with other institutions becomes possible, particularly given that the economic deterioration of families is not constrained to the poor and lower classes. The family as an institution in capitalist society, therefore, has fundamental

interests that, at points, are in direct conflict with other institutions. The recession that began in December of 2007 provides the latest validation of the decades-long decline in the economic condition of families across low-, working-, and middle-income families, as well as non-working families. Increasing unemployment, stagnating then declining median incomes, and political and legal failures have led to a growing class of families in a frictional and tenuous relationship with the political economy in the United States. As Newman and Chen (2007:3) write, this growth is due to an increase in the number of families joining the ‘missing class,’ the “nether region above the poverty line but well below a secure station...beyond the reach of most policies that speak to the conditions of life among the poor [but] are decidedly *not* middle-class Americans.” Others have termed this class the ‘missing middle’ (Skocpol 2000), described it as ‘invisible’ (Rubin 1994), and characterized it as a fundamental trap where survival depends on multiple incomes and breadwinners who must negotiate multiple jobs and family obligations (Edin and Lein 1997; Warren and Tyagi 2003). However, despite the label or the description, understanding the economic condition of families is based in a growing divide between prosperity and deterioration, and “[n]o matter what we call people, their daily lives remain the same” (Rubin 1994:30). The economic deterioration of families is manifest across different family forms, structures, and classes, and “by following a large number of actual families over a period of time can the extent of downward mobility (defined by income) be accurately assessed” (Newman 1988:21). An historical-institutional conceptualization of the family allows for an analysis of a broad range of families, aggregated from the middle and missing classes to all of those at or below the poverty line, and their deteriorating conditions of existence after World War II.

In addition, much attention in the social sciences on the economic conditions of families has focused on a particular social group or class of family and, typically, their specific relationships with labor markets, public policy, and other institutions. Such research has, for example, considered the economic experiences of poor and near poor families (Adair 2005; Berrick and Fuller 2005; Newman 2006; Pressman and Scott 2009b; Shipler 2004; Wilson 1996), the lived experiences of single-mother families (Edin and Kefalas 2005; Hays 2003; Sidel 1998; Turner, Danziger, and Seefeldt 2006), the downward mobility of middle-class families (Aronowitz 1973; Frank 2007; Newman 1988; Pattillo-McCoy 1999), and comparative and historical trends in demographic and economic indicators for specific family groups (Danziger and Gottschalk 1995; Smeeding 2005). While the findings of these studies, among others, have provided a substantial and critical analysis of families within the political economy, in-depth institutional analyses are minimal and justify a broader, more comprehensive consideration of families within the social structure of the United States itself. Rubin ([1976]1992:7) considers this duality in studying the family:

If, in fact, the family is a product of its time and place in the hierarchy of social institutions, then American families would be both similar and different—similar in that they share some common experiences, some elements of a common culture by virtue of being part of the same society; different in that class, race, and ethnic differences gives a special cast to the shared experience as well as a unique and distinctly different set of experiences.

Including the family as a social institution in capitalist society in an analysis of the economic conditions of the post-WWII United States focuses on their common

experiences and their similarities in relation to the political economy and will complement other specifically-focused family studies.

Following the need to take the family in total, the conditions in which the family exists, and the structure through which it interacts, must also be incorporated in the analysis. As society developed over time, the economy, especially in advanced capitalism, becomes the major organizing factor of social systems (Heiskala 2007). Therefore, the economy/society relationship is foundational, and analyzing the United States as a *capitalist* social system, allows the experiences of families to be juxtaposed to the *needs* of capitalist profit and accumulation (O'Hara 2004). Political and economic conditions impact the nature of other institutions, and, as the mode of production, capitalism shapes the timbre of these relationships between and within social institutions, and the family is implicated to fulfill certain roles in this interdependent set of relations (Creed 2000; Lasch 1995[1977]).

Lippit (2005) highlights capitalism's requirements for a stable set of institutional relationships in which investment and accumulation can advance. These relationships, however, because of continual development and competition, generate contradictions between institutions, especially between political, economic, and civil organizations. Given the preceding analysis, contradictory economic conditions between the family and capital developed after World War II. An historical-institutional analysis acknowledges that a capitalist system is more than the sum of microeconomic rational calculations, it is also "the institutional conditions that support periods of extended prosperity and growth" (Lippit 2005:69). Specifying a comprehensive conceptualization of the family as an institution in *capitalist* society, regardless of the *type* or *structure* of family, brings to the

fore, whether supportive or tenuous, the reciprocity between some measures of labor, means of subsistence, and modes and resources for consumption (Ciscel and Heath 2001; Dickinson and Russell 1986b).

Finally, both the roles and relationships of the family as an institution within a capitalist society must be considered over *time*. The nature of a capitalist system, including continual growth, competition, and innovation, contextualizes historical changes in institutional interactions and provides a vital context through which “any comprehensive analysis of the changes in the family would have to account thoroughly for those factors” (Horwitz 2007:26). As such, the institutional relationships must include chronological, temporal aspects as well as spatial influences, and hence, are *historically and spatially contingent*. Both rational choice and functionalist analyses assume a general, linear time frame in which observations are taken at one point in time. However, as Isaac and Griffin (1989:876) argue, the uncritical acceptance of such positions makes “the estimated empirical relations from them, as temporally stable and nondifferentiated.” However, contradictory economic relations between families and capital are evident through time, and understanding historical contingencies means discerning the context in which these contradictions manifest. Therefore, this framework is a version of historical sociology, “which self-consciously seeks to identify and explain qualitative change in and around quantitative relations, thus furthering the interpenetration of sociology and history” (p. 888).

Institutional relationships, including those between the family, the economy, and the state, are historically-contingent, and reflect

the system of rules and interpenetrations within which social interdependencies develop...interdependent relations can be real, in the sense that they involve action on and in the material world. And they are real in the sense that they generate real responses from actual others. (Piven and Cloward 2005:42)

If the social structure provides an objective base of human action, such action can be a reflection of the contradictory and dialectical character of that system. Thus, a historically-contingent, institutional analysis of the economic deterioration of the family focuses on the constraints of the social structure, inclusive of its development and institutional make-up, and the agency of families “to probe and question the dominant interpretations they inherit and to modify those interpretations based on their experience” (Piven and Cloward 2005:52). As Marx (1998:62) writes, the conditions of existence are historically created, “handed down to each generation from its predecessor...which on the one hand is indeed modified by the new generation, but on the other also prescribes for it its conditions of life and gives it a definite development, a special character.” Explicitly, it takes into account in the analysis how historically-specific circumstances shape families as much as families shape their circumstances.

The Political Economy of the Family

Once the family is defined as an institution in capitalist society, the historical-institutional approach to understanding the economic deterioration of the family incorporates the various points where capital, the state, and the family interrelate within the capitalist mode of production. Beginning with a macro-institutional conceptualization of the family and its institutional roles within the capitalist mode of production, the contradictions between capital and other social institutions are revealed.

Here, in an analysis informed by Marx, this conceptualization leads to an examination of the *political economy of the family* and the contradictions between its roles within historically-specific economic conditions and the accumulation process. As in the discussion of both the functionalist and rational choice approaches, a brief consideration of the shifts in the economic conditions of families will be explored using the historical-institutional framework.

The historical-institutional family. Marx, and the broader Marxist tradition, has placed the family within a set of non-economic social relations often left out of analysis, yet provides a foundation on which to build a discussion of the family. Focusing on the reproduction of labor power, Marx (1998) presents three historical materialist premises of social activity: first, producing and sustaining material life by meeting one's needs; second, generating methods to both satisfy current needs and increase means to develop and sustain more needs; and third, the formation of families within which individuals reproduce themselves biologically between men and women, and socially between parents and children. Individuals' activities are both productive and *reproductive* as they work to meet increasing material needs and to re-create their productive life. Marx writes that this reproduction is not only biological, but necessarily social, and within the family corresponds to definite social and material forces of production, understood "in relation to the history of industry and exchange" (p. 49). Engels ([1884] 2001:6) further defines the family as a social institution by considering, on one hand, the consumption of "the means of subsistence, of food, clothing and shelter and the implements required for this," and, on the other hand, "the production of human beings themselves, the propagation of the species."

The historical contingencies of the family as a social institution, therefore, develop as a set of embedded patterns and norms in relationship with the organization of society that, for capitalism, involves both reproduction and consumption. Within a capitalist society, no venture or industry exists “devoted to and specialize in the production of living labourers whose capacity to labour is then purchased as an input to the manufacture of other commodities” (Dickinson and Russell 1986b:7). Following a dialectical course of development from production for the family to the intersection with industry, “[t]he rise of capitalism turned ‘families’ into units of commodity production...turning private property into capital and wage labor” (Zaretsky 1976:36-7). As the family produces human labor commodities through biological reproduction and socialization, it becomes a social institution in continual “relationship to the other social institutions with which it connects and intersects” (Rubin [1976]1992:6).

The family was an anchor for the economy in the 1950s and 1960s because it provided the expectation of mutual responsibility and cohesion important to the needs of capital (O'Hara 2004). As a normative institution in relation to these needs, the male breadwinner/female homemaker model was promoted as “the societal locus of generational reproduction through legitimate procreation, child bearing and initial socialization” contributing to the overall stability of the political economy (Dickinson and Russell 1986b:9). The state, with interests in economic stabilization, created programs to aid families who required assistance in reproducing the labor force and to maintain non-working family members and “institutionalized the pattern of intervening in family life when the conditions of production...threatened to undermine the sphere of reproduction” (Abramovitz 1996:235). As Ciscel and Heath (2001) argue, the family and

the nature of social reproduction became part of the capitalist market, compelling “family members to work longer hours engaged in wage labor, while family engagement in a wide range of leisure and nonmarket activities has been outsourced to the service economy” (p. 403).

To maintain ‘production’ the family must also consume in “the use of goods and services in the satisfaction of human wants” (Calder 1999:7). The importance of consumption within the family is twofold. First, and most basic, wage labor allows families to consume goods and services to maintain and reproduce current and future generations of labor power. Consumption places the family and economy in a reciprocal institutional relationship mutually supportive of capital accumulation. The production of goods and services depends on a supply of labor power from the family, but profit realization also depends on families to be a durable market for what is produced. Here, the family is firmly rooted in multiple roles upon which the circuit of capital relies (Adams 1971; Ciscel and Heath 2001; Dickinson and Russell 1986b). Second, consumption provides a measure for adequate family subsistence and economic stability. When consumption wanes, measures of economic deterioration, including the federal poverty line (Orshansky 1965) are used as a means of comparing inequities between social groups (Edin and Lein 1997; Lareau 2003). That is, in striving for an adequate standard of subsistence, families come to experience the contradictions of capitalism through their consumption role. Entangled in stratified relations where commodities needed for subsistence become differentiated, segmented, recombined and expanded, they are reified beyond necessity driving individual and productive consumption (Pietrykowski 2007; Warren and Tyagi 2003; Wayne 1986). These conspicuous

tendencies subsequently highlight class contradictions through the differentiation of families to consume different goods and services for the reproduction and socialization of their members (Ehrenreich 1987; Frank 2007).

The Economic Deterioration of Families

The traditional, male-breadwinner family, consolidated within specific political and economic conditions. As these conditions changed over time, the family also shifted to act in relation to the structure of society. For example, women and mothers historically labored on farms and in mills and factories throughout the stages of early capitalist development in the United States, including during the early post-WWII years, each time entering in to and retreating from the labor force based on the labor needs of capital (Cherlin 1983; Zinn 1995). What is more, LaRossa (2004) contends that media portrayals of fatherhood in the 1950s championed a particular patriarchal role not experienced evenly across the early or late post-WWII period.

The consolidation of the normative family model in the 1950s was due to the historically-contingent nexus of political, economic, and social relations, and as the post-war economy began to slow, the family reacted accordingly. Foremost, poor families, who after World War II experienced continual economic hardship, by the late 1960s, responded to the conditions of their existence disrupting the promotion of a certain family economic structural paradigm. Because social relief from governmental programs remained low until poverty became a public issue, the welfare rights and civil rights movements in the 1960s connected more families with means for subsistence, the ability to contribute to the economy, and a marginal level of economic stability for the first time in the post-WWII period (Piven and Cloward [1977] 1979). For middle- and working-

class families, conversely, as the main sources of wage labor eroded, women became a potentially viable labor market in a growing service economy, especially in clerical and health care occupations (Kotz 1994a). The real incomes of fathers in families with children decreased, and unemployment became more prevalent in historically stable industrial sectors of the economy, causing mothers to increasingly (re)enter the labor force in efforts to maintain a middle-class standard of living (Aronowitz 1973; Cherlin 1983; Danziger and Gottschalk 1995). Between 1967 and 2006, the proportion of dual-earner, married couple families increased by 13.8 percentage points, compared to a decrease of 11.0 percentage point for single-earner, male breadwinner families (U.S. Bureau of Labor Statistics 2008). Whether middle-income or poor, families were attempting to survive an economic slowdown by negotiating the needs of the labor market with their reproduction and consumption roles, all while experiencing their vulnerabilities within capitalism. Additionally, families were shifting structurally, evidenced by a 13.4 percentage point decline between 1947 and 2007 in the number of married-couple families. In the same sixty years, single-parent families, the majority of whom are headed by women, doubled their prevalence (U.S. Census Bureau 2008a). While multiple cultural, structural, and institutional explanations exist for these changes (Almond 2006; Mullins 2001; Quadagno 1999; Skocpol 2000), the expansion of labor market opportunities for women and minorities and actions by families to transcend economic hardships shows the action of real people in response to their economic and social realities.

The dynamic institutional interdependency of economic, family, and state institutions is clear, despite the continued ideology of the traditional family. The reality

of everyday experience is at odds with this ideology, and, disconnected from the socio-economic and political realities facing families (Coontz 1997; Skolnick 1991). As an artifact of a period of economic growth, policy developments incorporate the outmoded and contradictory commitment to the normative male-breadwinner family, creating “the very conditions that make family commitments so important also constitute some of the most entrenched barriers to progress” (Bogenschneider 2000:1154). Capital accumulation depends on a stable labor force and markets for consumption, and state involvement in the economy strategically reinforces the ‘traditional’ family as an institution within the accumulation process (Gordon, Edwards, and Reich 1994; Piven and Cloward 1993). A commitment by the state and economic institutions to promote a particular family ideal highlights the family’s value in a capitalist economy, upholding “activity championed by politicians and advertisers in the name of the family beyond reproach” (Creed 2000:349).

In summary, despite the changes outlined above, and the need to maintain the normative family model, one could assume that, as the economy expands and contracts, the economic welfare of families would be maintained as well. As the social organization—the relations of production—determine the relationship between the state and its citizens, the conditions of existence of families should be maintained to preserve their connections to, and activities in, the capitalist economy (Quadagno 1988; Zaretsky 1986). As this relationship between the family, economy, and the state is traced historically, their institutional relationships emerge as dynamic, contingent on historical transformations and conditions, and advancing the political economy of the family as anything but *normative*.

CONCLUSION

In summary, Table 1 presents four dimensions along which the differing levels of analysis of the family as a social institution are compared. To assess the economic deterioration of the family in the post-WWII United States, the conception of society, social change, conceptualization of the family, and how family economic deterioration is theorized justifies the strength of the historical-institutional approach as developed above.

Table 1: Comparison of Three Conceptualizations of Family and Family Economic Deterioration

	Structural/ Functional	Rational Choice	Historical- Institutional
Society	Interdependent and cohesive set of institutions that promote equilibrium	Collection of institutions created by rationally-acting, utility-maximizing individuals	Formation of historically-contingent relations between modes of production and social institutions within them
Social Change	Evolutionary process responding through stabilizing functions	Individual choices for reward-to-cost maximization	Class struggle against inherent contradictions
Family	Static institution to promote social equilibrium	Collection of utility-maximizing individuals	Dynamic institution in capitalist society
Family Economic Deterioration	Family breakdown compared to norms and functions	Poor individual choices to utilize and secure established resources	Breakdown of post-WWII SSA and shifts in the conditions of existence

First, in the view of society, the structural functionalist approach assumes social equilibrium and institutions act, through their specific functions, to promote and sustain the overall existence of the established, orderly social system. The rational-choice argument sees institutions as a collection of rational actors who form and maintain larger structures of action and interaction balancing costs and benefits to maximize social rewards. Both approaches take society, therefore, as a set of institutions that act to maintain a system of order and action. The conceptualization developed here, the

historical-institutional approach, instead of taking society as stable and/or rational, considers the cleavages between the mode of production and different institutions that maintain or challenge the existing order. Therefore, the historical-institutional approach problematizes the structure and relations of society, rather than taking them as a given, and instead sees them as the result of inherent contradictions in capitalist society.

Second, both structural functional and rational choice conceptions of social change fall short in an analysis of the changing economic conditions of families after World War II. Social change is minor and incremental within the structural functionalist argument, the result of evolutionary shifts in the stabilization functions of the social system. The rational choice argument focuses change through micro-social shifts in actions of reward-maximizing individuals. Both, however, fail to include a dimension of time to consider the conditions of existence as a product of historically-contingent conditions. Social change in the historical-institutional conceptualization maintains the actions of individuals, but also incorporates the temporally contradictory political, economic, and social relations between institutions and capital. To understand these historical contingencies, observations over time provide a consideration of the context in which these contradictions are manifest. That is, families act within a set of relations that are historically-contingent, and the historical-institutional framework takes social contexts through time to investigate such relations. Placing the family in conflict with the historical drift of capitalism, the conceptualization I develop here advocates a superior consideration of the family in capitalist society as a political and economic institution acting in response to inherent contradictions and their conditions of existence in the post-WWII period in the United States.

Third, the family as a social institution in capitalist society differs between these three approaches. The structural functionalist and rational choice levels of analysis take the family as an institution which acts to stabilize the system of social relations. The family is static within the structural functionalist approach as it reproduces and maintains the existing system of social relations external to it. The rational choice model assumes the same process, except from the opposite direction where individual family members act in rational ways to build institutions within which they maximize their position and, as a consequence, build and sustain the existing system of social relations. The historical-institutional approach, on the contrary, questions the stability of the social system and considers the family as a dynamic institution, acting to navigate the contradictions inherent in the capitalist mode of production. As argued above, the political economy of the family is responsive to the historically-contingent political and economic conditions where the family, as an institution, acts to fulfill reproduction and consumption roles through whatever means may be necessary. When the society is taken to be in conflict, and social change as the response to inconsistencies, social institutions such as the family can be understood as acting in response to the contradictions of capitalism.

Finally, the fourth dimension for comparison, how the economic deterioration of families after World War II is theorized, considers how the family interacts and intersects historically with capitalist society in the United States. The failure of the structural functionalist and rational choice theories to include a meaningful dimension of time and social change limit the possibilities for a historically-contingent exploration. Instead, for the structural functionalist approach, the family fails to incorporate the norms and

functions of the capitalist social system resulting in the destabilization of the family unit. Likewise, rational choice explanations take the failure of families to make appropriate choices to utilize and incorporate the necessary resources to secure the rewards of capitalism as the basis for their economic deterioration. As discussed earlier, these two levels of analysis fall short in explaining changes in the family as a social institution in capitalist society over time, instead analyzing their economic deterioration within the fixed parameters of specific moments of the post-WWII period in the United States.

Because the historical-institutional conceptualization makes time and space a central problematic within the capitalist mode of production, family economic deterioration is placed within the context of shifts in the political, economic, and social conditions in which families exist. As the relationship between the family, economy, and the state is traced historically, their institutional relationship is vigorous and subject to transformations over the post-WWII period in the United States. This historically-contingent set of institutional relations, discussed below in Chapter 3 as a *social structure of accumulation*, consolidates a system of institutional relationships to support the process of capital accumulation and the overall health of the capitalist social system. The historical-institutional conceptualization of the family as an institution in capitalist society considers a more robust exploration of family economic deterioration in the United States during the post-WWII period because it takes the family in relation to other social institutions over time.

Therefore, when the post-WWII U.S. economy expands, stagnates, and decays, the institutional configuration of the post-WWII capitalist social system shifts. Ultimately the social structure of accumulation breaks down and the economic

deterioration of the family follows as conflicts between institutions to shore up the circuit of accumulation intensify. As a class-divided social structure develops within this specific set of historical and spatial social conditions, the political economy of the family is understood as both historical and material, and the historical-institutional conceptualization reflects the inherent contradictions and struggles within and between capitalist economic, governmental, and family structures. Before the institutional analysis of these changes, the political economic aspects of this relationship must be further conceptualized. This is the goal of the next chapter—the development of a theory to understand the nature of the institutional relationship between capital, the state, and family within capitalism.

CHAPTER 3

POLITICAL AND STATE THEORY

“Conflicts over relief, in short, have always been at the heart of broader class conflicts over power in market relations.” – Frances Fox Piven and Richard A. Cloward (1987:11)

To consider the economic deterioration of families after World War II, a comprehensive consideration of the political economy of the family *as a social institution* must be combined with both the state and capital. Because this conceptualization of the family as an institution, as developed in Chapter 2, does not focus solely on one class of family, it views the family as serving a dynamic, but specific role in the mode of production, one that is historically-contingent. This chapter presents the theoretical orientation through which this conceptualization of the historically-contingent family will be explored in relation to the broader political and economic conditions in the United States after World War II. First, the primary theory, social structure of accumulation theory, will be reviewed to discuss its relevance and utility in approaching the research question. However, as no social theory is complete, the remainder of the chapter serves to supplement this base and reconstruct the social structure of accumulation approach with a theory of the state, and its most recent form, the *capitalist welfare state*.

THEORETICAL FRAMEWORK

As the study of economic production in relation to the larger society, the political economy of the family must combine its roles—(re)production, socialization and consumption—with the governmental and economic spheres in the pursuit of capital accumulation. An account of the deteriorating economic situation of families in the United States, therefore, requires a theory of the relationships between social institutions,

especially as they historically develop and change. As demonstrated in the construction of a concept of the family as an institution in capitalist society, this theory should incorporate the contradictions and conflicting social conditions of capitalism and the historically-contingent relations between social institutions. One such theoretical approach is the political economic *social structure of accumulation theory*.

Social Structure of Accumulation Theory

Social structure of accumulation theory (Gordon, Edwards, and Reich 1982) was developed to explain long-swing stages of growth and decay in the world capitalist economy. This theory argues that a long period of sustained economic growth results when a set of social institutions that define and regulate relations between capital, labor, and citizens comes together in a *consolidation phase* to produce a climate conducive to capital accumulation. This institutional ensemble, a *social structure of accumulation* (SSA), is defined as

the specific institutional environment within which the capitalist accumulation process is organized. Such accumulation occurs within concrete historical structures: in firms buying inputs in one set of markets, producing goods and services, and selling those outputs in other markets. These structures are surrounded by others that impinge upon the capitalist accumulation process: the monetary and credit system, the pattern of state involvement in the economy, the character of class conflict, and so forth. We call this collective set of institutions the social structure of accumulation. (Gordon, Edwards, and Reich 1982:9)

Over time, due to inherent contradictions and labor/citizen unrest, this set of institutions begins to break down leading to economic decline during the *decay phase*. Decay is

followed by a lengthy period of institutional restructuring during the *exploration phase* (overlapping somewhat with the decay phase) that eventually consolidates into a new social structure of accumulation fostering renewed economic prosperity during a new consolidation phase. As a neo-Marxist theory of long-swing change in capitalist economies, SSA theory focuses on the historical contingencies of, and relations between, capital and labor within the mode of production. The original analytical intent of SSA theory, proposed by Gordon et al. (1982), was to “integrate critical and complex connections among macrodynamics, institutional structures, the organization of work, and the character of the working-class movement” and aid analysts of modern capitalism to “recognize the political contingency of past and present structural change” (p. 16-7).

SSA theorists have subsequently provided a more detailed analysis of the phases and social institutions comprising the post-WWII U.S. social structure of accumulation that produced the period of sustained economic growth immediately after World War II (Bowles, Gordon, and Weisskopf 1990). The post-WWII SSA in the U.S. includes a consolidation phase from about 1948 through 1966, a decay phase from about 1966 through 1979, followed by a phase of overlap between decay and initial exploration for institutional alternatives characterized by the dominance of business from about 1979 through the early 1990s. Currently, there is disagreement on the existence of a newly consolidated SSA (Diebolt 2002; Reich 1997; Tabb 2010), however the period starting in 1993 is taken here as a prolonged period of exploration, including the expansion of neoliberal institutions and social relations (Kotz 2003; Kotz and Wolfson 2004; Kotz 2008; Kotz 2009; Wolfson 2003).

Examining the *specific institutional environment* of the post-WWII social structure of accumulation, SSA theorists (Bowles, Gordon, and Weisskopf 1989; Bowles, Gordon, and Weisskopf 1990) detail four structural pillars that support the pursuit of profits by the capitalist class: the *capital-labor accord*, the assurance of management control over business and industry decision-making and a concomitant "labor peace" in exchange for rising wages, employee benefits, and job security; *Pax Americana*, the establishment of international economic stability and favorable terms for U.S. capital in foreign trade-relations; the temperance of an *inter-capitalist rivalry*, limiting foreign competition with U.S. firms and preserving domestic oligopoly structures; and the *capitalist-citizen accord*, or the protection of capital accumulation while providing a modest social safety net of public programs and governmental transfers to meet some basic citizen needs. Bowles et al. (1990:49) write,

Each of the four principal institutional structures of the postwar SSA involved complex constellations of power relationships. These structured relations can easily sound abstract, devoid of the tugs and pulls of individual historical actions. But the rise and demise of the postwar SSA was the product (often unintended) of the projects and struggles of real people trying to cope with changing circumstances.

Additionally, Wolfson (1994a) highlights an important additional component of the postwar SSA, a financial structure that supports the accumulation process by promoting stability, enhancing profitability, and managing class conflict. These financial institutions, though not an accord, were born from the fiscal turmoil of the Great Depression to support the social system as a whole. Taking on the burden of oversight,

the state addressed regulation of the banking, investment, and credit systems to include the separation of commercial and investment banking, the prohibition of interest payments on demand deposits, and the formation of the Federal Deposit Insurance Corporation through the Banking Act of 1933, and the creation of the Securities and Exchange Commission through the Securities Exchange Act of 1934. Further, the federal government inserted itself permanently in housing and mortgage markets through the creation of the Federal Housing Administration and its mortgage holder, the Federal National Mortgage Association, Fannie Mae,^{iv} and the development of urban public housing projects (Colton 2003; Hays 1995; Lippit 2005; Wolfson 1994a).

The post-WWII SSA was, in effect, a response to under-consumption, or lack of *effective demand* (Reich 1994; Wolfson 2003). The Great Depression, sparked by the contradiction between capitalist development and the rise in unemployment and decline in wages, provided the necessary shocks to impact the ability of labor and citizens to maintain a level of purchasing power in the circuit of capital accumulation.^v By providing the context for the period of exploration preceding the consolidation of the post-WWII SSA, the Great Depression spurred the development of the accords through the struggles of capital, labor, and citizens mired in the crisis. The post-WWII accords, and their approach to accumulation and effective demand, reflect the alignment of class forces that produced them (Gordon, Edwards, and Reich 1982).

Reich (1994) argues that, as a product of these struggles, the configuration of policies constituting the post-WWII SSA stimulate demand and promote economic activity, and therefore accumulation, by balancing the relationship between prices and wages. For example, Reich points to text within the National Labor Relations Act of

1935, one key component of the capital-labor accord, that the law explicitly “stated the desirability of maintaining mass purchasing power to support the level of economic activity” (p. 37). The capitalist-citizen accord similarly functioned to stifle under-consumption through social spending by the state, or *demand-management*, to offer a level of economic security for citizens in their old-age and when unemployed. Directly influencing the profitability of capital, for the first time the federal government entered into the relationship between capital, labor, and citizens establishing a “social safety net, extended public oversight of key economic sectors, and used Keynesian demand management techniques to stabilize the macroeconomy” (Kotz and Wolfson 2004:39-40). The connection of the capital-labor and capitalist-citizen accords, therefore, made capital, workers, and the population in general, partners in both in the production and consumption of capitalist goods and services, guaranteeing a “modicum of economic security” through “macroeconomic adjustment and social welfare spending that sustained these arrangements” (Piven and Cloward 1997a:3-4). Further support through the Federal Housing Authority and federally-backed mortgage protection for lenders, for example, allowed working and middle-class families, those able to acquire employment and steady wages, to purchase homes through long-term, low-rate, low-risk mortgages (Hays 1995; Mohl 1993). As these relations came together, the postwar economic boom resulted, as argued earlier, through the stabilization of the macroeconomy by shoring up effective demand and the opportunities in and outcomes from, the war economy of World War II (McDonough 1994).

More recently, SSA theorists (Wolfson and Kotz 2010) have argued that the pillars of the post-WWII SSA in the United States, and its consolidation, represent a

regulated institutional structure (RIS), “in which labor has significant power, which capital is compelled to accept, producing a capital-labor compromise” (p. 81). The following decay and exploration exemplify the move from this RIS to a liberal institutional structure (LIS). The differences between an RIS and LIS underscore how the capital-labor contradiction is stabilized and is determined primarily by the state’s role in the economy, but also the contradictions within capital, within labor, and the character of the dominant ideology. The nature of these characteristics leads to a certain coherence as to how the contradictions of capitalism are stabilized.

The qualitative nature of institutions developed and advanced by the state to promote and stabilize an environment for capital accumulation underlies the divergence between a regulated and liberal structure. The state is the most important entity through which social classes can exercise power, and expanding the rights of labor over capital typifies an RIS, where the rights of capital over labor are emblematic of an LIS. In an RIS, for example, the state constrains free action by capitalists in various ways, including the guarantee of wage and labor protections, but in an LIS, a ‘free,’ competitive market replaces regulation.

SSA theory posits that the post-WWII U.S. capitalist economy can be understood through examination of the intersection of these economic and other extra-economic historical relationships. Specifically, the institutional ensembles within the post-WWII SSA highlight the domination of capital over other classes, and shifts in these relationships were generated by “the rising resistance of the dominated groups” (Kotz 1990:25). Ultimately, the rate of capital accumulation fell

because people increasingly balked at the tasks and roles upon which prosperity in the postwar economic order depended. The result was a stalemated economy in which the costs of goading reluctant participants drained more and more out of the system. (Bowles, Gordon, and Weisskopf 1990:7)

The following prolonged decay and exploratory phases of the post-WWII SSA in the United States, especially after 1980, are a product of the contradictions of the expanded involvement of the state in attempting to stabilize a regulated institutional structure and the economy. The emergence of a liberal institutional structure was based on the ideology that state regulatory mechanisms impede economic progress, individual liberty, and international dominance by constraining competition. An LIS promotes an individualist conception of society, “marked by the glorification of individual choice, markets, and private property” (Kotz and McDonough 2010:94). In turn, the recent neoliberal era is defined by capital’s aggressive stance toward labor, vigorous competition between capitalists and intensifying antagonisms between workers, the growth of financial capital independent of industrial capital, and the reduced role of state regulation of the economy “through privatization and deregulation” (Wolfson and Kotz 2010:85).

Deregulation and increased competition, in part, have also developed in response to the reduction of international barriers to the free movement of goods, capital, to some extent labor, and foreign investments where a global LIS increases capital’s power over labor and offers broader markets for the pursuit of profits (Wallace and Brady 2010). The post-WWII SSA in the United States was a national, state-regulated institutional arrangement linked through international agreements with other state- regulated SSAs

and *Pax Americana*. In contrast, the emergence of a global LIS as a transnational institutional structure with national structures nested within varies only “in the extent to which local structures conform to the neoliberal model” (Kotz and McDonough 2010:116).

Summary. The SSA framework, through which the social and economic relations within a capitalist economy are analyzed, forms the theoretical foundation for the present analysis. First, SSA theory, following Marxist analyses, presumes the crisis tendencies and class contradictions of the capitalist mode of production lead to a new SSA as the result of struggles between capital, labor, and citizens left out of the accords during previous periods of economic crisis (Gordon, Edwards, and Reich 1982). Second, and conditional on these struggles, a long period of vigorous accumulation requires *social stability* provided by the SSA which regulates conflict and competition to create sufficient tenacity and regularity to favor rapid accumulation (Kotz 1994b). However, as class conflict is never eliminated, the SSA channels it, by force or compromise, into modes that will not disrupt accumulation. For example, competition and conflict between capitalists that would undermine surplus value if left unrestrained are mediated by tightening oligopoly product markets and limiting foreign competition (Bowles, Gordon, and Weisskopf 1989), or the hampering of non-class conflicts, such as those over environmental regulations on carbon emission or waste disposal, affect the process of SSA formation and stability by impacting business costs, and hence profitability and accumulation (Lippit 2010). Third, the SSA approach is not purely economic, rather it considers a broad set of institutions that impact capitalist accumulation as both exogenous and endogenous forces (Bowles, Gordon, and Weisskopf 1986). In addition to the extra-

economic institutions, the fourth and final theme within the SSA approach is the historical nature of inter-institutional relationships in the analysis of SSA dynamics (McDonough 2008). As Reich (1997) argues, the historical-institutional character of the theory is not fully realized in the operationalization of quantified relationships, but built upon the qualitative shifts in the historically-contingent relations of capitalist development in the United States. This is most emblematic of the deregulation of the domestic U.S. economy in recent decades, and the neoliberalization of the capitalist economy abroad (Kotz and McDonough 2010).

Toward a Stronger Capitalist-Citizen Accord

The one pillar primarily focused on the “struggles of real people trying to cope with changing circumstances” is the *capitalist-citizen accord* that establishes the role of the government in a constrained balancing act “not to compromise the basic profitability of corporations while creating a new significant relationship between the state and its citizens” (Bowles, Gordon, and Weisskopf 1990:60). If the state was to play a role in stabilizing the macroeconomy conducive to steady and dependable capital accumulation, the capitalist-citizen accord connects macroeconomic policy, the subsidization of business, and relative citizen placation through social insurance and public assistance to shore up effective demand (Bowles, Gordon, and Weisskopf 1990:57-61). For those left out of, or marginalized from, the labor market through economic fluctuations, this accord promotes the stability *and* legitimacy of the capitalist regime by the placative regulation of the struggles of real people. However, to utilize SSA theory and the capitalist-citizen accord specifically, in addressing the research question at hand, two fundamental

limitations come to the fore: the limited inclusion of the family as an institution impacting the formation and decay of SSAs, and the role of the state within SSA theory.

Families. SSA theorists have limited the inclusion of the family in discussions of the citizen component of this accord. McDonough (2008) notes, in review of its utilization, much of the work within SSA theory remains in its Marxist roots by focusing on the relationship between capital and labor at different temporal, spatial, and institutional levels. While this accord is oriented toward the broader citizenry, in order to assess changes evidenced in the family institution, a concept of the family, such as developed in Chapter 2, is necessary. Further, as a theory of history, the SSA approach provides an outline of the exploration, consolidation, and decay of institutional arrangements in long-run periods of capitalist economies, but under-theorizes the family as an institution and its relations to capital accumulation.

O'Hara (2004) provides a 'family-community social structure' in which the SSA approach is applied to analyze the family in relation to the post-WWII SSA. This analysis considers the stability of families, community trust and association, and the measure of equality between social groups to construct a system of social capital through which social reproduction can be sustained. While this approach introduces the importance of the family as an institution, and its importance to the SSA approach, it presents the family as one part of a larger *social fabric*. That is, the breakdown of the family is embedded in a larger deterioration of social reciprocity, trust, and democracy. "Economic performance," therefore, "suffered as family instability reduces the quality of social bonding, reduced trust increases the cost of transactions while it reduces the level of effective communication, and increased inequality reduces the potential for those with

latent talent to expand productivity, investment and growth” (pp. 73-4). The relations between elements of this family-community social structure impact the larger stability of the capitalist system, however, without a full consideration of the family as an interdependent institution in relation to the political economy. To consider the deterioration of the family *as a social institution in capitalist society*, especially as whole communities disintegrate, the family must be analyzed separately through its specialized roles and their intersection with economic and political institutions in the broader capitalist system.

Thus, to theorize the family as an institution, and its normative roles in support of capital accumulation, within the SSA framework, and its decline within the post-WWII period, it is important to consider its basic supportive and dependent institutional relationships with key pillars of the post-WWII SSA. SSA theorists (Gordon, Edwards, and Reich 1982) outline the inner and outer limits of an SSA by the role of the institution in the process of accumulation. “Its inner boundary demarcates the institutional environment for capital accumulation (that is, the ‘social structure’) from the capital accumulation process itself. Its outer boundary distinguishes this social structure from other social structures in the rest of society” (p. 24). The inner boundary separates the accumulation process itself from the context where capitalist investment is mediated by institutional forces. These are “factors external to individual capitalists that are determined by collective social activities,” and macro-level analyses of capitalist growth “must take the structure and contradictions of this conditioning environment into account” (p. 26).

Taking the roles of the family as an institution developed in Chapter 2—(re)production, socialization, and consumption—the institutional relationship the family maintains with pillars and the structuring environment become clear. First, the family is linked to the *capital-labor accord* where labor-power is sold to capital in return for a wage that supports the reproduction of current and future labor power. Not only does this directly connect the family as an institution to the capitalist mode of production, but it establishes its primacy in a critical, Marxian analysis. Second, the family is also linked to financial institutions, within which the private assets of families, including access to and means for consumption are mediated, among other mechanisms, in the form of savings and loans, and mortgage and credit markets. Third, and most important, the family is vital to the capitalist-citizen accord, especially when considering the nature of citizenship rights and the welfare, education, health, and general assistance of non-laborers. Supportive of both production and consumption, and advancing “real benefits to many people...nonetheless contained within the larger framework of capitalist priorities” (Bowles, Gordon, and Weisskopf 1990:60), the capitalist-citizen accord, combined with the capital-labor accord and financial components, form the foundation on which the family is implicated in the post-WWII SSA, and accordingly cannot be considered outside of its multiple institutional relationships. Rather, the capitalist-citizen and capital-labor accords, supported by the system of financial regulation, are not mutually exclusive *because families sustain a common denominator of human assets within the circuit of capital.*

The state. SSA theorists also stop at the surface of the capitalist-citizen accord in theorizing the state’s role in the connection between capitalist accumulation activities and

U.S. citizens outside of direct capital-labor relations. This is most evident in the conspicuous absence of the term ‘state’ in the label attached to this pillar—the capitalist-citizen accord—effectively eliminating an explicit consideration of the state in their analysis. Paradoxically, in order to analyze the capital accumulation process through the circuit of capital, SSA theorists argue that the most important institution to stabilize this circuit and shore up effective demand is the pattern of state involvement in the economy (Gordon, Edwards, and Reich 1994:14). While this implies the state has an important role within capitalist, labor, and financial relations, questions can still be raised about the conspicuous non-treatment of the ‘state’ in SSA theory generally, and the capitalist-citizen accord specifically. For example, implying the state’s role in capital accumulation through marginal policies and regulations, do SSA theorists also implicate the state as an institution *of* the capitalist class in extending the capital-labor accord and “labor peace” to that which ensures “social security”? Or, on the contrary, is there a relative autonomy of the state that mediates the conflicts between, not only labor and business, but between capital and citizens? Is the capitalist-citizen accord a structurally necessary institution through which the state acts on behalf of its own best interests in balancing the needs of capital *and* citizens, or is the state an instrumental component acting on behalf of capitalists in the process of accumulation?

To connect the state *with* the family in SSA theory in order to analyze the economic deterioration of the family in the United States after World War II, it is instructive to return to the material foundations of history and relations between institutions and individuals within a *mode of production*:

In the social production of their life, [humans] enter into definite relations that are indispensable and independent of their will; these relations of production correspond to a definite stage of development of their material forces of production. The sum total of these relations of production constitutes the economic structure of society—the real foundation on which rises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life determines the social, political and intellectual life process in general. It is not the consciousness of [persons] that determines their being, but, on the contrary, their social being that determines their consciousness. (Marx 1983:159-60)

Social institutions are not independent structures, but interrelated in support of the totality of the social formation, conditioning the social consciousness of people in their relationship to each other, between people and institutions, and between multiple institutions. The SSA approach is a sound theoretical foundation to use in addressing the present research question because it is oriented toward the political-economic environment which is essentially *social*, mediated by factors external to individual capitalists, but internal to the macrodynamics of capitalist economies (Gordon, Edwards, and Reich 1982:26). However, while there has been some research on the political dimensions of labor policy, there is little research on political dynamics (Shoch 1994) or the broader conceptualization of the state. Also, discussions of the state at specific historical moments are offered when necessary (Bowles, Gordon, and Weisskopf 1990), but a full incorporation of the state and its historically-contingent form is absent within SSA theory.

Taken together, the limits of the SSA approach are inherent in this final institutional relationship—the marginalization of the state and non-treatment of the family in the capitalist-citizen and capital-labor accords. The notion of the citizen, or *citizenship*, communicates a certain level of rights within a mode of production, but SSA theory limits this discussion to a balancing act between the basic profitability of capital and an extended relationship between the state and its citizens. This limits the scope of SSA theory to, as Cohen's (1982:5) critique of Marxism explicates, the “reduction of these institutions to mere bourgeois culture and capitalist relations.” Bowles and Gintis (1986) argue that the contradictions implied are real and manifest especially when attempting to balance the rights of citizens with those of capital. First, the logic of expansion of personal rights attempts to connect “everwider spheres of society—the management of the economy and the internal relationships of the family for example—under at least the formal if not substantive rubric of liberal democracy”; and second, the logic of expanding capitalist production, “according to which the capitalist firm's ongoing search for profits progressively encroaches upon all spheres of social activity” and leaves few, if any, aspects of life “untouched by the imperatives of accumulation and the market” (p. 29). In essence, the capitalist-citizen and capital-labor accords can be seen, at the base, as a means of tempering of social conflict concerning the economy. To move past risks of reductionism, therefore, an inclusion of the state and the family is warranted. In addition, by developing a theory of the state in conjunction with the conception of the family as an institution in capitalist society, the capitalist-citizen and capital-labor accords, and the support of the financial regulatory system, SSA theory can

be enhanced to provide the fundamental framework through which the deterioration of the family within the post-WWII United States can be analyzed.

Marxist State Theory: Enhancing the SSA Approach

Those working within the conflict tradition emphasize “the importance of social cleavages generating social conflict that in turn account for political outcomes” both between realms of private life and between public institutions, events, and policies (van den Berg and Janoski 2005:72). Two traditions within the larger conflict school, elitist and Marxist approaches, consider these cleavages differently based on the importance of social class. In Marxist and neo-Marxist conflict theory the central problematic is the societal nexus of the state, citizens (including labor), and capitalism. In elite theory conflict is organizational and manifest between varied dimensions of social status not directly a result of one’s economic class position (Alford and Friedland 1985; Giddens 1982). The elitist perspective, a neo-Weberian approach, subordinates the capitalist aspect of the state to favor its bureaucratic structure, opening an analysis that recognizes conflicts between cultural and political groups within the state itself. The Marxist approach, on the other hand, takes the state in relation to other institutions within the capitalist mode of production to contrast economically-based class struggles and state-supported capitalism to consider the ways the state intersects with the interests of capital.

However, Marxist theory has long been criticized from both proponents and detractors as devoid of a stable theory of the state.^{vi} Enduring criticism on the limitation of “economic determinism” (Skocpol 1980; van den Berg and Janoski 2005), Marxist approaches argue for an inclusive, continually evolving process that adds dimensions of increasingly complex social relationships into class-based domination to incorporate the

fluidity of various social relationships across space and time (Antonio 2003; Burawoy 1982). Despite divergences and disagreements, those working to analyze the state within the Marxist tradition have connected, in one way or another, the capitalist state with contradictions between capital accumulation and the struggles of labor and citizens on their own behalf. As such, the utility of a Marxist state theory is embraced here that follows Barrow's (1993) "central problematic at the analytical level" in which the definitions for the "range of phenomena are encompassed by a concept of the state" and particular to the level of analysis (p. 10). As Poulantzas (1986:152-3) argues, states are a combination of complex relationships and struggles that, if de-centered, "the dominant class(es) in a formation is, in the last analysis, that which occupies the dominant place(s) at that level of the class struggle which maintains the dominant role in the complex whole of that formation." Within economic, political, and ideological forces, states reflect particular and purposeful tactics that result from past political strategies and struggles through increasingly complex social relationships (Bratsis 2002). Therefore, the *state*, as a Marxist concept, is essentially contested; "there is no single, overarching synthetic standpoint from which the state is fully comprehensible" (Barrow 1993:10).

Accumulation and legitimization. When the dominance of capital accumulation shapes the organization of social relationships, the Marxist perspective provides a theoretical lens that focuses attention on the conditions necessary for the continual renewal of the circuit of capital. Within the capitalist-citizen, capital-labor, containment of intercapitalist rivalries, and Pax Americana accords, as supported by the financial regulatory system, the inclusion of the state should focus on the political-economic conditions of accumulation and class struggle where "[t]he capitalist whole is both

constituted and torn apart by its contradictions: capital versus labor, socialized production versus private appropriation” (Alford and Friedland 1985:273). Such an analysis confronts civil society and a sense of unity between citizens and politicians “challenging the very notion of democracy in the context of capitalist development” (Carnoy 1984:43). The capitalist social structure shapes the state to the dominant mode of production and relations of production, and the state’s power is systemic and inferred in the ability to reproduce these exploitive social relations (Aglietta 1998; Poulantzas 1980). Thus, as the state seeks to bolster the economy while stifling class struggles and conjuring its own authority, its relative success is measured both through continued prosperity and capital accumulation, as well as the ability to generate policies that attenuate the contradictions of capitalism (Barrow 1993). Further, when placed in historical context, accumulation in, and legitimization of, a capitalist system advances the state as the historically-contingent political expression of the relations between capital and citizens, capital and labor, and capital across nations. As the mode of production evolves via technological advances, mechanization, and the scale of production, contradictory social relations are obscured through state policies to reproduce economic, political, and ideological class domination (Jessop 2004; Saad-Filho 2002).

O’Connor (1973:6) delineates these dual, but contradictory accumulation and legitimization functions of the state in late capitalism:^{vii}

[T]he state must try to maintain or create conditions in which profitable capital accumulation is possible. However the state also must try to maintain or create conditions for social harmony. A capitalist state that openly uses its coercive forces to help one class accumulate capital at the expense of other classes loses its

legitimacy and hence undermines the basis of loyalty and support. But a state that ignores the necessity of assisting the process of capital accumulation risks drying up the source of its own power, the economy's surplus production capacity and the taxes drawn from this surplus (and other forms of capital).

Following this contradictory relationship, O'Connor concentrates on the fiscal outlays of the state to argue that expenditures, either as social capital or social expenses, address one of the two functions. *Social capital* expenditures come in two forms and are required for profitable private *accumulation* indirectly expanding capitalist production. The first, social *investment*, such as state-financed physical economic infrastructure or human capital through education, research, and scientific development services, supplies "goods or services that private capital requires on a permanent basis" (p. 101). The second, social *consumption* expenditures, are goods and services consumed primarily by the working and middle classes, and include social insurance entitlements to balance economic insecurity, including "workmen's compensation, old age and survivors insurance, unemployment insurance, and...medical and health insurance" (p. 124). Social consumption expenditures, to cultivate rising rates of profit, lowers reproduction costs for capital by shifting them to the state to expand "reproductive powers of the work force while simultaneously lowering labor costs" (p. 7). The second category of spending, *social expenses*, addresses specifically the legitimization function of the state. While not productive, these expenditures, for example, and specific to the U.S. welfare system, have strict eligibility requirements, or *means-tests*, and are "designed chiefly to keep social peace among unemployed workers" (p. 7) by counteracting the "poverty

generated by recessions and depressions and by particular industrial and occupational structures that confine some people to low-income, unstable employment” (p. 158).

O’Connor’s main problematic of the capitalist state, a product of the conditions of existence at the time of his writing, is a fiscal social crisis in the early 1970s. The attendant growth of monopoly capitalism and the state involvement in the economy exemplifies an inherent dilemma—the state increasingly socializes the costs and expenses of production through contracts with capital, the profits from which are not socialized. As capitalism advances, an increasing proportion of the population becomes dependent on the state:

Capitalist production increasingly replaces subsistence production...and more people are proletarianized: Their material well-being depends on their ability to sell labor power in the market. And with the decline of family, community, ethnic, and other primary groups, comes a huge increase in the aggregate of social needs. They must look to the state for material necessities which private capital will not supply and which people cannot provide for themselves. (PP. 40-1)

This relationship is the essence of the state’s inconsistent role within the capitalist-citizen and capital-labor accords. As O’Connor argues, this relationship is supported by both capital and labor to sustain social investments that increase accumulation and wages, but also as social expenses that control surplus populations and legitimate the capitalist system. In the United States, the costs of system legitimization and accumulation are socialized, and social expenses, as means-tested provisions, create a state budget as a “complex mechanism that redistributes income backward and forward within the working class—all to maintain industrial and social-political harmony, expand productivity, and

accelerate accumulation and profits in the monopoly sector” (p. 161-2). The state’s accumulation function minimizes capitalist costs of labor, increasing the welfare of workers, and legitimizing the capitalist system overall through social expenditures.

The State as a Social Relation: The Strategic-Relational Approach

O’Connor’s conceptualization of the state’s accumulation and legitimization functions allows the capitalist-citizen and capital-labor accords to be re-examined in terms of how the state mediates the relationship between capital and citizens. However, by focusing on the economic struggles of the state, the utility of O’Connor’s approach is limited in its ability to consider other dimensions of the state, including ideological, historical, and social relationships (Carnoy 1984; Jessop 1990). To fully realize a concept of the state that is congruent with the political-economic and social-relational SSA approach, and to open traditional Marxian economic-roots to more complex and elaborate struggles, the accumulation and legitimization roles of the state must also be more fully developed.

Jessop (1990:216) writes that the accumulation/legitimization duality is an adequate base, but constrained to a fiscal crisis, is theoretically thin. State actions that promote accumulation “cannot be confined to immediate economic issues but extends to political and ideological matters far removed from the circuit of capital” and in addition, legitimization “is also held to depend on flow of material concessions whose long-term stability depends on promoting accumulation.” Instead, Jessop (2002:6) develops a definition of the state, informed by Poulantzas (1972; 1980) and Gramsci (2000a; 2000b), that communicates the complexity of accumulation and legitimization, but promotes a broader *strategic-relational* conception of the state as:

an ensemble of socially embedded, socially regularized and strategically selective institutions, organizations, social forces and activities organized around (or at least actively involved in) making collectively binding decisions for an imagined political community. State power can be understood in turn as a power relation that is mediated in and through this institutional ensemble. It is not exercised by the state as such: the state is not a subject. Nor does it originate entirely within the state itself or from among the state's personnel. Instead, it depends on the balance of forces within the wider society as well as within state apparatuses.

This definition complements the basic premises of SSA theory as the balance of class struggle between capital, labor, and citizens, but broadens how one can consider 'the state' as the relative balance of economic *and* extra-economic forces as "the always partial, provisional and unstable equilibria of compromise" necessary for accumulation (Jessop 2002:6). More specifically, while the state has definite material and discursive boundaries between an institutional ensemble and other institutional relations, "the *strategic-relational* approach to the state emphasizes that its apparatuses and practices are materially interdependent with other institutional orders and social practices—in *this sense it is socially embedded*" (Jessop 2007:5, emphasis added).

The state as a *strategic-relational* institutional ensemble posits a concentration of power that offers unequal chances to different forces within and outside its boundaries to act for different political purposes. "The state does not exercise power: its powers (always in the plural) are activated through the agency of definite political forces in specific conjunctures" (Jessop 2007:37). This agency is generated through three considerations that create the tenuous balance of compromise. First, the state system as a

site of strategy and access to the state and its apparatus is class-based. That is, social forces, with different resources, are more or less suited to be selected due its pursuit through some types of economic or political strategy. As a system of *strategic selectivity* whose structure and *modus operandi* are more open to some types of political strategy than others...a given type of state, a given state form, a given form of regime, will be more accessible to some forces than others according to the strategies they adopt to gain state power. (Jessop 1990:260)

Second, because the state is the site where strategies are elaborated, it must be considered in relation to its own strategic unity and action. Strategies are selectively *relational*, built on the strategic selectivity of class-relevant struggles and contradictions as well as the struggles and rivalries within the state apparatus. If the state assumes responsibility for social cohesion, principles of social organization are “developed [and] reflected in the activities of the state...[and]...depend on investigating the character of state power as a social relation, i.e., as the form-determined condensation of a balance of forces” (p. 261).

Third, the structure and mode of operation of the state system can be understood as encompassing both spatial and temporal political strategies and struggles. Strategies are the result of struggles within a given historical period, but also conditioned by the strategies adopted in an earlier period. “In turn, the calculating subjects which operate on the strategic terrain constituted by the state are in part constituted by the strategic selectivity of the state system and its past interventions” (p. 261).

The state, thus, is a paradox. “On the one hand, it is just one institutional ensemble among others within a social formation; on the other, *it is peculiarly charged*

with overall responsibility for maintaining the cohesion of the social formation of which it is merely a part” (Jessop 2007:7, emphasis added). Societies can be dominated by different principles of social organization, associated with different political projects and priorities (e.g., economic, military, religious, political, social ranking, cultural). The state is the site where power relations are consolidated and “where struggles over these principles of societal organization are often conducted because of the part-whole paradox in which the state is so heavily implicated” (p. 8). The state in varied forms consolidates “competing principles of social organization linked to different functional systems and different identities and values anchored in civil society...[and]...any of these could become dominant, at least for a while” (p. 8). Thus, strategic selectivity and historical contingency manage the structural coherence, and displace or dampen major conflicts.

The Capitalist-Type State

Jessop’s state theory is abstract, and therefore must be tuned to a particular case with a particular state-form, to which this approach is applied to the *capitalist-type state* (2002:11-54). The key goal for the capitalist state, and its strategic balance of social forces, is *the accumulation of capital*. However, this principle of societalization is not unique to the capitalist state because accumulation can take some form in, for example, a theocracy or military dictatorship. What distinguishes the capitalist state is *bourgeois societalization*, the “relative subordination of an entire social order to the logic and requirements of capital accumulation” (p. 23), and is rooted in four dimensions that complement the SSA approach.

First, because production and return on investment lie at the heart of the circuit of capital, *economic determinism* is the drive toward demand management where commercial and landed capital, in the long term, depends

on continued valorization of productive capital...capital's continued ability to control the terms, conditions and performance of wage-labor and...realized only through sale of commodities at appropriate volumes and prices.... (P. 24)

Because capitalism cannot survive solely through the value form, this control of production and consumption leads to the second dimension, the *ecological dominance* of the systemic relations between the economy and non-economic systems toward the subordination of the system to capital accumulation (p. 26). Third, *economic domination* is perpetuated as the institutional and organizational dimensions of structural power within and between capital fractions and relative to the relations between capital and extra-economic forces. Aligned with the burden of capital accumulation and the legitimization of the capitalist mode of production, this ascendancy imposes an “economizing, profit-seeking logic on other systems, even though their activities remain largely non-commercial” (p. 29). Finally, the mode of domination, the *bourgeois hegemony* of the capitalist state, itself becomes an embedded structure of unstable “institutionalized compromise between opposed social forces for coordinating, governing or guiding activities within and across different institutional orders around the pursuit of a particular economic trajectory” (p. 30).

Jessop argues that this definition, and the strategic selectivity of the state, negates the state as the manifestation of an elite group of managers. Rather, it is suggested that

the capitalist state is a *complex set of social relations within and beyond the state apparatus* which

problematizes its overall functionality for capital accumulation and political class domination...the institutional separation of the state from the market economy, a separation which is necessary and defining feature of capitalist societies, results in the dominance of different institutional logics and modes of calculation in the state and economy. (P. 41)

Accordingly, the state does not guarantee the needs of capital but supports an overall system of accumulation. Therefore, the analyst must take into account the strategic selectivity of both those within the state apparatus and various political regimes, and “*move away from abstract, often essentialist theorization toward more detailed accounts of the complex interplay of social struggles and institutions*” (p. 41; emphasis added).

The negotiation of struggles and contradictions between the economy, state, and civil society is a ‘spatio-temporal fix,’ the primary importance of which has two dimensions: regulation and accumulation. A *mode of regulation* patterns governance to compensate or fully close the circuit of capital. This mode exists within an *accumulation regime*, which represents the strategies for an institutionalized compromise between opposing forces for a structurally coherent pattern of growth in capitalist production and consumption (p. 56). The social fix, thus, is a social structure of accumulation, inclusive of the contingencies of space and time (p. 48) and the interdependence of social relations as coordinated through the state (p. 52).

Capital, the State, and an Accord Reorientation

Because competition discourages individual capitalists from entering into activities that are unprofitable, capital tends toward antagonistic activities that can undermine the general conditions for economic and social reproduction. Consequently, market forces cannot guarantee conditions for reproduction because

there is no guarantee that the general external conditions for production (such as law, property and money) will be secured through market forces; nor that certain general economic conditions of production (public goods) will be offered at the right price in the right quantities. (Jessop 2002:42-3)

These tendencies toward *market failure* demand institutions external to the economy—a rational monetary system, a rational legal system, and the reproduction of labor power as a fictitious commodity. Thus, state intervention in the economy is “absolutely essential to capitalist production and market relations” (p. 43). Jessop posits that the capital relation is “incomplete and contradictory,” and necessitates state intervention beyond basic, technical economic issues.

It always affects more than the forces of production, the profitability of capital, or more general economic performance. And it always occurs in a wider political context concerned with state and governmental legitimacy as well as social cohesion and exclusion. Thus choices among economic and social policies are typically linked to prevailing accumulation strategies, state projects, hegemonic projects and more general philosophical and normative views of the good society. (P. 44)

Here, Jessop provides the necessary link between the economy, the state, and citizens—and the justification to reorient the capitalist-citizen accord to a full *capitalist-state-citizen accord*: “the inevitably political character of economic and social intervention [including] the reproduction of labor-power as a fictitious commodity...is also associated in the capitalist type of state with a citizen’s right to existence” (p. 44).

Reproducing labor-power. Pure market reproduction of labor-power is also unstable, because workers and their dependents do not have to spend wages in the interests of capital, if spent at all. Wage-labor is weakened or destroyed over time through continued exploitation or production accidents, and labor markets, especially when large and fluid, make it hard to create and defend the collective interests of labor. These issues mirror the concerns present through the SSA approach, above, however by taking the argument one step further, including the capitalist state and the economic domination of the mode of production, extra-economic, non-market institutions that reproduce the labor force outside of market-based wage labor, including the domestic labor within the household and the family, are made essential. “The [state] operates on one or more scales from the local to the supranational to contribute directly or indirectly to the *reproduction of labor-power* over the life cycle, affecting daily, lifetime and intergenerational reproduction” (p. 47). As such, the family becomes an object of governance through which the state can ensure an adequate supply of qualified labor-power in relation to the demands of the labor market, by compensating for commodification effects on social reproduction and social cohesion. What is more, the reoriented accord, now incorporating the state, also shows that the original capitalist-

citizen and capital-labor accords are *not mutually exclusive* and to understand the economic deterioration of the family both accords are necessary.

The state, now balancing economic and civic contingencies, resulting from political struggles and technical economic demands, requires active management of changes in these contradictory relationships. Negotiated through social policies, these relationships are consolidated through the outcomes of the strategic selectivity of various factions in class struggles. The product, an unstable compromise of labor, citizenship, and social policies, is the post-WWII SSA form of the state in capitalist society, the strategy broadly referred to as *the welfare state*.

THE WELFARE STATE AND THE POST-WWII SSA

Following the primary arguments of SSA theorists, the portrayal of the original capitalist-citizen accord in the United States as *a modest social safety net of public programs and governmental transfers* leads directly to a consideration of the development and institutionalization of the *welfare state* (Bowles, Gordon, and Weisskopf 1990:60). The modern U.S. welfare state, consolidated after World War II, is generally understood to be a state in which the government advances social welfare through provisions of goods and services to its citizens to guard against risks and fluctuations in the market (Hicks and Esping-Anderson 2005; Piven and Cloward 1987; Usui 1994; Wayne 1986). Moreover, welfare states take on different forms, congruent with Jessop, based on “their institutional logic for assigning welfare functions to the state, the market, and the family” (Myles and Quadagno 2002:39). The welfare state, as Gough (1979:44-5) describes it, is “the use of state power to modify the reproduction of labor power and to maintain the non-working population in capitalist societies.” Esping-

Andersen (1998:23) argues, critically, that the presence of a market-based social system stratifies welfare provisions within the family, market, and state, and should focus on whether social policies refute or supplement a market-based society. Accordingly, the welfare state “is not just a mechanism that intervenes in, and possibly corrects, the structure of inequality; it is, in its own right, a system of stratification. It is an active force in the ordering of social relations.” The welfare state reproduces the stratified structure and “solves accumulation problems...by assuming some of the costs of ‘reproducing’ labor power... [and]... solves legitimation problems by providing public jobs or income transfers for the people who are made superfluous by the advance of capitalism” (Piven and Cloward 1993:414).

Jessop (2002:55-94), accordingly, presents a set of four institutional dimensions of the state useful to understand the family within the capitalist-state-citizen and capital-labor accords in the post-WWII SSA: economic policies, social policies, the scale for the application of the policies, and the compensation for market failure. For the post-WWII SSA, these are characterized by the Keynesian welfare national state (KWNS), “an accumulation regime based on a virtuous autocentric circle of mass production and mass consumption secured through a distinctive mode of regulation,” and mirror the concept of the regulated institutional structure (RIS) advanced by Wolfson and Kotz (2010). The KWNS involves three types of welfare: social insurance, financial redistribution, and collective consumption.

Economic policies promote the profitability by private capital through the compromise between capital and labor for full employment and demand management, and support production and consumption—or *reproduction*. Balanced with economic

policies, social policies expand welfare and citizenship rights aiming to generalize norms of mass consumption and a level of subsistence, especially between the duality of the welfare state for both working and non-working populations and the compromise between capital and citizens. The primary scale for the application of these policies is national as the KWNS is focused on stabilization of the national economic environment, however provisions from the policies can be delivered locally, regionally, or through a centralized or federal system. Overall, within a KWNS, the state is expected to compensate for market failures, forming a mixed economic foundation to promote accumulation, but regulate the process to obscure contradictions. If markets fail to develop balanced economic growth, including full employment and equitable distributions of wealth and income, “the state was called on to compensate for these failures and to generalize prosperity to all its citizens” (p. 61). In essence, the capital-labor and capitalist-state-citizen accords of the post-WWII SSA in the United States exemplify a KWNS.

Like an RIS, the KWNS is a mode of regulation for demand management to support social reproduction and capital accumulation. Also like an RIS, it enters a period of crisis when an imbalance between capital and labor exposes inherent contradictions. The result is “an increasingly intense search for some other scale on which capital’s structural contradictions and strategic dilemmas might again be reconciled for an extended period through an appropriate spatio-temporal fix and institutionalized compromise” (2002:91). Jessop (pp. 94-6) argues this search is uneven through trial-and-error, but strategically selective of the changing balance of institutional forces from labor to capital. More important, as with the move from an RIS to the contemporary LIS (Kotz

and McDonough 2010; Wolfson and Kotz 2010), this new state form is the result of domestic and international strategies to balance policies with globalizing, networked, and knowledge-based capitalist institutions. In turn, increased pressure from domestic and international finance and nonfinancial capital produce a ‘competition state’ that seeks to extend markets domestically and internationally, and “project power beyond their political frontiers to shape cross-border or external economic spaces...especially as efforts are made to widen and deepen [social reproduction] through strategies of neoliberal globalization” (Jessop 2002:96).

This social fix reflects the strategic selectivity of the state conditioned by the resurgence of capital and the reorientation of state involvement in the economy as “proactive in promoting the competitiveness of their respective economic spaces in the face of intensified international...competition” (p. 124). That is, if regulation stifles economic growth, then liberalization opens the social and economic system to competition within and outside of its borders. The resulting state is the Schumpeterian workfare postnational regime (SWPR) which, as an LIS, restructures social reproduction within market forces. Such contemporary regimes embody the neoliberalization of the post-WWII era in the United States and the exploration for a new SSA focused on increasing individualism, competition, and the free market.

A SWPR restructures the three major sites of KWNS social reproduction. First, the SWPR transfers the qualitative balance of insurance from a mix of economic and social policies to support demand to the retraining of labor and activation policies which, within global economic competition, aim to make labor markets more flexible and enhance workers’ employability (pp. 155-6). Second, neoliberal competition puts a

downward pressure on wages by moving from the redistribution of taxes for demand management and insurance expenditures, to cutting taxes and controlling wages as production costs. This increases dependence on the market for an income adequate to sustain consumption and reproduction (p. 159). Finally, state-funded efforts at collective consumption for social reproduction and capital accumulation have shifted to a welfare system focused on competition and profits. Formerly public, welfare sectors become partially or fully privatized, decentralized, constrained by performance incentives, and promote the transition to a globalizing economy, “explicitly used to promote systemic and/or structural competitiveness” (p. 162). As a result, the neoliberal workfare state, to address reproduction and accumulation, restructures social policy as economic policy by creating flexible labor markets suited toward the globalizing economy and deflates wages as a cost of international production, not a source of domestic demand (p. 168).

While filled with new contradictions, such as the inability to ensure effective demand, the increased importance of structural and systemic competitiveness redefines many institutions where “previously regarded as ‘extra-economic’ are now seen as directly economic and/or economically relevant” (p. 132). Global development and international competition have enhanced this process, and the SWPR, to reconcile responses to more insistent economic institutions, forms economic policies to secure general political legitimacy and social cohesion.

The Family and the Welfare State

Jessop (2002) writes that the extra-economic forces most relevant to the reproduction of market-state-civil relations are the family, household, and forms of civic association (p. 36), but does little more to employ the family as an institution in the

analysis of the welfare state. Here, prior to presenting a final set of theoretical principles on which the following analysis can commence, Gough's (1979) work can be used to develop the political economy of the family within the welfare state, mirroring the political economic, historical-institutional conceptualization of the family developed in Chapter 2.

Gough presents the welfare activities of the modern state, especially with respect to the family, as both the quantitative and qualitative reproduction of labor power. First, in the (re)production of labor power role of the family, where the capacity of individuals to physically perform labor is sustained, the bourgeois welfare state ties wage labor to the purchase and consumption of goods and services. Commodities such as food, housing, and clothing, and their consumption as physical use-values, "continually replenishes the capacity to perform work in any given society and period of time" (p. 45). Within the family, non-wage labor is performed producing a further set of use-values, services such as food preparation, shopping, and cleaning, without which, "the consumption of commodities purchased in the market is difficult or impossible" (p. 45). The family, hence, not only purchases commodities to produce and reproduce its members, but by actively consuming them, "continually replenishes the capacity to perform labor" (p. 45) within and outside of the home.

Gough outlines the intervention of the welfare state to control the level, distribution and pattern of consumption—effective demand—thus integrating capital (mass production), the family (reproduction and consumption), and the state (regulation) in four ways: altering, through taxes, the amount of money people have available to spend; the regulation of the use-values/commodities which can be purchased, and by

whom; the subsidization of goods and services, such as housing and food, across and within social groups; and the direct provision of use-values, such as health care and social security (pp. 45-6). Together, “the capitalist sector, the domestic sector, and the state sector thus contribute directly to the reproduction of labor power” (p. 46). By means of this relationship, the *welfare state* in contemporary capitalism directly supports the intensity, allocation and configuration of consumption, through the family, and therefore provides *welfare* for capital, labor, and the non-laboring population.

Second, the direct production and reproduction of labor is supplemented by qualitative control mechanisms through means of mass socialization. The capitalist mode of production is historically-contingent, demanding certain requirements in terms of the abilities and motivations of the labor force, and public policies reflect these values (Hays 2003). Services such as education, social work and employment programs, complementing the hegemonic dimension of Jessop’s state, provide outlets for states to train laborers and tailor their social reproduction to the needs of capital accumulation. The welfare state advances those values most beneficial for capitalist system and the process of accumulation, and the family supplements the maintenance of current labor through intergenerational labor reproduction by procreating and socializing children. “Almost all social policies have a bearing on the capacity of the family to bring up children, and many are specifically directed at the minority of families that at any given time are doing so...” (Gough 1979:46). Paramount to the capitalist mode of production, children form the next generation’s workforce and social policies must support such families through “the rapidly changing society of contemporary capitalism” where “their

productive capacities must be adapted to changing requirements, such as the changing division of labor” (Gough 1979:46-7).

Children, as direct dependents, are the obvious non-laboring population most tightly linked with the reproduction of labor power. However, in addition to procreation and the socialization to the mode of production of *future labor power*, the family also serves in the maintenance of other non-working populations, though the nature of this relationship is changing. The sick, elderly, and disabled, once the direct charge of extended families and households, as well as volunteer and charitable groups, are increasingly supplanted by the welfare state.

Pensions and other social-security benefits are of growing importance in transferring purchasing power to these groups...a variety of health and welfare services provide numerous forms of support in kind for the elderly or the sick, gradually usurping the role of kinship and community in the past, and of charitable and voluntary bodies in the more recent past. (P. 47)

Transferring some of the welfare burden of the elderly, disabled, and sick from the family therefore refocuses the importance of reproducing the able-bodied and future stock of labor power. Thus, Gough concludes by reestablishing two basic activities of all human societies with the development of the welfare state: to reproduce the working population and maintain non-working groups. Inclusive of the state, capital, and families, “[t]he welfare state is the institutional response within advanced capitalist countries to these two requirements...far from being the only social institution to perform this role...the family and wider kinship structures continue to play a part” (p. 48).

As discussed in Chapter 2, after World War II, the family as a social institution in the United States changed simultaneously with the economic conditions of existence. Because the force of capital accumulation “continually alters both the requirements of capital...and the capacity of the family to meet these requirements” (p. 49), the welfare state intervenes to support the family as an institution, ensuring reproduction of labor power and the maintenance of non-laboring populations. That is, the welfare state supports the capacity of families while redefining the roles of labor, production, and consumption within the capitalist system at distinctive historical moments. The welfare state is not a set of provisions for a particular population, but rather the outcome of conflicts between class factions to ensure the continued existence of the historically and spatially specific form of the capitalist mode of production, whether a regulated institutional welfare state, or a liberal institutional workfare state.

CONCLUSION: SUMMARIZING THE THEORETICAL FRAME

The trajectory of the consolidation and decay of the capitalist-state-citizen and capital-labor accords, and the exploration for an institutional alternative to promote capital accumulation, is the point at which the economic deterioration of the family after WWII will be addressed. Empirically, the analysis will focus on welfare state policies and programs across Jessop’s four dimensions for analysis—economic policies, social policies, the national, federal scale of application, and the aim to promote social reproduction and effective demand. Theoretically, these provisions will be assessed through the strategies of the state in relation to those between social institutions, and the temporal conditions of each within the post-WWII United States. The SSA framework, as adapted, to include the family and state within the modified capitalist-state-citizen and

capital-labor accords along with the financial regulatory system. The expansion and integration of the capital-labor and capitalist-citizen accords, now inclusive of the state, and the underlying monetary and banking system, is integral to the post-WWII SSA in the United States and, as re-conceptualized above, sustains the circuit of capital in advanced capitalism (Aglietta [1979] 2000; Wolfson 1994b). While globalization and the influential imperatives of a neoliberal institutional environment are introduced above, this analysis purposely focuses on the U.S. case and the deterioration of the family within the domestic economy.

To apply this framework is to consider the significant and fundamental role of state-generated policies. Social policies define not only the relationships between individuals, groups of individuals, and institutions, but the *nature* of action and interaction in the relationships between these different entities. Through the political tensions and conflicts between institutions and within the state apparatus, policies draws boundaries and these social dynamics are inherent in the trajectory of policies that reflect a history of struggles and affect the current identities, goals, and capabilities of different groups (Quadagno 1994; Stone 2002). These relationships between different factions, and differing ideas both within and between these divisions, present an enduring relationship between policies and more widespread cultural norms, beliefs, and values (Hays 2003).

The Capitalist-State-Citizen Accord, the Capital-Labor Accord, and the Family

The theoretical frame as adopted for the analysis of the economic deterioration of the family after WWII in the United States is therefore organized as a historically-contingent approach to examine the policy-mediated relationships between social

institutions in pursuit of capital accumulation. At the base, the SSA approach provides a theory of history to analyze the exploration, consolidation, and decay of institutional arrangements in long-run periods of capitalist development. With the historical-institutional political economy of the family developed in Chapter 2, SSA theory has been expanded to include the interdependent economic, governmental, and family institutions which overlap at the points where the roles of the family and those of the state within a social system support the accumulation of capital. Incorporating a concept of the historically-contingent capitalist state, the SSA approach is also broadened to consider sustaining the economic domination of the system for the accumulation of capital *and*, through a mode of regulation, legitimizing the capitalist system in the hegemonic terms of economic determinism and ecological dominance. Consequently, the reoriented capitalist-state-citizen accord and the capital-labor accord in the post-WWII SSA, as a strategic-relational capitalist welfare state, allows for a more complete analysis of the political contingency of past and present structural change in the United States after the Second World War and its effect on the economic deterioration of families.

Reconsidering Effective Demand, Political Economy, and the Family

The ability of maintaining effective demand, as Harvey (1982) argues, is foremost that part of the circuit of capital that necessitates the reproduction of the working and middle classes, and the consumer power that goes along with it. Effective demand connects capital, labor, citizens, and the state where "...capitalists must collectively produce enough wage goods and lay out sufficient variable capital in the form of wages to ensure that the working class possesses the effective demand required for its own reproduction" (1982:90). This reflects the observation by Marx ([1978] 1992:391, n.1) of

the *contradiction of effective demand* in the capitalist mode of production where “workers are important for the market as buyers of commodities...as sellers of their commodity—labour-power—capitalist society has the tendency to restrict them to their minimum.” Marx continues, “the sale of commodities...is restricted not by the consumer needs of society in general, but by the consumer needs of a society in which the great majority are always poor and must remain poor” (p. 391, n.1). This, in turn, necessitates intervention by the government “usually in the name of social welfare—to collectivize consumption in ways that give it the possibility to manage consumption (through fiscal policies and government expenditures) in a manner consistent with accumulation” (Harvey 1982:91). The welfare state, as a result, is mobilized not solely for the social reproduction of laborers and their families, *but for the welfare and reproduction of the entire capitalist social formation.*

For the post-WWII SSA in the United States, the capitalist social system is, in part, supported by those accords that mediate the relations between capital, labor, and citizens via the welfare state. To prop up demand, income and wages are redistributed because

the mechanism that governs accumulation runs into conflict with that ruling income distribution [and, through the market, is dictated by forces acting] in a manner diametrically opposite to that which would be necessary to bring about a relationship between consumption and investment.... (Sebastiani 1989:27-8)

To salvage accumulation and counter market failure, the post-WWII welfare state provides social investment, consumption, and legitimization expenditures to restructure a

stable political economy while maintaining the class distribution of social burdens and benefits (Esping-Anderson 1998; Gough 1979; O'Connor 1973).

Therefore, the capitalist welfare state in the post-WWII SSA in the United States negotiates both positive and negative aspects—the conflict over the organization and delivery of services to meet human needs versus the need to meet the requirements of capital accumulation—which, in the end, is the continued, and uncomfortable balancing act of the state as capital and citizens pull in different directions (Wetherly 2005).

Shoring up effective demand to restore favorable conditions for capital accumulation in the postwar period takes the family as a social institution in capitalist society to supply and maintain current labor power, the biological and social reproduction of future labor-power, and the purchase of commodities and consumption of their use-values.

The family is necessary for the growth of capital and the post-WWII capitalist welfare state subsidizes these political and economic roles of the family to support the overall infrastructure of capital accumulation. The state, through macroeconomic policies related to the relations between capital, the state, citizens, and labor, regulates the contradictions of capitalist development “in the interests of political stability and profitability” without eliminating the business cycle completely, subordinating the system to economic domination (Bowles, Gordon, and Weisskopf 1990:59). This subordination includes the imperative move to neoliberal systems of individualism, free market relations, and ever-increasing competition and capital mobility (Robinson 2004).

The Post-WWII SSA, the Capitalist-State-Citizen Accord, and Capital-Labor Accord

The primary dimensions of class struggle during the 1930s and 1940s—low wages, unemployment, and little capital growth—presages the nature of the post-WWII

accords that reflect the contradictions brought to the fore during the Great Depression, the preceding period of economic crisis (Gordon, Edwards, and Reich 1982). The consolidation and success of the postwar accumulation regime, as a result, contributed to high rates of corporate profit and the rapid growth of hourly wages and income for the working class (Bowles, Gordon, and Weisskopf 1990). From this base, the political-economic character of this accord, integral to the following analysis, justifiably begins with the contingencies of struggles within this previous period of crisis as the exploration phase. The components of its consolidation, and the relational forces underlying its subsequent deterioration, are produced by the historically-contingent conditions in which the initial exploration commenced, the construction of economic and social policies advanced, and the ability of the capitalist welfare state to compensate for market contradictions developed.

As the post-WWII U.S. economy has fluctuated, the family as an institution has been a dialectical input and output of the circuit of capital, weakening over time, particularly during the recent neoliberalism phase accompanying the decay of the post-WWII capitalist-state-citizen and capital-labor accords. The political-economic nature of family economic deterioration, as this framework posits, employs the strategically-relational capitalist welfare state as a balance of social forces within the larger society and the state apparatus that is partial and provisional, reflecting the unstable equilibria of compromise. That is, as a product of political projects of various groups, the *capitalist welfare state* negotiates the continued conflict and struggles between itself, capital, and families to ensure continued prosperity for the capitalist social formation by attempting to regulate the actions of each class faction within the post-WWII United States.

CHAPTER 4

A MULTI-METHOD APPROACH TO HISTORICAL CONTINGENCY

“If we want to understand the dynamic changes in a contemporary social structure, we must try to discern its longer-run developments, and in terms of them ask: What are the mechanics by which these trends have occurred, by which the structure of this society is changing?” – C. Wright Mills (1959:152)

To investigate the economic deterioration of families in the United States after World War II, time-dependent historical methods are necessary. Historical contingency, the determinative effects of temporal contexts, makes the analysis of the family as an institution dependent on specific empirical measurements and the conditions in which these measurements are made. Therefore, the analytic methods through which an understanding of the family as an institution in capitalist society can be developed are also historically-contingent. By investigating institutional changes *over* time and conditions of existence *through* time, I employ a multi-method orientation to time series analysis that assumes social change and shifting conditions of existence as uneven, dialectical, and multidimensional, and thus contingent on temporally-specific social processes and experiences (Barone 2004).

In this study, the conditions of existence of families are first observed through a qualitative macro-institutional analysis of the post-WWII SSA as it incorporates the family as an institution into policies of the capital-labor accord, the capitalist-state-citizen accord, and the New Deal regulatory regime. An institutional analysis allows for the description of the changing historical contexts through which families experience shifts in their conditions of existence and their connection with other institutions in capitalist society. Second, annual historical time series data are used to build on the qualitative

institutional analysis by observing quantitative shifts in the relations between families, capital, and the federal government. Time-series models provide a lens through which quantitative observations of the turning points and changes in the relationships between institutions can be viewed (Isaac 1997). Reich (1997:2) observes that combining these two modes of inquiry complements SSA theory because, “the relative causal or endogenous character that we attach to various political and economic forces should emerge from the institutional analysis, not simply from econometric inquiries.”

Accordingly, this study provides both contextual qualitative and quantitative analyses of shifts in the relationship between the family as an institution and the process of capital accumulation. Qualitative observations of institutions guide the interpretation of quantitative models across the separate phases of economic growth and decline in the post-WWII SSA in the United States.

Overall, the methods and analysis are necessarily abstracted to a higher level in order to incorporate various levels of evidence. To construct a macro-historical portrait of families and their basic congruence as an institution in capitalist society, other more finely-grained analyses are applied with broad brushstrokes (Jessop 2002; Mills 1959; Phillips 2001). However, any primary or secondary account or analysis of historical phenomena are conducted through a determined lens and are therefore to some degree privileged (Trouillot 1995). This analysis is no different, but I attempted to confront this position of power by abstracting the analysis beyond micro and mezzo sociological analyses of the variability in family forms to discover how families as a social institution act and interact with other institutions in a capitalist social formation. Therefore, the analysis is theoretically-informed by SSA theory, and the United States is just one case in

which this macro-institutional historical analysis can be conducted. The purpose of the analysis is not a causal explanation, but using multiple methods at a higher level of abstraction aims to provide an informed understanding of the historical contingencies of the family as an institution in the United States capitalist society in the period following World War II.

In the present chapter I describe the data sources and methods I employ in the qualitative institutional analysis. The quantitative time-series methods are then presented at the beginning of Chapter 6 after I derive the expectations to be tested at the end of the institutional analysis in Chapter 5.

INSTITUTIONAL ANALYSIS

Policy institutions are the formal and informal regulations and procedures, such as case law, statutes, regulations, or normative practices, utilized by governments or other bureaucratic organizations (Campbell 1998; Mead 1979). Researching such institutions can take various approaches, but one that is historically-contingent focuses on the substance of policies, the material and structural relations generating their adoption, and outcomes of their implementation (Mahoney and Rueschemeyer 2003; Rueschemeyer 1991; Skocpol 1985). Formal state laws and policies systematically and structurally define relationships between groups because, as Stone (2002:34) argues, “[e]very idea about policy draws boundaries. It tells what or who is included or excluded in a category. These boundaries are more than intellectual—they define people in and out of a conflict or place them on different sides.” Since boundaries shift over time in response to collective action, it is necessary to reveal the social conditions under which these boundaries are erected. Moreover, the margins are not just the points at which groups are

separated, but also the demarcation of limits for future human action shaping the capabilities of groups to act and interact in the contested terrain of policy formation. Thus, a complete analysis examines the relations between groups and how each is affected by policy options that define their capacities in a highly conflictual process (Campbell 1998; Isaac 1997).

This macro-historical analysis of the economic deterioration of the family is the product of a theoretically-informed critical review of multiple levels of evidence. Utilizing SSA theory, this analysis offers one particular account of the shifting conditions enabling and constraining families after World War II. In addition to the description of policies, different sources and levels of evidence are combined to provide inform an analysis of outcomes for the family as an institution and relations between different families and the post-WWII accords.

DATA COLLECTION AND ANALYTICAL METHODS

Qualitative research, Denzin and Lincoln (2003) argue, employs multiple strategies necessary to answer research questions by utilizing the material tools at one's disposal and the empirical materials necessary to move the project forward. Qualitative projects, including institutional analyses, are systematic and improvisational, and the use of multiple sources to secure in-depth understandings of phenomena necessitates a process of triangulation to add rigor, complexity, and depth to the project.

Through this orientation, I began the institutional analysis focusing on the exploration phase that precedes the period of consolidation of the post-WWII SSA in the United States. The in-depth examination of the exploration phase is vital because this period, in response to the economic collapse of the Great Depression, led to the New

Deal social compact which incorporated the family as a social institution in post-WWII U.S. society. Therefore, I triangulated sources that detail the substance of the policies of the capital-labor and capitalist-state-citizen accords and the fiscal regulatory regime including those detailing the material and structural conditions leading to their creation. As the analysis of these policies continued through the consolidation, decay, prolonged decay, and initial and extended exploration for new alternatives, other resources were used that outline the outcomes for families over time.

I began the policy analysis by reviewing foundational SSA literature, especially Gordon, Edwards, and Reich (1982) and a volume edited by Kotz, McDonough, Reich (1994). The former provided an original and substantial formulation of the SSA approach, and the latter outlined advances in its theoretical and empirical application, including the fiscal regulatory regime (Wolfson 1994b). Moreover, I consulted Bowles, Gordon, and Weisskopf (1990) who presented a more detailed analysis of the rise and decline of the post-WWII SSA and the key institutions implicated in this process. Together, these sources aided the comprehensive construction of the initial institutional structure of the post-WWII SSA in the United States.

Once the institutions of the post-WWII accords and the fiscal regulatory regime were outlined, I assembled sources and references that detailed their substance and outlined changes in their parameters over the post-WWII period. I secured, for example, the enacting legislation for each program or policy of the post-WWII accords to act as a record of the original intents of the provisions as written into law. This allowed for the verification of policy parameters as provided through secondary sources utilized throughout the analysis. To supplement the actual legal text, I also consulted the

Congressional Record when necessary to trace the history of these policies as they were enacted, supplemented, changed, or ended through post-WWII period. Both the legal text and *Congressional Record* were accessed through the Library of Congress's THOMAS internet library (2010). In addition, to complement how these programs were framed in time, and to better understand the conditions in which they were enacted, I consulted public statements by the sitting President of the United States regarding selected policies at the time they were signed into law (Woolley and Peters 2009). The analytical purpose of each of these resources was to incorporate a measure of validation and reliability while using secondary sources.

Second, to build on the legal substance of the accords, I incorporated reviews and documentary histories of labor, social welfare, financial, banking, and other pertinent policies. I used multiple sources to gather such information. I searched historical scholarly literature to examine time-relevant reviews and critiques as the policies were written and ratified. For example, the *Annals of the American Academy of Political and Social Science* provides a scholarly forum for academics and public administrators to present articles and reviews of social policies and the historically-relevant conditions addressed by their implementation. Substantiated by the original legislation and the legal histories of these policies, I also used documentary histories on welfare, social security, and labor policies (Derber 1970; DeWitt, Beland, and Berkowitz 2008; Mink and Solinger 2003), for instance, as additional sources. Third, I consulted critical and favorable historical reviews written by academics, politicians, or governmental officials after these policies had been in place for some time. These institutional analyses

informed and supported my analysis of the substance and the social conditions leading to the creation of these policies.

To ensure a diverse set of interpretations and allow for a more complete analysis of the intents and outcomes of these accords, I attempted to theoretically triangulate sources. As a method of validation, I purposefully selected institutional analyses from different frameworks and points of view (Johnson 1997). For example, when analyzing housing covenants that restricted access for some African-American families to homes in certain geographical areas, I considered critical views of federal policy (Gotham 2000; Jackson 1980) as well as an analytical review of these critiques (Hillier 2003). Additionally, to better outline the outcomes of labor protections established in the New Deal, I contrasted a favorable history (Bernstein 1985) with an adverse review (Grossman 1978), a reaction written during the 1930s as the law was formulated (Douglas and Hackman 1938), and a later assessment written by an original sponsor of the legislation (Wagner 1971).

Lastly, I consulted a broad set of existing research to build on and supplement this historical documentation. This set of literature allowed for a comprehensive assessment of the outcomes for families over the course of the post-WWII SSA. I sought diverse resources and attempted to bridge widely-cited literature with other scholarly and professional sources, and their selection was based on their topical matter to ensure theoretical as well as empirical triangulation. First, I reviewed existing institutional and historical analyses of family outcomes from specific institutions included in the post-WWII accords. For example, I brought together literature on the impacts of the AFDC program on gender and race relations (Abramovitz 1996; Goldberg and Collins 2001), the

civil rights movement and the War on Poverty (Brauer 1982; Piven and Cloward [1977] 1979; Quadagno 1994), an assessment of the growth and decline in industrial democracy (Brandes 1976; Derber 1970), and the historically-contingent consumer behavior of American families (Burton 2008; Calder 1999; Manning 2000). These and other case studies generated a mezzo-level of material culture with which my macro-institutional analysis was constructed.

Second, micro-level, finely-grained ethnographic studies and oral histories were consulted to enhance the investigation of conditions and effects over the post-WWII period. These sources were utilized to compliment the institutional analyses with the experiences of those families, in very specific conditions, who were enhanced, restrained, or otherwise affected by these policies. Again, the selection of these sources was purposeful in their subject matter based on the nature of the specific SSA accords. For instance, I considered how different racial and ethnic groups were impacted by local labor markets (Drake and Cayton [1945] 1993; Whyte 1993 [1943]), the contingencies of urban race relations on political and economic outcomes for families (Gregory 1998; Sugrue [1996] 2005), and the conditions of existence generating struggles for civil and welfare rights (Bailis 1974; Nadasen 2005). In addition, these and other studies on the changing social mobility of working- and middle-class families (Newman 1988; Newman and Chen 2007; Rubin 1994; Rubin [1976]1992), for example, were verified by cross-referencing their outcomes with a set of accounts by individuals and families from the New Deal to recent times (Terkel 1995; Terkel [1970]2005).

SUMMARY

Combining these sources across the phases of the post-WWII SSA, I constructed an analysis of the policies that comprise the capital-labor accord, the capitalist-state-citizen accord, and the financial regulatory regime and their implications for the family as an institution in the United States after World War II. I provide the substance of these policies through the legislative histories and foundational SSA literature. To discern the conditions for their enactment and changes over time, I bridge reviews and analyses provided at the time of their passage with documentary histories and institutional analyses. Finally, to outline the outcomes for families and other social groups, I combine broader conditions with specific experiences through case studies, ethnographic research, and oral histories.

Together, these sources provide a macro-institutional, theoretically-informed assessment of the shifting conditions in which families are politically and economically constrained, enabled, determined, or diminished through the exploration, consolidation, and erosion of the post-WWII SSA. In addition, changes in the relationship between families, capital, labor, and the state through the prolonged decay and extended exploration for institutional alternatives extend this analysis up to the recent economic recession in the United States.

The institutional analysis, provided in Chapter 5, concludes with a summary of the observed shifts in the post-WWII SSA and the effects of these shifts on U.S. families, ultimately culminating in economic disaster. Finally, based on the institutional analysis, I develop a set of expectations that will be tested using quantitative time-series analysis.

CHAPTER 5

INSTITUTIONAL ANALYSIS: CHANGING U.S. FAMILY CONDITIONS
IN THE POST-WORLD WAR II ERA

“It’s so scary. I worry all the time. How bad will it get? It’s like you work your whole life to be something, you know, so your kids will grow up and be something, and look what happens. Now I don’t know; what are we working for now?” – Anna Karvick (quoted in: Rubin 1994:126)

The present chapter examines the shifting role of the family as a social institution in capital accumulation in the United States during the post-World War II era.

Specifically, I examine federal labor, fiscal, and social welfare policy changes across phases of the post-World War II SSA. These institutional shifts transformed the U.S. family from primarily reproducing and socializing working- and middle-class labor power as an input for capitalist production, to the increasingly important consumer of goods and services in the profit realization phase of the circuit of capital.

This macro-institutional analysis shows that the labor, social welfare, and financial institutional arrangements established as part of the New Deal to facilitate accumulation, via ensuring effective demand and overall system legitimacy, produced initially favorable conditions for some U.S. families during the consolidation phase. The provisions of the capitalist welfare state stabilized a middle-class society focused on the norms of mass production and mass consumption, and a normative family model that contributed to the legitimization of the country’s economic system. However, the normative family model began to erode during the decay phase of the post-World War II SSA as inherent contradictions created conflicts between those families left out of the accords and denied access to the capitalist welfare state. Policy changes that deregulated

the economy and created a liberalized market-reliant social system addressed dilemmas borne through these conflicts, but ultimately led to the economic deterioration of most families as the normative family model was replaced with a new ethic of personal responsibility, self-sufficiency, and consumer debt.

This analysis begins with a substantial discussion of the exploration phase preceding the consolidation of the post-WWII SSA because, to understand the institutional configuration of an SSA, one must also understand the class conflicts and compromises that generated the social structural arrangements. This institutional analysis then progresses through each phase of the post-WWII SSA investigating the changing relationships between capital, labor, the state, and families, and concludes with a set of expected quantitative outcomes to be tested in the next chapter. These expectations build on the qualitative changes in relations explored in this chapter, and contextualize empirical tests of these expected historically-contingent relationships.

EXPLORATION AND THE NEW DEAL COMPROMISE: 1929-1948

The period between World War I and World War II was punctuated by the crisis of the Great Depression which led to unprecedented federal government intervention in the economy and private sphere. Between 1930 and 1933, more than nine-thousand banks suspended operations capped by the national banking holiday on March 6, 1933. Widespread unemployment translated into high rates of personal and institutional economic collapse including loan defaults and home foreclosures, and legitimization crisis led to looting, rent strikes, and mass unrest by job seekers and the employed alike. Poverty and desperation increased, and relief was less than adequate, as the dwindling resources of private charities and public organizations were unable to quell unrest and

meet the growing levels of need. Within the financial sector, fears of bank failure catalyzed people to withdraw their money, and mortgage lenders, with diminishing reserve funds, were unable to keep pace with defaults. Households were unable to make payments, housing values plummeted, and financial institutions failed. Unemployment climbed, as did the number of destitute families. Without homes, jobs, or means of survival, the depression made most families economically, politically, and socially insolvent (Calder 1999; Colton 2003; Crossney and Bartelt 2005; Pimpare 2008; Plotnick et al. 2000; Terkel [1970]2005).

The policies of the New Deal enacted in the 1930s and 1940s reorganized the relationships between the federal government, families, capital, and labor to stabilize the economy, provide an environment for economic growth, and give enough relief to the lower classes to keep them from turning rebellion into revolution (Bowles, Gordon, and Weisskopf 1990; Gordon, Edwards, and Reich 1982; Zinn 1995). The demand for jobs, wages, and means of consumption combined citizen unrest with the demands of capital for a stable supply of labor power and an increase in productivity and profitability. As a result, the capital-labor and capitalist-state-citizen accords, supported by a new financial regulatory regime, established a new role for the family as a fundamental institution within the post-WWII SSA.

The Capital-Labor Accord

The policies of the capital-labor accord, taken together, allowed labor to organize and collectively bargain with employers and guaranteed labor peace in exchange for job security, a stable wage floor, and the balance between expanding production and mass consumption (Albelda and Tilly 1994; Brandes 1976; Kotz 1987). The capital-labor

accord covered those enterprises most fundamental to economic growth and development, and excluded agricultural workers, domestic servants, the self-employed and small business owners and their employees (Gordon, Edwards, and Reich 1982). The National Labor Relations Act of 1935 (NLRA), popularly called the *Wagner Act*, established collective bargaining and new union strength confirming the right of employees to self-organization and the prohibition of unfair labor practices by employers (Bernstein 1985; Derber 1970). The Fair Labor Standards Act of 1938 (FLSA) set an hourly minimum wage, a maximum number of hours of work per week, a system of overtime compensation, abolished child labor, and regulated domestic work. By the mid-1940s the specter of Communism abroad and increased union activity in a wartime economy resulted in Congress enacting the Taft-Hartley Act of 1947 to limit the scope of industrial unionism and alter the balance between labor and management to “recognize under law that neither party has any right in its relations with any other to engage in acts or practices which jeopardize the public health, safety, or interest” (Labor Management Relations Act of 1947 2008). Most notably, Taft-Hartley gave leeway for states to establish ‘right to work’ policies prohibiting union membership as a condition of employment. Together, the Wagner Act, FLSA, and Taft-Hartley Act structured effective demand by linking wage increases to productivity increases and countered exploitive practices by firms and labor during times of high unemployment (Bernstein 1985; Ehrenberg and Smith 2009; Reich 1994).

Other institutional developments in the 1940s that supported the delicate balance between labor and capital addressed on-going concerns of jump starting the postwar economy. First, the Servicemen’s Readjustment Act of 1944 (i.e., the GI Bill) provided

an avenue to socially and economically reintegrate veterans by providing educational benefits to enhance their human capital, and provided capital with a more productive, educated workforce (Bennett 1996; Cohen 1945; Mettler 2002; Ortiz 2010; Stanley 2003). Second, the Employment Act of 1946 promoted maximum employment, production, and purchasing power through federal funds aimed at job creation and stabilization. Without creating a fully regulated market, the Employment Act also established a process for continued data analysis and economic forecasting, including the Presidential Council of Economic Advisors to help formulate economic policy and steer economic development (Bailey 1964; Santoni 1986).

The Capitalist-State-Citizen Accord

The capitalist-state-citizen accord was established by the Social Security Act of 1935, and its amendments in 1939. This legislation, through old-age pensions and unemployment insurance, and means-tested assistance to the poor, provided a social safety net and resources for demand management without interfering with local labor markets and industrial firms. By creating the capitalist welfare state, the Social Security Act extended provisions of social insurance and assistance to citizens to ensure and legitimize capitalist development when the contradictions of capitalism rendered the family breadwinner superfluous to the labor market. Moreover, the income security of families was maintained to insure their reproduction, socialization, and consumption contributions to the circuit of capital. The result—the capitalist-state-citizen accord—is the compromise of social protection from want through *insurance* accessible only by direct service in the *labor market* (Katz 1996).

Old-age pensions and unemployment benefits, as insurance, provided a line of defense against poverty for the elderly and unemployed displaced from large industrial and monopoly firms (Altmeyer 1966; Lubove 1986). Means-tested assistance extended old-age assistance (OAA) to the elderly not employed in covered firms, to the blind (AB) who, through no fault of their own, were unable to work (Kasius and Rice 1939), and for aid to dependent children (ADC) cutoff from the support a breadwinner due to death, desertion, or injury (Trattner 1999). Workers within the core industries were supported through the Social Security Act, which ultimately benefits capital for the reproduction of the industrial working- and middle-classes, the demand for goods and services, and a level of legitimization for the capitalist system (Bowles, Gordon, and Weisskopf 1990).

The Financial Regulatory Regime

Following the Banking Crisis of 1931-33 and the widespread runs on banks, the financial regime for the post-WWII SSA gave the federal government the power to regulate competition between institutions and to protect against future failures. In addition, these regulations recreated consumer and financial confidence by targeting the speculative and dangerous impetuses that were the causes of economic collapse (Wolfson 1994b).

The Glass-Steagall provisions of the 1933 Banking Act set up the Federal Deposit Insurance Corporation (FDIC) to insure deposits and stimulate confidence in banks, compartmentalized financial institutions by separating commercial and investment banking, and formed Regulation Q to create ceilings on commercial interest rates. The Credit Union Act of 1934 legalized the incorporation of federal- and state-chartered credit unions to specialize in consumer finance and thrift, and restore public confidence

(Calder 1999; National Credit Union Administration 2007). Further, the Securities Exchange Act of 1934 and the Banking Act of 1935 regulated large, secondary financial markets and their ability to speculate on investments, made the FDIC a permanent institution, and reformed the Federal Reserve Board of Governors to oversee open-market operations (Gilbert 1986; Lippit 2010; Poon 2009; Wolfson 1994a).

Through the 1920s, and into the Great Depression, outstanding credit obligations were controversial because carrying a large debt burden was a sign of moral weakness (Terkel [1970]2005). The reluctance of families to spend in excess of their means, either by choice or economic circumstance, slowed growth by reducing demand for mass-produced goods (Calder 1999). The capital-labor and capital-state-citizen accords provided means for stable consumption by families, while the reformed financial sector expanded access to credit for families in a tightly-regulated market. Creating demand for mass-produced goods and services, such reforms spurred consumption and sparked economic recovery through mechanisms that offered aid to homeowners threatened with foreclosures, facilitated credit for stimulating housing construction and the purchase of goods to furnish such housing (Meadows 1948).

The Home Loan Banking Act of 1933 created the Home Owners Loan Corporation (HOLC) which provided federal emergency loans to home owners at risk of default, cash advances for tax payments, and funds for housing repairs (Fisher 1933; Harriss 1951). The National Housing Act of 1934 formed the Federal Housing Administration (FHA) which, like the HOLC, targeted the stability of the current housing stock and new home construction, but without the federal government as a direct lender. Instead, the FHA insured loans by private lenders for mortgages *and* within consumer

credit markets for purchase of durable goods for capital improvements, upgrades, and furnishings. Most important, the HOLC and FHA provided long-term, 30 year mortgage loans with moderate interest rates to establish a new, stable system for the purchase of a family home. Further, the Housing Act of 1937 created the U. S. Housing Authority to support local and state housing authorities in building, maintaining, and managing low-rent public housing projects (Colton 2003; Curley 2005). Amended in 1938, the Housing Act established the Federal National Mortgage Association (FNMA) to purchase, service, or sell any mortgages or partial mortgages insured by the FHA. Finally, the GI Bill, passed in 1944, contained Veteran's Administration funds for low-interest home loans for returning soldiers (Bennett 1996; Colton 2003; Schwartz 2006).

The Post-WWII SSA and the Family

As conceptualized and defined in Chapter 2, families make up a social and historical institution in capitalist society. They possess generalized roles through which they collectively, and their members individually, act and interact within the social system. The New Deal fundamentally reoriented the relationship between capital, labor, citizens, and the state and, by allowing firms to link productivity gains with expanding wage-levels and improving labor conditions, fueled the reproduction of working and middle-class families, those most important to profit realization. Likewise, provisions connecting capitalists, the state, and citizens insured the elderly and unemployed, supported the blind, and during spells of wage loss or in the absence of a breadwinner, gave assistance to deserving individuals and families outside of the labor force to maintain a minimal level of subsistence and consumption to reproduce labor power and enhance effective demand. Regulations in the financial sector reassured families and

other small depositors that federally backed thrift organizations were safe. To prop up savings, lending, and overall liquidity in the banking system, the New Deal and regulation of the financial sector reestablished legitimacy in the banking system and became central to economic recovery by promoting thrift and consumer credit.

Families are the most important centers of consumption, and in order to remobilize industrial capitalism, the New Deal had to ensure means to purchase goods and services. Housing, automobiles, and durable goods formed the foundation of a consumer society where the middleclass used modest amounts of debt to meet new social consumption norms (Guttmann 1994). Connecting families to social insurance and public assistance, and access to the new credit mechanisms targeted those who were most important to the mode of production and capital accumulation. For example, housing was central not only because it supported a labor market for construction, manufacturing, and durable goods production, but also as a consumer market. The family home, the primary setting for domestic production and reproduction of labor power, is the most important economic and social asset for working- and middle-class families (Calem, Gillen, and Wachter 2004; Chomsisengphet and Pennington-Cross 2006; Schwartz 2006). The HOLC and FHA extended loans to families connected to stable employment for homes in safe, secure, and desirable neighborhoods (Gotham 2000; Jackson 1980; Schwartz 2006). The public housing program stabilized the lower-working class by providing low-cost housing within close proximity to industrial labor markets in urban areas, and created opportunities for low-income families without access to mortgage opportunities to move from slum areas to publicly coordinated, low-rent housing projects (Fisher 1933; Friedman 1967; Glazer 1967; Jackson 1958). The promotion of housing

even bridged the capital-labor and capitalist-state-citizen accords by expanding employment opportunities in unionized construction and manufacturing, providing family wages, and growing employment opportunities (Glazer 1967; Meadows 1948).

The accords between labor and capital and between the federal government, citizens, and capital guaranteed a set of conditions to create and maintain a *normative family model*—a family composed of a male-breadwinner and a female homemaker consuming mass-produced goods and living in a suburban housing development and furthering profit realization in the circuit of capital. Those labor sectors not covered by the accords in southern plantations and northern cities guaranteed a pool of low-wage labor at the bottom of the economic ladder (Abramovitz 1996; Mettler 1994; Piven and Cloward 1993). Excluding the most exploitive categories of work, those especially reserved for African-Americans and females, both the capital-labor and capitalist-state-citizen accords formed an inherent contradiction. By marginalizing a segment of the working class along racial and gendered lines, the capitalist welfare state sustained the welfare of those workers, and their families, who already benefited from favorable labor market positions (Katz 1996).

Contradictions of the capital-labor accord. The exclusion of certain groups from unions, and concessions by the federal government and capital in support of these arrangements, meant that the labor movement limited the overall scope of social reform (Gabin 1982; Goldfield 1987; Goldfield 1997). The growth of industrial unionization addressed the productivity and profit needs of capital and consumption norms through organized labor, but limited its support for other class-based interests. For example, economic expansion after WWI and the Great Migration to northern cities generated a

large pool of African-Americans and other ethnic groups available to labor in jobs undesired by whites. However, capital and local elites were free to tailor their implementation of labor and insurance programs, excluding these powerless groups from favorable positions in the work place (Drake and Cayton [1945] 1993; Noble 1997:24).

Women, both white and minority, and families outside of the capital-labor accord, bore the burden of the economic depression. The majority of married women workers during these years were employed due to economic necessity (Bolin 1978). Despite increased labor market participation, women's own economic power was limited by wages set below FLSA standards. These conditions forced women to depend on local and state governments to create and enforce fair labor and wage laws, but given the conditions of local labor markets, such provisions rarely came to fruition (Coleman 1997; Mettler 1994). A large number of white married women gained some economic security through their husbands and preferential treatment in some low-wage service sector positions, but African-American women were less able to sustain a level of subsistence. The stratification of the labor force relegated black women to the worst jobs at the bottom of the economy creating a gendered and racial dichotomy between those families incorporated in the accords of the post-WWII SSA and those left outside of their parameters (Helmbold 1987; Mutari, Power, and Figart 2002).

Contradictions of capitalist-state-citizen accord. The old-age and unemployment insurance programs reinforce the normative family model and dependence on the male's wage. This, reflective of the needs of industrial capitalism, places women in reproduction and consumption support roles and establishes men as the proper breadwinners in market production. When the market was unable to provide sufficient

income to families to meet their consumption needs, unemployment insurance programs, for example, allowed for modest wage replacement to supplement, albeit it with restricted access to the goods of the market, an increase in women's non-wage labor in the home (Smith 1987).

However, the passage of the Social Security Act and the design and implementation of the social safety net was contingent on the traditions of 'states rights' and 'localism.' The federal government was restrained from impinging on local labor markets and surplus and low-wage work within agriculture, small local businesses, and other sectors outside of organized labor. Systematically excluding women and minorities from social insurance programs, for example, prolonged their dependency on low-wage work for minimal independent security in old-age or at times of high unemployment (Noble 1997). Second, with the addition of survivors' insurance for married-couples *only*, the 1939 amendments presumed and supported the male breadwinner/female homemaker family model by encouraging women to choose family life over work outside the home and affirmed women's economic dependence on men (Abramovitz 1996).

The ADC program, through a means-test, fundamentally addressed direct economic needs to fulfill the reproduction and consumption capacities of families detached from the labor market. The law, however, made relief available for the care of dependent children, not their mothers, during periods where labor markets were tight, but reinforced work as the first line of defense for poor women and the needs of their families when employment was plentiful (Piven and Cloward 1993; Rose 1993). ADC restricted aid to mother-only, *fatherless* families, and the first eligibility test was the absence of a male breadwinner. Poor married mothers entered low-wage labor when their husbands

became unemployed, especially when unemployment insurance was unavailable or benefits were exhausted or were insufficient to meet family subsistence needs. The entrance of married women into paid labor responded to both the economic necessities of their families and the implicit needs of capital, but also exposed a contradiction of the post-WWII capitalist-state-citizen accord between its normative family model and the ability of poor mothers to meet their families' needs, and sustaining a low-wage, marginal labor force (Bolin 1978; Moehling 2001).

Under ADC, single-mothers were continually judged by local welfare administrators left to determine the conditions for the receipt of aid. Subjecting single-mothers to strict control, eligibility requirements, and moral objectives, welfare administrators replaced the male breadwinner to promote the normative family model and temper threats to the family's institutional roles, making 'deviant' families approximate traditional arrangements (Goldberg and Collins 2001). Restrictions such as residency requirements and man-in-the-house rules, as well as suitable home policies that limited aid due to out-of-wedlock births reinforced the oppressed position of non-breadwinners and uninsured laborers. By minimizing dependency through employment, local welfare systems could ensure that assistance went to those homes best suited for proper socialization of the next generation (Bell 1965; Moehling 2001; Neubeck 2006b). Because most moral restrictions targeted the living situations more common to African-American families, states found ways to systemically deny ADC to black women and their children. Although the normative family model was unobtainable for poor and lower-class families, regardless of marital status and race, ADC represented the institutionalization of public paternalism (Abramovitz 1996; Katz 1996; Skocpol 1992).

Contradictions of the financial regime. The mortgage and credit industry provided loans through locally established institutions duplicating the deference to localism in the capitalist-state-citizen accord, and reinforced the economic domination and pattern of disparities based on class, race, and gender within the post-WWII SSA. First, middle- and upper-class families, typically white with two married adults, could most successfully access mortgages, loans, and tax deductions. These programs facilitated the social mobility of families to newly constructed houses in rapidly growing suburban enclaves. African-American and other minority families were relegated to public housing built at minimal standards in low-income, areas of central cities (Bauman 2000; Radford 2000). The HOLC and FHA employed a rating system which undervalued dense neighborhoods with mixed or aging housing stocks, thus redlining the areas most available to low-wage, marginal populations (Gotham 2000; Jackson 1980) and providing a foundation for the segregation of an urban underclass (Wilson 2009). As federal funding filtered through local agents, housing markets legitimated disparities in the availability and quality of mortgage loans for white and black borrowers (Hillier 2003; Howell 2006).

Women, especially single women, without attachment to stable, gainful, or livable wage employment were also unable to secure loans. African-American women, working in low-wage jobs, could not obtain mortgages with their minimal income, and white women, though employed in better paid positions, still could not gain from the new financial regime (Card 1980; Garrison 1976; Gates 1974). Even when employed, married women in white middle-class and working-class families had their wages excluded from any consideration in the loan application process based on arguments that their

employment could end at anytime depending on the needs of their families (Warren and Tyagi 2003).

Thus, by passing the Housing Act in 1937, the federal government recognized that certain social groups systematically experienced difficulties in obtaining decent housing. Restrictive practices such as housing covenants, community attitudes, political actors, and labor market conditions segregated poor and working families of color from certain communities (Jackson 1958; Wilson 1996). Created with the expressed interests of generating construction and the clearance of slums, the federal public housing program extended the welfare state to the housing sector. Public housing has always targeted low-income families whose economic conditions were of no fault of their own, but due to finding themselves without income to enter the housing market (Friedman 1967; Preston 1937). Therefore, control over tenants mirrored that of other relief provisions, and managers of public housing programs conducted home visits to ensure families and their household situations conformed to the rules and regulations to qualify them for public housing (Schwartz 2006). The structure of public housing policy and its administration meant that, although public housing tenants had to be poor, they could not be too poor. They had to be able to pay rent, albeit subsidized, and those who could not pay it, or who were of “deficient character” could not obtain housing (Friedman 1967; Sugrue [1996] 2005).

Contradictions Revisited

The family as an institution in capitalist society is historically-contingent, “a product of its historical time and place and of its relationship to the other social institutions with which it connects and intersects...products of an interactional system—

both shaped by and shaping the world around them” (Rubin [1976]1992:6). As an institution, the family is conditioned by similarities that include “elements of a common culture by virtue of being part of the same society” but diverge by “class, race and ethnic differences” that furnishes “a special cast to the shared experiences as well as a unique and distinctly different set of experiences” (p. 7). The New Deal preserved similarities through the normative family model as how the family as an institution promoted and supported the accumulation of capital through production and reproduction, socialization, and consumption. The differences, however, separate the political economy of families included in, and excluded from, the post-WWII accords and their ability to fulfill these roles. For example, families of color excluded from the gains and privileges afforded to white middle-and working-class families in the 1950s, experienced disproportionately higher poverty rates exceeding 50 percent (Coontz 1992:30). Consequently, the logic and ideology that built the post-WWII accords supported an economic and social system that oppressed women and people of color, and subordinated the family to class relations (Zaretsky 1976).

The tension between institutional roles of the family and capital illustrates what Quadagno (1994:9-11) describes as the “dialectical interaction” of liberal democracy and the capitalist welfare state in the post-WWII United States. More specifically, she writes, that the “dialectic of the New Deal was the contradiction between an American ethos that embodies ideals of liberty, justice, and equality of opportunity and a series of policy decisions that repudiated that ethos” (p. 9). Analyzing the contradictions of the New Deal allow for an understanding of the dialectical resolution of conflicts and dilemmas generated through historically-contingent processes (Chambliss 1979).

Both capital and families have fundamental interests in social reproduction, but diverge on how these interests are pursued. Dickinson and Russell (1986b:9) write, [W]hile accumulation in the economy is dependent upon the supply and regeneration of labour in households, the successful formation and maintenance of households is conversely dependent upon the capacity of the economy to generate employment opportunities and wages at levels which permit households to initiate and maintain the activities of [consumption].

The liberalism of the New Deal therefore created a system of social provisions connected to the labor market. For families included in the capital-labor and capitalist-state-citizen accords, these provisions included real living wages, job security, health and education supports, and access to a family home where the working and middle classes could fulfill their reproduction role. For those families left superfluous, work was reinforced by restricting aid and relief in exchange for their labor power in low-wage sectors. This formed a surplus population without adequate means of sustenance and legitimized an ethic that emphasized consumption based on sustained participation in the labor market, not dependence on public assistance.

CONSOLIDATION: 1948-1966

The consolidation phase of the post-WWII SSA spanned 1948 to around 1966, and was characterized by booming economic conditions, rising rates of corporate profits and productivity, low and stable inflation and unemployment, high levels of investment, and increases in real wages. The New Deal compact combined the needs of capital and the state for aggregate demand by providing a large segment of U.S. families with wages and gainful employment to support the reproduction of the laboring and middle classes

and capital accumulation. With labor market-based access to the means of consumption and opportunities for investing in the products and services of the booming economy, the capitalist welfare state balanced the organizing principle of private profitability with class compromises (Bowles, Gordon, and Weisskopf 1990).

However, the consolidation and economic expansion of the initial postwar years was not perfect. Many families had problems finding and holding steady jobs, especially for those left out of the capital-labor and capitalist-state-citizen accords (Albelda and Tilly 1994). Inequalities persisted, between capital and the lower-classes, between men and women, and between whites and non-whites. Critics of the new capitalism addressed the contradictions of affluence and poverty, arguing that families outside of the economic trajectory of the United States languished despite the steady circulation and accumulation of capital (Galbraith 1998; Harrington [1962] 1997).

To address the needs of capital and maintain an environment conducive to accumulation and profitability, Lippit (2010:51) presents the capital-labor and capitalist-state-citizen accords as dynamic, progressing through the historical contingencies of the social system, where “the creation and evolution of institutions is an ongoing process, so an SSA may incorporate institutions previously established or new ones that are created subsequently.” The policy changes advanced in the consolidation phase of the post-WWII SSA clearly indicate this process. Labor and capital were encouraged to stabilize production, workers were offered means for reproduction and consumption, and those outside of the capital-labor accord were increasingly able to access an evolving social safety net. Most important, as the process of capital accumulation and the rates of profits grew, certain conflicts generated by the contradictions of the New Deal compact were

alleviated, but not eradicated. Addressing dilemmas for the placation of class factions and the sustainability of the circuit of capital, by channeling rising black freedom, feminist, and welfare rights movements in more productive directions, the capitalist welfare state evolved (Bowles, Gordon, and Weisskopf 1986; Gordon, Edwards, and Reich 1982; Wolfson and Kotz 2010).

Institutional Arrangements in Consolidation

Labor arrangements. Full employment was balanced with demand management by the Labor Management Reporting and Disclosure Act of 1959 (commonly known as the Landrum-Griffin Act). Combined with Taft-Hartley, these new regulations strengthened industrial democracy between workers and their supervisors by restraining the power of union leadership (Derber 1970; Goldfield 1987; Piven and Cloward 1997a). Additionally, in 1962 President Kennedy issued Executive Order 10988 to provide federal service employees with a means to organize and bargain collectively, mirroring labor relations in the private sector and providing a climate conducive for capital accumulation (Jones 1967; Macy Jr. 1966).

The growing civil rights movement was initially placated through the early 1960s when the Supreme Court's 1954 ruling ended segregation in public schools and John F. Kennedy issued two executive orders—#10925 of 1961 and #11114 of 1963—which banned discrimination by unions that held federal contracts (Quadagno 1994). Broader concerns with the poverty, underemployment, and unemployment of whites made welfare more palatable to Southern Democrats and capitalists (Noble 1997). The Area Redevelopment Act of 1961 (ARA) and Manpower Development and Training Act of 1962 (MDTA) built on the Employment Act of 1946 by responding to post-Depression

fears of the unemployment and underemployment of skilled technicians and the able-bodied in a post-industrial workforce (Barnow 1993; Kremen 1974). Together, these jobs programs educated and developed skills for male workers in a transforming economy without creating public or private jobs for displaced workers to earn a wage. Further, the 1961 Commission on the Status of Women setup local women's commissions around the country and the Equal Pay Act of 1963 was signed to placate the growing pool of working- and middle-class female workers (Coontz 1992; Rubin 1994; Tong 1998).

When Lyndon Johnson assumed the presidency, growing resistance from marginalized groups garnered more attention from the mass media and federal government. Title VII of the Civil Rights Act of 1964 banned employment discrimination based on gender, race, and religion, converging separate civil rights interests to the accords between capital and labor. The Voting Rights Act of 1965 and Executive Order #11246, which mandated 'affirmative action' in recruiting minorities to work for federal contractors, completed the civil rights policy of the 1960s (Abell 1991; Lawson 2002; McAdam 1982; Minchin 2007; Nadasen 2005; Tienda and Stier 1996). The most prominent social reform was President Johnson's War on Poverty. Linking both the labor contingencies of the consolidation phase with the social security and citizenship rights of marginal populations, the Economic Opportunity Act of 1964 (EOA) set-up local community action agencies (CAAs). Directed by, and in service to the poor, the CAAs aimed to grow the skills and capacities of marginalized populations in the labor force by providing jobs training grants to small businesses (Katz 1996; Pritchett 2008; Quadagno 1994; Wilson 1978).

Citizenship and social security. The federal government broadened the benefits of social security multiple times in the consolidation phase to ensure relative social harmony and sustain a level of purchasing power for covered workers and their dependents in old-age. In 1950 and 1954, benefits were provided for the first time for state and local government employees, the self employed, non-agricultural domestic workers, and fulltime agricultural labor. Grants to caretakers of children were also added in 1950 broadening the scope of ADC to ensure reproduction of the future labor force. In 1956, assistance for the disabled was added and in 1961 ADC-UP was created for two-parent families with an unemployed breadwinner, typically male, who exhausted their unemployment insurance (DeWitt, Beland, and Berkowitz 2008; Kollmann 2000; Mink and Solinger 2003; Sidel 1992).

In 1962, ADC was transformed to the Aid to Families with Dependent Children (AFDC) program and provided coverage to families, encouraged marriage and family formation, and, in exchange for benefits, formalized work programs for adult recipients. Finally, in 1965, Congress enacted a health insurance program for covered workers over age sixty-five, Medicare, and a health program for the poor, Medicaid. The latter gave federal matching funds to states for health programs targeted at poor families deemed medically and economically indigent. The 1965 amendments also improved assistance for widows and divorced women basing payments on their former husband's benefits, which also continued support for the normative male breadwinner family (Abramovitz 1996; Blank and Blum 1997; Grogan and Patashnik 2003; Mink and Solinger 2003; Quadagno 1988; Quadagno 2000; Sidel 1992).

The social safety net was further enhanced in 1964 through grants for the federal Food Stamp Program, a means-tested program to meet the nutritional needs of poor families (Goldberg and Collins 2001; King 2000; MacDonald 1977). To promote proper socialization and reproduction, the federal Head Start preschool program was created in 1964 and in 1965 by the passage of the Elementary and Secondary Education Act and High Education Act. Together, these programs provided federal grants to focus on the reproduction of current and future labor power through educational opportunities for the urban poor (Harper, Patton, and Wooden 2009; Kantor 1991; Sissoko and Shiau 2005).

Financial regulations. Two major changes in the financial sector furthered federal regulation of the banking and mortgage industries aimed at ensuring their stability. First, in 1956, the Bank Holding Company Act extended Glass-Steagall by separating commercial banking from the insurance business. Second, in 1966, the ceiling on demand deposits through Regulation Q was broadened to halt interest rate increases and to stimulate the expansion of mortgage credit by keeping interest rates at thrift banks higher (Campbell and Hercowitz 2006; Gilbert 1986; Wolfson 1994b). These banking reforms were coupled with a series of housing policies, starting in 1949, that fostered redevelopment and residential stability by placing low-income families in urban homes. The FHA, in 1959, increased low-interest loans for seniors, and in 1964 for urban renewal efforts. The Civil Rights Act, under Title VI, banned discrimination in federal housing programs, and the federal Department of Housing and Urban Development (HUD) was created to oversee urban renewal programs, including the Model Cities Program of 1966, which provided small grants for demonstration projects to provide city services for the poor (Colton 2003; Jacobs et al. 1982; Schwartz 2006).

Families and the Contradictions of Consolidation

While the civil rights concessions of the consolidation phase opened up opportunities for blacks and women to enter primary labor markets, the Equal Pay Act, an amendment to the FLSA, and Title VII of the Civil Rights Act provided access to jobs for a limited number of women and non-whites. For example, because the FLSA did not include those positions in which women were predominantly employed—the growing service sector—comparable worth in industrial wages was merely placative. Second, access to jobs through Title VII was directed primarily to men in primary sector firms. Contingent on skilled trades or education, restrictive and racist practices by employers and unions barring access to jobs or for apprenticeship programs meant these positions were still unattainable by many black males. Together, these programs reinforced the normative family model by preserving the dominant male wage, and reinforced the favorable household situations of the white working and middle classes (Blankenship 1993; Rose 1993; Wilson 1987). These civil rights programs worked well for those families who were able to take advantage of educational and economic opportunities and catalyzed a black middle class that reinforced the subordinate labor market position of women (Abramovitz 1996; Pattillo-McCoy 1999; Quadagno 1994). Reestablishing how families could fulfill their reproduction, socialization, and consumption roles, these institutions connected incomes to provisions through the labor market position of men in two-parent families, legitimating the male breadwinner/female homemaker family.

In 1959, concerns with proper and adequate aid to the needy propelled the Social Security Administration to develop an official measure of poverty. Based on the tripling of a minimal Department of Agriculture food budget, the official poverty line measured

an adequate subsistence diet. Amidst the affluence of the consolidation phase, the result of this official measure exposed contradictions of the post-WWII SSA and the persistence of extreme inequality in the distribution of economic resources. Moreover, the official poverty line reflected shifts in the racial and gendered dimensions of postwar U.S. society as the typical recipient was no longer a widowed, white mother. Rather, by the early 1960s, black families and single-mothers were over-represented in the welfare caseloads (Iceland 2003; Mangum, Mangum, and Sum 2003; Neill 1997; Orshansky 1965).

Therefore, the two most important policies for families in the consolidation phase were the Aid to Families with Dependent Children program and the Economic Opportunity Act of 1964, President Johnson's War on Poverty. First, the combination of perceived conflicts through varied civil rights movements coalesced in the 1962 public welfare amendments to the Social Security Act, as a placative move toward *family rights*. This legislation broadened the coverage of the ADC program to include *families*, renamed it the Aid to Families with Dependent Children (AFDC) program, and officially recognized that parents, especially mothers, were also in need and deserved to be supported. In conjunction with increasingly vocal citizens' movements for economic equality, AFDC represented the first move by the capitalist welfare state to address a movement that radically challenged institutionalized racism (Abramovitz 1996). Unable to find jobs and provide support, black fathers often deserted their families to make them eligible for assistance. However, this situation received much of the blame for the increase in African-American single-mother families on public assistance, the insolvency of black families broadly, and urban culture as a whole (Hannerz 1969). The increase in assistance rolls, and therefore public welfare expenditures, was seen as income

redistribution, and resulted in conflict between welfare families and the broader working and middle classes who provided for their own means of consumption through participation in the labor market (Block 1987; Piven and Cloward 1987; Teles 1996).

The 1962 amendments politically resolved the dilemma of “the changing nature of dependency and a fresh attack on poverty” with “bureaucratic survival tactics in the face of public criticism” (Gilbert 1966:222). Conservative politicians at all levels of government generated considerable backlash against public assistance as the raw numbers of recipients increased. Capital and organized labor worried that an increase in welfare for marginalized labor pools subverted local work incentives in low-wage labor markets. As a result, because states and municipalities determined eligibility, informal practices that defined the undeserving poor were strengthened, formalized, and expanded through the 1960s to benefit capital.

To address the dilemma of a growing system of public relief with objections and resistance from capital, labor, southern Democrats, and fiscal conservatives, when the 1962 amendments were formally passed, the balance and purpose of the federal contribution were radically changed. The federal share of AFDC grants-in-aid were increased and provisions such as case work, jobs training, and placement services refocused relief on the family’s economic independence, self-sufficiency, and purchasing power. For example, the Community Work Experience Program (CWEP) required welfare recipients to work outside of the home in order to remain on welfare, receiving only their benefits, not wages, for their work. Without providing adequate means to meet the reproduction needs of families, the parallel goals of AFDC were the rehabilitation and financial discipline of the needy, and the reduction in total public welfare expenditures

(Rose 1993; Trattner 1999). Combined with the AFDC-UP program, AFDC prescribed the first formal move by the federal government to link work and wage labor with relief provisions. More important, because women of color were historically employed at higher rates than white women, when black women applied for AFDC and became over-represented on relief rolls, single welfare mothers were increasingly legitimized as wage earners *and* care providers (Kornbluh 2007; Nadasen 2005). AFDC overcame political dilemmas by addressing conflicts in meeting the needs of families and children and stressing personal responsibilities, but failed overall to challenge the contradictory normative family model (Blank and Blum 1997; Hays 2003).

The War on Poverty legitimized the capitalist welfare state through three mechanisms: political action, economic opportunity, and social stability. Each of these, however, did little to directly address the structural conditions in which marginal populations lived their daily lives. In congruence with the civil rights movement's goals of equality of opportunity and integration in the social system, the War on Poverty included placative mechanisms to enhance the capacities of individuals and their families within their conditions of existence, but like AFDC, did not challenge the existing social arrangements and inequalities.

Increased civic participation and access to the voting booth provided political capital for black Americans. For example, the EOA established the Office of Economic Opportunity (OEO) under which CAAs built community-based organizations to target the needs of and mobilize the poor. The CAA's direct federal funding circumvented local bureaucracies and mandated the "maximum feasible participation" of the poor on oversight and planning boards (Naples 1998). As such, blacks and other persons of color

became a formidable political force at the local level, as a system of black leadership was developed and sustained the civil rights struggle within communities (Horowitz 1970; Quadagno 1994). In addition, by overseeing neighborhood health centers, emergency food and medical services, job and literacy training, and other provisions to alleviate urban poverty, the poor were given the means to shape their own economic relief programs (Gregory 1998; Piven and Cloward 1993; Vinovskis 1999). The OEO exploited the system of localism to promote economic and political rights and “reach, placate, and integrate a turbulent black constituency...get more from local government” (Piven and Cloward 1993:281). The strategy of the federal government was to address the dilemma of promoting civil rights without raising expenditures or major structural changes. Community action and political involvement maintained the locally-determined nature of labor markets through the employability of the poor, and reoriented the unrest of social movements to less disruptive activities.

For families, especially poor families in urban centers, the EOE and its CAAs allowed welfare recipients to organize and combat the punitive implementation of AFDC. Women and mothers of color increasingly joined mass demonstrations and acts of civil disobedience to promote the economic welfare of families and the inclusion of mothers *and* children on welfare rolls (Gregory 1998). The civil rights movement’s ability to breakdown legally sanctioned segregation and energize grassroots antipoverty advocates attracted groups interested in the welfare of families, not just the oppression of blacks (Piven and Cloward [1977] 1979). A patchwork of local welfare rights groups formed across the United States to press for access to a social safety net for poor families, and fight for the privileges to fulfill reproduction and consumption roles in the home

traditionally granted to white working- and middle-class women, or the choice, not the necessity, to enter the paid labor market (Kornbluh 2007; Nadasen 2005; Orleck 2005).

Poor families isolated in ghettos and central cities also increased pressure for safe and stable housing and accessible economic opportunities. To address this conflict, funds for slum clearance and small business zones were provided through the 1964 Housing Act and the ban on discrimination in federally subsidized housing was implemented by Title VI of the Civil Rights Act of 1965. However, urban renewal typically displaced poor families to under-funded and inadequate public housing facilities, or deteriorating multi-family homes in order to open up urban tracts for business development. This stock of public housing was small, and the condition of these structures was paltry, and therefore did nothing to placate the urban masses (Glazer 1970). The federal Department of Housing and Urban Development (HUD) specifically sought to address these concerns and refocus federal energies on urban issues (Mohl 1993); however, the Model Cities Program implemented in 1966 pulled the federal government directly out of renewal efforts by promoting the local participation of civil rights groups and CAAs. Under-funded and politically unpopular, attempts by HUD and the Model Cities Program for a sustained urban renewal initiative did not meaningfully improve the conditions of existence of poor families (Hays 1995; Jacobs et al. 1982; Strange 1972).

By 1966, without adequate housing or access to quality jobs, poor families were left without the basic means to adequately perform their institutional roles (Goldfield 1993; McAdam 1982). While working- and middle-class families were given provisions and income through labor market positions and post-WWII accords, many concessions of the capitalist welfare state no longer placated those initially left out the capitalist-state-

citizen accord. Increasing conflicts between poor people's movements and the restrictive practices and access to jobs, welfare, and housing to the poor freed the contradictions of the New Deal and the ecological domination of capital accumulation to come to the fore.

DECAY: 1966-1979

SSA theorists argue that the decay of the post-WWII SSA occurred in two distinct sub-phases, the first beginning in 1966 overlapped in 1973 with the second, which ended in 1979 (McDonough 2008; Michalowski and Carlson 2000). Between 1966 and 1973, falling profit rates and productivity resulted in rising unemployment and slow wage growth. The second phase witnessed stagnating profit levels, accelerating inflation, markedly rapid increases in unemployment, and falling real wages (Bowles, Gordon, and Weisskopf 1990). From 1966 to 1973, median family income grew by 44.5 percent, but from 1973 to 1979 it increased only by 3.71 percent (U.S. Census Bureau 2008b). Likewise, the unemployment rate grew over 54 percent by 1979 (U.S. Bureau of Labor Statistics 2010b), while GDP per capita grew less than 30 percent from 1966 to 1973, and nearly stalled, growing 13.6 percent from 1973 to 1979 (Federal Reserve Board 2010c).

In the first period of decay, blacks and poor families challenged the capital-labor and capitalist-state-citizens accords. The widening wage gap between the core sector of manufacturing and industrial firms—those covered by the accord—and secondary sector dominated by marginalized labor, resulted in income inequality based on race and gender which propelled civil rights, black power, welfare rights, and feminist groups to defend their rights to economic justice (Gordon, Edwards, and Reich 1994). The economic boom of the 1960s created a shortage of low-wage jobs and capital could no longer depend on passive marginal labor power and a calm environment to sustain economic

growth. As middle-class families continued to prosper, direct action against the distributive injustice of the capitalist welfare state “led to government efforts at accommodation” resulting in “growing costs reflected in the mounting and increasingly expensive requirements of containing resistance to an unequal distribution of power and privilege” (Bowles, Gordon, and Weisskopf 1990:68-9).

The second sub-phase of decay was in part the result of these challenges to the power relations between capital, the federal government, citizens, and workers. By the mid-1970s, corporations recognized the threats to profits by increased production costs and rising citizen unrest. To maintain profitability, capital cut wages, formally challenged union power, and relocated manufacturing from the Northeast and Midwest to areas characterized by weak unionization in the West, Southwest, and abroad. Rapidly rising unemployment, wage stagnation, and growing inflation contributed to a severe recession in the early 1970s that accelerated the downturn of the economy and the necessity to constrain social spending (O'Connor 1973; Piven and Cloward [1973]1997). As capitalist firms took drastic measures to maintain their bottom lines, the fate of the working and middle classes generated a dilemma for the federal government between its ability to sustain legitimacy by supporting the provisions afforded to labor and citizens through the post-WWII SSA and the economic imperative for capital accumulation.

The Capitalist-State-Citizen and Capital-Labor Accords in Initial Decay: 1966-1973

The political and legal access afforded by the Local CAAs provided legal services to welfare rights groups operating in local communities and states across the country. These legal actions, along with the National Welfare Rights Organization (NWRO), forced administrative rule changes and a series of court rulings that dismantled the

restrictive and repressive practices of state and local welfare agencies. By 1968, home eligibility checks, residency requirements, midnight raids, and man-in-the-house rules were abolished (Abramovitz 1996; Block et al. 1987; Neubeck 2006b). With increased access to relief and the growing numbers of single-mothers receiving aid, amendments to the Social Security Act and Economic Opportunity Act in 1967 added the Work Incentives Program (WIN) to combat perceived illegitimacy of welfare use. Once controlled by restrictive, but now illegal, tactics, WIN focused on the employability of welfare recipients by providing incentives for their registration with employment and job training programs. By promoting work with welfare through stipends for job training, day care, and placement training, WIN was able to sustain a low-wage labor pool of welfare recipients to address the labor-power needs of capitalist firms (Blank and Blum 1997; Goldberg and Collins 2001; Rose 1993).

Relief through the labor market was continually promoted in the initial decay phase to balance the growth in welfare recipients. The Comprehensive Employment Program (CEP) of the late 1960s combined previous federal job training programs into community block grants to address the specific employment conditions in local markets (Katz 1996). In 1968, with President Johnson's support, Congress passed legislation establishing the Job Opportunities in the Business Sector program (JOBS) to subsidize private employers who agreed to hire and train welfare recipients (Slessarev 1997). In 1971, under the Nixon Administration, the Talmadge Amendment to the Social Security Act cemented workfare in the management of the capitalist welfare state by requiring recipients, under WIN, to register for employment as a condition of receipt of AFDC payments (Ehrenberg and Hewlett 1976; Rose 1993).

As the budgets of local and state governments swelled with the increase in relief rolls, the federal government assumed fiscal responsibility for the non-laboring poor. The Supplemental Security Income (SSI) program, enacted in 1972 and implemented in 1974, shifted the assistance programs for the aged, disabled, and blind from the states to the federal government. By taking on the costs of these programs, the federal government legitimated the control of programs for the able-bodied poor within state and municipal labor markets. The 1972 amendments also recalculated Social Security benefits from sporadic legislated increases to annual adjustments for the cost of living (COLAs), and equalized the computation of benefits between men and women as females increasingly joined the labor force (DeWitt, Beland, and Berkowitz 2008; Kollmann 2000; Santow and Santow 2005).

Increased unrest and pressure for jobs in 1972 was addressed with the Equal Employment Opportunity Act, an amendment to the Civil Rights Act, making companies with as few as 15 employees no longer able to discriminate in hiring and employment practices. The Comprehensive Employment and Training Act (CETA) of 1973 consolidated most federal jobs programs into one act to comprehensively provide job training and public sector employment opportunities for the unemployed or otherwise disadvantaged (Noble 1997; Quadagno 1994).

Reflecting the importance of the housing sector, the federal government passed a series of programs to back the mortgage market with federal funds. In 1968, the Housing and Urban Development Act expanded FHA loans for low-income families. What is more, the Federal National Mortgage Association (FNMA), *Fannie Mae*, was split into two agencies, Fannie Mae that focused on the development of a secondary market for

mortgages originated by other investors, and the new Government National Mortgage Association (GNMA), *Ginnie Mae*, that purchased FHA and VA mortgages. Amended in 1969 and 1970, low and moderate income housing was included in these markets and the Federal Home Loan Bank Board, later *Freddie Mac*, was created. The primary importance of housing and the mortgage industry was reinforced by the Federal Home Loan Banking System's purchase of loans to establish bonds—mortgage-backed securities—supported by repayment of mortgage debt (Colton 2003; Gerardi, Rosen and Willen 2007).

The federal government also promoted credit and its increasing importance to the circuit of capital. In 1968, the Consumer Credit Protection Act legitimated the use of debt in consumer spending, especially by the middle class, by optimizing the protections and advantages for the use of credit. The National Commission on Consumer Finance was established to collect and disseminate information on the use of credit and educate consumers of the protective regulations on the credit industry (Gelpi and Julien-Labruyere 2000). The Truth in Lending Act, also in 1968, regulated the amount and type of information available to consumers and their liability for unsolicited credit and unlawful transactions. The Fair Credit Reporting Act of 1970 regulated the use of credit reports for credit applications and in employment decisions (Finlay 2009). Together, these policies formed the legitimizing regulatory regime to sustain debt as a means of accessing goods and services, to shore-up demand, and ultimately fuel capital accumulation. Despite the needs of the poor, credit was low-risk and highly monitored, making it a safe means for the economic participation by the middle classes.

These initial attempts to placate the marginalized population and sustain the relative compliance of the working and middle classes to stabilize the economy were short lived. By 1973, unrest in urban ghettos caused businesses to flee, and divergent perceptions on the conditions of existence between suburban and urban populations eroded support for civil rights reforms, and rise of the 'urban crisis' marked the end of postwar social peace (Farley and Allen 1987; Gregory 1998; Hirsch 1993; Terkel 1995). No longer were the urban poor willing to work in marginal positions, and the dilemma of increased costs in pacifying the conflicts generated by growing numbers of rebellious urban residents fully fractured the post-WWII SSA (Bowles, Gordon, and Weisskopf 1990; Slessarev 1997).

Capital, Labor, and Citizens in Further Decay: 1973-1979

The first sub-phase of decay produced a large series of policy initiatives to quell unrest, but by 1973 it was clear that such programs did not produce sustained economic growth and citizen peace. Most prominently, the feminist movement reemerged and fought for comparable worth, equal pay, and other labor protections. However, nothing was done after 1973 to stall the eroding capital-labor accord and with it, the means to reproduce the middle and working classes, and sustain the normative family model (Ferree and Hess 1994; Tong 1998).

For the weakened capitalist-state-citizen accord, two key policies were passed in support of the reproduction and consumption capacities for families. First, complementing the federal Food Stamp Program, the Supplemental Food Program for Women, Infants, and Children of 1975 (WIC) and amendments in 1978 made permanent a demonstration project to provide food vouchers, nutrition education, and access to

health services to support women and the welfare of future labor power (Oliveira, Racine, Olmstead and Ghelfi 2002; Scholz and Levine 2001). As an in-kind program, WIC provided grants to states to implement health programs, but did little else to supplement the cash income of poor families.

Second, in 1975 the Earned Income Tax Credit (EITC) was introduced as a consumption promotion program to provide low-income families with a wage supplement to augment yearly earnings below a minimum standard. The EITC provided incentives for low-wage employment by two-parent and single-parent families and became a key policy to address the dilemma between supporting profitability by keeping labor costs at a minimum and managing demand through a wage supplement (Danziger and Gottschalk 1995). The importance of the EITC to the economic conditions of poor and near poor families is fundamental to the reorientation of the capitalist welfare state. As the economy slowed and the post-WWII SSA was in crisis, the EITC did not challenge the circuit of capital or strain the federal budget, but provided some stability to the demand-side of the market. In essence, the EITC exemplifies attempts to end direct relief by reinforcing the labor force participation of the poor and working poor (Danziger and Haveman 2001; Goldberg and Collins 2001; Schiller 1998).

Stagnating real wages and the shrinking social safety net translated into the cautious expansion of credit and mortgage industries as avenues for more people to consume products and services, especially those with low wages. For example, Congress passed Section 8 of the Housing and Community Development Act of 1974 as national banks and federal saving institutions began to provide low-income mortgages to a broader consumer base. The Emergency Housing Act of 1975 subsequently provided

emergency relief for homeowners threatened with foreclosures. The Housing and Community Development Act of 1977 and amendments of 1978 increased the number of FHA mortgages to be insured and provided assistance to protect the growing stock of low- and moderate-income housing (Colton 2003; Schwartz 2006).

The credit industry received much attention in the second sub-phase of crisis. The consumption role of the family was challenged by decreased incomes necessarily translating to the emergence of dual-earner family households. In response, the 1974 Fair Credit Opportunity Act was passed to target unfair credit practices excluding women and minority groups from applying for and receiving consumer and mortgage loans. In 1977, the Fair Debt Collection Practice Act protected individuals from unfair or threatening treatment by debt collectors, and the 1978 Bankruptcy Act established protections for individuals who voluntarily applied for bankruptcy protection (Finlay 2009; Gelpi and Julien-Labruyere 2000; Warren and Tyagi 2003).

One further development in the decay of the post-WWII SSA contributed to the expansion of the finance industry and the ability of banks and lenders to participate in the process of capital accumulation. In 1978, the US Supreme Court ruled in *Marquette National Bank v. First of Omaha Service Corporation* that banks need only pay attention to the interest rates in the state in which they are incorporated, not that of the state in which their borrowers reside. By pre-empting state usury laws, and especially their regulations on interest rate caps, this ruling introduced credit deregulation by giving nationally-chartered banks access to offer credit to anyone in the United States they deemed qualified (Ellis 1998; Garcia, Lardner, and Zeldin 2008). Banks and private

lenders could now establish home offices in states where usury limits were at the highest and lend to consumers in states with low interest rates, charging the higher of the two.

Outcomes for Families in Decay: 1966-1979

The decay of the post-WWII SSA, for families, is highlighted by initiating the transition of the capitalist welfare state from supporting reproduction and socialization of the future labor force—the underpinnings of the 1960's War on Poverty—to endorsing and enhancing the consumption capacities of families. First, the explicit promotion of work and employment through restrictive federal policy and state and local public assistance programs places the welfare of families in *workfare*. Despite tightening labor markets, public assistance was combined with training and employment preparation, but produced a trained labor force without the generation of actual jobs (Bane 1988; Iversen and Armstrong 2006). Frictional unemployment translated to underconsumption by families, threatening reproduction and consumption roles, minimally addressed by a limited food and nutrition program and tax credit for low-wage work.

Two notable policy failures in 1971 distinguish the decay of the capitalist-state-citizen accord and a shift in the economic contingencies of families. First, the Nixon Administration was unable to pass its Family Assistance Plan (FAP), which would have supported the normative family model by combining a guaranteed minimum family income with work incentives. Second, the 1971 Child Care Act, which would have provided low-wage working mothers with subsidies for child-care services and support their labor market participation, was vetoed by President Nixon (Katz 1996; Kornbluh 2007; Orleck 2005; Rank 1994). The federal government traded the opportunity to develop broad maintenance programs for the family as an institution with limited

initiatives that promoted individual effort and self-sufficiency. Hampered by the dilemma between increasing federal expenditures and sustaining low-cost labor power for capital, the political economic structure of the United States forever changed (Abramovitz 1996; Quadagno 1994).

Second, the consequence of the shift in the relationship between the family and labor-markets, working- and middle- class families, for the first time, experienced downward mobility—the incidence when those “who have attained a degree of occupational or financial success in the adult years see their achievements evaporate” (Newman 1988:20). The normative family model was eroding with the SSA, and the needs of capital and the state to sustain economic growth demanded a reorientation of the family institution from primarily a supply-side reproduction one to that of demand and consumption. Withering access to income and welfare provisions of the post-WWII SSA, and a growing divide in the share of total wealth between the elite and the middle class, the use of consumer credit was promoted as the new means of consumption (Barber 2007; Calder 1999). The incorporation of debt, and the legitimizing regulations passed by the federal government, addressed the effective demand and purchasing power of families without jeopardizing the profitability of capital (Burton 2008; Durkin 1981; Manning 2000; Rubin 1994).

PROLONGED DECAY AND INITIAL EXPLORATION

SSA theorists argue that exploration for new institutional arrangements begins within the context of economic crisis due to further decay of the old SSA (Gordon, Edwards, and Reich 1982). This phase encompassing the Reagan and the first Bush administration is distinguished by the unprecedented occurrence of high official

unemployment rates and double-digit inflation, or *stagflation*. Between 1979 and 1992, unemployment increased over 28 percent (U.S. Bureau of Labor Statistics 2010b) and the median family income grew by only 1.6 percent (U.S. Census Bureau 2008b). Capital, on the other hand experienced a growth in power as organized labor and ordinary citizens were left without a solid base on which they could challenge their conditions of existence. The period immediately following the crisis and decay is that of business ascendancy because shifts in corporate governance, financial sectors, and the structure of markets allowed for a weak long-term economic trajectory in the name of short-term, private gain (Reich 1997). The result, from 1979 to 1992 was that GDP per capita grew by 27.9 percent (Federal Reserve Board 2010c) and the net stock of private non-financial capital climbed by 33 percent (U.S. Department of Commerce, Bureau of Economic Analysis 2009e).

The emergence of a period of free-market capitalism followed the 1980 election of Ronald Reagan to the presidency, and a loss of real gains through the capitalist welfare state translated into *underconsumption* by families. Declining real wages and over-work in paid and household labor formed new structural relations within families, and between families and the capitalist system, establishing new conditions of economic development (Gordon, Edwards, and Reich 1982; Gordon 1996; Kotz 1994a).

Liberalization in Prolonged Decay and Initial Exploration

The conservative reorganization of the United States abandoned labor and families to focus the capitalist welfare state on accumulation and profitability (Ehrenreich 1987). Cuts in social spending were wide, including cuts to housing assistance through the Housing and Community Development Amendments of 1981 and constraints on the

Social Security Program occurred by downsizing the Disability Insurance Program in 1980. The 1983 amendments were especially harsh as the age for full social security benefits was increased, COLA increases were delayed, tax increases for employers were accelerated, and by 1986 the ceiling for costs of living was decreased (DeWitt, Beland, and Berkowitz 2008; Kollmann 2000; Santow and Santow 2005).

Most important, however, was the 1981 Omnibus Budget Reconciliation Act that made an effort to address federal spending dilemmas by reducing social assistance and insurance rolls. AFDC was especially targeted for harsh cuts by tightening eligibility requirements and cutting real levels of spending on AFDC benefits (Neubeck 2006b). By lowering eligibility to 150% of the official poverty line and implementing arduous application processes, by 1983, nearly 14 percent of all beneficiaries were no longer receiving AFDC benefits, and those who did experienced a decrease in purchasing power due to inflation (Danziger and Gottschalk 1995; Piven and Cloward 1993). What is more, the 1981 retrenchments expanded mandatory work requirements through the WIN program, and the 1988 passage of the Family Support Act further amended AFDC by replacing WIN with mandatory work requirements under the Jobs Opportunities and Basic Skills Training (JOBS) program. JOBS required welfare recipients to participate in education, training, and job search activities as a condition of receiving AFDC. These changes exemplify the erosion of the capitalist welfare state by trading cash assistance and income-support with the new reality of self-sufficiency, resourcefulness, and individual responsibility. Bolstered by indexing EITC to inflation in 1987 and then expanded coverage in 1990, low-wage work *as* cash-assistance became the fundamental resource for poor and working families (Levitan et al. 2003; Noble 1997; Rom 1989).

Building on the Supreme Court's 1978 decision in the Marquette case, housing and credit markets were further liberalized. The 1980 Monetary Control Act deregulated savings and loans, overriding state usury laws, and phased out the interest rate cap on deposits and interest on first mortgages (Gelpi and Julien-Labruyere 2000; Gilbert 1986). The 1982 Garn-St. Germain Act extended the 1980 Banking Act allowing mortgage lenders to pre-empt state usury laws, and the Alternative Mortgage Transaction Parity Act, also in 1982, permitted the use of variable interest rates and balloon payments on consumer loans and mortgages (Campbell and Hercowitz 2006; Chomsisengphet and Pennington-Cross 2006; Gerardi, Rosen and Willen 2007). Finally, after Fannie Mae and Freddie Mac were expanded in 1984, the 1986 Tax Reform Act increased the demand on mortgage debt by prohibiting tax deductions for interest on consumer loans while allowing the deduction of interest on mortgages for primary residences and one additional home (Chomsisengphet and Pennington-Cross 2006; Pennington-Cross 2003). Without investment and stock assets, the family home became the most accessible form of wealth generation for middle- and working-class families. As a result, these policies also created favorable conditions for families to borrow against the value of their home (Temkin, Johnson and Levy 2002). For the poor and working poor, a family home, but not necessarily homeownership, was promoted through housing assistance block grants from the Housing and Community Development Act of 1987. Other housing supports for the marginalized included the 1987 Stewart B. McKinney Homeless Assistance Act which offered emergency shelter and homeless assistance due to a sudden loss of income, and the Fair Housing Amendments of 1988 that strengthened the enforcement of Title VIII of the Civil Rights Act. Finally, the 1990 Cranston-Gonzalez National Affordable Housing

Act expanded FHA involvement in the secondary mortgage market to provide some pre-paid mortgages and preserve low-income housing (Colton 2003; Curley 2005; Hays 1995; Schwartz 2006).

The deregulation of the financial regime relaxed the restrictions on home loans through private lenders, expanding their availability to a diverse set of borrowers at variable rates, and formed the basis of increased access to the housing market as a means to maintain the family and the economy. Housing and credit markets promoted the use of debt despite the continual stagnation of wages and rising unemployment, and in turn maintained the circuit of capital and the family as an institution (Barba and Pivetti 2009; Foster 2006). Combining tax credits for homeownership with minimal restrictions on financial firms, finance capital was given a durable market of families who were able to acquire their most important asset, the family home.

The liberal institutional structure. Wolfson and Kotz (2010) argue that this period of prolonged decay and initial exploration is conditioned by the rise and expansion of deregulated capital mobility. After a recession in 1991, the reascendancy of capital and sustained, but modest level of domestic and international economic growth was supported in part by deregulation of the credit and mortgage industries. What began with the Reagan Administration's severing of the compact between capital and labor, and between the government and citizens, a *liberal institutional structure* (LIS) was established. Through high levels of governmental involvement in the relations between capital, labor, and citizens in an "unconstrained market," an LIS creates "competitive pressures on workers, capital mobility, and a 'race to the bottom,'" resulting in the deterioration of workers' standards of living (Wolfson and Kotz 2010:82). Advancing

the reorientation of capital and other institutions toward profitability, accumulation, and capital formation free from governmental regulations on the circuit of capital, liberalism addressed increasing conflicts and dilemmas through the ‘creative destruction’ of previous capitalist welfare state institutions (Kotz 2008). Financial deregulation, for example, is part of a larger institutional reformation of human relations in the marketplace, supplanting permanent professional, political, and cultural domains with temporary contracts for economic gain (Harvey 2005:4).

The continued downward mobility of families exemplifies the emergence of the LIS and prolonged decay of the post-WWII SSA. Married women worked at higher rates as men’s wages remained flat, unionization rates declined, and norms of reproduction, socialization, and consumption, increasingly harder to meet, added to the economic stress of middle- and working-class families, the working poor, and the destitute. Families became economically impaired in their ability to act on their own behalf (Rubin 1994). As a result, to partially compensate for losing unpaid household labor, they became increasingly reliant on purchasing goods and services using credit mechanisms available through the financial sector (Agarwal and Ambrose 2007; Calder 1999; Warren and Tyagi 2003). As families struggled to meet their institutional roles, the “market controls both public and ‘private’ relations...under service-based corporate capitalism, as the personal life of the family is being subsumed by the market” (Ciscel and Heath 2001:405).

After the onset of the second sub-phase of decay in 1973, through the 1980s and early 1990s, trends in family debt mirrored that of the federal government, and drastic cutbacks in public and private spending meant millions of jobs were moved overseas or

disappeared all together. Middle- and working-class families, now include two wage-earners in the struggle to make ends meet, increasingly supplanted low-wage tax credits and inadequate levels of cash assistance with consumer credit (Rubin 1994; Warren and Tyagi 2003). The family, the social institution most in need of economic sustainability, was leveraged to reestablish economic growth in post-industrial capitalism. Combined with the deregulation of the financial system, the availability and cost of consumer credit and related services rose as the return of national economic growth was irretrievably linked with the necessary consumerism of families (Manning 2000).

NEOLIBERALISM: 1992-2007

The ascendancy of the LIS in the United States during the prolonged decay and initial exploration of the 1980s translated into a period of *neoliberalism* from the 1990s through 2007. Neoliberalism is characterized by

increased income inequality, deregulation of financial markets, increased influence of financial markets over corporate decision-making, fiscal policy emphasizing tax cuts for the wealthy and cutbacks in social programs, monetary policy that puts greater emphasis on reducing inflation than unemployment, and relatively sluggish economic growth. (Wolfson and Kotz 2010:72)

Between 1992 and 2007, median family income increased by nearly 16 percent (U.S. Census Bureau 2008b), but GDP per capita and the net fixed stock of non-financial capital increased by 47 percent and 56 percent respectively (Federal Reserve Board 2010c; U.S. Department of Commerce, Bureau of Economic Analysis 2009e), supported by the 107.8 percent increase in the level of consumer loans (Federal Reserve Board 2010a). Most glaring, however, is the widening gap in the share of total income between

the top five percent and bottom forty percent of families, nearly nine percentage points greater for the economic elite (U.S. Census Bureau 2009b).

Kotz and McDonough (2010:94) argue that neoliberal ideology “advocates a trilogy of policies known as liberalization, privatization, and stabilization.” In the United States, for families, liberalization has meant freeing of firms and markets, particularly financial markets, from state regulations, while privatization has transferred once publicly financed and administered services such as education social services over to private, for-profit providers. In both cases, families suffer due to increasing debt loads, and lower quality and fewer public services, while capital gains. Stabilization focuses on monetary policies to preventing inflation that would erode capital accumulation, rather than generating lower unemployment or general economic growth that would benefit families.

Neoliberal Institutions

Amendments to social security and welfare legislation denied benefits for increasing numbers of the disabled and poor, especially those determined to be “undesirable” in a low-wage market. For example, access to SSI and disability payments for drug- and alcohol-induced impairments were restricted but, through vouchers and rehabilitation services, work incentives to the intermittently disabled who were able-bodied and deserving were extended. By restricting access to public assistance but requiring work by those who may most need support, neoliberalism reinforces personal responsibility, even when individuals are physically impaired.

The most remarkable change to the capitalist welfare state came with the official end of the AFDC program in 1996 (DeWitt, Beland, and Berkowitz 2008; Livingston 2002). The Personal Responsibility and Work Opportunity Reconciliation Act

(PRWORA), otherwise known as ‘welfare reform,’ ended categorical funding for families by imposing life-time limits on the receipt of cash and other means-tested benefits, created the Temporary Assistance to Needy Families program (TANF)—block grants to states for welfare services—and forced recipients, as a condition of aid, to work or to attend school or job training programs. By cutting cash assistance, TANF is an example of a short-term, market-based, and contractual relation championed by the neoliberalism of the late post-WWII period. The emphasis on *temporary* restricted eligibility for benefits to a lifetime total of 60 months, with the flexibility granted to states to limit families to fewer years of assistance and/or to increase labor market participation requirements (Neubeck 2006b). This latest institutionalization of *workfare* obligates adult recipients to work or enroll in job training as a condition of aid, and disproportionately affects the poor and near poor as they are forced into competition with working- and middle-class workers for low-wage positions (Abramovitz 2006). Further, as states are penalized for not meeting specific benchmarks in terms of the percentage of adult recipients engaged in work or work-related activities, states incorporated harsh welfare roll reduction mechanisms in developing their programs (Lafer 2002; Morgen et al. 2006; Piven et al. 2002a).

In effect, TANF built a welfare system in which recipients are thrust into inadequate low-wage labor markets, subjected to punitive, often cruel, state adaptations of welfare regulations, and receive inadequate support services for welfare-to-work transitions (Corcoran et al. 2000; Danziger 1999; Goldberg and Collins 2001; Neubeck 2006b; Peterson 2002). Revisions to PRWORA in the 2000s cemented the system of public assistance as services and self-support, not cash, including the institutionalization

of a federal marriage initiative to promote the formation of two-parent families and responsible fatherhood (Allard 2007).

Consistent with the neoliberal shift from welfare to workfare, the EITC was expanded in 1993 to cover childless workers, and has continually earned the favor of politicians and citizens to become the most important assistance program for families (Danziger and Haveman 2001; Scholz and Levine 2001). The EITC affects the net income of not only the working poor, but supplements the mobility efforts of a majority of working families and individuals as the availability of living-wage jobs disappeared (Edin and Lein 1997; Iversen and Armstrong 2006). The redistribution of cash assistance through the labor market offered a productive ladder out of poverty, despite lower wages and diminishing material rewards. Though SSI was reauthorized at modest levels from the 1980s through neoliberalism, the reorientation of relief through to the labor market is clear (Katz 1996; Schiller 1998; Scholz and Levine 2001; Turner, Danziger, and Seefeldt 2006). Addressing the dilemmas of the capitalist welfare state by creating a contradiction between the economic wellbeing of families and capital accumulation, the family as an institution has been made increasingly self-reliant on the free market where personal responsibility and self-sufficiency have become the norm to meet consumption needs.

Reforms to the banking and credit sector further reinforced the new capitalism in the United States, underscoring how families could survive in the neoliberal system. Policies for the housing and mortgage markets included offering FHA insurance for home-equity mortgage conversions, thus freeing up more funds for consumption, and the 1994 Housing Opportunity Extension Act made public housing more affordable for poor elderly and disabled persons. The 1998 Quality Housing and Work Responsibility Act

created the Self-sufficiency Program to remove work disincentives and promoted self-support with modest protections for low-wage residents (Colton 2003; Hunt, Schulhof and Holmquist 1998; Public Housing Authorities Directors Association 1999). Finally, the 2000 American Homeownership and Economic Opportunity Act strove to sustain demand for homeownership among the working and middle classes, by offering subsidies contingent on labor market participation, and promoted homeownership in rural areas for the elderly and the disabled (Colton 2003; Schwartz 2006).

The financial subsidization and support for capital and the rich supplanted the support and assistance of working- and middle-class families in the 1980s and early 1990s. Even as President Clinton touted personal responsibility as family economic relief, family savings rates and disposable income eroded, mirroring the trend in wages prior to and through the 1991 recession (Harvey 2005; Manning 2000; Pressman and Scott 2009a). Instead, the growing neoliberal system provided investment banking with a free pass to the fully deregulated financial sector. In 1994, the Riegel-Neal Interstate Banking Act, and 1997 amendments, removed geographical barriers so banks could open branches in other states and allowed for the merger of banks across state lines (Garcia, Lardner, and Zeldin 2008). Coupled with the 1996 Supreme Court ruling in *Smiley v. Citibank* which allowed credit card fees to mirror interest rates, limited only by regulations in the lender's home state, the Gramm-Leach-Bliley Act of 1999 and Commodity Futures Modernization Act of 2000 officially put the final nails in the coffin of the post-WWII financial regulatory regime. Dismantling the Banking Act of 1933 and the Bank Holding Company Act of 1956, Gramm-Leach-Bliley repealed the compartmentalization of the banking sector, allowing commercial, investment, and

insurance firms to once again combine their services while the Commodity Futures Modernization Act deregulated the trading of financial derivatives including credit debt and mortgage-backed securities (Barth, Brumbaugh Jr., and Wilcox 2000; Scheer 2010).

Growing conflicts and dilemmas created through the free market were resolved in part by providing consumer credit to an increasing number of families. The deregulation of the banking industry made it possible for those previously ineligible to obtain standard loan mechanisms to access home mortgages and consumer credit. The subprime market offered a new brand of cash assistance for the purchase of goods, services, and homes for those economically at risk, but nonetheless seeking means to meet consumption norms. Groups historically discriminated against in housing and credit markets, especially women, low-income families, and people of color, were initially targeted to receive loans below prime rates. Risky or not, credit formed a bridge to complete the circuit of capital by providing a ready market of consumers (Goodman 2009; Howell 2006).

Further, by using debt to access durable goods through rent-to-own businesses and leases for new and used automobiles, low- and middle-income families accessed credit to obtain a certain quality of life, but one that provided little or no growth in their net worth (Barber 2007; Manning 2000; Parrish and King 2009). A rise in debt-generating non-durable markets, such as payday lenders and check-cashing centers, also increased the obligations of lower-income families seeking access to cash to meet their needs (Newman and Chen 2007; Parrish and King 2009). In effect, the creation and utilization of subprime lending markets, and the rise in businesses ready to benefit from their use, exploited typical class, race, and gendered inequalities by balancing their

precarious and risky financial histories with substantially higher interest rates (Calem, Gillen, and Wachter 2004; Capozza 2006).

Meanwhile, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 acted as a check on consumer “abuse” of credit expansion by making it increasingly difficult for individuals to discharge debt, and easier for creditors to protect and pursue their rights. Creating a punitive means-test for bankruptcy protection, this law establishes a precedent of regarding all potentially liquid assets as being sufficient funds for repayment of debt, and as a means to declare the debtor at fault (Smith 2005; Wedoff 2005). Protecting the gains of finance capital over the economic stability of families, subprime lending and repressive bankruptcy regulations further jeopardized the economic wellbeing of families. The use of credit supported the low-wages of many families, but their indebtedness held their meager assets hostage to capitalist interests.

INSTITUTIONAL ANALYSIS SUMMARY

Table 2 summarizes the preceding institutional analysis that traces the historically-contingent conditions for the economic deterioration of families in the post-WWII United States. Changes in the capitalist-state-citizen accord, the capital-labor accord, and regulations of the financial sector show the shift from public cash assistance to the neoliberal emphasis on self-sufficiency and personal responsibility.

In consolidation, the New Deal compromise provided for stability within the working and middle classes, extending job security, rising wages, access to benefits, and, when necessary, an adequate minimal social safety net. While these institutions initially excluded many social groups, rapid economic growth allowed for the capitalist welfare state to expand and cover more families and secure an environment for sustained

economic growth. Families, through these provisions, were able to meet their institutional roles in the post-WWII United States, especially their reproduction capacities to supply labor power for capitalist firms.

Challenges to contradictions of the capitalist welfare state by those groups structurally marginalized from the capital-labor and capitalist-state-citizen accords occurred during the initial decay phase of the post-WWII SSA. With a peaceful and stable environment for capital investment and growth becoming more problematic, profit rates began to slow, and after the 1973 recession, wage and benefit cuts were implemented to minimize production costs and stabilize profitability. Families were struggling to reproduce and socialize labor power despite the increasing number of dual-income families or breadwinners with multiple jobs. By the 1980s these cuts rendered lesser-skilled industrial workers superfluous, and the working and middle classes were experiencing the contradictions of capitalism once concentrated solely on their working-poor and impoverished peers.

Table 2: Institutional Conditions Across Phases of the Post-WWII SSA

SSA Phase	Institutional Conditions			Family Economic Conditions
	Capitalist-State-Citizen Accord	Capital-Labor Accord	Financial Regime	
<i>Consolidation</i> 1948-1966	<i>Cash Assistance and Capitalist Welfare State Provisions</i> <ul style="list-style-type: none"> • Social Security Expansion • AFDC Expansion • Civil Rights Reforms • Community Action Agencies 	<i>Industrial Democracy and Full Employment</i> <ul style="list-style-type: none"> • Landrum-Griffin • MDTA • Affirmative Action and Equal Pay 	<i>Fiscal Stabilization and Urban Support</i> <ul style="list-style-type: none"> • Low-Income Housing Programs • Urban Redevelopment Initiatives • Fiscal Regulations on Interest Rates 	<ul style="list-style-type: none"> • Rising median family incomes • Decreasing poverty rates • Unemployment less than 4% • Low, but growing debt obligations
<i>Decay 1</i> 1966-1973	<i>Increase in Assistance; First Work Mandates</i> <ul style="list-style-type: none"> • Work Mandated for Public Assistance (WIN) • Jobs Training Programs (CEP/JOBS) • SSI Established 	<i>Employability and Jobs Training</i> <ul style="list-style-type: none"> • CETA • Equal Employment and Civil Rights Amendments 	<i>Mortgage Promotion and Credit Protection</i> <ul style="list-style-type: none"> • Fannie Mae and Secondary Mortgage Markets • Consumer Protection • Fair Credit Regulations 	<ul style="list-style-type: none"> • Slow, but rising median family incomes • Declining poverty rates under 10% • Low, but increasing unemployment near 5% • Stable consumer spending
<i>Decay 2</i> 1973-1979	<i>Enforcement of Welfare and Work Provisions</i> <ul style="list-style-type: none"> • Supplemental Food Program (WIC) • EITC 		<i>Debt Regulations for the Middle Class</i> <ul style="list-style-type: none"> • Housing and Community Redevelopment • Fair Credit and Debt Regulations, cont. • Bankruptcy Protections • Supreme Court's <i>Marquette</i> Decision 	<ul style="list-style-type: none"> • Stagnating median family incomes; rise of dual-earner middle-class households • Family poverty rates over 9% • Slowly increasing unemployment to 6% • Consumer credit increases
<i>Prolonged Decay and Initial Exploration</i> 1979-1992	<i>Growth of Workfare and Welfare Retrenchment</i> <ul style="list-style-type: none"> • Welfare Roll Reductions; Spending Cuts • Workfare through FSA and JOBS 	<i>Business Ascendancy</i> <ul style="list-style-type: none"> • Liberalization of Labor Relations • Declining Unionization 	<i>Financial Deregulation</i> <ul style="list-style-type: none"> • Easing Credit Controls • Tax Reforms to Promote Mortgage Debt • Emergency Housing Assistance 	<ul style="list-style-type: none"> • Flat median incomes • Rising family poverty to 12% • 7% average annual unemployment • Rising household debt
<i>Neoliberal Exploration</i> 1992-Present	<i>End of Cash Assistance and Institutionalization of Workfare</i> <ul style="list-style-type: none"> • Welfare Reform and TANF 		<i>Fiscal Mechanisms</i> <ul style="list-style-type: none"> • Neoliberalization of Economy • Relaxing Barriers between Financial Institutions • Bankruptcy Reform • Growth in Subprime Markets 	<ul style="list-style-type: none"> • Slow, increasing median income • Poverty rate near 10% • Unemployment fluctuating from 4-7% • Rapid growth in debt obligations

The liberalization of the political economy addressed the dilemma of the capitalist welfare state to promote accumulation while minimizing conflicts. Beginning in the 1980s, relations between families and the U.S. political economy dramatically changed. Despite continual cuts in wages, increasing unemployment, and the ability of breadwinners to navigate highly competitive low-wage markets, the social safety net was gutted. The privatization of a patchwork of insurance and relief programs fueled the downward mobility of middle-class, working-class, lower-class, and poor families while encouraging mediocre economic growth. The importance of the family's reproduction role was supplanted by one of consumption. Access to credit became the new form of cash relief and the self-sufficiency of families, and their eventual economic deterioration was conditioned by their dependence on debt-sustained private consumption. By the most recent phase of the post-WWII SSA, from about 1992 through the recession beginning in December 2007, more families, despite modest overall economic growth, are finding it difficult to remain solvent in an increasingly competitive, financialized free market capitalist system.

In the end, at moments where policy institutions could have extended the social security provided by the post-WWII SSA in a broad manner, incorporating families across social classes, and providing stability and economic security, the historically-contingent institutional reconfiguration promotes capital accumulation by enforcing low-wage employment, private services and jobs training, and the precarious celebration of individual initiative and responsibility in the market.

EMPIRICAL EXPECTATIONS

The following chapter will present a set of time-series models to test the conclusions of this macro-institutional analysis. These models will address the changing association between families, capital, and the capitalist welfare state in the post-WWII period. These relationships, as argued in the institutional analysis, are historically-contingent, and therefore quantitative analyses will focus on the pattern of effects across the full period and within post-WWII SSA phases from 1948 through 2007. Based on this argument and prior to developing these models, a set of theoretically-informed empirical expectations are outlined below to present anticipated relationships between measures of public cash assistance moving from welfare to workfare, family deterioration in expanding consumer markets and household debt, and the rate of capital accumulation.

Family Economic Deterioration Models

The institutional analysis argues that changes to the quality and quantity of capitalist welfare state assistance, from cash welfare for the economically marginalized to tax credits in low-wage labor markets, led in part to the deterioration of families after World War II. Underlying this shift is the relationship between the family as an institution and the broader political economy, with a change in its primary function from reproduction of labor power to one of completion of the circuit of capital via consumption of goods and services on an ever-increasing scale. This change was facilitated by the deregulation of finance capital that, in turn, resulted in the deterioration of families through unprecedented levels of consumer debt. When wages and income stagnated and exacerbated inequalities brought about by the downward mobility of families across the middle, working, and poverty-classes, consumer debt supplied an

important means of consumption. The first set of empirical analyses will consider these trends in family economic deterioration as endogenous to changes in public assistance and the deregulation in the financial sector during the post-WWII SSA.

Expectation #1: As the family's primary institutional role shifts from reproduction to consumption, public cash assistance expenditures will have a negative relationship with consumer credit and debt to disposable income, but have a positive relationship with debt to assets. Over the post-WWII SSA it is expected that at times when public assistance is increased, the level of outstanding consumer credit and debt will decrease. More specifically, this negative relationship is expected to be strongest during the two sub-phases of decay. During these two sub-phases, the most profound changes to the capitalist-state-citizen accord materialized under pressure from citizen's movements and the emergence of welfare rights organizations, resulting in increased public assistance spending and making the social safety net it provided available to more families.

In the first decay phase, from 1967 through 1973, rapid increases in public assistance balanced social unrest and growing levels of need, with attempts to stabilize a sputtering economy. Therefore, the increase in cash welfare is expected to show a decrease in the need for consumer credit and increased debt. However, after the relief explosion of the early 1970s and policy failures during the Nixon Administration to expand cash assistance to families, local, state, and federal coffers were strapped. Social welfare funding was rolled back and, in 1975, low-wage work incentives through the Earned Income Tax Credit were established to supplement the needs of working families. In addition, policies enacted between 1966 and 1973 protecting debtors and legitimizing credit markets were followed, in 1974, by the easing of barriers between consumer credit

and marginalized groups. Prior to the mid-1970s, credit was available only for stable, middle-class breadwinners typically covered by the post-WWII capital-labor accord. To generate demand and promote economic recovery, a broader set of families was granted access to means for consumption as cash assistance was cut, and, as anticipated, produces increased debt.

However, after these initial changes in the capitalist-state-citizen accord, welfare was continually combined with workfare and public funding on assistance was grown more by tax credits than cash. Because employment is a precondition to access loan and credit mechanisms, as wages stagnated and the capitalist welfare state liberalized, privately financed consumption spending and levels of debt are expected to increase. Therefore, comparing a ratio of household debt to the value of assets with public cash assistance should show a positive relationship. Families, to meet consumption needs, use their access to prime and subprime credit markets to consume goods and services, but typically on commodities and services with little after-market value. When household credit becomes increasingly available, continued trends of low income growth and moderate unemployment, not labor market-based public cash assistance, are expected to translate to higher levels of debt through the neoliberal phase.

Expectation #2: Changes in public cash assistance expenditures exacerbate inequalities between families. Over the post-WWII SSA, public cash assistance expenditures, even as it transitions from welfare to workfare, is expected to have a negative relationship with income inequalities between families. Public assistance spending consists of transfer payments that shift income from the rich to the poor through the taxation system. Thus, cash assistance spending is expected to lessen the income gap

between the top five percent and bottom 40 percent of families. For example, in the first decay sub-phase, when the economy slowed and public cash assistance expenditures increased, the gap between the incomes of the rich and poor are expected to decrease. However, in the second sub-phase of decay, when the cash assistance begins its shift to workfare in low-wage markets and institutionalized thereafter, inequalities are expected to increase. After 1980, and most evident within the neoliberal phase, the liberalization of social policy and promotion of self-sufficiency is expected to widen income inequalities between families, with cash welfare spending having no impact.

Expectation #3: Deregulation of the financial sector contributes to the economic deterioration of the family. As indicated in this analysis, financial deregulation contributed to how families accessed and used consumer credit as means of consumption. The traditional lending institutions for families to participate in the financial sector, commercial savings and loans banks, were highly regulated after the Great Depression, but following the liberalization of the political economy in the prolonged decay and initial exploration SSA phase, and continuing into the neoliberalism phase, most of these regulations disappeared. Instead, banks were allowed to consolidate and diversify services, including investment and commercial activities, using deposits for speculative activities. Therefore, as banks, once regulated to protect families and other consumers, become unregulated and diversified, an increase in consumer loans and debt is anticipated because increased debt spending by families contributes directly to the financial sector. After 1980, strong positive relationships between family deterioration and the consolidation of banks are expected. Further, as the banking sector consolidates and extends more credit to families, the income gap between the economic elite and

typical families are expected to increase as well as upper-tier families derive income from bank mergers and financial speculation.

Capital Accumulation Models

The institutional analysis also argues that the deterioration of families benefits capital accumulation. Therefore, a second set of models will take measures of family decline as exogenous predictors of the rate of capital accumulation in the post-WWII period. These expectations, overall, predict a positive relationship between the increase in household debt and the consolidation of financial markets. However, the inequalities between families and their deteriorating wealth, in light of the increased use of credit without adequate means to pay off their obligations, are not expected to impact capital accumulation to a significant extent.

Expectation #4: Capital accumulation depends on family debt and has a strong positive relationship with it until the family deteriorates during the neoliberalism phase.

The institutional analysis argues that the deregulation of the banking and credit sectors after 1980 has a negative impact on the economic strength of families. However, it is also argued that, to sustain the circuit of capital, such changes free both nonfinancial and financial corporations to leverage the consumption role of the family as an institution in capitalist society. Therefore, the assumption of debt, overall, is expected to have a positive relationship with capital accumulation.

Consumer credit, for example, allows families to consume more goods and services, therefore adding to the bottom-line of corporations. Through the consolidation and first sub-phase of decay, access to credit was limited, but capital accumulation was sustained. When barriers to credit were removed in the mid-1970s, a continued positive

relationship between debt and accumulation is anticipated as more families utilize these means for consumption. Overall, from consolidation through the decay and prolonged exploration phases of the post-WWII SSA, increased consumer debt is expected to increase the accumulation of capital.

However, the indebtedness of households is also a function of income, not solely expenditures. When incomes and wages flattened after the erosion of the economy, families are expected to support consumption with increased debt obligations. Increasing credit expenditures to purchase durable goods links the consumption practices of families to nonfinancial capital. Yet, financial capital depends on profits from payments on interest, and the increase in debt reflects the financial deregulation of the economy, especially in the initial exploration of the 1980s and early 1990s and into the neoliberalism phase. But outstanding obligations are expected to show different relationships with capital accumulation depending on whether income is included in the comparison. Because families have less income to pay down their balances, the relationship between capital accumulation and debt is expected to be negative, while a weak positive relationship is anticipated between outstanding credit and capital accumulation.

The amount of household liabilities can also be compared with the values of household assets to consider the net worth of families, and is expected to be weak, if not null, with capital accumulation. While, it may be plausible to anticipate a positive relationship because liabilities are expected to promote capital accumulation, some assets, such as consumer durable goods, generate little, if any, after market value. Without access to financial assets to supplement home equity, the net worth of most middle-

working-, and low-income families may dampen their ability to contribute to capital accumulation. Therefore, the easing of credit and containment of inflation during the deregulatory 1980s and 1990s, combined with slow growth in asset values in the neoliberalism phase, a weak positive or non-significant relationship between accumulation and a ratio of family liabilities to assets is expected.

Expectation #5: Family income inequalities have weak relationships with capital accumulation. The level of public cash assistance is expected, as described above, to have a significant impact on income inequality between families. However, inequality is not expected to benefit capital accumulation because, for example, the rise in citizen's movements in the late 1960s and early 1970s precipitated the full erosion of the post-WWII SSA. Capital needed a peaceful and stable environment to promote accumulation, and easing the economic inequalities of those left out of the post-WWII accords by the capitalist welfare state placated citizens and legitimized the mode of production. The poor and working poor are not, historically, major contributors to the circuit of capital via their consumption patterns, but rather used in low-wage, exploitive labor markets to reduce production costs. Therefore, capital and the government have little incentive to eradicate such inequalities outside of inducing low-wage employment through tax incentives. Therefore, the relationship between inequality in family incomes and capital accumulation is expected to be weak and positive, if not null, across SSA phases.

Expectation #6: The consolidation of banks underlies, but does not increase, capital accumulation. Financial consolidation and liberalization after 1980 is not expected to impact overall capital accumulation. The number of bank mergers, for example, in the early post-WWII period was low due to the compartmentalization of the

financial sector after the New Deal. Therefore a stable consumer banking industry contributed to more confidence and economic growth in consolidation. Changes to the banking industry, as argued in the institutional analysis, are based in liberalization and the rebalancing of capital and families in the political economy. Deregulation in the 1980s and 1990s allowed the financial industry to become more prominent in the overall economy, but the merger of commercial banks primarily functioned to constrain competition and concentrate profits, not promote the growth in the fixed stock of the entire corporate sector. Therefore a weak positive relationship is anticipated between the concentration of the banking sector and capital accumulation.

CHAPTER 6

TIME-SERIES ANALYSIS OF HISTORICAL CONTINGENCY

“No one wants to sit on a couch with holes in it, but for the near poor, a new couch is beyond their means. The answer, too often, is debt...and credit card companies are all too happy to indulge them.” – Katherine Newman and Victor Chen (2007:6)

In this chapter I present the results of eight time-series models measuring various relationships between public cash assistance expenditures, family economic deterioration, and capital accumulation. First, I detail the process through which these variables were conceptualized and the steps through which the separate models were constructed and tested. Second, to provide an overall context for analyzing these models, I briefly discuss the trends in each univariate series across phases of the post-WWII SSA. Third, I present each model separately by taking each of four measures of family economic deterioration as endogenous and discuss significant effects from public cash assistance expenditures and the rate of bank mergers, controlling for unemployment. I then analyze each family economic deterioration measure and the rate of bank mergers as exogenous with capital accumulation as endogenous, controlling for changes in the level of taxes paid by capital. Finally, I conclude this chapter by revisiting the expectations developed through the institutional analysis to develop a theoretically-informed portrait of the economic deterioration of families after World War II.

QUANTITATIVE TIME-SERIES DATA

In comparison to other approaches that investigate the capitalist welfare state, SSA researchers have consistently incorporated Marxian and Keynesian macroeconomic insights, and conducted econometric analyses of government spending on the social,

political, and economic institutions that sustain capital accumulation, as well as other macro-economic indicators (Bowles, Gordon, and Weisskopf 1986; Bowles, Gordon, and Weisskopf 1990; Gordon, Edwards, and Reich 1982; McDonough, Reich, and Kotz 2010). A similar approach is used here to compare investments by the capitalist welfare state with those by private families and capital to create favorable economic conditions. More specifically, the quantitative analysis uses measures of the economic conditions of families and households, welfare spending, and capital accumulation to assess the pattern of effects of policy shifts on the wellbeing of families and capital across phases of the post-WWII SSA.

Primary Variables

Annual time-series data on measures of family economic deterioration, public cash assistance expenditures, capital accumulation, and financial deregulation are the primary variables used in these time-series models; additional control variables include the not seasonally adjusted unemployment rate and the level of tax payments by capital. Each annual series begins in 1948 and ends in 2007. Detailed descriptions of data sources and calculation of all variables are provided in Appendix A. Based on the empirical evidence in Chapter 1 and the institutional analysis in Chapter 5, these data were collected to test the historically-contingent roles of the family vis-à-vis capital accumulation within the post-WWII SSA.

Public Cash Assistance. *Total public cash assistance expenditures* is defined as the total amount of federal expenditures on direct relief through Aid to the Aged, Aid to the Blind, Aid to the Permanently and Totally Disabled, General Assistance, Aid to Dependent Children (ADC), Aid to Families with Dependent Children (AFDC),

Temporary Assistance to Needy Families (TANF), Supplemental Security Income (SSI) payments, and Earned Income Tax Credit (EITC) payments from 1948 through 2007.

The sole use of federal dollars is purposeful for two important reasons. First, the federal capitalist welfare state, and therefore welfare, labor, and fiscal policies, match the level of analysis in the institutional analysis. Second, using only total federal expenditures on public assistance avoids conceptual and empirical problems posed by including state and local expenditures. Including matching and supplemental state funding, for example, by using the average amount of assistance per recipient is inadequate because it assumes equal access to the distribution of funds. However, due to a tradition of localism and the uneven nature of programmatic implementation by states and municipalities, the actual assistance extended is uneven between welfare recipients (Davis 2004; Katz 1996; Piven 2001).

This annual time series was created to represent the total public cash assistance expenditures on relief as the sum of cash assistance and low-wage tax credits. The EITC program was implemented in 1975 and changes in expenditures on direct relief reflect this intervention by the federal government in the economic conditions of families. Other forms of social assistance, like Food Stamps and Housing Assistance, are grant programs heavily influenced by state and local factors. Compared with means-tested cash assistance, these funds are highly targeted and controlled. Assistance programs included in this series allow some level of income and provide families with a level of independence to spend or save their funds, and contribute to their ability to become economically sufficient. Finally, payments through other federal programs, like Old Age and Survivors' Insurance and Unemployment Insurance, are payments based on taxes

levied on an employee's wages and the employer's payroll, with eligibility based on their work record.

Capital accumulation. The measure of *total capital accumulation* is the combined net stock of private, nonresidential fixed assets in the financial and nonfinancial domestic U.S. corporate business sector. This variable measures the total value of structures, equipment, and software that are owned by private corporate entities, and is comparable to measures used in the SSA literature (Bowles, Gordon, and Weisskopf 1990; Weisskopf, Bowles, and Gordon 1983). However, these studies most often focus on nonfinancial capital without incorporating private financial firms. The measure of capital accumulation employed here, because of the growth of the financial services industry and the increased use of credit mechanisms by families, includes the fixed assets of both financial and nonfinancial private corporations as reported by the Bureau of Economic Analysis (2009b).

Family economic deterioration. Four variables measure aspects of the economic deterioration of the family. Three variables measure private, family-based consumption activities through the level of outstanding credit, the ratio of liabilities to disposable income, and the ratio of liabilities to the value of accumulated assets. First, the *annual average total consumer credit outstanding* represents the level of new and ongoing private credit obligations for the purchase of goods and services in support of the institutional roles of the family. This annual average measures the increasing dependence on credit to meet the consumption needs of families, and is informed by the increasing number of debt-poor families in the United States (Barba and Pivetti 2009; Pressman and Scott 2009a; Pressman and Scott 2009b).

Second, by dividing the sum of total household liabilities by disposable personal income, an estimate of the *household debt ratio* focuses on the liabilities assumed by families compared with their ability to pay down these obligations. Other ratio measures comparing debt to income exist, including the debt service ratio of the Federal Reserve Board (Bucks et al. 2009; Dynan, Johnson, and Pence 2003), but this series does not extend to the earliest years needed for analysis. Total household liabilities are the sum of new and outstanding home mortgage and consumer credit loans measured at the end of each year that represent the new and on-going amount of consumer loans for durable goods and services. These lending mechanisms allow households to supplement or replace income from wages or income transfers from the federal government, and guarantee some level of effective demand by increasing the purchasing power of families (Blundell, Pistaferri, and Preston 2008; Wolff, Zacharias, and Caner 2005).

Disposable personal income is measured as the amount of money available to households and families after taxes and transfers are deducted from the annual level of income. Using disposable income controls for wages through employment, changes in population, fluctuation in prices, and the general volume of economic activity over a given period (Teplin 2001). Moreover, dividing the total amount of liabilities by disposable income measures the ability of families to spend down their debt.

Third, replacing disposable personal income with the total value of household assets generates a ratio that compares household debt to accumulated wealth. The *liabilities-to-assets* ratio is a direct measure of the amount of outstanding debt for the purchase of homes and durable goods to the total current value of their assets. This ratio includes the sum of the value of the family home and the value of consumer durable

goods at current replacement costs, and reflects a measure of relative changes in family worth based on obligations and the value of their private property. An indicator of the economic deterioration of families, as the value of assets fall compared to the amount owed on them, families find themselves in a precarious situation, better described as being “underwater” (Goodman 2009; Pressman and Scott 2009b).

The final family economic deterioration measure moves beyond the family-as-consumer to make comparisons across social classes and family groups. The *income inequality ratio* contrasts the aggregate share of total family income going to the top five percent of families to that going to the bottom forty percent of families. Often, changes in or comparisons of family income focus on a measure of the “middle class,” however there is little agreement on a definition or measure for such a large and fluid demographic group (Danziger and Haveman 2001; Pressman 2007; Rank 2005; Thurow 1985). Rather, by juxtaposing the share of income of the economic elite with that of the working poor and poverty classes, changes in income inequality over the post-WWII SSA reflect the status of the most stable, affluent families in comparison to those who are most vulnerable in U.S. society.

Each measure of family economic deterioration is used as a dependent variable in the first set of time-series models, and then as an independent variable in separate capital accumulation models. Each series highlights a different aspect of the relationship between the economic conditions of families and their ability to privately contribute to their own welfare and the changing political economy within the post-WWII SSA.

Financial deregulation. The *number of total unassisted mergers of commercial banks* represents the pace and magnitude of the financialization in the post-WWII period.

Commercial banks have grown more important to the overall economy in the post-WWII SSA, especially as the consolidation and concentration of the private financial industry increasingly seeks markets for thrift and credit services. Unassisted merger and acquisition activities by banks, as argued, are undertaken to promote private profits and fee-based incomes from diverse financial products, build a geographically broad clientele, and increase market power by constraining competition (Pilloff and Santomero 1996; Spiegel and Gart 1996). For the purposes of these models, the number of unassisted mergers of commercial banks also contributes a variable that takes into account the deregulatory nature of neoliberal policy allowing the finance industry to impact the circuit of capital (Tabb 2010), especially as these financial institutions become too big to fail (Goodman 2009; Sorkin 2009; Wolfson and Kotz 2010).

Control Variables

Each family economic deterioration model includes the not seasonally adjusted *unemployment rate*. This measure, reported by the Bureau of Labor Statistics (2010a), controls for labor market fluctuations and business cycles. The unadjusted unemployment rate is the percentage of the members of the labor force without jobs actively seeking and available to work, or who are on temporary layoff and may or may not be actively seeking employment. Over the post-WWII SSA, the unemployment rate is expected to grow when the economy slows, especially in the first decay sub-phase. This rate should maintain a moderate level as workfare and low-wage tax incentives induce labor market competition, especially after 1980.

The capital accumulation models replace the unemployment rate with a measure of the share of taxes paid by capital. *Capital's tax share*, expected to have a negative

relationship with accumulation, controls for the taxes paid by corporate firms to the federal government. As corporate taxes decrease, the redistribution of capital income either directly to the federal government or to labor is redirected to reinvesting in private business and financial activities. This measure is derived from a similar measure used by SSA theorists in previous time-series analyses (Bowles, Gordon, and Weisskopf 1986; Gordon 1991).

Data Transformations

Prior to univariate or multivariate analyses, including the creation of applicable ratios, each series measured in current dollars was rescaled to reflect expenditures in *billions* of current dollars. Then, to compare these expenditures over time, each series was then adjusted for inflation by dividing the unadjusted current dollar series by the Consumer Price Index conversion factor (CF) for 2007 dollars (Sahr 2009): $\text{Adjusted} = \text{Unadjusted} / (\text{CF})$. The income inequality series, comparing proportions, and the unemployment series, measured as a percentage, did not require transformation.

QUANTITATIVE TIME-SERIES METHODS

The analysis of quantitative family economic deterioration and capital accumulation time-series models consisted of multiple steps from univariate descriptive analyses to multivariate regression analyses. I discuss this process in turn.

Univariate Analysis

Prior to model specification, the first step in the overall analysis involved the examination of univariate time-series plots for each variable across the entire post-WWII SSA and within each of the identified SSA sub-phases of consolidation, decay, prolonged decay and initial exploration, and the neoliberalism phase. This step was necessary to

determine the form of each univariate series to be included in the family economic deterioration and capital accumulation models.

After the visual inspection of time-series plots, univariate descriptive statistics and Jarque-Bera tests for normality for each series were conducted. To meet the stationarity and statistical independence assumptions of time-series regression, autocorrelation and nonstationarity in the mean of the series was inspected using correlograms and Ljung-Box Q -statistics, and Dickey-Fuller and Augmented Dickey-Fuller tests for unit roots were performed (see Cromwell, Labys, and Terraza 1994 for a description of these tests). In cases where the null hypothesis of a unit root was not rejected at the $p < 0.05$ level, the series was differenced appropriately and tests for normality and autocorrelation were again performed. If the differenced series showed nonstationarity with large Q -statistics rejecting the null hypothesis of stationarity at $p < 0.05$, a univariate model was estimated to include autoregressive and/or moving average parameters to correct for these processes.

Finally, after each univariate model met these assumptions, a Chow breakpoint stability test examined the historical stability of each variable across the periodization of phases of the post-WWII SSA. The Chow test compares the full post-WWII series model with separate models for the 1948-1966 consolidation phase, 1967-1973 first decay sub-phase, 1974-1979 second decay sub-phase, 1980-1992 prolonged decay and initial exploration, and 1993-2007 neoliberalism phase under the null hypothesis that each series does not vary across these theoretically derived and institutionally analyzed phases of economic growth and decline. The stability of these variables is rejected when the likelihood ratio statistic is significant at the $p < 0.10$ level. The likelihood ratio test

compares the unrestricted maximum likelihood across the phases with the restricted maximum likelihood of the full series, the difference of which produces the test-statistic. In cases where the Chow breakpoint test rejected the null hypothesis of stability, therefore supporting the hypothesis of historical contingency, separate period-specific univariate models were estimated for each variable to determine their proper form. Each period-specific univariate model, like above, was then tested for normality, stationarity, and independence. Each model was accepted when Q -statistics in the first 2 lags failed to reject the null hypothesis of stationarity at the $p < 0.05$ level.

Family Economic Deterioration Models

Once the form of each series was determined, estimates for the relationship between public cash assistance expenditures and each of the four family economic deterioration variables: consumer credit outstanding, the household debt ratio, income inequality, and the liabilities-to-assets ratio, were obtained, including the number of unassisted mergers of commercial banks and controlling for the not seasonally adjusted unemployment rate.

The first step in building the family economic deterioration models determined the bivariate relationships between each endogenous deterioration measure and cash assistance, bank mergers, and unemployment. To do so, I regressed the family economic deterioration variables on each predictor to inspect the residuals for autocorrelation and partial autocorrelation processes using correlograms and Ljung-Box Q -statistics for nonstationarity. When the null hypothesis of independent errors in the residuals was rejected at $p < .05$ autoregressive and/or moving average parameters were added to correct for these processes. Once stationarity was established, the bivariate models were

re-estimated and accepted when Q -statistics failed to reject the null hypothesis of independent errors and Jarque-Bera tests failed to reject the null hypothesis of normality in the residuals, each bivariate model underwent a White's test for heteroskedasticity. If the White's test rejected the null hypothesis of homoskedasticity at $p < .05$, then the model was re-estimated using White's correction to produce robust standard error estimates and t-test statistics (Cromwell et al. 1994; Ostrom 1990). Finally, a Chow breakpoint test on each bivariate model tested the null hypothesis of stability of the observed relationships across phases of the post-WWII SSA. Stability was rejected at $p < .10$ showing a significant difference between SSA phases of the post-WWII period.^{viii} This bivariate model specification process was duplicated for each of the dependent family economic deterioration variables and the measure of public cash assistance, and then between each and the banks mergers and unemployment variables.

Once bivariate regressions for each model were complete, multivariate models were estimated adding the bank mergers variable and unemployment control variable to the public cash assistance models, and then using only the bank mergers and unemployment variables. Again, the residuals of these models were assessed for stationarity through Q -statistics, Jarque-Bera tests for normality, White's tests for heteroskedasticity, and Chow breakpoint tests for stability. Corrections were made until the residuals were stationary, normally distributed, and corrected for any heteroskedasticity.

Two additional tests of models with multiple independent variables were conducted to assess the degree of multicollinearity between predictors and the instability of slope coefficients. The first diagnostic, the variance inflation factor (VIF), assesses the

extent to which the variance of the parameter estimates is inflated due a high correlation between predictor variables. While estimates remain robust in the presence of multicollinearity, the inflation of the variance (and hence standard errors) of the parameter estimates can make it more difficult to reject the null hypothesis of no relationship (Agresti and Finlay 2008). There is no standard level at which the VIF is considered to indicate potentially problematic multicollinearity. Allison (1999) suggests a conservative level of 2.5 (a two and one-half times increase in the variance) while Marquardt (1970) and Kline (2005) promote the use of a more liberal value of 10.00 (a 10-fold increase in the variance). Further, the square root of the VIF represents the standard error inflation factor (SIF) which measures the degree to which the standard error is inflated due to correlated predictor variables. The VIF is also the reciprocal of the tolerance (TOL) statistic, the difference between 1 and the R^2 value from the regression of the independent variables on each other. Higher TOL values, closer to 1.0, indicate less multicollinearity; values below .40 show moderate collinearity and 0.00 indicates perfect collinearity (Allison 1999).

For these models collinearity is considered problematic when the VIF is greater than 2.50 and the SIF is greater than 1.58. If the VIF was greater than 2.5, the models were re-estimated excluding one of the collinear variables to determine if conclusions about the null hypothesis were impacted by the presence of multicollinearity. Because of the close historical relationship between public assistance and unemployment (Moehling 2001; Piven et al. 2002b; Weir 1988), a moderate level of multicollinearity does exist, but only in the neoliberal phase of the post-WWII SSA, not the full series. In such cases, I compared the re-estimated model parameters and significance values to their original

estimates and, despite smaller significance values, did not find evidence that collinearity affected the stability and conclusions of the original model estimates.^{ix}

The second diagnostic, the condition index, is a measure of the numerical stability of slope coefficients affected by collinearity. Unstable slope estimates are not reliable predictors of relationships between the affected independent and dependent variables. The condition indexes are equal to the square roots of the ratios of the largest eigenvalue to the eigenvalues for each of the dimensions extracted from the relationship between predictor variables. Large condition indices represent the presence and number of linear dependencies between independent variables. Belsley (1991) argues that the largest condition index value for a set of linear predictors should be less than 30.00 to indicate the numerical stability of the estimates. All models in this analysis, even those showing moderate VIF values greater than 2.5 between public cash assistance and unemployment, possess condition indices less than 30.0,^x supporting the numerical stability of the estimates with and without moderate multicollinearity.

After these preliminary diagnostics, each family economic deterioration model was analyzed across the full post-WWII period.^{xi} I regressed each of the four family economic deterioration variables on the measures of public cash assistance expenditures, the number of unassisted commercial bank mergers, and the not seasonally adjusted unemployment rate, and again conducted a series of model diagnostics. The residuals from these regressions were used to generate autocorrelation and partial autocorrelation functions. Ljung-Box Q -statistics associated with these autocorrelations were examined, and the null hypothesis of independent errors was rejected when any of these statistics was significant at the $p < 0.05$ level. In the presence of serial correlation, autoregressive

and/or moving average parameters were added to the model until stationarity was achieved. Normality of the residuals was tested using the Jarque-Bera test, and the White's test for heteroskedasticity was performed. The Chow breakpoint test for model stability was employed across the phases of the post-WWII SSA and the null hypothesis of a stable relationship between family economic deterioration, public cash assistance expenditures, and the number of unassisted commercial bank mergers across the phases of the post-WWII SSA was rejected at $p < .10$. If rejected, model estimates do differ significantly across SSA phases, and separate phase-specific models were estimated to determine historically-contingent effects. Chow breakpoint tests on all family models showed instability and therefore each of the four models include both a full post-WWII SSA and phase-specific set of estimates including unstandardized and standardized regression coefficients.^{xiii} These estimated relationships are correlational, not cause and effect, and show the pattern of effects across and within SSA phases.

Capital Accumulation Models

The construction of capital accumulation models mirrors the process of model building employed for the family economic deterioration models. Once the form of each univariate series was determined, the bivariate relationships between total capital accumulation and each of the four family economic deterioration variables commenced across and within the phases of the post-WWII SSA. These models retain the number of unassisted mergers of commercial banks but replace the unemployment rate with the share of taxes paid by capital to the federal government as a control variable.

Regressing capital accumulation on each individual measure of family economic deterioration, bank mergers, and capital's tax share determined their bivariate

relationships and allowed for autocorrelation and partial autocorrelation processes in the residuals to be diagnosed. Consulting correlograms and Ljung-Box Q -statistics for nonstationarity, independent errors in the residuals were rejected at $p < .05$ and autoregressive and/or moving average parameters were added to correct for these processes. Once stationarity was established, the bivariate models were re-estimated and accepted when Q -statistics failed to reject the null hypothesis of independent errors and Jarque-Bera tests failed to reject the null hypothesis of residual normality, and the final model was tested with the White's test for heteroskedasticity. If the White's test rejected the null hypothesis of homoskedasticity at $p < .05$, then the model was re-estimated using White's correction to produce robust standard error estimates and t-test statistics. Finally, a Chow breakpoint test on each bivariate model tested the null hypothesis of stability of the relationships across phases of the post-WWII SSA. Stability was rejected at $p < .10$ showing a significant difference in the relationship between capital accumulation and the predictor variables over the post-WWII period. This process was repeated for each of the four family economic deterioration measures and for the bank mergers and capital tax share variables.

Once bivariate regressions for each model were complete, multivariate models were estimated first by estimating a null model inclusive of only the bank mergers and capital's tax share variables, then adding one family economic deterioration predictor. Again, the residuals of these models were assessed for stationarity through Q -statistics, Jarque-Bera tests for normality, White's tests for heteroskedasticity, and Chow breakpoint tests for stability. Corrections were made until they were stationary, normally distributed, and corrected for heteroskedasticity.

Multicollinearity was again assessed in the same process employed for the family economic deterioration models including the analysis of VIF, SIF, TOL, and condition index diagnostics. For these models collinearity was rejected when the VIF was greater than 2.50 and the SIF was greater than 1.58. When the VIF was greater than 2.5, the models were re-estimated excluding one of the collinear variables to determine if model estimates and their conclusions were impacted by the presence of multicollinearity. Problematic multicollinearity was established between all three predictor variables in the second sub-decay phase in two separate models—income inequality and the liabilities-to-assets ratio—but not across the full post-WWII SSA. The re-estimation did not change the pattern of statistical significance of the parameters indicating that inflation of the standard errors did not alter the conclusions drawn regarding the null hypothesis of no relationship. Likewise, the condition indices were all well below the threshold of 30.0, indicating that the numerical results are stable.

Finally, after these preliminary diagnostics and iterative model building procedures, each capital accumulation model was analyzed across the full the post-WWII. I regressed total capital accumulation on each of the four family variables in their own separate model including the number of commercial bank mergers and controlling for capital's tax share, and again generated model diagnostics. The residuals from these regressions were used to produce autocorrelation and partial autocorrelations functions. Ljung–Box Q -statistics associated with these autocorrelations were examined, and the null hypothesis of independent errors was rejected when any of these statistics was significant at the $p < 0.05$ level. In the presence of serial correlation, autoregressive and/or moving average parameters were added to the model until stationarity was

achieved. Normality of the residuals was tested using the Jarque-Bera test, and the White's test for heteroskedasticity was performed. The Chow breakpoint test for model stability was employed across the phases of the post-WWII SSA and the null hypothesis of a stable relationship between capital accumulation and measures of family economic deterioration across the phases of the post-WWII SSA was rejected at $p < .10$. If rejected, model estimates differ significantly across SSA phases, and separate phase-specific models were estimated to determine historically-contingent effects. Chow breakpoint tests on all capital accumulation models rejected the null hypothesis of stability, and therefore each of the four models includes both a full post-WWII SSA and phase-specific sets of estimates including unstandardized and standardized regression coefficients. Like the family economic deterioration models, these relationships are not causal but correlational, and show the pattern of effects across and within SSA phases.

ANALYSIS OF UNIVARIATE TIME PLOTS

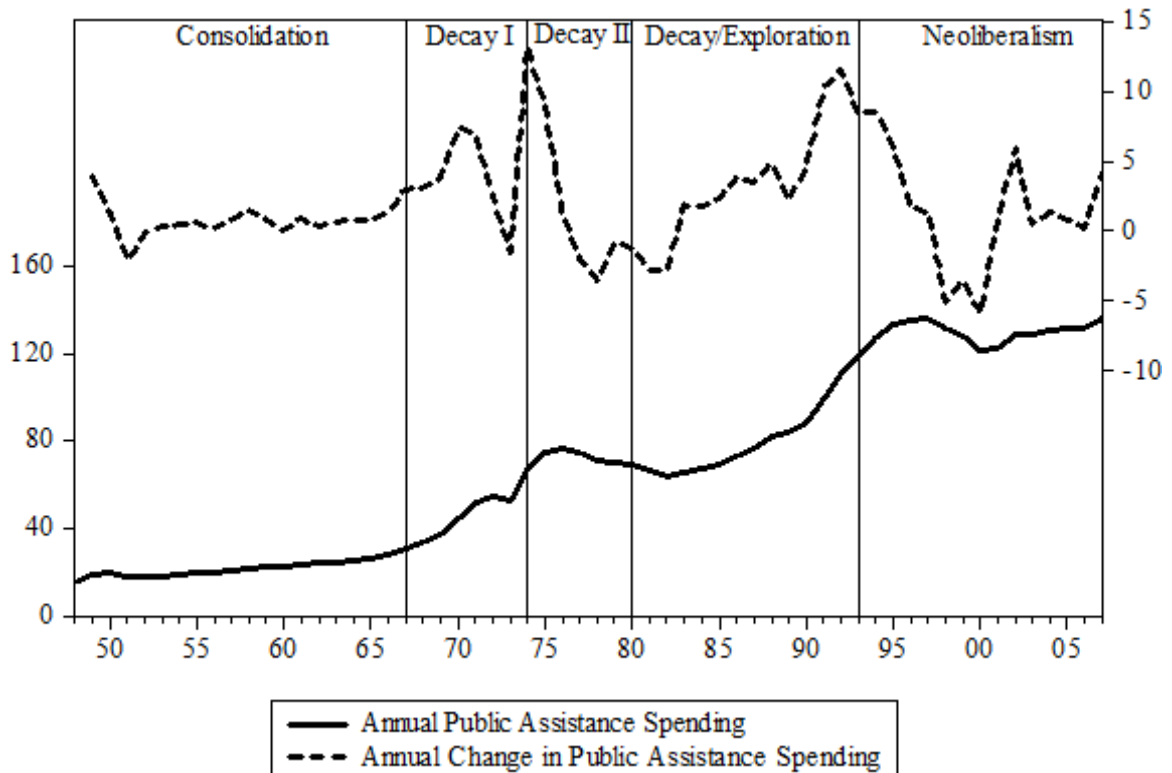
The following description of univariate time plots provides the context for the changes in each variable over the post-WWII SSA and includes both the initial metric and the form used in the multivariate models.^{xiii} In presenting each variable across the phases of the post-WWII SSA, the univariate time plots offer initial support for relations between the conditions of existence at specific historical moments with empirical observations of social indicators.

Primary Variables

Total public cash assistance expenditures. Figure 7 presents the time plot of public cash assistance expenditures by the federal government, in billions of 2007 dollars. The level of annual expenditures shows the slow then rapid increase in expenditures

through the consolidation phase when, in 1962, to cover more families, ADC was transformed to AFDC and was expanding to subdue the increasing unrest of needy families demanding access to means of subsistence.

Figure 7: Public Cash Assistance Expenditures Across Phases of the Post-WWII SSA: 1948-2007 (Billions of 2007 Dollars)



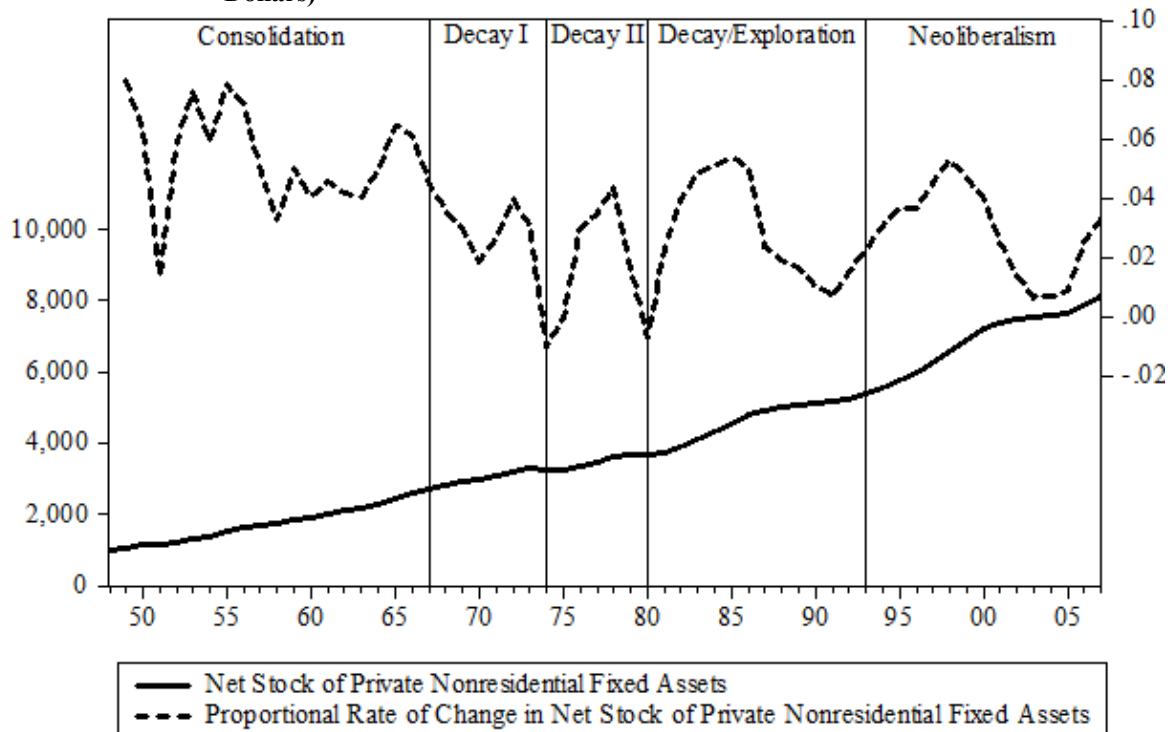
The level of cash welfare continued its ascent through the first sub-phase of decay, and the annual change in expenditures from 1967 through 1973 reflects this relative increase, capped by the largest historical growth from 1973 to 1974 just as the economy took a turn for the worse.

The steady decline in cash assistance after 1974 reflects its transition from welfare to workfare after the EITC was introduced in 1975. The effect of promoting low-wage labor markets over the publicly-financed safety net becomes clear through the remainder

of the period as the EITC was indexed to inflation in 1987 and coverage was expanded in 1990. The large absolute decreases in public cash assistance in the neoliberalism phase reveal the official end of cash welfare and dominance of workfare with the dismantling of AFDC for TANF in 1996. The decrease in the full cash assistance series after welfare reform never increases substantially despite the growing economic needs of families.

Total capital accumulation. Figure 8 corroborates the expected trend in capital accumulation over the post-WWII SSA.

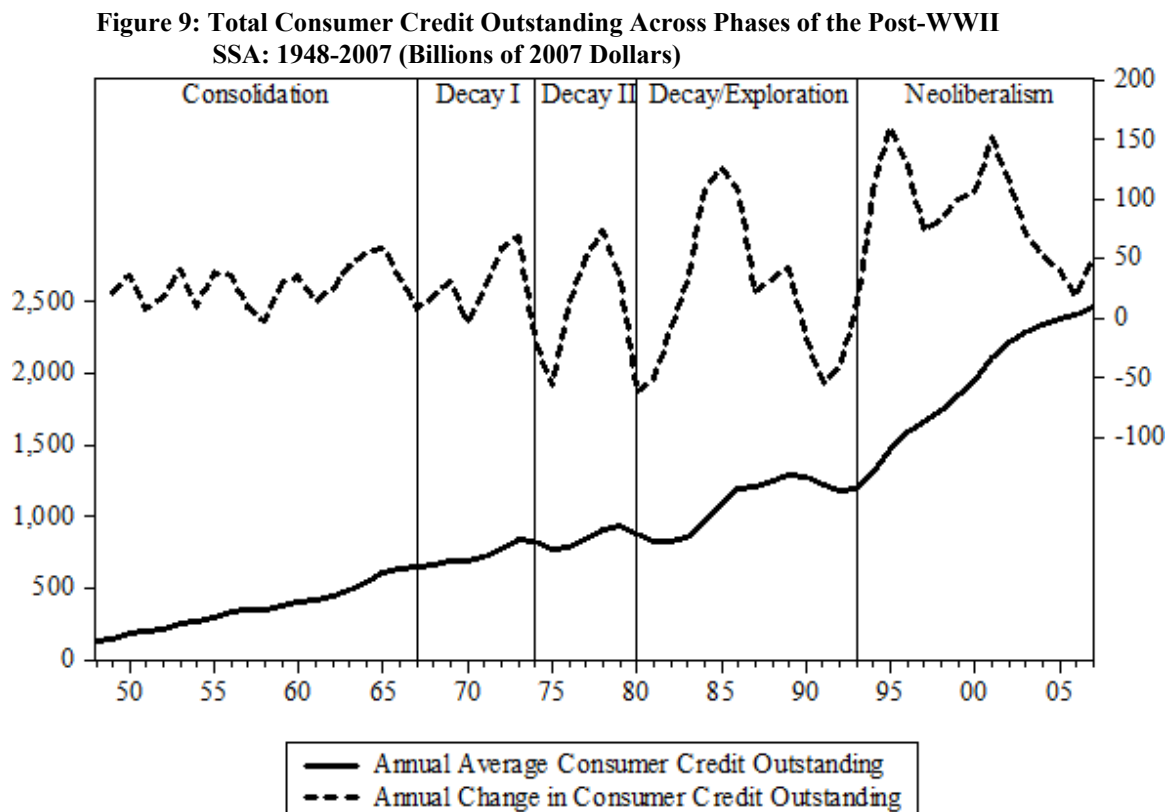
Figure 8: Total Capital Accumulation: Net Stock of Private Nonresidential Fixed Assets Across Phases of the Post-WWII SSA: 1948-2007 (Billions of 2007 Dollars)



In consolidation, the absolute level of accumulation steadily increases and the proportional rate of change, by 1966, is nearly 6 percent. However, the relative flattening of the rate of accumulation in the decay sub-phases, and negative growth rates in 1974 and 1980 highlight the erosion of the post-WWII SSA. A positive, but slower, continual

rate of growth was re-established during the ascendancy of business in the 1980s and 1990s as the economy and capitalist welfare state restructured in a post-industrial climate. The slow but steady increase in accumulation during the liberalization of the political economy and the sluggish rates in the neoliberalism phase, provide evidence of weak overall economic growth in exchange for free market-based short-term private gains.

Total consumer credit outstanding. Figure 9 shows the total level of consumer credit outstanding and the annual change in these levels over the post-WWII SSA.



In the consolidation phase, growth is slow as credit was only provided to male breadwinners in stable middle- and upper-class households. In the first decay phase, as the economy stalled and consumer credit protections were introduced, these same households continued their cautious use of consumer credit to replace lost wages.

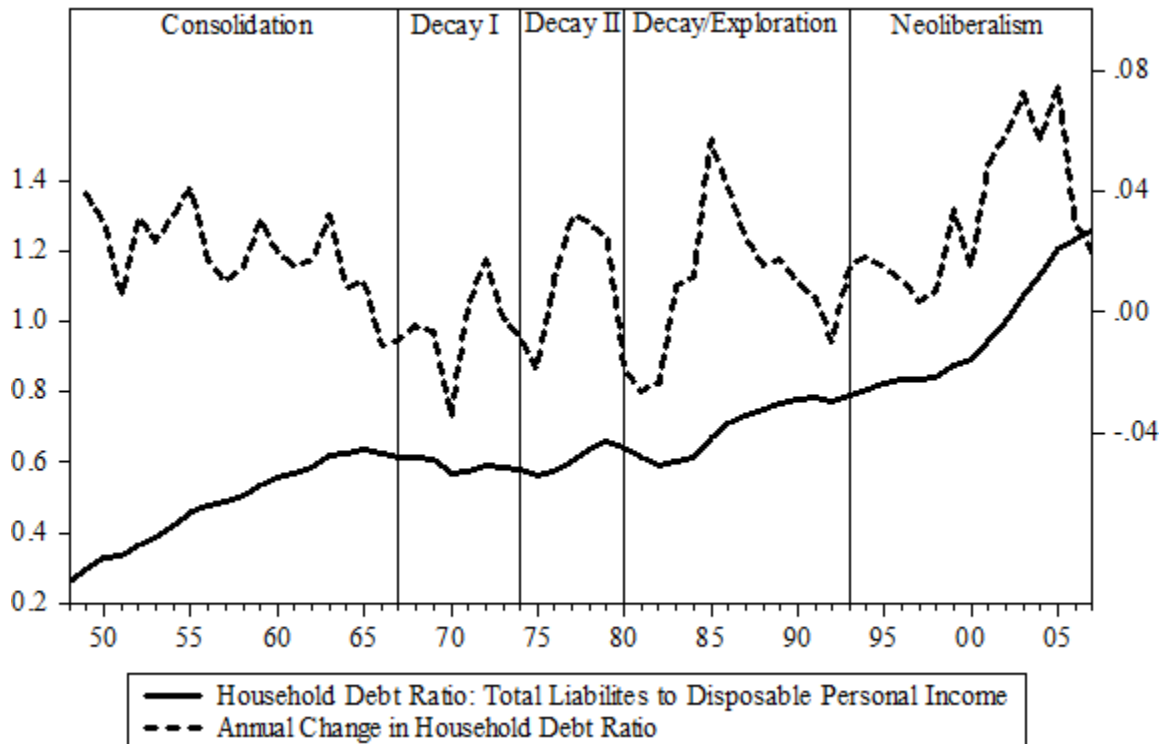
However in the second decay phase, additional legislation promoting and legitimizing consumer loans combined debtor protections with equal credit opportunities for once excluded groups. After 1975, these institutional mechanisms sparked the expanded use of consumer credit, most evident in the growing magnitude of spikes in the annual change of outstanding consumer credit.

When the financial industry was officially deregulated after 1980, the availability and use of burgeoning levels of credit becomes clear. Increases in outstanding obligations continued to climb through the prolonged decay and initial exploration phases and into the neoliberalism phase. Annual increases between 50 and 150 billion 2007 dollars in outstanding credit occurred after the deregulation of usury rates on credit cards in 1996. A comparison of trends in public cash assistance expenditures in Figure 7 with those of consumer credit in Figure 9 plainly shows the promotion of private actions and self-sufficiency of families to meet their consumer needs.

The household debt ratio. Figure 10 shows the trajectory in the household debt ratio and its annual change over the post-WWII SSA.

Similar to total outstanding consumer credit, household debt grows slowly in consolidation as mortgage and consumer loans are provided to those covered by the post-WWII accords. Because wages were indexed to productivity, the gap between obligations and disposable income grew modestly with the expansion of the economy. Cuts in wages and the loss of jobs during the first sub-phase of decay generated a smaller debt ratio as middle-class families spent less and paid down existing obligations.

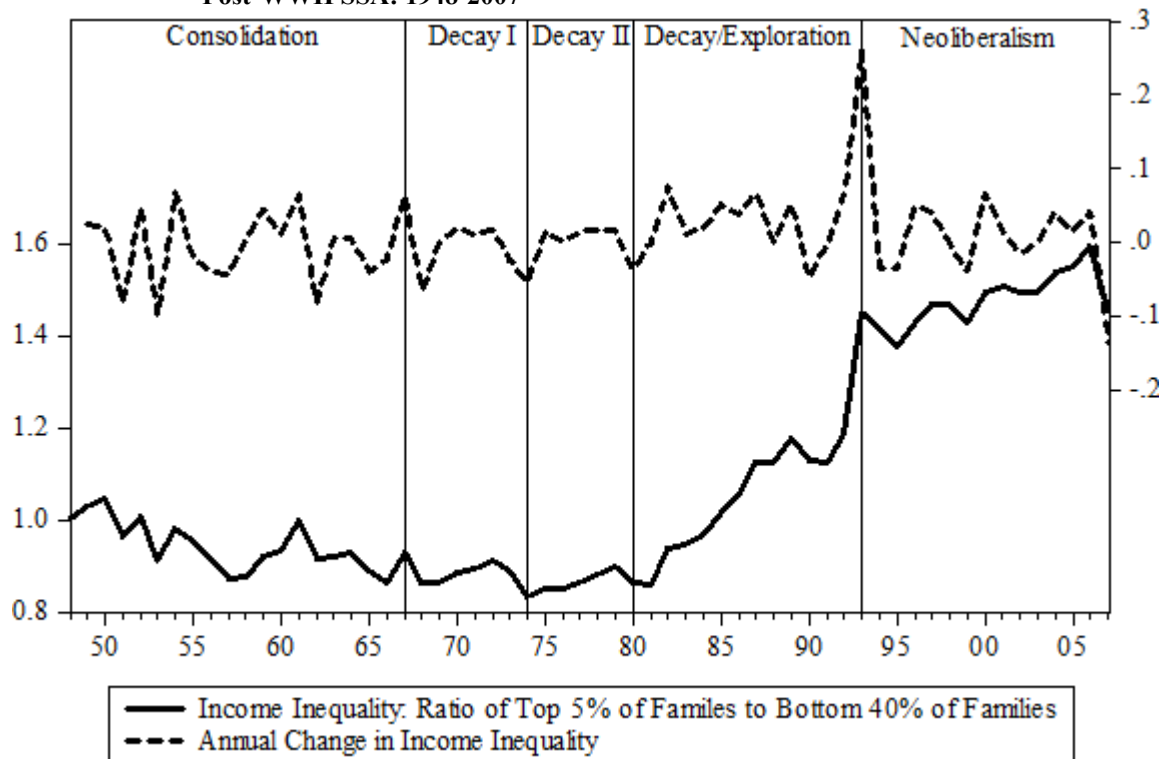
Figure 10: Household Debt Ratio of Total Liabilities to Disposable Income Across Phases of the Post-WWII SSA: 1948-2007 (Billions of 2007 Dollars)



Easing barriers for families to access and use credit and mortgage mechanisms after 1974 and into the 1980s attempted to build effective demand while increasing incentives for low-wage employment, and resulted in the sharp increase in household liabilities compared to disposable incomes. Wages remained flat, but spending continued to climb and the inability of families to spend down balances sustained growth in household debt during the neoliberalism phase. In 2002, the ratio of liabilities to disposable income shows levels of debt greater than funds for debt service, and by 2007, households were officially insolvent as liabilities were over 1.2 times the amount of disposable income available.

Income inequality. Figure 11 shows the ratio of the proportion of income going to the top 5 percent of families to that of the bottom 40 percent over the post-WWII SSA.

Figure 11: Income Inequality: the Ratio of the Proportion of Total Income of the Top 5% of Families to the Bottom 40% of Families Across Phases of the Post-WWII SSA: 1948-2007



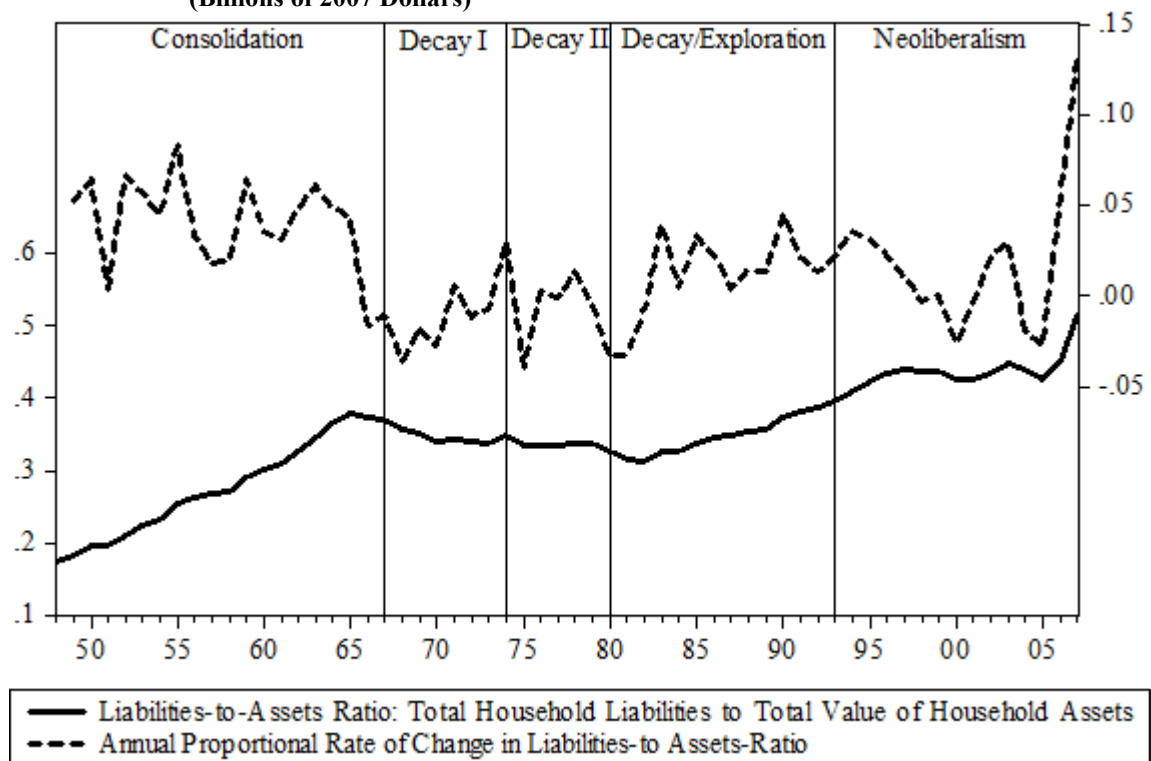
By the end of consolidation in 1966, the proportion of income going to the top 5 percent was less than nine-tenths of one-percent of that going to the poor and working poor. The overall decline in inequality stabilized as the SSA eroded because families across all classes felt the impact of economic decline. Mirroring changes in public cash assistance in the first and second decay sub-phases, inequality was at its lowest point in 1974, but primed to make its rapid ascent over the remainder of the post-WWII period.

As the SSA entered its prolonged decay and initial exploration phase in 1980, inequality increased rapidly when the balance of power shifted from labor to capital, and

social support transitioned from welfare to workfare. To make ends meet, an increasing number of working- and middle-class families became dependent on two breadwinners or a sole breadwinner with multiple jobs, while the economic elite earned incomes through returns on investments in the expanding free market. The sustained inequality in the neoliberalism phase reflects this ongoing balance between the solvency of the elite and the deterioration of the poor and working poor with the top 5 percent having total income over 1.5 times that of the bottom 40 percent.

The liabilities-to-assets ratio. Figure 12 provides the ratio between total household liabilities to the total value of household assets.

Figure 12: Liabilities-to-Assets Ratio: Total Household Liabilities to Total Value of Household Assets Across Phases of the Post-WWII SSA: 1948-2007 (Billions of 2007 Dollars)

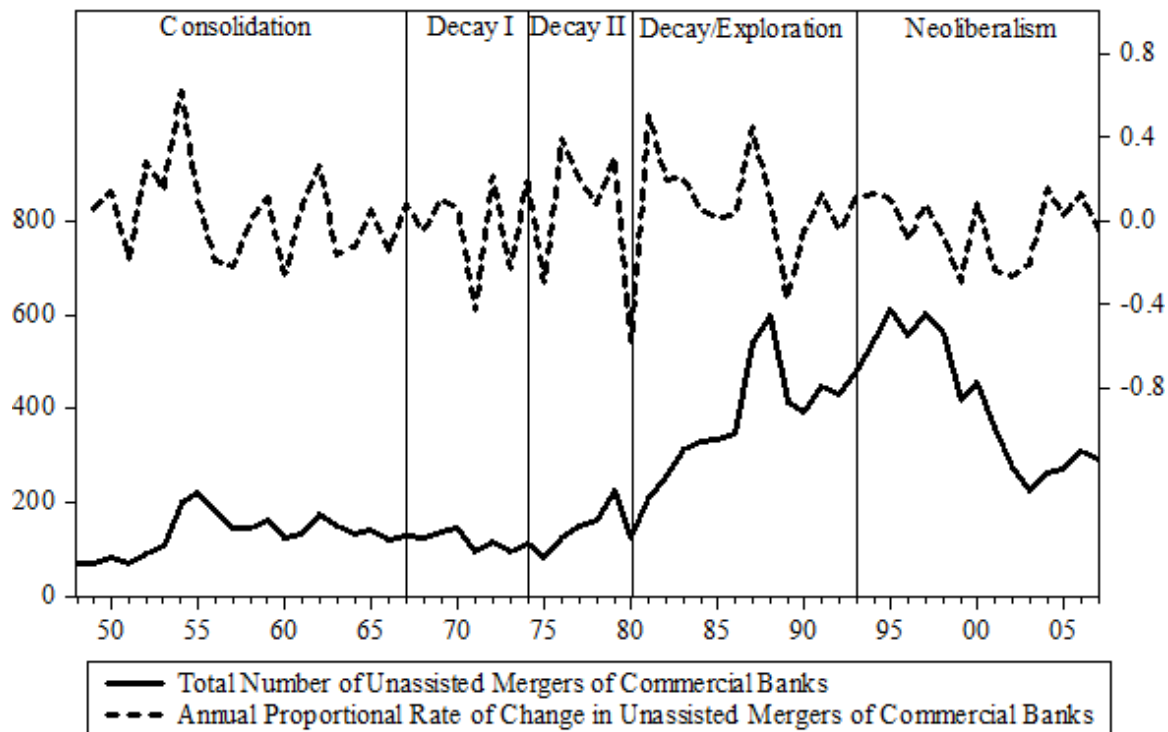


In the consolidation phase, middle-class families secured home mortgages and consumer credit, expanded their consumption, and the values of their assets rose in terms of 2007 dollars, but the level of spending increased at a higher pace. When the SSA began to erode, however, lower levels of consumer spending and rising inflation generated a decline in this ratio of debts to assets. Negative rates of change through both decay phases followed by low rates of positive growth, less than five percent annually through the 1980s, reflect attempts to rebalance the capitalist welfare state by constraining inflation and promoting consumption. The 1986 Tax Reform Act increased the demand for mortgage debt and amplified mortgage-backed investments through tax deductions for mortgage obligations but restricting those for interest on consumer loans.

For the remainder of the post-WWII SSA, fluctuations in the liabilities-to-assets ratio is best understood by encouraging home ownership as a means of investment, and high levels of household debt despite the waning value of family assets. In addition, neoliberalism contextualized the containment of inflation *and* wages observed through the tenuous rate of change in the worth of families within the market. Growing by nearly 15 percent between 2006 and 2007, at the brink of economic collapse, excessive spending in consumer markets is clear.

Total unassisted mergers of commercial banks. The annual total number of unassisted mergers of commercial banks, in Figure 13, remained flat through consolidation and decay 1 phases, and began a slow climb in the final years of the decay 2 phase.

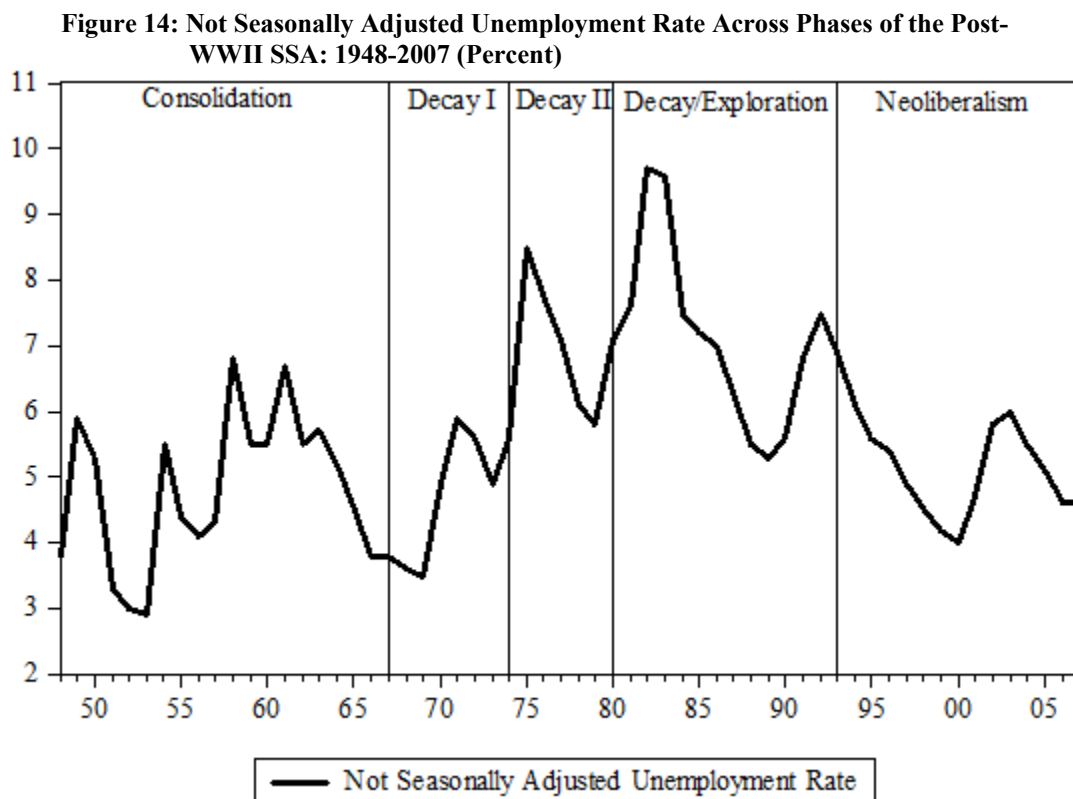
Figure 13: Total Number of Unassisted Mergers of Commercial Banks Across Phases of the Post-WWII SSA: 1948-2007



This small growth in 1978 and 1979 precedes the formal deregulation of the banking industry where, after 1980, the total annual number of mergers began a rapid climb. In the prolonged decay and initial exploration phase, deregulations eased barriers between state and local savings and loans, and the proportional rate of change increased. By 1988, following nearly a decade of financial restructuring, mergers became the norm. In 1994, the Interstate Banking Act effectively erased barriers to merger and acquisition activities allowing for inter-state banking practices. The neoliberalism phase provided the institutional environment to propel the final consolidation of the banking industry to the point of saturation as the proportional rate of change nearly flattened.

Control Variables

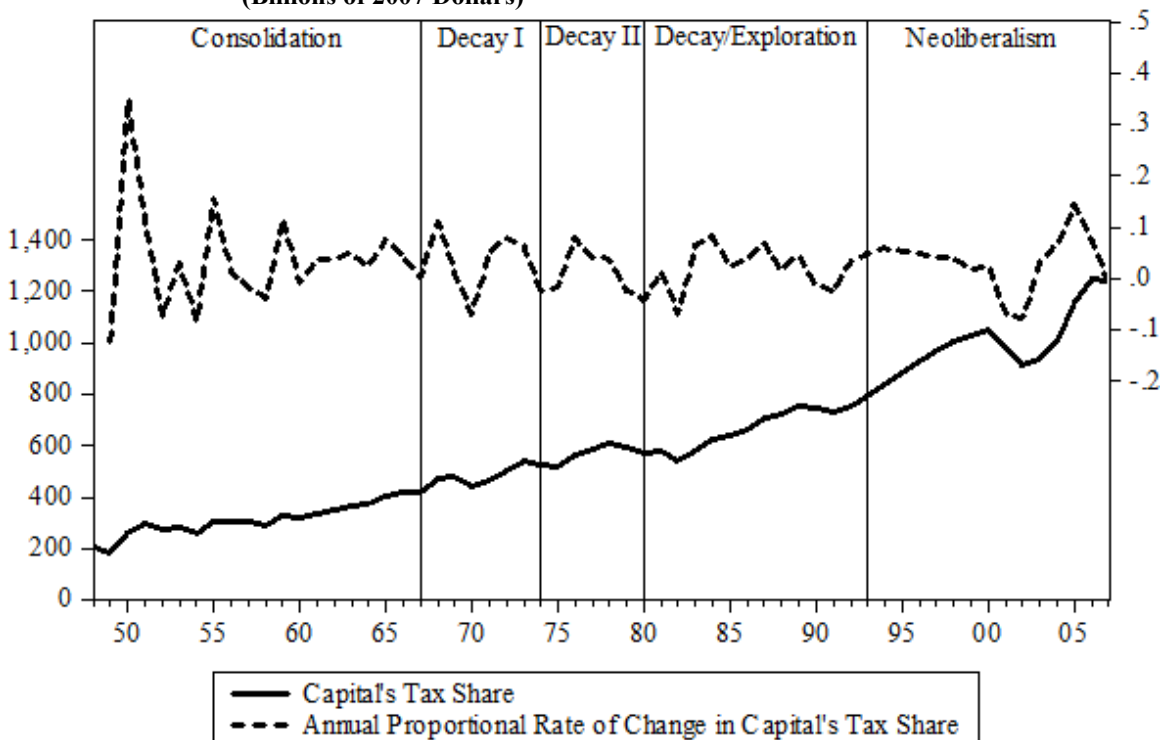
Not seasonally adjusted unemployment rate. The unemployment rate is used in its original metric, as a percentage of the civilian labor force, and is presented in Figure 14. After the moderate high of 7 percent in 1958, in the consolidation phase's booming economy, the rate fell as the War on Poverty provided jobs for the unemployed in the labor market. However, through both decay sub-phases, jobs disappeared and the percentage of the labor force searching for employment during the decay/exploration phase reached its peak of nearly 10 percent in the early 1980s. The unemployment rate fluctuated between 5 and 8 percent until the mid-1990s as business cycles were constrained by tight monetary and employment policies.



Moderate levels of unemployment and deflated compensation structures in the new economy did not provide the family wages needed by the middle- and working-classes. Therefore, comparing equal levels of unemployment in the consolidation and neoliberalism phases must include the conditions of existence and nature of the labor market to contextualize their interpretation. In the consolidation phase, the normative family model had one breadwinner earning adequate wages through stable and organized manufacturing positions and a female homemaker to support reproduction. In contrast, during the neoliberalism phase, most families, to meet the norm of self-sufficiency, necessitated two breadwinners, typically employed in lower-wage service sector jobs.

Capital's tax share. The taxes paid by corporate businesses to the federal government, in billions of 2007 dollars, and the proportional rate of change are provided in Figure 15.

Figure 15: Capital's Tax Share Across Phases of the Post-WWII SSA: 1948-2007
(Billions of 2007 Dollars)



Overall, both trends remain relatively stable over the post-WWII SSA. For the actual level series, there is a steady increase after the earliest years of consolidation. Hovering near a growth rate of 10 percent annually, the lack of large increases or decreases reflects the federal government's reluctance to increase taxes due to the negative effect such increases would have on capital accumulation. The consolidation phase, as a period of economic growth, stabilized taxes to promote reinvestment, and during the erosion and exploration for alternatives, the rate of change in capital's tax share does not shift significantly, controlling for possible disturbances to the maintenance of profit structures. After the Reagan administration cut taxes in the early 1980s, the largest changes are during the neoliberalism phase, when Clinton-era and second Bush-era corporate tax cuts supported workfare, privatization, and the free market.

FAMILY ECONOMIC DETERIORATION MULTIVARIATE MODELS

As developed in Chapter 5, public assistance expenditures are expected to have a significant negative relationship with two family economic deterioration measures of consumer debt—total consumer credit outstanding and the ratio of household liabilities to disposable income—particularly during the two SSA decay sub-phases when the public assistance rolls first expanded in response to public unrest, but then decreased as tax credits began to replace public welfare. It is also anticipated that, after the SSA eroded, from 1980 through the neoliberalism phase, shifts in public assistance from welfare to workfare will increase the rate at which the liabilities of families relative to their assets expands, and therefore have a significant, positive effect. Finally, it is also anticipated after the decay of the SSA, cuts to public cash assistance will increase inequalities, and therefore have a significant, negative effect on the family income inequality measure. In

addition, the measure of financial deregulation, total unassisted bank mergers, is expected to have a significant positive effect on each of the measures of family economic deterioration, particularly after 1980 and into the most recent neoliberalism SSA phase.

Model 1: Total Consumer Credit Outstanding

Table 3 presents the multivariate regression results of the annual change in total consumer credit outstanding on the set of family economic deterioration predictors—the annual change in public assistance expenditures and the proportional rate of change in unassisted mergers of commercial banks, controlling for the unemployment rate—for the full WWII SSA 1948-2007 and for each of the SSA phases and sub-phases. The adjusted- R^2 value (.686) indicates a moderate-to-strong model fit over the full 1948-2007 timeframe, and is comparable to the fit for the phase-specific models. Additionally, the Chow breakpoint test rejects the null hypothesis of stability ($p < .01$) indicating historical contingency in model results across phases of the post-WWII SSA.

Table 3: Family Economic Deterioration Model 1, Total Consumer Credit Outstanding

	Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
Public Cash Assistance	-1.141 (-.088)	7.543+ (.354)	-7.590* (-.867)	-5.981* (-.837)	-2.440 (-.160)	1.369 (.133)
Unemployment	-11.337** (-.335)	-4.712+ (-.319)	13.451+ (.503)	-17.009+ (-.414)	-15.078 (-.318)	-.869 (-.015)
Unassisted Mergers	23.757** (.108)	29.055* (.377)	-10.855 (-.088)	2.404 (.013)	22.132 (.101)	122.357** (.433)
Constant	107.751**	45.354*	-5.388	149.020+	127.247	10.498
Error	AR(1) MA(1)	MA(1)	WNR	WNR	AR(1)	AR(1) AR(2)
Adj. R^2	.686	.498	.681	.842	.273	.696
Chow LR Test	52.401**					

Notes: One-tailed significance levels: ** $p < .01$; * $p < .05$; + $p < .10$ (constant is two-tailed)

Error Codes: WNR = white noise residuals; AR(1) = autoregressive, order 1; MA(1) = moving average, order 1

Standardized Coefficients are in parentheses

As expected, public assistance expenditures have a significant negative effect on total consumer credit outstanding during the two decay sub-phases, while it fails to have a significant negative effect in the full SSA model and in the remainder of the SSA phases. The standardized coefficients (in parentheses) indicate that this relationship is very strong during both decay sub-phases ($\beta = -.867$ and $\beta = -.837$, respectively). Somewhat unexpectedly, the relationship between public assistance expenditures and total consumer credit is positive, moderate in strength, and marginally significant ($\beta = .354$, $p < .10$) in the consolidation phase. Perhaps this reflects the extension of credit to those families covered by the accords while the poor and near-poor were increasingly covered by the social safety net under the capitalist-state-citizen accord.

Turning to bank mergers, in the full SSA model, the relationship with total consumer credit is positive, significant, yet weak ($\beta = .108$). Within SSA phases and sub-phases, there is a positive, moderate significant relationship with total consumer credit in the consolidation phase ($\beta = .377$), and a positive, moderate significant relationship during the neoliberalism phase ($\beta = .433$), while the relationship is not statistically significant in other phases. The unstandardized coefficients show that for every proportional increase in bank mergers during the consolidation phase, the total consumer credit outstanding increased by \$29.1 billion, while during the neoliberalism phase it resulted in over four times the increase of \$122.4 billion. These results are consistent with the expectations based on the institutional analysis. Bank mergers led to expanded credit during the economic boom of the consolidation phase, while the relationship turned negative and nonsignificant in the first decay sub-phase as mergers were more likely to have occurred for negative reasons. As the federal government

deregulated the financial sector, the positive relationship between bank mergers and total consumer credit resumed, producing a large, significant expansion of total consumer credit in the fully deregulated neoliberalism phase.

Model 2: Household Debt Ratio

Table 4 presents the multivariate regression results of the annual change in the household debt ratio on the set of family economic deterioration predictors for the full WWII SSA 1948-2007 and for each of the SSA phases and sub-phases. The adjusted- R^2 value (.410) shows a moderate model fit over the full 1948-2007 period, comparatively lower to that of the second sub-phase of decay (.896) and the neoliberalism phase (.585). The Chow breakpoint test rejects the null hypothesis of stability ($p < .05$), therefore model effects are historically-contingent and differ across post-WWII SSA phases and sub-phases.

Table 4: Family Economic Deterioration Model 2: Household Debt Ratio

	Full SSA 1948- 2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
Public Cash Assistance	.000	.002	-.003	-.003*	.001	.000
Unemployment	(-.050)	(.181)	(-.556)	(-.858)	(.174)	(-.067)
Unassisted Mergers	-.001	.001	.007	-.005	-.005	.021*
Constant	(-.041)	(.068)	(.453)	(-.263)	(-.296)	(.695)
Error	.006	.028*	.006	.010	.005	-.039+
Adj. R^2	(.057)	(.465)	(.082)	(.112)	(.065)	(-.260)
Chow LR Test	.020	.014	-.028	.051	.039	-.068
Error	AR(1)	WNR	WNR	WNR	AR(1)	AR(1)
Adj. R^2	.410	.134	.000	.896	.117	.585
Chow LR Test	32.273*					

Notes: One-tailed significance levels: ** $p < .01$; * $p < .05$; + $p < .10$ (constant is two-tailed)

Error Codes: WNR = white noise residuals; AR(1) = autoregressive, order 1

Standardized Coefficients are in parentheses

As expected, there is a significant, negative effect of public assistance expenditures on the household debt ratio during the second decay sub-phase, but it does

not have a significant effect in the preceding decay sub-phase, the full SSA model, or the remainder of the SSA phases. The standardized coefficient indicates that this relationship is very strong ($\beta = -.858$) between 1974 and 1979.

The expected, significant positive relationship between the proportional rate of change in bank mergers and the household debt ratio is maintained in the consolidation phase, and is moderate in strength ($\beta = .465$). Unexpectedly, however, this relationship became negative, weak, and marginally significant during in the neoliberalism phase ($\beta = -.260, p < .10$). The relationship is not statistically significant in other phases. The positive effect in consolidation was anticipated because banks and consumer credit were both highly controlled by the fiscal regulatory regime. However, the unexpected negative effect during a period of rampant deregulation may reflect the effect of sinking disposable incomes on the ability of families to service their debt.

Model 3: Income Inequality

Table 5 presents the regression results for the relationship between the change in public cash assistance expenditures and the proportional rate change in bank mergers on the family income inequality measure of the ratio of the proportion of total income going to the top 5 percent relative to that going to the bottom 40 percent of families. The adjusted- R^2 value (.100) indicates a weak model fit over the 1948-2007 period compared to stronger model fit in the consolidation phase (.242), the decay 2 sub-phase (.630), and the neoliberalism phase (.328). The significant Chow breakpoint test ($p < .10$) rejects the null hypothesis of stability and provides evidence of historical contingency in these relationships across the post-WWII SSA.

Table 5: Family Economic Deterioration Model 3, Income Inequality

	Full SSA 1948- 2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
Public Cash Assistance	.000 (.011)	.002 (.058)	.003 (.269)	-.004* (-.923)	.001 (.133)	-.015* (-.781)
Unemployment	.012** (.315)	.021* (.493)	.009 (.250)	-.007 (.294)	.008 (.256)	.104* (1.003)
Unassisted Mergers	.042+ (.172)	.061 (.278)	.060 (.360)	-.034 (-.308)	.024 (.172)	.180* (.346)
Constant	-.060*	-.112*	-.050	-.029	-.036	-.491+
Error	WNR	WNR	WNR	WNR	WNR	WNR; #
Adj. R ²	.100	.242	.000	.630	.000	.328
Chow LR Test	24.106+					

Notes: One-tailed significance levels: ** $p < .01$; * $p < .05$; + $p < .10$ (constant is two-tailed)

Error Codes: WNR = white noise residuals; # White's Corrected Standard Errors for Heteroskedasticity
Standardized Coefficients are in parentheses

As expected, there is a strong, negative relationship between public cash assistance and family income inequality in the second decay sub-phase ($\beta = -.923$) and in the neoliberalism phase ($\beta = -.781$). The relationship is not statistically significant in other phases or over the full 1948-2007 timeframe. In the second decay sub-phase, the unstandardized coefficient shows that for an annual decrease of \$1 billion in cash assistance, there is an increase of .4 percentage points between the proportion of income going to the top 5 percent and bottom 40 percent of families. In the neoliberalism phase, this effect is greater, where the gap in income inequality is increased by 1.5 percent for each \$1 billion decrease in public assistance spending. These results are consistent with the expectations derived from the institutional analysis, and demonstrate the correlation between the level of assistance and family inequality.

The rate of change in commercial bank mergers is positive as expected across the full post-WWII period ($\beta = .172$), though the relationship is weak and only marginally significant ($p < .10$). In addition the merger of banks had a moderate relationship with

family income inequality in the neoliberalism phase ($\beta = .346$), but there are no other significant relationships between these variables in the other SSA phases. Using the unstandardized coefficients, a proportional increase in the rate of bank mergers between 1948 through 2007 produced a 4.2 percent increase in income inequality. In the neoliberalism phase, inequality increased by 18.0 percent for every proportional change in the rate of bank mergers. The large effect in the neoliberalism phase demonstrates the growth in the incomes of those families who benefit most from bank deregulation. However, comparing the standardized coefficients in the neoliberalism phase shows that public cash assistance expenditures has a greater effect on family income inequality than the proportional rate of change in commercial bank mergers.

Model 4: Liabilities-to-Assets Ratio

Table 6 presents the results of the liabilities-to-assets ratio regressed on the predictors of family economic deterioration. The adjusted- R^2 value (.267) for the full post-WWII timeframe is lower than both sub-phases of decay (.454 and .356 respectively), and is comparable to the value in the neoliberalism phase (.263). The significant Chow breakpoint test ($p < .10$) rejects the null hypothesis of the stability of the model across post-WWII SSA phases and demonstrates there is historical contingency in these relationships across the 1948-2007 period.

Table 6: Family Economic Deterioration Model 4, Liabilities-to-Assets Ratio

	Full SSA 1948- 2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
Public Cash Assistance	.002* (.267)	.002 (.113)	-.001 (-.273)	.001 (.229)	.003+ (.540)	.010** (1.096)
Unemployment	-.004 (-.197)	.000 (-.017)	.007+ (.502)	-.012 (-.607)	.001 (.034)	-.037* (-.762)
Unassisted Mergers	.013 (.090)	.050* (.449)	-.032 (-.519)	.040 (.419)	.003 (.040)	-.032 (-.132)
Constant	.039+	.041	-.044	.074	-.003	.194+
Error	AR(1)	WNR	AR(1)	WNR	WNR	WNR
Adj. R ²	.267	.055	.454	.356	.040	.263
Chow LR Test	30.093+					

Notes: One-tailed significance levels: ** $p < .01$; * $p < .05$; + $p < .10$ (constant is two-tailed)

Error Codes: WNR = white noise residuals; AR(1) = autoregressive, order 1

Standardized Coefficients are in parentheses

The standardized coefficient ($\beta = .267$) shows the expected positive, significant relationship between public assistance and the ratio of debt liabilities to the value of assets across the full post-WWII SSA. Anticipated significant, positive relationships also exist after the erosion of the SSA, first moderately strong and marginally significant from 1980-1992 ($\beta = .540$, $p < .10$) and then very strong in the neoliberalism phase ($\beta = 1.096$). A shift in the level and nature of public cash assistance from welfare to workfare exacerbates the rate at which family debt, supplementing the means of consumption, outgrows the value of household assets.

As expected, the proportional rate of change in unassisted commercial bank mergers had a positive, significant relationship with the liabilities-to-assets ratio ($\beta = .449$), but only in the consolidation phase, not within other SSA phases or the full post-WWII series. The lack of significant relationships between the consolidation of the banking industry and the ratio of the value of household liabilities to assets, outside of the consolidation phase, is unexpected. One possibility for the lack of association between

bank mergers and the growing liabilities-to-assets ratio of families could be that commercial financial institutions depend on the circulation of consumer disposable income to pay-down debts, but is less focused on the value of durable goods and other fixed assets, which generate less income for families and stalls the circuit of capital.

CAPITAL ACCUMULATION MULTIVARIATE MODELS

As developed in Chapter 5, over the post-WWII SSA the expected relationship between the various measures of family economic deterioration and capital accumulation is positive. However, depending on the contingencies within distinctive post-WWII SSA phases, shifts in the strength of the association between the economic condition of families and the proportional rate of change in capital accumulation are anticipated. After 1980 and through the neoliberalism phase, consumer credit outstanding is expected to have a strong positive relationship with capital accumulation. However, a positive relationship between the household debt ratio and capital accumulation in prolonged decay and initial exploration phase is expected to turn into a negative relationship in the neoliberalism phase. In addition, the anticipated relationships between capital accumulation and family income inequality and the liabilities-to-assets ratio are likely to be weak and positive and perhaps nonsignificant as disparities in income and the level of debt relative to the value of assets dampen economic growth.

The association between the lagged rate of change in the unassisted mergers of commercial banks and capital accumulation is also expected to be weak and positive and perhaps nonsignificant. The merger of banks, an act to consolidate profits and constrain competition, benefits from the economic wellbeing of both families and capital. Compared to the anticipated relationships between consumer credit and mortgage debt—

consumer products of commercial banks—the rate at which this industry consolidates is anticipated to mediate the economic relations between households and corporations without significantly influencing the rate of change in corporate profits.

Model 1: Capital Accumulation on Total Consumer Credit Outstanding

Table 7 presents the results of regressing proportional rate of change in capital accumulation on the change in the level of consumer credit outstanding and the lagged proportional rate of change in the number of unassisted commercial bank mergers, controlling for capital's tax share. The adjusted- R^2 value for the full post-WWII series (.728) shows strong model fit, and the significant Chow breakpoint test ($p < .01$) rejects stability, signaling historical contingency in the relationships across phases of the SSA. Strong to very strong model fit also exists in the second decay sub-phase (.809), the prolonged decay and initial exploration phase (.687), and the neoliberalism phase (.799).

Table 7: Capital Accumulation Model 1: Capital Accumulation on Total Consumer Credit Outstanding

	Full SSA# 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
Consumer Credit Outstanding	.0002** (.547)	.0003+ (.347)	.0000 (.097)	.0005* (1.073)	.0003** (1.066)	.00002 (.069)
Unassisted Mergers	-.004* (-.047)	.015 (.204)	-.023 (-.552)	.015 (.196)	-.0004 (-.006)	-.014 (-.150)
Capital's Tax Share	-.054** (-.187)	-.069* (-.454)	.019 (.130)	-.256+ (-.502)	-.171* (-.399)	.018 (.064)
Constant	.027**	.045**	.030*	.018+	.024**	.031
Error	AR(1) MA(1)	WNR	WNR	WNR	WNR	AR(1) MA(1)
Adj. R^2	.728	.382	.000	.809	.687	.799
Chow LR Test	74.047**					

Notes: One-tailed significance levels: ** $p < .01$; * $p < .05$; + $p < .10$ (constant is two-tailed)

Error Codes: WNR = white noise residuals; AR(1) = autoregressive, order 1; MA(1) = moving average, order 1
White's Corrected Standard Errors for Heteroskedasticity; *Standardized coefficients in parentheses*

The anticipated relationships between total consumer credit outstanding and capital accumulation are obtained. There is a strong, significant, and positive relationship between these variables over the full post-WWII SSA ($\beta = .547$), the second decay sub-phase ($\beta = 1.073$), and prolonged decay and initial exploration ($\beta = 1.066$), while the relationship is positive but weak during the consolidation phase ($\beta = .347, p < .10$). A significant relationship does not exist in the consolidation or neoliberalism phases.

Nonsignificant effects in decay 1 and neoliberalism phases are also positive, supporting the correlation between the steady increase in outstanding consumer credit and capital accumulation over most of the post-WWII SSA. Most important is the strongest effect of total credit on capital accumulation during the second decay sub-phase when credit was extended to more families and legislative protections legitimized its use.

The anticipated relationship between proportional rate of change in bank mergers and capital accumulation is partially met. The weak positive or nonsignificant anticipated association is countered by an unexpected significant, negative relationship over the full 1948-2007 timeframe ($\beta = -.047$). No other significant effects exist within SSA phases. What is more, comparing the standardized coefficients for the full post-WWII SSA series, by controlling for the other variables in the model, consumer credit outstanding has a stronger significant effect on capital accumulation than the negative effect of unassisted bank mergers. Increased family use of credit to purchase goods and services over the post-WWII SSA clearly impacts the rate at which corporations are profitable.

Model 2: Capital Accumulation on the Household Debt Ratio

Table 8 presents the results of regressing the proportional rate of change in capital accumulation on the annual change in the household debt ratio and the rate of commercial bank mergers, controlling for capital's tax burden. The adjusted- R^2 (.621) for the full series, 1948-2007, shows a strong model fit, but stronger model fit is observed in the decay 2 (.676) and neoliberalism phases (.811). The significant Chow breakpoint test ($p < .01$) rejects the null hypothesis of relationship stability and supports the historical contingency of the model.

Table 8: Capital Accumulation Model 2, Capital Accumulation on the Household Debt Ratio

	Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
Household Debt Ratio	-.036 (-.042)	-.096 (-.074)	.216 (.386)	1.034* (1.038)	.463+ (.574)	-.449** (-.727)
Unassisted Mergers	.001 (.007)	.024 (.327)	-.014 (-.350)	.009 (.113)	.010 (.158)	.016 (.168)
Capital's Tax Share	-.060** (-.206)	-.084* (-.553)	.027 (.182)	-.217 (-.425)	-.050 (-.117)	-.018 (-.065)
Constant	.037**	.057**	.033**	.013	.023**	.047**
Error	AR(1) MA(1)	WNR	WNR	WNR	WNR	AR(1)
Adj. R^2	.621	.255	.000	.676	.041	.811
Chow LR Test	74.294**					

Notes: One-tailed significance levels: ** $p < .01$; * $p < .05$; + $p < .10$ (constant is two-tailed)

Error Codes: WNR = white noise residuals; AR(1) = autoregressive, order 1; MA(1) = moving average, order 1
Standardized coefficients in parentheses

Like the level of consumer credit outstanding, the relationship between the household debt ratio—the ratio of liabilities to disposable income—was expected to be positive overall, but diverge and turn negative in the neoliberalism phase. These expectations are supported by a positive, significant relationship from 1974 through 1979

($\beta = 1.038$), a positive, marginally significant, and weaker relationship from 1980-1992 ($\beta = .574, p < .10$), and a strong negative relationship from 1993-2007 ($\beta = -.727$). As expected, the extension of credit to more families after 1974 first benefited the circuit of capital, but as the private corporate sector financialized in the neoliberalism phase, families were tapped out. Foreclosures and bankruptcies increased and the deterioration of families, no longer able to meet their obligations, cut into capital accumulation.

Turning to the proportional rate of change in unassisted bank mergers, there are no significant effects on the proportional rate of change in capital accumulation. This pattern of nonsignificant coefficients was expected, and supports the relationship in Table 7, where consumer credit is highly correlated with the rate of capital accumulation.

Model 3: Capital Accumulation on Income Inequality

The results in Table 9 reflect the expected weak effects of family income inequality on capital accumulation. Even though the relationships were expected to be weak, there are no significant effects, negative or positive, of the family income inequality ratio or the proportional rate of change in bank mergers on the rate of capital accumulation when controlling for the rate of change in capital's tax share. The adjusted- R^2 (.619) for the full series shows a strong fit of the model to the data, and the significant Chow breakpoint test ($p < .01$) supports historical contingency. Despite the strength of model fit in the neoliberalism phase (adjusted- $R^2 = .797$), no phase-specific models have significant effects.

Table 9: Capital Accumulation Model 3, Capital Accumulation on Income Inequality

	Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
Income Inequality	.002 (.005)	-.013 (-.038)	-.023 (-.099)	.882 (1.103)	.110 (.225)	.005 (.025)
Unassisted Mergers	.001 (.007)	.021 (.283)	-.025 (-.601)	-.044 (-.552)	-.010 (-.149)	-.011 (-.122)
Capital's Tax Share	-.057** (-.195)	-.081* (-.534)	.024 (.163)	.265 (.520)	.044 (.102)	.016 (.057)
Constant	.036**	.055**	.031**	.012	.024	.034*
Error	AR(1) MA(1)	WNR	WNR	WNR	AR(1)	AR(1) MA(1)
Adj. R ²	.619	.253	.000	.000	.408	.797
Chow LR Test	58.255**					

Notes: One-tailed significance levels: ** $p < .01$; * $p < .05$; + $p < .10$ (constant is two-tailed)

Error Codes: WNR = white noise residuals; AR(1) = autoregressive, order 1; MA(1) = moving average, order 1
Standardized coefficients in parentheses

Model 4: Capital Accumulation on the Liabilities-to-Assets Ratio

Similar to the relationship between family income inequality and capital accumulation, a weak relationship was anticipated for the liabilities-to-assets ratio of families and the proportional rate of change in capital accumulation. The results in Table 10 support this expectation. The full post-WWII series has a strong model fit (adjusted- $R^2 = .638$), which is stronger than each of the sub-phase models except the neoliberalism phase (adjusted- $R^2 = .796$) and the entire set of family income inequality models in Table 9 above. Despite the overall weakness of the model, historical contingency is supported by the significant Chow breakpoint test ($p < .01$).

Table 10: Capital Accumulation Model 4, Capital Accumulation on the Liabilities-to-Asset Ratio

	Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
Liabilities-to- Assets Ratio	.084+ (.137)	.061 (.093)	.014 (.021)	1.541 (1.680)	.239 (.294)	-.013 (-.034)
Unassisted Mergers	.003 (.028)	.020 (.265)	-.023 (-.557)	.127 (1.612)	-.005 (-.074)	-.012+ (-.126)
Capital's Tax Share	-.044** (-.151)	-.073* (-.478)	.026 (.172)	-.744 (-1.458)	.052 (.122)	.018 (.064)
Constant	.034**	.052**	.031*	.035	.024	.034+
Error	AR(1) MA(1)	WNR	WNR	WNR	AR(1)	AR(1) MA(1)
Adj. R ²	.638	.258	.000	.000	.400	.796
Chow LR Test	66.971**					

Notes: One-tailed significance levels: ** $p < .01$; * $p < .05$; + $p < .10$ (constant is two-tailed)

Error Codes: WNR = white noise residuals; AR(1) = autoregressive, order 1; MA(1) = moving average, order 1
Standardized coefficients in parentheses

From 1948 through 2007, the ratio of family liabilities to the value of their assets does show a weak, positive, marginally significant relationship with the proportional rate of change in capital accumulation ($\beta = .084$, $p < .10$). Therefore, when the difference between liabilities and the value of assets increases, capital benefits, but when spending is down or asset values inflate, accumulation slows.

For the proportional rate of change in the number of unassisted bank mergers, there is an unanticipated weak, negative, marginally significant relationship in the neoliberalism phase ($\beta = -.012$, $p < .10$). This negative association, contrary to the hypothesized positive relationship, maintains a weak effect and is perhaps the result of the over-consolidation of the financial corporate sector restricting capital accumulation by constraining competition for the private pursuit of profits.

REVISITING EMPIRICAL EXPECTATIONS

To facilitate summarizing these results I reconsider each of the empirical expectations by comparing them with the empirical findings. Together, these patterns of

effects become informed theoretically by the macro-institutional analysis in Chapter 5 as a historically-contingent context to analyze model parameters.

Family Economic Deterioration Models

Table 11 summarizes the effects of the four family economic deterioration models. Significant positive effects (S+), significant negative effects (S-), and non-significant effects (NS) show the pattern of these relationships. Those in boldface indicate expected relationships based on the institutional analysis. In summary, anticipated negative relationships between public cash assistance and family economic deterioration were found in the decay sub-phases of the post-WWII SSA, particularly in the second sub-phase from 1974-1979, as was the expected positive relationship with the liabilities-to-assets ratio after the SSA eroded. The anticipated positive effects for unassisted bank mergers are most prevalent in the consolidation and neoliberalism phases.

Table 11: Family Economic Deterioration Multivariate Models: Summary of Effects[†]

Model	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
1. Consumer Credit Outstanding					
<i>Public Cash Assistance</i>	S+	S-	S-	NS	NS
<i>Unassisted Mergers</i>	S+	NS	NS	NS	S+
2. Household Debt Ratio					
<i>Public Cash Assistance</i>	NS	NS	S-	NS	NS
<i>Unassisted Mergers</i>	S+	NS	NS	NS	S-
3. Income Inequality					
<i>Public Cash Assistance</i>	NS	NS	S-	NS	S-
<i>Unassisted Mergers</i>	NS	NS	NS	NS	S+
4. Liabilities-to-Assets Ratio					
<i>Public Cash Assistance</i>	NS	NS	NS	S+	S+
<i>Unassisted Mergers</i>	S+	NS	NS	NS	NS

[†]Boldface indicates expected effect; S+ = significant positive; S- = significant negative; NS = nonsignificant

Expectation #1: As the family's primary institutional role shifts from reproduction to consumption, public cash assistance expenditures will have a negative relationship with consumer credit and debt to disposable income, but have a positive relationship with debt to assets. Family economic deterioration models 1, 2, and 4 that regress total consumer credit outstanding, the household debt ratio, and the liabilities-to-assets ratio on public cash assistance expenditures and the rate of unassisted bank mergers, controlling for unemployment provide evidence that this expectation is supported. Public cash assistance expenditures underwent their greatest and most important changes during the decay sub-phases of the post-WWII SSA. In the decay 1 sub-phase, provision of public cash assistance was expanded in response to rising social unrest that exposed the contradictions of the post-WWII SSA for failing to support the reproductive role of families. However, swollen relief rolls put fiscal pressure on the capitalist welfare state and catalyzed popular backlash against welfare spending. When economic growth slowed, and more families demanded relief, the means of consumption began to shift in the decay 2 sub-phase. More families had increased access to credit as legislation opened consumer lending to minorities and women in 1974, and low-wage work was promoted in 1975 through the EITC. These policy shifts led to the anticipated negative relationships in the outstanding consumer credit and household debt ratio models and the shift from the reproduction to the consumption role of the family.

In the prolonged decay and initial exploration phase, and amplified in the neoliberalism phase, the increased access and use of credit mechanisms sustained the needs of families to access means of consumption, but their expenditures on goods and services brought little in return to their net worth. The expected pattern of effects

between public cash assistance and the liabilities-to-assets ratio in the latter two SSA phases shows that continued policy shifts promoting workfare and consumer debt increased the deterioration of families as liabilities outpaced growth in the value of household assets. Moreover, because neoliberalism is characterized by controlling inflation and business cycles while promoting free markets and privatization, the self-sufficiency of families brought little material rewards. Increasing the access to meet norms of consumption exacerbated the downward mobility of families.

In the consolidation phase, the stability of the middle class, those families typically covered by the accords of the post-WWII SSA, translated to a positive significant effect of cash assistance on outstanding consumer credit. This finding, though not outlined in the empirical expectations, is supported by SSA theory. The use of credit was maintained in a stable and growing economy supported by a necessary institutional environment conducive to consumer confidence and capital accumulation (Kotz 2009; O'Hara 2002; Tabb 2010). The cautious use of consumer credit by the middle-class was mediated by strong wages and a stigma against large, unmanageable debt levels. When employment was unavailable, the placative and legitimizing role of a growing social safety net for those left out of the accords connected more people with cash assistance (Calder 1999; Manning 2000; Piven and Cloward 1993).

Overall, these changes show an increase in the use of credit by middle-class families during the initial economic slowdown, but the negative relationship in both model 1 and 2 during the second sub-phase of decay demonstrates how employment affects consumption. The significant standardized coefficients for the second decay sub-phase in Tables 3 and 4 show that cutting public welfare in exchange for low-wage tax

credits is a stronger predictor of increased consumer debt. Anticipating the forthcoming institutional realignment, this relationship demonstrates the promotion of work over welfare, or some combination thereof, especially as employment and wages are necessary to access credit mechanisms. The positive significant effects in model 4 in the decay/exploration and neoliberalism phases demonstrate the continued and strengthening correlation between the shift from reproduction to consumption and the economic deterioration of families.

Expectation #2: Changes in public cash assistance expenditures exacerbate inequalities between families. The estimates in Table 5 and the summary of these effects in Table 11 provide support for this second expectation. Over the full post-WWII SSA, increasing public cash assistance expenditures provided families with greater means to supplement their consumption but exacerbated their declining market position. The anticipated negative relationship between public cash assistance and income inequality in the second sub-phase of decay reinforces the correlation between promoting low-wage employment and social inequalities. In the first sub-phase of decay, when the balance of public cash assistance expenditures is dominated by publicly financed cash welfare, inequalities between families are unchanged significantly. However, from 1974 through 1979, cuts to the safety net and the introduction of the EITC sparked a widening divide between the top and bottom of the family income stratification; tax credits were unable to offset low-wages despite the growing number of dual-income households.

The nature and level of public cash assistance intensifies inequalities between families. Even when playing by the rules and participating in the labor market, families were set-up to fail. Cash welfare, the traditional approach to providing relief for poor

families under the post-WWII capital-state-citizen accord, did not significantly offset family income disparities. Instead, the gap between the rich and the poor expanded as the top 5 percent of families benefited from federal workfare policies.

Expectation #3: Deregulation of the financial sector contributes to the economic deterioration of the family. The anticipated positive relationship between the rate of change in the number of commercial bank mergers and the deterioration of families occurred during particular historical moments. While expected across all SSA phases, significant positive effects are more prevalent in the consolidation period of rapid economic growth from 1948-1966 and in the neoliberalism phase from 1993-2007.

In the consolidation phase, low but significant increases in the rate of bank mergers aided the growth in the use of credit by the middle class. Still regulated by the post-WWII regime, credit was low risk and relatively safe, and mostly provided to those families covered by the capital-labor accord. In the neoliberalism phase, the positive expected relationship with family income inequality was also found. From 1993 through 2007, as banks continued to consolidate, the gap between the proportion of income going to the top 5 percent of families and that going to the bottom 40 percent increased. Growing debt expenditures and falling disposable incomes of the working-poor and other low-income families stood in stark contradiction to those families whose incomes come more from financial investments and assets. Moreover, these families benefited more from profit-maximizing activities in the monetary system.

However, also in the neoliberalism phase, the significant negative relationship between the rate of mergers and household debt was unexpected. Here, the increased rates of bank mergers aided access to consumer credit and facilitated families taking on

unmanageable levels of debt. Because families use credit to purchase homes and durable goods, the banking sector is provided with funds for reinvestment. However, these funds come from interest payments on obligations. As personal savings rates fell eroding disposable incomes, increased debt mirrored slowing merger activities. Another reason for this relationship is illuminated by the nonsignificant effect found in the neoliberalism phase between bank mergers and the liabilities-to-assets ratio. Here, the rate of mergers translated into the accrual of debt by purchasing goods and services that brought little increase in the net worth of families. The absence of the expected significant relationship may correspond to the need of the financial sector for steady consumption in consumer markets, but less dependent on the long-term value of household assets.

Capital Accumulation Models

Table 12 provides the summary of effects of family economic deterioration and unassisted bank mergers on capital accumulation. Expected significant positive effects (S+), significant negative effects (S-), and nonsignificant effects (NS) show the pattern of these relationships. The theoretically-expected effects are in boldface. Anticipated positive relationships between consumer debt and capital accumulation were found in some phases of the post-WWII SSA, particularly those periods marked by important changes in the relationship between families and capital. More than the family economic deterioration models above, the pattern of *nonsignificant effects* also provide support for empirical expectations. Overall, support is partially found for the anticipated weak effects between bank mergers and capital accumulation.

Table 12: Capital Accumulation Multivariate Models: Summary of Effects[†]

Model	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
1. Capital Accumulation					
<i>Consumer Credit Outstanding</i>	S+	NS	S+	S+	NS
<i>Unassisted Mergers</i>	NS	NS	NS	NS	NS
2. Capital Accumulation					
<i>Household Debt Ratio</i>	NS	NS	S+	S+	S-
<i>Unassisted Mergers</i>	NS	NS	NS	NS	NS
3. Capital Accumulation					
<i>Income Inequality</i>	NS	NS	NS	NS	NS
<i>Unassisted Mergers</i>	NS	NS	NS	NS	NS
4. Capital Accumulation					
<i>Liabilities-to-Assets Ratio</i>	NS	NS	NS	NS	NS
<i>Unassisted Mergers</i>	NS	NS	NS	NS	S-

[†]Boldface indicates expected effect; S+ = significant positive; S- = significant negative; NS = nonsignificant

Expectation #4: Capital accumulation depends on family debt and has a strong positive relationship with it until the family deteriorates during the neoliberalism phase.

The pattern of effects for total consumer credit outstanding, the household debt ratio, and the liabilities-to-assets ratio with capital accumulation provide support for this expectation. Significant positive effects between consumer credit outstanding and capital accumulation in consolidation phase from 1948-1966, the second decay sub-phase from 1974-1979, and the prolonged decay and initial exploration phase from 1980-1992 shows that the growth in the use of credit enhanced the rate at which capital accumulated. Further, the expansion in household debt in the second decay sub-phase and prolonged decay and initial exploration phase had the expected significant positive effects on capital accumulation. In addition, the expected significant negative effect in the neoliberalism phase shows how household debt is detrimental to capital. Families were unable to

service their loan obligations due to the lack of disposable income in the neoliberalism phase, and this contributed to a lower rate of capital accumulation.

The pattern of nonsignificant but positive effects in the decay 1 sub-phase and the neoliberalism phase for outstanding consumer credit provide additional support for this hypothesis (see Table 7). Likewise, the ratio of household liabilities to disposable income, though not significant in the first sub-phase of decay, also had a positive relationship with the rate of capital accumulation (see Table 8). Finally, the liabilities-to-assets ratio, and its pattern on nonsignificant effects in each SSA phase supports the needs of capital for continual consumer spending, but is dampened by the lack of value in household assets. Together, the pattern of these effects across the SSA phases confirms the role of consumer credit obligations in fueling the circuit of capital and the rate at which financial and nonfinancial corporations accumulate capital.

Expectation #5: Family income inequalities have weak relationships with capital accumulation. Prominent growth in social inequalities between several groups, and especially between families, in the post-WWII era, informed the expectation that slow rates of capital accumulation after the mid-1970s would have weak relationships with family income inequalities. As reported in Table 12, this expectation is partially supported by the lack of significant effects between family income inequality and capital accumulation. The significant Chow break point test (see Table 9) indicates instability in the estimates across SSA phases, but these varying relationships are not significant.

The pattern of nonsignificant effects is theoretically interesting, and illustrative of the conditions of existence in the post-WWII era. When inequality was slowly declining during the consolidation phase, families in the bottom 40 percent, the denominator in the

family income inequality ratio, were at best marginally covered by the post-WWII accords. Some breadwinners in these families found stable employment and steady wages as the needs of capital for a secondary labor force opened opportunities for more working-poor family members. The difference in income shares between the economic elite and those at the bottom did not impact the rate of change in capital accumulation during the consolidation phase because a larger proportion of income went to those families covered by the post-WWII accords (Coontz 1997; Piven and Cloward 1997b; Skocpol 2000). By the time the capitalist welfare state grew to support the increasing needs of poor and working-poor families in the decay 1 and decay 2 sub-phases, capital accumulation and the income growth of the top 5 percent of families also slowed, resulting in a smaller change in the gap between the rich and poor.

The rapid increase in income inequality in the prolonged decay and initial exploration and the neoliberalism phases was the result of the liberalization of the capitalist welfare state, the free market, and promotion of self-sufficiency. For example, the economic elite earn incomes more often through investments in private businesses or financial markets rather than wages. Parallel with the financialization of capital, the income gap between the rich and the poor was exacerbated by providing tax credits and reducing public welfare assistance. In the end, this institutional environment generated relations detrimental to the accumulation of capital (Kotz 2008; Wolfson 2003).

Expectation #6: The consolidation of banks underlies, but does not increase, capital accumulation. In the four models regressing capital accumulation on family economic deterioration, the rate of change in bank mergers appears to mediate the overall process of accumulation, but does not have significant direct effects. However

significant, negative relationships between the rate of change in bank mergers and the rate of change in capital accumulation in two models were not expected. In the first capital accumulation model (see Table 7), a significant negative relationship is observed for the full post-WWII SSA, but not for the phase-specific models (see Table 12).

In the neoliberalism phase (model 4), a significant negative relationship shows that increases in the rate of bank mergers from the previous year produced a decrease in the rate of capital accumulation in the following year. Within the neoliberalism phase, wages are kept low, family debt is high, and the tax contributions of capital are minimized. The increasing rate of bank mergers appears to have stifled total capital accumulation by consolidating the commercial financial sector, and its fixed stock, into fewer and fewer entities. This unanticipated finding supports the argument that bank mergers functioned more to constrain competition and concentrate capital in the free market while not necessarily stimulating economic growth. However, the overall pattern of nonsignificant effects supports this expectation by not positively or negatively impacting the rate of capital accumulation.

Summary

Combining these patterns of effects and relationships across each of the four family economic deterioration models and the four capital accumulation models, I offer three theoretically-informed conclusions.

First, shifting public cash assistance from welfare to workfare is a stronger predictor of family debt as the economy erodes and into the neoliberalism phase. In the second decay phase, access to credit provided families with the ability to participate in the economy, and to meet their consumption role to support economic recovery.

Likewise, in the neoliberalism phase, the full transition to workfare meant families supplemented low wages and tax credits with increasing consumer credit. Even accepting the new norm of welfare through wages and finding sustenance through work, family economic deterioration was exacerbated by unprecedented levels of debt compared to declining asset values. In the end, encouraging workfare—low-wage work in exchange for limited income assistance, even when controlling for business-cycle effects—creates inequalities between families and erodes their market position. Workfare underscores the downward mobility of families.

Second, the increasing income gap between rich and poor families did not hinder or aid capital accumulation. Instead, the capitalist welfare state provided families with means to consume, first through cash welfare then via private debt, to promote the accumulation of capital in corporate firms. In the consolidation phase, placating the needy with cash welfare stabilized an environment for accumulation and induced low levels of consumer loans for the middle class. However, as the post-WWII SSA eroded, the need for a stable workforce evaporated with the manufacturing economy. As a result, the federal government deregulated the financial system and provided home mortgages and consumer credit to prop up capital accumulation. The circuit of capital is dependent on the purchase of goods and services, and the banking industry relies on interest payments on home and consumer loans. From the initial deregulatory actions in the late 1970s through the neoliberalism phase, the capitalist welfare state generated an institutional environment to contribute to the welfare of capital by expanding the consumption role of families through debt. Most notably, within the temporal conditions of the neoliberalism phase, families were continually exploited as consumers by easy

access to credit and incentives for low-wage employment, while having insufficient incomes to meet their debt obligations.

Finally, deregulating the banking sector mediated capital accumulation by contributing to the economic deterioration of the family. These findings show that financial deregulation impacted the family significantly, especially after 1980, but most prominently in the neoliberalism phase leading up to the current economic recession. In early years of the post-WWII SSA, income was redistributed downward to support the reproduction of labor power through the capitalist welfare state. However, as the political economy liberalized, this process reversed course. The capitalist welfare state transferred income from families to capital fueling the downward mobility of most families and disparities between the economic elite and the working poor.

Once the financial sector was deregulated, the capitalist welfare state sustained the consumption role of the family by reducing cash welfare in exchange for tax credits, incentives for low-wage work, and the growth of consumer debt. Parallel to these deregulatory actions in the final two SSA phases, family income inequality increased. Capital accumulation was sustained by the gradual then rapid increase in the consumption activities of families. The growing income inequality between families had little effect on the capitalist welfare state's ability to promote accumulation, but the transition from welfare to workfare and from reproduction to consumption roles, intensified inequalities. During this process, deregulation after 1980 and to the current economic recession allowed for more families to access consumer credit and loan mechanisms, resulting in banks too big to fail, sluggish capital accumulation, and the downward mobility of families drowning in unprecedented levels of debt.

CHAPTER 7

CONCLUSION AND DISCUSSION

“In a system of production where the entire interconnection of the reproduction process rests on credit, a crisis must evidently break out...in the form of a violent scramble for means of payment...Moreover, everything appears upside down...where the monetary business of an entire country is concentrated; here the whole process becomes incomprehensible.” – Karl Marx, Capital, Vol. III ([1981] 1991:621-2)

The most recent economic recession in the United States began in December 2007 and, more so than previous downturns, the current “great recession” is distinguished by the impoverishment of formerly economically stable families. While families who perpetually live in, or close to, poverty are pushed further to the margins of the economy during deep recessions, the current downturn brings to the fore the difficulties experienced by families referred to as “working class” or “blue collar” and “middle class” – the “typical” American families who at earlier periods in the post-World War II period were characterized as being economically stable. Such families contributed to the resurgence of the U.S. economy following the Great Depression, but their current struggles highlight contradictions between capital accumulation and the ability of family households to participate, let alone survive, in post-industrial capitalist society. These contradictions informed this project and led me to ask: *why has the economic condition of the family deteriorated after World War II in the United States?*

To answer this question, I first developed and implemented a conceptualization of the family as a social institution in capitalist society. This conceptualization focuses on the political economy of the family as both temporal and material in a historically-contingent, interdependent relationship with the needs of capital. Second, I utilized a

theory of history, social structure of accumulation theory, to take these current conditions as the end-point of an historical investigation into the changing relationship between the family and the political economy of the United States after World War II. By supplementing this theory with a theory of the state, I explored how the family as an institution is a dialectical input and output of the circuit of capital. More specifically, I argued that the capitalist welfare state, the strategically-relational balance of social forces, negotiates conflicts and struggles between itself, capital, and families/citizens. This institutional compromise, while unstable, ensures the prosperity of the capitalist social formation by constraining or expanding the actions of each class faction in the post-WWII United States.

Next, I conducted a qualitative institutional analysis by tracing the development and changes in federal social welfare, labor, and financial regulatory policies. The trajectory of the growth and retrenchment of the social safety net in the United States in the post-WWII period is examined through, among others, the Aid to Families with Dependent Children and Temporary Assistance for Needy Families social welfare programs, and the development and promotion of workfare through the Earned Income Tax Credit. Employment and labor policies, such as the Fair Labor Standards Act and Title VII of the Civil Rights Act, are incorporated in this analysis along with regulation of the financial system, especially the compartmentalization of the banking industry through the Glass-Steagall Act and the Federal Housing Administration's secondary mortgage market. Together, these institutions connect and intersect the economic wellbeing of families with capital, labor, and the state.

SUMMARY OF FINDINGS

I began my macro-institutional analysis with the policies developed as part of the New Deal in the 1930s and 1940s to show that the family was once a vital contributor to the growth of the capitalist economy in the United States by reproducing and socializing labor power of the next generation. The New Deal contributed to the economic security of families by regulating the working conditions and compensation of breadwinners through the capital-labor accord, provided a social safety net for displaced workers and their families through the capitalist-state-citizen accord, and constrained the banking industry through a financial regulatory regime. These institutional relationships consolidated into the post-WWII social structure of accumulation, and supported the steady economic growth of the early postwar period. Specifically, they linked the fulfillment of key family reproduction and socialization roles to the benefits and wages of breadwinners employed in primary sectors, while also bolstering the family as a durable market for consumption to support these roles and contribute to the circuit of capital.

However, the consolidation and economic expansion of the initial postwar years was not perfect. The new brand of capitalism and system of social welfare that consolidated after World War II in the United States was highly dependent on the location and participation in the labor market. For families included in the capital-labor and capitalist-state-citizen accords, these provisions included livable real wages, job security, health and education supports, and access to a family home where the working and middle classes could fulfill their reproduction role. For those families not covered by the accords, work was reinforced by restricting aid and relief in exchange for their labor power in low-wage employment despite problems these workers had finding and holding

steady jobs. Based on political tensions and local labor market needs, African-American, female-headed, and impoverished families were not extended the guarantees of a minimum wage, job safety, or a sense of social security because their labor was typically relegated to sectors left out of the capital-labor and capitalist-state-citizen accords.

The New Deal was riddled with contradictions between affluence and poverty, and exposed how families outside of the accords languished despite the steady circulation and accumulation of capital. Therefore, inequalities persisted between capital and the lower classes, between men and women, and between whites and non-whites. Without adequate means of consumption, this surplus population was used to legitimate the working- and middle-class normative family consisting of a male breadwinner who participated in the labor market and a female homemaker.

By the late 1960s, economic growth in the United States slowed and the increasing demands for relief from poor families exposed these contradictions. Expenditures on public assistance grew rapidly, and the first sub-phase of decay, from 1966 through 1973, produced a series of policy initiatives to quell unrest, including expanded War on Poverty programs to support reproduction and socialization of labor power and bolster the consumption capacities of families. By 1973, it was clear that the economic expansion of the post-WWII period was over. Increased production costs and rising citizen unrest threatened capital accumulation and, to maintain profitability, corporations cut wages, challenged organized labor, and relocated manufacturing to cheaper labor markets. Rising unemployment, wage stagnation, and growing inflation contributed to a severe recession in the mid-1970s and accelerated the downturn of the economy and constraints on social spending.

Capital's drastic measures to maintain their bottom line were to the detriment of the working and middle classes, and generated a dilemma for the federal government between its ability to support capital accumulation and the provisions afforded to labor and citizens through the post-WWII SSA accords. Rather than expand public assistance, the response was to combine social welfare with job training and labor activation initiatives. In 1971, for example, welfare recipients were required to register for employment programs as a condition of aid, and in 1975, low-wage work was encouraged through tax credits. These provisions provided capital with a flooded market of labor power by placing the welfare of families in *workfare*, where the competition for jobs depressed incomes and the means of consumption for families. Declining real wages and over-work in paid and household labor formed a loss of real gains that had occurred earlier through the capitalist welfare state and translated into a subsistence squeeze and the underconsumption of families. Therefore, when the demand for labor power shrank in the second decay phase, the federal government built on previous policies to protect debtors and the safe use of credit with equitable access to loans for formerly restricted African-American and female wage-earners. Hence, the family became necessary more to ensure effective demand for consumer goods and services to prop up capital accumulation.

New structural relations within families, and between families and the capitalist system, rebalanced institutional relationships to the new conditions of economic development. Married women worked at higher rates as men's wages remained flat, unionization rates declined, and norms of reproduction, socialization, and consumption, were increasingly harder to meet, thus adding to the economic stress of middle- and

working-class families, the working poor, and the destitute. The loss of unpaid household labor made it necessary for many families to replace goods and services formerly produced within the home with those purchased in the market, often on credit.

Beginning in 1980, the Reagan Administration realigned relations between capital and labor, and between the government and citizens, to create a liberal institutional structure. The liberalization of the political economy advocated the independence of capital and other institutions, including the family, toward private profitability, accumulation, and capital formation without formal safeguards from market forces. Deregulation in the banking and finance industries in 1980 and 1982 dismantled many consumer and investor protections of the New Deal. The family, as a vital market for consumption, was continually targeted to utilize new means of consumption, including, for example, the promotion of homeownership through the 1986 tax reforms. In essence, as the social institution most in need of economic support, the family was exploited to re-establish economic growth in the context of post-industrial capitalism.

After 1993, when neoliberalism set in, the viability of the shrinking working and middle classes was no longer a priority for the growth of capital. Instead, after being leveraged in the liberalization of the economy, the family was now relegated to the market. The privatization of services and easing of state regulations promoted social and economic stability by constraining inflation, not unemployment, and private profits, not broad growth. For families, the final transition of cash welfare to workfare through 1996's welfare reform came after the emergence of the subprime loan industry. Together, and after key fiscal deregulatory actions in 1999 decompartmentalizing the banking industry, the political and economic power of capital over citizens within the

market allowed the family to become a durable market to back speculative financial products. However, the growing socioeconomic inequality juxtaposed to increased consumer spending and obligations meant that families depleted their savings to pay down debts. Thus, families began borrowing against the value of their homes, their only wealth-generating asset, at increasing rates, and eventually defaulted on their obligations sending ripples, then shockwaves, through the housing market. The deregulation of the financial system and retrenchment in social welfare combined with low-wage tax credits, workfare, and consumer credit meant that self-sufficiency had become the norm. For the capitalist welfare state, national economic growth was linked to the consumption of goods and services by families, who were deteriorated economically and insolvent long before the onset of the 2007 recession.

From this institutional analysis, I developed a series of quantitative time-series models to empirically test the shifting conditions of the economic wellbeing of both families and capital. Through this analysis I found that, as the role of the family in the circuit of capital shifted from reproduction to consumption, and the social safety net was replaced by workfare measures, the amount of debt relative to the value of household assets exploded. In addition, beginning in 1993 there was a 1.5 percent increase in income inequality for every billion dollars annually cut from public cash assistance expenditures, and the proportional rate at which private commercial banks merged, increasing the concentration of finance capital, created a \$122.4 billion increase annually in total consumer credit outstanding.

The nature and level of public cash assistance intensifies inequalities between families. Even when playing by the rules, families were set up to fail. Cash welfare, the

traditional approach to helping poor families in the post-WWII SSA, did not significantly offset disparities between the rich and poor. However, when the nature of public cash assistance began to transition to employment-based relief, connecting more families to the capitalist economy through housing and durable goods markets, the value of their income did not grow. Instead, the gap between the rich and the poor expanded as the top 5 percent of families benefited from the financialization of the capitalist welfare state.

I also found that increasing income inequality between affluent and poor families did not significantly benefit capital. In its place, as the financial system was deregulated in the 1980s and early 1990s, the extension of consumer credit to families had a strong and positive significant relationship with capital accumulation. In the same prolonged decay and exploration phase, as liabilities increased relative to disposable incomes, family debt supported capital accumulation. However, after a decade of compounding obligations, when the bills came due in the most recent period of neoliberalism, families were no longer able to finance the circuit of capital. Beginning in 1993, a strong negative relationship between household debt and the rate of capital accumulation shows that families were tapped out and loan defaults cuts into corporate profits.

These correlations reflect the relationships between the acquisition of debt and the economic deterioration of families. After the easing of barriers to consumer credit in the 1970s, parallel to strengthened debtor protections and initial shifts in the transition of public assistance from cash welfare to private workfare, families necessarily took on increased debt obligations to meet their consumption role. Initially, access and use of household loan mechanisms provide families with the ability to meet consumption needs while also sustaining the circuit of capital. Yet, controlling for merger activities by

private commercial banks and the tax burden of capital, the relative strength of family economic deterioration shows that over-leveraging the family eventually proves detrimental to capital accumulation.

IMPLICATIONS

Combining the conclusions of the macro-institutional analysis and the pattern of effects from the quantitative time-series models, a theoretically-informed analysis of the economic deterioration of the family in the United States after World War II is historically-contingencies. The welfare state, in the early decade of the post-WWII period, provided a public social safety net to support the economic wellbeing of families and to provide a stable environment for capital accumulation. However, as economic growth in the United States slowed, public expenditures initially increased under pressure from the poor and marginalized. Eventually, the social safety net and overall regulationist institutional structure were supplanted by the promotion of the self-sufficiency and responsibility of families to privately support increasing levels of consumption through a liberal institutional structure. Throughout these shifts, and up until the current recession, the family propped up economic growth and capital accumulation, first through public support, and then through private expenditures. Yet because earned income was no longer able to sustain effective demand, the economic condition of families deteriorated as they became dependent on the increasing availability of credit and the accrual of unprecedented levels of debt.

In addition to these conclusions, this study also has pragmatic and theoretical implications. First, this study exemplifies how the use of history allows for a more informed exploration of changes in the relationship between capital, state, and family.

The current economic crisis in the United States, and the economic deterioration of families, is not the outcome of recent events or ahistorical processes. Rather, the family as an institution in capitalist society is in an interdependent, historically-contingent and contradictory relationship with capital and the capitalist welfare state. While the family is just one institution through which this can be explored, it is clear that the stabilization of the U.S. economy is dependent on a dialectical bond of temporal political and economic relations. That is, to paraphrase Marx (1998:62), circumstances make families just as families make circumstances.

A second implication of this research is the approach to conceptualizing and modeling the family as an institution. Macroscopic social and historical transformations that define the conditions of existence for families are an exception to the normative micro-social explanations of family outcomes. When the family is taken as an institution, acting and interacting with other institutions, social issues that materialize in and through this historical interdependence provides a lens to interpret their private troubles (Mills 1959). The economic deterioration of families, as evidenced by the unprecedented level of financial obligations and debt poverty, is understood here as the result of capitalist welfare state-sanctioned access, and capital-sponsored actions. While individual decisions within individual families may define needs or determine when credit or loans should be used to meet norms of consumption, the historical political and economic drift leading to these decisions allows for a fuller, more complete exploration.

Third, the multi-methods approach, both qualitative and quantitative, shows complex processes in the changing conditions of families. The historical qualitative institutional analysis presents multiple layers at which other institutions impact these

conditions. Because social institutions overlap and are interdependent, studying the family from an institutional perspective provides an important vantage point from which one can comprehend its economic decline. However, combining the historical conditions and periodicity of changes in the family institution with quantitative time-series models adds an additional layer on which institutions can be seen as interdependent. The estimation of parameters over time, when combined with a deep understanding of the process of historical change, generates the ability to interpret results through time. Specifically, it provides that historical contingencies, the underlying temporally-specific conditions of phenomena, are variables within models of change, and should be incorporated in analysis for an informed interpretation of parameters, not solely on effect sizes (Bollen and Curran 2006; Griffin 1992; Ragin 1987)

Finally, and theoretically, by considering the family as a social institution, SSA theory is reconstructed and made more inclusive. Moving beyond the normative analysis of relations between labor and capital, incorporating the family as an institution and developing a robust conception of the state broaden its theoretical scope. Social structure of accumulation theory, due to its historical underpinnings, is dynamic, and by bringing in other social institutions to transcend theoretical gaps and silences, the larger SSA project ultimately benefits. The importance of continually confronting the short-comings of theories leads to their reconstruction and provides more robust explanations (Burawoy et al. 1991). Here, by focusing on the social institution of the family in capitalist society, and offering a definition of the capitalist welfare state, the outer institutional boundary of SSA theory is renewed.

LIMITATIONS AND FUTURE DIRECTIONS

Overall, this project has four key limitations one of which is statistical and, combined with the findings from the institutional analysis, the remaining three are substantive due in part to the exclusive empirical models. Foremost, the time-series models are not causal, nor are they intended to provide cause-and-effect arguments. Instead, they offer patterns of theoretically-informed effects conditioned by the macro-institutional analysis of the family as an institution in the post-WWII United States. While combining these multiple modes of inquiry provide provisional and correlational evidence for such relationships, further research is needed. The following three limitations and future directions are geared toward these ends.

In the institutional analysis, I discussed two accords, the capitalist-state-citizen accord and capital-labor accord, as well as the financial regulatory regime. However, the time-series models focus specifically on testing relationships between the family, the state, and capital. Moreover, as these institutional configurations consolidated and eventually eroded, leading to an exploration for institutional alternatives, the process of neoliberalism was not specific to the United States but conditioned by global conditions. Therefore the limitations in these models are their exclusion of labor, a limited incorporation of the financial sector, and an absence of globalizing processes.

First, as argued in Chapter 3, both the capital-labor and capitalist-state-citizen accords intersect with the family as an institution. The family household, according to SSA theory, serves critical supportive functions to capital and labor power (Gordon, Edwards, and Reich 1982; Kotz 1994a), but this relationship has traditionally been viewed through the capital-labor accord. Focusing the quantitative models on the

capitalist-state-citizen accord, in a sense, reverses this neglect. Labor policies and the balance of forces between labor and capital as discussed in the institutional analysis shows the prominence of this accord on the wellbeing of families. For example, the stagnation of wages and the downward mobility of the middle and working classes is a prominent theme as the economy eroded after the mid-1970s and labor unions were emasculated signaling the shift in institutional power from organized labor to capital (Kotz and Wolfson 2004; McDonough, Reich, and Kotz 2010). In turn, this impacted the economic wellbeing of families and their access to means of consumption, and a guaranteed standard of living.

Therefore, to strengthen these models, and better incorporate a major institutional relationship between capital and the family, a measure of labor's strength relative to capital is warranted. One example used in previous SSA research, hypothesized to represent the risk labor takes in escalating conflicts with management, is the cost of job loss (Bowles, Gordon, and Weisskopf 1986; Bowles, Gordon, and Weisskopf 1989). This composite variable provides an estimate of the costs to an employee displaced from the workforce in terms of income loss, and includes the level of income from unemployment and other means-tested insurance programs. The cost of job loss therefore is the measure of workers' dependence on employment for a livelihood. Another variable that could be incorporated is union membership. As a percentage of the non-agricultural labor force, union representation can provide a measure of the decline in the power of labor relative to capital, and can complement the trend toward declining real wages, labor protections, and employment stability (Bowles, Gordon, and Weisskopf 1989; Bowles, Gordon, and Weisskopf 1990). Addition of these or other variables should

improve the predictive power of the family economic deterioration models, particularly those related to income, as well as impact capital accumulation due to the reduction in productivity expenses.

The second substantive limitation focuses on how financial regulations impact the family as an institution. While the institutional analysis discusses changes to banking, credit, and mortgage policies, there are other important fiscal institutions that restrict or enhance the economic wellbeing of families. Fiscal policy includes spending and taxation, and for poor and near poor families, both are important. While spending, and over-spending, is covered in these models, taxes are left out. Changes in the tax code, while discussed tangentially in the institutional analysis as deductions for mortgage debt and tax credits for low-wage employment, also determine the level at which income is distributed across families, especially between the rich and the poor.

For example, the federal poverty line, uniform across states, represents pre-tax income, but state and local systems of taxation differ and the balance of state income and sales taxes impact low-wage and poor families differently than affluent households. Wage earners pay an employee's share of payroll taxes regardless of their compensation level. Therefore low-wage earners lose more income up front to taxes as a percentage of their total remuneration (Scholz and Levine 2001). In addition, a larger proportion of the income needed to meet consumption needs is lost when low-income families purchase goods and services in the market (Neubeck 2006b). Without real wage increases, poor, working-poor, working-, and middle-class families fall victim to a regressive tax code (Danziger and Gottschalk 1995). While income-tax rates, including deductions and credits, have benefited some low-wage families over time, non-income taxes, such as

sales tax, property tax, and federal excise taxes on goods and services passed on by businesses to consumers, have increased over time, disproportionately affecting families at the bottom of income distribution (Hassett and Moore 2006).

Another fiscal limitation focuses on the top of the income distribution, especially the taxes on capital gains. While capital accumulation models control for the tax burden on capital, capital gains, income derived from investments in assets, are held by private financiers and affluent families. Taxes levied on these gains traditionally redistributed income from the top to the bottom of the income bracket through social spending during the post-WWII SSA. Cuts to capital gains taxes, however, have historically been issued as a means to stimulate economic growth and investment rather than provide security for more families (Goodman 2009; Manning 2000). In turn, reductions to the capital gains tax over time has proved regressive, redistributing income to the top five percent of the family income distribution and intensifying income inequalities (Auten 1999; Pizzigati 2004). What is more, in neoliberalism, the economic elite have found ways to influence the structure of the tax code to their benefit, making capital gains a primary source of income while lowering the level at which these gains are taxed (Boyer 2010).

In future work, a measure of personal taxes for both the bottom and top of the family income distribution should be incorporated into these models. Non-income taxes, such as excise taxes on goods and services, and federal payroll taxes, can add explanatory power within models of family economic deterioration. Additionally, adding a measure of taxes on capital gains to capital accumulation models can support their explanatory power, especially for the consequences of income inequality on neoliberal institutions and capital accumulation.

Finally, the scope of this project, as a case study of the United States, has proven to be informative. However, while the economic deterioration of the family is traced historically within a single country, as discussed while defining the capitalist welfare state, political and economic processes influencing this decline were not constrained to domestic forces. Neoliberalism's reorienting of relationships between families, capital, and the state to the market is discussed in terms of their consequences within the United States, but absent of a consideration of globalization.

To overcome this limitation, future institutional analyses and research on the United States should include international policies, such as immigration laws, trade agreements, and budgetary resolutions which influence wages or services for families in a global economic climate. Through the movement of job overseas, for example, as capital searches for cheaper labor power, combined with an influx to the United States of exploitable labor power in search of wages, new accords between capital and labor, and between capital, the state, and families/citizens, will be conditioned by global processes (Hicks and Esping-Anderson 2005; Wallace and Brady 2010).

Future research can also address this limitation in two additional ways. First, by considering other countries through case studies, historically-contingent dialectical relationships between the family, capital, and the state can be traced and described. Macro-institutional analyses of single countries or of geographical or political regions, such as the European Union, can be incorporated to compare commonalities or divergences across countries and through time (Smeeding 2005; Wilensky 2002). This research can offer comparisons for this project and for a *global-institutional analysis* of the political economy of families (Adelantado and Calderon 2006; Ligon 2006). In

addition, such work can also develop comparisons for possible country-specific social structures of accumulation in the period after World War II or discern whether, and at what point before or after the rise of neoliberalism, a global social structure of accumulation may have formed (Jaeger 2007; Kotz and McDonough 2010).

Second, as quantitative data are increasingly available through, for example, the Organisation for Economic Co-Operation and Development (OECD) and the International Monetary Fund (IMF), statistical models can be constructed to produce similar comparisons within and between countries through time. Multi-level models of change, advocated by Singer and Willett (2003), can be used to compare indicators of family economic wellbeing within and across countries, and combined with institutional analyses, produce patterns of historically-contingent effects. As such, detailed, macro-institutional, single-case analyses and models of change can potentially trace the influences of neoliberalism and globalization on the economic wellbeing of families across countries after World War II.

REJOINDER

In the late spring and early summer of 2010, the time I am writing the conclusions of these institutional and time-series analyses, a string of governmental and social interventions made this research, and its findings, all the more relevant. In June 2010, the G-20 Summit, a meeting of the twenty most prominent and powerful governments from around the world concluded with a joint agreement to address the global recession by cutting deficits and austerity spending without taxing banks or corporations (Government of Canada 2010). At the same time in the United States, extensions to unemployment insurance stalled in Congress under similar debt-spending concerns (Chan 2010), a

phenomenon *The Economist* (2010) termed, “extension deficit disorder.” In addition, a broad set of proposals, together championed as ‘financial regulatory reform’ to mimic, but not recreate, the New Deal financial regulatory regime, was held up in the U.S. Congress under concerns that it would tax and hinder corporations and banks too heavily (Herszenhorn et al. 2010; Sullivan and Drawbaugh 2010).

The housing market also continued to signal the economic deterioration of families. For example, a report by Harvard University’s Joint Center for Housing Studies (2010) has corroborated that the contradictions of the post-WWII accords have been reignited by connecting the marginalized to subprime loans and increased debt poverty. Low-income families, especially racial and ethnic minority families and those with single-parent mother breadwinners have been unequally affected by this great recession, most evident in the rapid decrease in the value of their housing assets and unraveling of protections from fluctuations in the capitalist market. In addition, RealtyTrac (2010), a private foreclosure marketplace and research group, found that in the first half of 2010 there was an eight percent increase in the total number of properties in foreclosure compared with the first half of 2009, an increase due to prime, not subprime, mortgage payments in default.

If there is one major conclusion from this research, it is that the ability or interests of the federal government, and now world governments, to protect a majority of citizens and workers has eroded due to the neoliberal ethic that governmental involvement in the lives of real people and capital should be kept to a minimum. Without governmental programs and unprecedented levels of spending in the early post-WWII period, the economic trajectory of the United States, and the world, could have traveled a very

different course. When the government was able to sustain accumulation by providing capital, labor, and families with interdependent policy protections, growing livable incomes and a social safety net supported and legitimized the circuit of capital. Hence, the ability of a majority of families to participate in the capitalist economy, and therefore support capital accumulation, was the result of governmental spending *and* regulation.

In an era where families are struggling to keep their heads above water, similar to conflicts and dilemmas that produced the New Deal compromise of the 1930s and 1940s, family wellbeing is neglected in favor of unfounded, and unjustified, fiscal efficiency. I found that, for one thing, income inequality does not benefit capital. Instead, building the bottom-line of poor, working poor, working- and middle-class families sustains a robust economic environment. This contradiction is that the means available to families to purchase consumer goods have to be real cash, not credit and loan mechanisms. When the disposable incomes of families deteriorated, the ability of debt to sustain capital accumulation evaporated. While the contemporary conditions of existence are different than those of the New Deal era, and the nature of the social fixes to confront these conditions should be different at their base, employment and livable wages will always ignite the circuit of capital, the livelihood of families, and a stable economic milieu.

I also found that families are vital as contributors to, and recipients of, the institutional environment of the capitalist welfare state. Whether through reproduction or consumption, the family provides tangible human assets while consuming the goods of the market. At both points, capital benefits from adequate labor power. But without jobs, this circuit is distorted and becomes a destructive consumption loop that, under the evidence presented here, abandons deteriorated institutions without the means to survive.

Self-sufficiency and personal responsibility are not social interventions. Without real cash mechanisms to become solvent, these neoliberal inventions legitimize the economic deterioration of families.

Beyond the observed relationships between variables and their historical contingency within conditions of existence, these outcomes are materialized everyday in the United States. Moving past theoretical and methodological implications of my work, expanding the historical understanding of the political economy or promoting multiple methods to assess historical contingency, families—real people in real relationships—are still in positions of exploitation and oppression. From the middle class to the destitute, as Marx and Engels (1983:206-7) wrote,

The bourgeoisie has torn away from the family its sentimental veil, and has reduced the family relation to a mere money relation...All fixed, fast frozen relations, with their train of ancient and venerable prejudices and opinions, are swept away, all new-formed ones become antiquated before they can ossify. All that is solid melts into air, all that is holy is profaned, and [humanity] is at last compelled to face with sober senses [the] real conditions of life and [the] relations with [their] kind.

ENDNOTES

ⁱ These percentages were calculated by taking the constant AFDC/TANF expenditures (1982-1984=100; (Administration for Children and Families 2009; Carter et al. 2006)) and dividing the constant gross domestic product (1982-1984=100; (Federal Reserve Board 2010c)).

ⁱⁱ Using these data, the zero-order correlation between percent change in GDP and percent change in personal consumption is .882, and is significant at $p = .001$ for a two-tailed test.

ⁱⁱⁱ Comprehensive reviews of family theories, while not the focus of this research, are widely available. These sources are best used as reference materials and outline the assumptions of the varied perspectives, juxtaposing their strengths and weakness for application. The most readily accessible resources and reviews include Boss, Doherty, LaRossa, Schumm, and Steinmetz (2009); Burr, Hill, Nye, and Reiss (1979a; 1979b); Chibucos (2005); Morgan (1975); and White and Klein (2008).

^{iv} Additional mortgage institutions, the Governmental National Mortgage Association, Ginnie Mae, was created in 1968 through the Fair Housing Act, and the Federal Home Loan Mortgage Corporation, Freddie Mac, supplemented Fannie Mae, as created in 1970 (Colton 2003; Hays 1995).

^v The basic circuit of capital accumulation is Marx's ([1976] 1990) process that begins first with the money for the acquisition of input commodities (labor power, technology and raw materials); this leads to the second phase, the use of the input commodities to create of output commodities - useful products and services—to sell in the market; and finally, the third phase is the selling of commodities for money capital which is then reinvested in input commodities.

^{vi} It is not the intention to reiterate these debates here, rather the intent is to acknowledge a major critique of Marxist philosophy. Certainly, an unformulated state theory has provided both important and critical debates within and beyond Marxism; the most salient Marxist debates are outlined in Aronowitz and Bratsis (2002), Barrow (1993), and Carnoy (1984). Important critical appraisals and arguments against a Marxist state theory can be found in van den Berg (2003) and Skocpol (1980), and analyses of the limits of a Marxist state theory are outlined in Evans, Rueschemeyer, and Skocpol (1985), van den Berg and Janoski (2005) and Amenta (2005). Finally, a general review of state theory that juxtaposes Marxist theory to other approaches to the state (pluralism, managerial, and class-based) is outlined in Alford and Friedland (1985) and a larger project by Janoski, Alford, Hicks, and Schwartz (2005).

^{vii} The importance of O'Connor's contribution is reflected through other, but later, independent propositions by Offe (1984; 1985) and Habermas (1975) who also advance contradictions in late capitalism as economic, political, and legitimation crisis tendencies. O'Connor is most relevant here, however, because the analysis is specific to crises in the United States after World War II. In addition, O'Connor's conceptualization has been used elsewhere in connection with SSA theory (Carlson, Gillespie, and Michalowski 2010), but its elaboration as a basis of a theoretical position on the state is minimal.

^{viii} Both for stability tests and significance tests within time-series models, a p-value of .10 is used rather than the customary .05 because the number of degrees of freedom, particularly in the separate SSA phase models is low relative to the number of predictor variables. For example, in the second decay sub-phase there are three independent variables and only six time points. This is likely to result in large standard error estimates, making it more difficult to reject the null hypothesis. In addition, these are not sample data, hence significance tests are used to rule out chance findings rather than to draw inferences about a population.

^{ix} Appendix B includes the tolerance, variance inflation factor, and standard error inflation factor diagnostics for each family economic deterioration and capital accumulation model.

^x Appendix B includes the condition index of each family economic deterioration and capital accumulation models.

^{xi} Appendix C provides the final form of each of the variables included in the family economic deterioration and capital accumulation models based on the univariate, bivariate, and multivariate model diagnostics.

^{xii} Appendix D includes a discussion on the use of standardized regression coefficients in time-series analysis and with small numbers of observations, such as in these phase-specific models.

^{xiii} Each univariate time plot, excluding the not seasonally adjusted unemployment rate which was left in its original metric for the multivariate family economic deterioration models, presents two trend lines. The level/original variable is in the lower portion of the graph and is represented by the solid black line with the scale on the left-hand vertical axis. The transformed variable, that which is used in estimating the multivariate models, is in the upper portion, and represented as the dotted line with its scale on the right-hand vertical axis. Each plot also includes annotations for each phase of the post-WWII SSA from 1948 through 2007.

APPENDIX A
DATA SOURCES

PRIMARY VARIABLES

Total Public Cash Assistance Expenditures (AFDCEITC)

Total public cash assistance expenditures consist of the sum of the payments for Aid to the Aged, Aid to the Blind, Aid to the Permanently and Totally Disabled, General Assistance, Aid to Dependent Children (ADC), Aid to Families with Dependent Children (AFDC), Temporary Assistance to Needy Families (TANF), total Supplemental Security Income (SSI) payments, and Earned Income Tax Credit (EITC) payments. Note that the Aid to the Aged, Aid to the Blind, Aid to the Permanently and Totally Disabled, and General Assistance Programs were superseded by the SSI program beginning in 1974 and the EITC was not implemented until 1975.

Aid to the Aged, Aid to the Blind, Aid to the Permanently and Totally Disabled, and General Assistance payment series, 1960-1973 come from Carter et al. (2006: Bf634, Bf635, Bf636, Bf638). For each of these early aid program later estimate series, data for 1948-1949, 1951-1954, 1956-1959 were missing therefore from 1948-1959 early estimates were used from Carter et al. (2006: Bf621, Bf622, Bf623, Bf625). While the early and later estimates in Carter et al. (2006) are not strictly comparable, comparison of values for 1950 and 1955 shows only small differences. The total SSI payment series, 1974-1998, was obtained from Carter et al. (2006: Bf600 and Bf601), the remaining years were obtained from the specific Annual Statistical Supplements from the Social Security Administration, for 1999 (2008:Table 7.A4) and 2000-2007 (Social Security Administration 2010:Table 7.A4).

The ADC/AFDC expenditure series, 1960-1997, comes from Carter et al. (2006: Bf634, Bf635, Bf636, Bf638). Like SSI expenditures, data for 1948-1949, 1951-1954,

1956-1959 were missing from the later estimates, necessitating the use of the early estimates for 1948-1959 from Carter et al. (2006: Bf621, Bf622, Bf623, Bf625). TANF expenditures, 1998-2007, were obtained from the Administration for Children and Families (Administration for Children and Families 2009:Table F, Line 5 for selected years).

Finally, for EITC payments, 1995-2007 come directly from the Internal Revenue Service Statistics of Income (IRS-SOI) data (2010, selected years), and 1975-1994, also IRS-SOI, are available through the Tax Policy Institute (2009).

Capital Accumulation (CATOTAL)

The total measure of capital accumulation is the combined total net stock of private, nonresidential fixed assets for financial and nonfinancial domestic corporate business sectors. These series are reported through the National Income and Product Accounts (NIPA) of the U.S. Department of Commerce's Bureau of Economic Analysis, Fixed Assets Table 4.3 (2009b) and report the valuation of structures, equipment, and software that are owned by private corporate entities required to file federal corporate tax returns, Internal Revenue Service (IRS) Form 1120 series.

The financial corporate sector, reported in Line 25, is composed of Depository institutions, non-depository institutions, security and commodity brokers, insurance carriers, regulated investment companies, small business investment companies, and real estate investment trusts. The nonfinancial corporate sector, reported on Line 28, are those institutions classified by the Standard Industrial Classification (SIC) as private, nongovernmental mining, construction, manufacturing, retail trade, selected services

industries, transportation, communication, and utility providers (U.S. Department of Commerce, Bureau of Economic Analysis).

Family Economic Deterioration Variables

Total Consumer Credit Outstanding (CONCREDIT). The total consumer credit outstanding is taken from the Federal Reserve's G-19 Release (Board of Governors of the Federal Reserve System 2010a). The series represents the annual (calendar year) average of the monthly reported levels of not seasonally adjusted outstanding consumer credit at month's end.

Family Income Inequality Ratio (INCOMEINEQ). The inequitable share of family incomes is measured as the ratio of the proportion of aggregate family income going to the top five percent of families to that of the bottom forty percent of families, comparing the economic and social elite with the poor and working poor. These data are taken from the U.S. Census Bureau (2009b) historical family income series on the share of aggregate income received by each fifth and top 5 percent of families. The ratio is the simple division of the bottom two quintiles into the top five percent across all families.

Household Debt Ratio (LIABDPI). The household debt ratio is the ratio of total household mortgage and credit liabilities (LIAB) per dollar of disposable personal income (DPI). This measure represents the ability of households to pay-down their consumption debt and the change in this ability over time.

Household Liabilities-to-Assets Ratio (LIABASSET). The household liabilities-to-asset ratio is the ratio of total household mortgage and credit liabilities (LIAB) per dollar of the total value of housing and durable good assets (ASSET). This measure represents the amount of debt relative to the value of accumulated wealth/assets.

Components of Ratio Series. Total household liabilities (LIAB) are the sum of home mortgage and consumer credit balances outstanding. These data come from the Federal Reserve Board's Balance Sheet of Households and Nonprofit Organizations as reported in the Flow of Funds Accounts of the United States (2010b: Table B. 100). Home mortgage levels are found on line 33, series FL153165105, and consumer credit is reported on line 34, series FL153166000. The total amount of household liabilities is the sum of these two lines for each year, representing the amount of new and outstanding household consumption liabilities measured at the end of the calendar year.

Disposable personal income (DPI) is taken from the National Income and Product Accounts of the U.S. Department of Commerce's Bureau of Economic Analysis (2010a: Table 2.1, Line 26). DPI is the balance of compensation from wages, wage supplements from employers, and other forms of income, less contributions to governmental insurance programs and taxes. DPI is reported in the NIPA reports as the annual average of quarterly disposable personal income levels that are seasonally adjusted at an annual rate. Therefore, the annual series is reported as the amount of disposable income available for consumption expenditures at the end of the calendar year.

Total household asset values (ASSET) are the sum of the value of the household and the value of consumer durable goods at current replacement costs. These data come from the Federal Reserve Board's Balance Sheet of Households and Nonprofit

Organizations as reported in the Flow of Funds Accounts of the United States (2010b: Table B. 100). Household values are found on line 4, series FL155035015, and consumer credit is reported on line 7, series FL155011005. The total amount of household asset values is the sum of these two lines for each year, representing the total value of tangible assets measured at the end of the calendar year.

Total Number of Unassisted Commercial Bank Mergers (UNMergers)

The total number of unassisted commercial bank mergers, as a measure of the financialization promoted through neoliberalism is the annual total number of mergers of commercial banks unassisted by the Federal Deposit Insurance Corporation. Reported by the FDIC's Division of Insurance and Research (2010), this number is the sum of unassisted voluntary mergers, consolidations or absorptions of two or more institutions.

CONTROL VARIABLES

Not Seasonally Adjusted Unemployment Rate (UNEMPL)

The not seasonally adjusted unemployment rate, reported by the Bureau of Labor Statistics (2010a), is the percentage of the total labor force, 16 years and older, who are without jobs, but are available and actively seeking to work, or who are on temporary layoff even if not actively seeking employment. The measure used is not seasonally adjusted to control for business cycle effects.

Capital's Tax Share (CTSB)

The share of tax payments from capital to the federal government represents the estimated share of the tax burden borne by recipients of capital income, and is based on data for personal tax and non-tax receipts, corporate profit tax accruals, indirect business tax and non-tax accruals, and contributions for social insurance. This control variable

follows Gordon (1991) and Bowles, Gordon, and Weisskopf (1986) and is measured by adding the total sum of corporate profit taxes to a fraction of personal and other indirect business taxes. The fraction of personal and other taxes is equal to one minus the ratio of total wage and salary income plus personal dividend income plus employer contributions for government insurance plus other transfer income, divided by the total personal income, each of which is taken from NIPA Table 2.1, lines 1, 2, 8, 15, and 23 (U.S. Department of Commerce, Bureau of Economic Analysis 2010a). This ratio is multiplied by the sum of personal taxes plus taxes on production and imports plus contributions to government assistance, and the product is added to the total tax on corporate profits to produce the final measure. The tax expenditures come from NIPA Table 3.1, lines 3, 4, 5, and 7 (U.S. Department of Commerce, Bureau of Economic Analysis 2010b).

APPENDIX B
MULTICOLLINEARITY DIAGNOSTICS

Below are multicollinearity diagnostic results performed during model building. The first two sets of tables present the tolerance (TOL), variance inflation factor (VIF), standard error inflation factor (SIF), and condition index values for each model and include β (standardized) coefficients when they exceed 1.0. Inflated standardized coefficients do not necessarily relate to models with moderate levels of multicollinearity.

FAMILY ECONOMIC DETERIORATION MODELS

Table B1: Model 1, D(AFDCEITC) UNEMPL DLOG(UNMERGERS(-1))

		Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
<i>Y: D(CONCREDIT)</i>							
<i>D(AFDCEITC)</i>							
	TOL	0.952	0.733	0.956	0.764	0.877	0.263
	VIF	1.051	1.364	1.046	1.308	1.141	3.808
	SIF	1.025	1.168	1.023	1.144	1.068	1.951
<i>UNEMPL</i>							
	TOL	0.947	0.713	0.937	0.953	0.817	0.282
	VIF	1.056	1.403	1.067	1.050	1.224	3.551
	SIF	1.028	1.184	1.033	1.025	1.106	1.884
<i>DLOG(UNMERGERS(-1))</i>							
	TOL	0.986	0.912	0.980	0.754	0.927	0.746
	VIF	1.014	1.097	1.020	1.326	1.079	1.340
	SIF	1.007	1.047	1.010	1.152	1.039	1.158
<i>Condition Index</i>							
		8.618	11.127	12.255	14.111	13.957	26.579

Table B2: Model 2, D(AFDCEITC) UNEMPL DLOG(UNMERGERS)

		Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
<i>Y: D(LIABDPI)</i>							
<i>D(AFDCEITC)</i>							
	TOL	0.954	0.745	0.956	0.832	0.877	0.342
	VIF	1.048	1.342	1.046	1.202	1.140	2.924
	SIF	1.024	1.158	1.023	1.096	1.068	1.710
<i>UNEMPL</i>							
	TOL	0.932	0.748	0.808	0.757	0.803	0.351
	VIF	1.073	1.338	1.238	1.320	1.246	2.848
	SIF	1.036	1.157	1.113	1.149	1.116	1.688
<i>DLOG(UNMERGERS)</i>							
	TOL	0.974	0.990	0.841	0.645	0.910	0.938
	VIF	1.027	1.010	1.190	1.550	1.099	1.066
	SIF	1.013	1.005	1.091	1.245	1.048	1.032
<i>Condition Index</i>							
		8.778	11.023	13.268	17.421	13.940	23.893

Table B3: Model 3, D(AFDCEITC) UNEMPL DLOG(UNMergers)

	Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
<i>Y: D(INCOMEINEQ)</i>						
<i>D(AFDCEITC)</i>						
TOL	0.954	0.745	0.956	0.832	0.877	0.342
VIF	1.048	1.342	1.046	1.202	1.140	2.924
SIF	1.024	1.158	1.023	1.096	1.068	1.710
<i>UNEMPL</i>						$\beta = 1.003$
TOL	0.932	0.748	0.808	0.757	0.803	0.351
VIF	1.073	1.338	1.238	1.320	1.246	2.848
SIF	1.036	1.157	1.113	1.149	1.116	1.688
<i>DLOG(UNMergers)</i>						
TOL	0.974	0.990	0.841	0.645	0.910	0.938
VIF	1.027	1.010	1.190	1.550	1.099	1.066
SIF	1.013	1.005	1.091	1.245	1.048	1.032
<i>Condition Index</i>	8.778	11.023	13.268	17.421	13.940	23.893

Table B4: Model 4, D(AFDCEITC) UNEMPL DLOG(UNMergers)

	Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
<i>Y: DLOG(LIABASSET)</i>						
<i>D(AFDCEITC)</i>						$\beta = 1.096$
TOL	0.954	0.745	0.956	0.832	0.877	0.342
VIF	1.048	1.342	1.046	1.202	1.140	2.924
SIF	1.024	1.158	1.023	1.096	1.068	1.710
<i>UNEMPL</i>						
TOL	0.932	0.748	0.808	0.757	0.803	0.351
VIF	1.073	1.338	1.238	1.320	1.246	2.848
SIF	1.036	1.157	1.113	1.149	1.116	1.688
<i>DLOG(UNMergers)</i>						
TOL	0.974	0.990	0.841	0.645	0.910	0.938
VIF	1.027	1.010	1.190	1.550	1.099	1.066
SIF	1.013	1.005	1.091	1.245	1.048	1.032
<i>Condition Index</i>	8.778	11.023	13.268	17.421	13.940	23.893

CAPITAL ACCUMULATION MODELS

Table B5: Model 1, D(CONCREDIT) DLOG(UNMergers(-1)) DLOG(CTSB(-1))

	Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
<i>D(CONCREDIT)</i>				$\beta = 1.073$	$\beta = 1.066$	
TOL	0.986	0.881	0.828	0.672	0.602	0.777
VIF	1.014	1.135	1.208	1.488	1.660	1.287
SIF	1.007	1.065	1.099	1.220	1.288	1.134
<i>DLOG(UNMergers(-1))</i>						
TOL	0.993	0.920	0.965	0.845	0.957	0.477
VIF	1.007	1.087	1.036	1.183	1.045	2.098
SIF	1.003	1.043	1.018	1.088	1.022	1.448
<i>DLOG(CTSB(-1))</i>						
TOL	0.985	0.948	0.824	0.667	0.611	0.439
VIF	1.015	1.055	1.214	1.499	1.637	2.279
SIF	1.007	1.027	1.102	1.224	1.279	1.510
<i>Condition Index</i>	2.309	4.269	3.318	2.955	2.428	6.336

Table B6: Model 2, D(LIABDPI) DLOG(UNMergers(-1)) DLOG(CTSB(-1))

	Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
<i>D(LIABDPI)</i>				$\beta = 1.038$		
TOL	0.998	0.640	0.709	0.669	0.608	0.794
VIF	1.002	1.564	1.410	1.494	1.645	1.259
SIF	1.001	1.251	1.187	1.222	1.283	1.122
<i>DLOG(UNMergers(-1))</i>						
TOL	0.995	0.777	0.692	0.808	0.959	0.561
VIF	1.005	1.287	1.445	1.238	1.043	1.783
SIF	1.002	1.134	1.202	1.113	1.021	1.335
<i>DLOG(CTSB(-1))</i>						
TOL	0.994	0.802	0.972	0.704	0.591	0.487
VIF	1.006	1.246	1.029	1.421	1.691	2.054
SIF	1.003	1.116	1.014	1.192	1.300	1.433
<i>Condition Index</i>	2.232	4.664	2.171	2.902	2.499	4.647

Table B7: Model 3, D(INCOMEINEQ) DLOG(UNMergers(-1)) DLOG(CTSB(-1))

	Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
<i>D(INCOMEINEQ)</i>				$\beta = 1.103$		
TOL	0.985	0.839	0.832	0.353	0.871	0.896
VIF	1.015	1.192	1.201	2.830	1.148	1.116
SIF	1.007	1.092	1.096	1.682	1.071	1.056
<i>DLOG(UNMergers(-1))</i>						
TOL	0.992	0.878	0.811	0.317	0.864	0.503
VIF	1.008	1.139	1.234	3.151	1.158	1.988
SIF	1.004	1.067	1.111	1.775	1.076	1.410
<i>DLOG(CTSB(-1))</i>						
TOL	0.985	0.915	0.971	0.584	0.965	0.539
VIF	1.015	1.092	1.030	1.711	1.036	1.856
SIF	1.007	1.045	1.015	1.308	1.018	1.362
<i>Condition Index</i>	1.611	1.830	1.909	3.880	2.100	3.025

Table B8: Model 4, DLOG(LIABASSET) DLOG(UNMergers(-1)) DLOG(CTSB(-1))

	Full SSA 1948-2007	Consolidation 1948-1966	Decay 1 1967- 1973	Decay 2 1974- 1979	Prolonged Decay and Initial Exploration 1980-1992	Neoliberalism 1993-2007
<i>DLOG(LIABASSET)</i>				$\beta = 1.680$		
TOL	0.982	0.616	0.938	0.137	0.918	0.896
VIF	1.018	1.624	1.067	7.304	1.089	1.116
SIF	1.009	1.274	1.033	2.703	1.044	1.056
<i>DLOG(UNMergers(-1))</i>				$\beta = 1.612$		
TOL	0.980	0.848	0.949	0.197	0.965	0.531
VIF	1.021	1.180	1.053	5.083	1.036	1.885
SIF	1.010	1.086	1.026	2.255	1.018	1.373
<i>DLOG(CTSB(-1))</i>				$\beta = -1.458$		
TOL	0.993	0.708	0.926	0.147	0.894	0.561
VIF	1.008	1.412	1.080	6.822	1.118	1.784
SIF	1.004	1.188	1.039	2.612	1.057	1.336
<i>Condition Index</i>	1.991	5.213	3.082	6.890	1.892	3.349

DECOMPOSITION OF COLLINEAR ESTIMATES

Table B9: Decomposition of Multicollinearity, Neoliberalism Phase of Family Deterioration Models

Variable	Estimate	Total Consumer Credit Outstanding Neoliberalism 1993-2007			Household Debt Ratio Neoliberalism 1993-2007		
		Full Model	Comparison Model 1	Comparison Model 2	Full Model	Comparison Model 1	Comparison Model 2
Public Cash Assistance	Parameter (p-value)	1.389 (0.258)	2.895 (.130)		.000 (.407)	.001 (.379)	
	<i>Standard Error</i>	2.026	2.443		.002	.002	
Unemployment	Parameter (p-value)	-.869 (.478)		11.087 (.210)	.021 (.050)		.007 (.189)
	<i>Standard Error</i>	15.282		13.276	.012		.008
	Adj. R ²	.696	.201	.156	.585	.000	.052

Notes: p-values are one-tailed significance levels; full models represent the model estimated for the analysis; comparison models represent the model with the other collinear variable and autocorrelations parameters excluded from the model; Comparison Model 1 includes only Public Cash Assistance; Model 2 includes only Unemployment

Table B9, cont: Decomposition of Multicollinearity, Neoliberalism Phase of Family Deterioration Models

Variable	Estimate	Income Inequality Neoliberalism 1993-2007			Liabilities-to-Assets Ratio Neoliberalism 1993-2007		
		Full Model	Comparison Model 1	Comparison Model 2	Full Model	Comparison Model 1	Comparison Model 2
Public Cash Assistance	Parameter (p- value)	-.015 (.032)	.001 (.467)		.010 (.009)	.004 (.047)	
	<i>Standard Error</i>	.007	.006		.003	.002	
Unemployment	Parameter (p- value)	.104 (.039)		.040 (.152)	-.037 (.037)		.005 (.368)
	<i>Standard Error</i>	.053		.037	.019		.014
	Adj. R ²	.328	.000	.140	.263	.087	.000

Notes: p-values are one-tailed significance levels; full models represent the model estimated for the analysis; comparison models represent the model with the other collinear variable and autocorrelations parameters excluded from the model; Comparison Model 1 includes only Public Cash Assistance; Model 2 includes only Unemployment

**Table B10: Decomposition of Multicollinearity, Decay 2 Phase, Capital Accumulation
Model 3, Income Inequality**

Variable	Estimate	Full Model	Total Capital Accumulation Decay 2 1974-1979		
			Comparison Model 1	Comparison Model 2	Comparison Model 3
Income Inequality	Parameter (p-value)	.882 (.144)	.573 (.160)	.547 (.101)	
	<i>Standard Error</i>	.616	.482	.336	
Unassisted Bank Mergers	Parameter (p-value)	-.044 (.284)	-.008 (.436)		.030 (.277)
	<i>Standard Error</i>	.064	.048		.045
Capital's Tax Share	Parameter (p-value)	.265 (.239)		.134 (.289)	.012 (.484)
	<i>Standard Error</i>	.306		.214	.290
	Adj. R ²	.000	.037	.139	.000

Notes: p-values are one-tailed significance levels; full models represent the model estimated for the analysis; comparison models represent the model with a collinear variable and autocorrelations parameters excluded from the model; Comparison Model 1 excludes Capital's Tax Share, Comparison Model 2 excludes Unassisted Bank Mergers, and Comparison Model 3 excludes Income Inequality.

**Table B11: Decomposition of Multicollinearity, Decay 2 Phase, Capital Accumulation
Model 4, Liabilities-to-Assets Ratio**

Variable	Estimate	Full Model	Total Capital Accumulation Decay 2 1974-1979		
			Comparison Model 1	Comparison Model 2	Comparison Model 3
Liabilities-to- Assets Ratio	Parameter (p-value)	1.541 (.163)	.279 (.313)	-.020 (.489)	
	<i>Standard Error</i>	<i>1.193</i>	<i>.515</i>	<i>.669</i>	
Unassisted Bank Mergers	Parameter (p-value)	.127 (.138)	.041 (.213)		.030 (.277)
	<i>Standard Error</i>	<i>.086</i>	<i>.044</i>		<i>.045</i>
Capital's Tax Share	Parameter (p-value)	-.744 (.183)		.087 (.415)	.012 (.484)
	<i>Standard Error</i>	<i>.642</i>		<i>.373</i>	<i>.290</i>
	Adj. R ²	.000	.000	.000	.000

Notes: p-values are one-tailed significance levels; full models represent the model estimated for the analysis; comparison models represent the model with a collinear variable and autocorrelations parameters excluded from the model; Comparison Model 1 excludes Capital's Tax Share, Comparison Model 2 excludes Unassisted Bank Mergers, and Comparison Model 3 excludes the Liabilities-to-Assets Ratio.

APPENDIX C

FORM OF EACH UNIVARIATE SERIES BY MODEL

Total Public Cash Assistance Expenditures (AFDCEITC)

Univariate Series:	First Difference, AR(1)
Family Economic Deterioration Models:	First Difference
Capital Accumulation Models:	

Total Capital Accumulation (CATOTAL)

Univariate Series:	First Difference of the Natural Log, AR(1)
Family Economic Deterioration Models:	
Capital Accumulation Models:	First Difference of the Natural Log

Total Consumer Credit Outstanding (CONCREDIT)

Univariate Series:	First Difference of the Natural Log, MA(1)
Family Economic Deterioration Models:	First Difference (<i>Second Difference in Neoliberalism</i>)
Capital Accumulation Models:	First Difference

Household Debt Ratio (LIABDPI)

Univariate Series:	First Difference, AR(1)
Family Economic Deterioration Models:	First Difference
Capital Accumulation Models:	First Difference

Income Inequality (INCOMEINEQ)

Univariate Series:	First Difference
Family Economic Deterioration Models:	First Difference
Capital Accumulation Models:	First Difference

Liabilities-to-Assets Ratio (LIABASSET)

Univariate Series:	First Difference of the Natural Log, AR(1)
Family Economic Deterioration Models:	First Difference
Capital Accumulation Models:	First Difference

Total Unassisted Mergers of Commercial Banks (UNMERGERS)

Univariate Series:	First Difference of the Natural Log
Family Economic Deterioration Models:	First Difference of the Natural Log
Capital Accumulation Models:	First Difference of the Natural Log, <i>Lagged (t-1)</i>

Not Seasonally Adjusted Unemployment Rate (UNEMPL)

Univariate Series:	Level
Family Economic Deterioration Models:	Level
Capital Accumulation Models:	Level

Capital's Tax Share (CTSB)

Univariate Series:	First Difference of the Natural Log
Family Economic Deterioration Models:	
Capital Accumulation Models:	First Difference of the Natural Log, <i>Lagged (t-1)</i>

APPENDIX D
STANDARDIZED REGRESSION COEFFICIENTS

Standardized regression coefficients in multivariate regression are used to compare the relative effects of two or more explanatory variables on the endogenous variable. As partial effects, the standardized coefficients represent the change in the dependent variable in standard deviations, for a one-standard deviation increase in a given independent variable while controlling for the other independent variables. The standardized beta (β) coefficients are calculated by multiplying the unstandardized regression coefficient for a given independent variable (b) by the quotient of the standard deviation of the independent variable (S_x) divided by the standard deviation of the dependent variable (S_y):

$$\beta = b \left(\frac{S_x}{S_y} \right)$$

In practice, standardized coefficients greater than 1.0 highlight possible instabilities in the model, typically caused by multicollinearity. In such cases, standard errors are inflated and estimated standardized coefficients may be unstable (Agresti and Finlay 2008). For this and other reasons, some have questioned their use under all conditions and have advanced other measures to compare partial effects (Bring 1994). The common practice of maintaining partial standardized regression coefficients under 1.0 is of interest here as several estimates in models with moderate multicollinearity and those without, are evident. See Appendix B for the multicollinearity diagnostics and the decomposition of models with moderate multicollinearity.

The outright rejection of standardized coefficients above 1.0 is therefore not fully supported for all situations. For example, Jöreskog (1999) argues that a small error variance between independent variables, when one is regressed on the others, can produce inflated standardized coefficients without the variables being highly correlated.

Further, Gelman (2008) contends that the interpretation of standardized coefficients is burdensome, and has to take into account the scale and nature of the independent variables. In terms of multicollinearity, Goldberger (1991) has argued that series with a small number of observations have increased uncertainty, a concept called micronumerosity. Such conditions are therefore expected to have inflated standard errors.

Strong statistical results in the presence of micronumerosity may be favorable, as is the case here where a small number of observations generate moderate multicollinearity. For these models, especially their sub-phase representations, the variances can be large with a small number of observations, especially during the decay 2 and neoliberalism phases when social changes were rampant. For the full post-WWII SSA estimates from 1948 through 2007 across all eight models, both multicollinearity and inflated standardized coefficients are not observed. In sub-phases shaped by historically-contingent changes in social conditions and institutions, as the SSA eroded from 1966 through 1979 and was rebuilt after 1993, inflated standardized coefficients, and moderate, but constrained levels of multicollinearity do exist. Therefore, rather than dismiss outright the estimates of these models, as traditional practice might mandate, these parameters highlight the need to keep the interpretation of effects open to the conditions through which they are observed when investigating historical contingency, (Griffin 1992; Isaac and Griffin 1989). Being sensitive to historical process allows for the interpretation of parameters to be more complete, especially as temporal invariance is expected (Janoski and Isaac 1994).

BIBLIOGRAPHY

- Abell, John D. 1991. "Distributional Effects of Monetary and Fiscal Policy: Impacts on Unemployment Rates Disaggregated by Race and Gender." *American Journal of Economics and Sociology* 50:269-84.
- Abramovitz, Mimi. 1996. *Regulating the Lives of Women: Social Welfare Policy from Colonial Times to the Present*. Rev. ed. Boston: South End Press.
- 2006. "Neither Accidental, nor Simply Mean-Spirited: The Context for Welfare Reform." Pp. 23-37 in *The Promise of Welfare Reform: Political Rhetoric and the Reality of Poverty in the Twenty-First Century*, edited by K. M. Kilty and E. A. Segal. Binghamton, NY: Hawthorn Press.
- Adair, Vivyan C. 2005. "US Working-Class/Poverty-Class Divides." *Sociology* 39:817-34.
- Adams, Bert N. 1971. *The American Family: A Sociological Interpretation*. Chicago: Markham Publishing.
- Adelantado, Jose and Eduardo Calderon. 2006. "Globalization and the Welfare State: The Same Strategies for Similar Problems." *Journal of European Social Policy* 16:374-86.
- Administration for Children and Families. 2009. "TANF Financial Data." Washington, D.C.: U.S. Department of Health and Human Services, Retrieved February 6, 2010 (<http://www.acf.hhs.gov/programs/ofs/data/index.html>).
- Agarwal, Sumit and Brent W. Ambrose. 2007. *Household Credit Usage: Personal Debt and Mortgages*. New York: Palgrave Macmillan.
- Aglietta, Michel. [1979] 2000. *A Theory of Capitalist Regulation: The U.S. Experience*. New York: Verso.
- 1998. "Capitalism at the Turn of the Century: Regulation Theory and the Challenge of Social Change." *New Left Review* 232:41-90.
- Agresti, Alan and Barbara Finlay. 2008. *Statistical Methods for the Social Sciences*. 4th ed. Upper Saddle River, NJ: Prentice-Hall.
- Albelda, Randy and Chris Tilly. 1994. "Toward a Broader Vision: Race, Gender, and Labor Market Segmentation in the Social Structure of Accumulation Framework." Pp. 212-30 in *Social Structures of Accumulation: The Political Economy of Growth and Crisis*, edited by D. M. Kotz, T. McDonough and M. Reich. New York: Cambridge University Press.

- Alexander, Jeffrey C. 1985. "Introduction." Pp. 7-18 in *Neofunctionalism*, edited by J. C. Alexander. Beverly Hills, CA: Sage.
- Alford, Robert R. and Roger Friedland. 1985. *Powers of Theory: Capitalism, the State, and Democracy*. New York: Cambridge University Press.
- Allard, Scott W. 2007. "The Changing Face of Welfare during the Bush Administration." *Publius* 37:304-32.
- Allison, Paul D. 1999. *Multiple Regression: A Primer*. Thousand Oaks, CA: Pine Forge Press.
- Almond, Brenda. 2006. *The Fragmenting Family*. Oxford, England: Clarendon.
- Altmeyer, Arthur J. 1966. *The Formative Years of Social Security*. Madison, WI: University of Wisconsin Press.
- Amable, Bruno and Stefano Palombarini. 2009. "A Neorealist Approach to Institutional Change and the Diversity of Capitalism." *Socio-Economic Review* 7:123-43.
- Amenta, Edwin. 2005. "State-Centered and Political Institutional Theory: Retrospect and Prospect." Pp. 96-114 in *The Handbook of Political Sociology: States, Civil Societies, and Globalization*, edited by T. Janoski, R. Alford, A. Hicks and M. A. Schwartz. New York: Cambridge University Press.
- Antonio, Robert J., editor. 2003. *Marx and Modernity: Key Readings and Commentary*. Malden, MA: Blackwell Publishing.
- Aronowitz, Stanley. 1973. *False Promises: The Shaping of American Working Class Consciousness*. New York: McGraw-Hill.
- Aronowitz, Stanley and Peter Bratsis. 2002. *Paradigm Lost: State Theory Reconsidered*. Minneapolis, MN: University of Minnesota Press.
- Astone, Nan M., Constance A. Nathanson, Robert Schoen and Young J. Kim. 1999. "Family Demography, Social Theory, and Investment in Social Capital." *Population and Development Review* 25:1-31.
- Auten, Gerald. 1999. "Capital Gains Taxation." Pp. 58-61 in *The Encyclopedia of Taxation and Tax Policy*, edited by J. J. Cordes, R. D. Ebel and J. G. Gravelle. Washington, DC: Urban Institute Press.
- Bahr, Howard M. and Kathleen S. Bahr. 2001. "Families and Self-Sacrifice: Alternative Models and Meanings for Family Theory." *Social Forces* 79:1231-58.

- Bailey, Stephen K. 1964. *Congress Makes a Law: The Story Behind the Employment Act of 1946*. New York: Vintage Books.
- Bailis, Lawrence N. 1974. *Bread Or Justice: Grassroots Organizing in the Welfare Rights Movement*. Lexington, MA: D.C. Heath and Company.
- Baker, Maureen. 2006. *Restructuring Family Policies: Convergences and Divergences*. Toronto, ON: University of Toronto Press.
- Bane, Mary J. 1988. "Politics and Policies of the Feminization of Poverty." Pp. 381-96 in *The Politics of Social Policy in the United States*, edited by M. Weir, A. S. Orloff and T. Skocpol. Princeton, NJ: Princeton University Press.
- Barba, Aldo and Massimo Pivetti. 2009. "Rising Household Debt: Its Causes and Macroeconomic Implications - A Long-Period Analysis." *Cambridge Journal of Economics* 33:113-37.
- Barber, Benjamin R. 2007. *Consumed: How Markets Corrupt Children, Infantilize Adults, and Swallow Citizens Whole*. New York: W.W. Norton and Company.
- Barnow, Burt S. 1993. "Thirty Years of Changing Federal, State, and Local Relationships in Employment and Training Programs." *Publius* 23(3):75-94.
- Barone, Charles A. 2004. *Radical Political Economy: A Concise Introduction*. Armonk, NY: M.E. Sharpe.
- Barrow, Clyde W. 1993. *Critical Theories of the State: Marxist, Neo-Marxist, Post-Marxist*. Madison, WI: University of Wisconsin Press.
- Barth, James R., R. D. Brumbaugh Jr. and James A. Wilcox. 2000. "Policy Watch: The Repeal of Glass-Steagall and the Advent of Broad Banking." *The Journal of Economic Perspectives* 14:191-204.
- Bauman, John F. 2000. "Introduction: The Eternal War on the Slums." Pp. 1-17 in *From Tenements to the Taylor Homes: In Search of an Urban Housing Policy in Twentieth-Century America*, edited by J. F. Bauman, R. Biles and K. M. Szylvian. University Park, PA: The Pennsylvania State University Press.
- Becker, Gary S. 1988. "Family Economics and Macro Behavior." *The American Economic Review* 78:1-13.
- 1991. *A Treatise on the Family: Enlarged Edition*. Cambridge, MA: Harvard University Press.
- 1993. *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education*. 3rd. Ed. Chicago: University of Chicago Press.

- Becker, Gary S., Elisabeth M. Landes and Robert T. Michael. 1977. "An Economic Analysis of Marital Instability." *Journal of Political Economy* 85:1141-87.
- Becker, Gary S. and Nigel Tomes. 1986. "Human Capital and the Rise and Fall of Families." *Journal of Labor Economics* 4:S1-S39.
- .1993. "Human Capital and the Rise and Fall of Families." Pp. 257-98 in *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education*. 3rd. Ed, edited by G. S. Becker. Chicago: University of Chicago Press.
- Bell, Winifred. 1965. *Aid to Dependent Children*. New York: Columbia University Press.
- Belsley, David A. 1991. "A Guide to using the Collinearity Diagnostics." *Computational Science in Economics and Management* 4:33-50.
- Bendix, Reinhard and Seymour M. Lipset. 1966. *Class, Status, and Power: Social Stratification in Comparative Perspective*. New York: The Free Press.
- Bennett, Michael J. 1996. *When Dreams Came True: The GI Bill and the Making of Modern America*. McLean, VA: Brassey's Publishing.
- Benton, Ted and Ian Craib. 2001. *Philosophy of Social Science: The Philosophical Foundations of Social Thought*. New York: Palgrave.
- Berk, Richard A. and Sarah F. Berk. 1983. "Supply-Side Sociology of the Family: The Challenge of the New Home Economics." *Annual Review of Sociology* 9:375-95.
- Bernstein, Irving. 1985. *A Caring Society: The New Deal, the Worker, and the Great Depression*. Boston: Houghton Mifflin.
- Berrick, Jill D. and Bruce Fuller. 2005. *Good Parents Or Good Workers?: How Policy Shapes Families' Daily Lives*. New York: Palgrave MacMillan.
- Beutler, Ivan F., Wesley R. Burr, Kathleen S. Bahr and Donald A. Herrin. 1989. "The Family Realm: Theoretical Contributions for Understanding its Uniqueness." *Journal of Marriage and Family* 51:805-16.
- Bilmes, Linda J. and Joseph E. Stiglitz. 2009. "The \$10 Trillion Hangover: Paying the Price for Eight Years of Bush." *Harper's Magazine*, pp. 31-5.
- Blank, Susan W. and Barbara B. Blum. 1997. "A Brief History of Work Expectations for Welfare Mothers." *The Future of Children* 7(1):28-38.
- Blankenship, Kim M. 1993. "Bringing Gender and Race in: U.S. Employment Discrimination Policy." *Gender and Society* 7:204-26.

- Blau, Peter M. 1960. "A Theory of Social Integration." *American Journal of Sociology* 65:545-56.
- 1964. *Exchange and Power in Social Life*. New York: John Wiley and Sons.
- 1997. "On Limitations of Rational Choice Theory for Sociology." *The American Sociologist* 28(2):16-21.
- 2002. "Exchange and Power in Social Life." Pp. 99-109 in *Contemporary Sociological Theory*, edited by C. Calhoun, J. Gerteis, J. Moody, S. Pfaff and I. Virk. Malden, MA: Blackwell Publishing.
- Block, Fred. 1987. "Rethinking the Political Economy of the Welfare State." Pp. 109-60 in *The Mean Season: The Attack on the Welfare State*, edited by F. Block, R. A. Cloward, B. Ehrenreich and F. F. Piven. New York: Pantheon Books.
- Block, Fred, Richard A. Cloward, Barbara Ehrenreich and Frances F. Piven, editors. 1987. *The Mean Season: The Attack on the Welfare State*. New York: Pantheon Books.
- Blundell, Richard, Luigi Pistaferri and Ian Preston. 2008. "Consumption Inequality and Partial Insurance." *American Economic Review* 98:1887-921.
- Board of Governors of the Federal Reserve System. 2010a. "Total Consumer Credit Outstanding, Release G-19: Series TOTALNS." St. Louis, MS: Federal Reserve Bank of St. Louis, Retrieved June 09, 2010 (<http://research.stlouisfed.org/fred2/series/TOTALNS>).
- 2010b. "Total Consumer Credit Outstanding, Release G-19: Series TOTALSL." St. Louis, MS: Federal Reserve Bank of St. Louis, Retrieved June 09, 2010 (<http://research.stlouisfed.org/fred2/series/TOTALSL>).
- Bogenschneider, Karen. 2000. "Has Family Policy Come of Age? A Decade Review of the State of U.S. Family Policy in the 1990s." *Journal of Marriage and the Family* 62:1136-59.
- Bohman, James. 1992. "The Limits of Rational Choice Explanation." Pp. 207-28 in *Rational Choice Theory: Advocacy and Critique*, edited by J. S. Coleman and T. J. Fararo. Newbury Park, CA: Sage.
- Bolin, Winifred D. W. 1978. "The Economics of Middle-Income Family Life: Working Women during the Great Depression." *Journal of American History* 65:60-74.
- Bollen, Kenneth A. and Patrick J. Curran. 2006. *Latent Curve Models: A Structural Equation Perspective*. Hoboken, NJ: Wiley-Interscience.

- Boss, Pauline G., William J. Doherty, Ralph LaRossa, Walter R. Schumm and Suzanne K. Steinmetz, editors. 2009. *Sourcebook of Family Theories and Methods: A Contextual Approach*. New York: Springer.
- Bowles, Samuel, Steven N. Durlauf and Karla Hoff. 2006. "Introduction." Pp. 1-13 in *Poverty Traps*, edited by S. Bowles, S. N. Durlauf and K. Hoff. New York: Russell Sage Foundation.
- Bowles, Samuel and Herbert Gintis. 1986. *Democracy and Capitalism: Property, Community, and the Contradictions of Modern Social Thought*. New York: Basic Books.
- Bowles, Samuel, David M. Gordon and Thomas E. Weisskopf. 1986. "Power and Profits: The Social Structure of Accumulation and the Profitability of the Postwar U.S. Economy." *Review of Radical Political Economics* 18:132-67.
- 1989. "Business Ascendancy and Economic Impasse: A Structural Retrospective on Conservative Economics, 1979-87." *Journal of Economic Perspectives* 3:107-34.
- 1990. *After the Wasteland: A Democratic Economics for the Year 2000*. Armonk, NY: M.E. Sharpe, Inc.
- Boyer, Robert. 2010. "The Rise of CEO Pay and the Contemporary Social Structure of Accumulation in the United States." Pp. 215-38 in *Contemporary Capitalism and its Crises: Social Structure of Accumulation Theory for the Twenty-First Century*, edited by T. McDonough, M. Reich and D. M. Kotz. Cambridge: Cambridge University Press.
- Brandes, Stuart D. 1976. *American Welfare Capitalism: 1880-1940*. Chicago: University of Chicago Press.
- Bratsis, Peter. 2002. "Unthinking the State: Reification, Ideology, and the State as a Social Fact." Pp. 247-67 in *Paradigm Lost: State Theory Reconsidered*, edited by S. Aronowitz and P. Bratsis. Minneapolis, MN: University of Minnesota Press.
- Brauer, Carl M. 1982. "Kennedy, Johnson, and the War on Poverty." *Journal of American History* 69:98-119.
- Bring, Johan. 1994. "How to Standardize Regression Coefficients." *The American Statistician* 48(3):209-13.
- Bucks, Brian K., Arthur B. Kennickell, Traci L. Mach and Kevin B. Moore. 2009. "Changes in U.S. Family Finances from 2004 to 2007: Evidence from the Survey of Consumer Finances." *Federal Reserve Bulletin* 95 (February):A1-A56.

- Bumpass, Larry L. 2004. "Social Change and the American Family." *Annals of the New York Academy of Sciences* 1038:213-9.
- Burawoy, Michael. 1982. "Introduction: The Resurgence of Marxism in American Sociology." *American Journal of Sociology* 88 Supplement: Marxist Inquiries: Studies of Labor, Class, and States:S1-S30.
- Burawoy, Michael, Alice Burton, Ann A. Ferguson, Kathryn J. Fox, Joshua Gamson, Nadine Gartrell, Leslie Hurst, Charles Kurzman, Leslie Salinger, Josepha Schiffman and Shiori Ui. 1991. *Ethnography Unbound*. Berkeley, CA: University of California Press.
- Burgess, Ernest W., Harvey J. Locke and Mary M. Thomas. 1963. *The Family: From Institution to Companionship*. 3rd ed. New York: American Book Company.
- Burr, Wesley R., Reuben Hill, F. I. Nye and Ira L. Reiss, editors. 1979a. *Contemporary Theories of about the Family: Volume 1, Research-Based Theories*. New York: The Free Press.
- 1979b. *Contemporary Theories of about the Family: Volume 2, General Theories/Theoretical Orientations*. New York: The Free Press.
- Burton, Dawn. 2008. *Credit and Consumer Society*. New York: Routledge.
- Cabrillo, Francisco. 1999. *The Economics of the Family and Family Policy*. Translated by Jennifer McDonald. . Cheltenham, UK: Edward Elgar.
- Calder, Lendol. 1999. *Financing the American Dream: A Cultural History of Consumer Credit*. Princeton, NJ: Princeton University Press.
- Calem, Paul, Kevin Gillen and Susan Wachter. 2004. "The Neighborhood Distribution of Subprime Mortgage Lending." *Journal of Real Estate Finance and Economic* 29:393-410.
- Calhoun, Craig, editor. 2002. *Dictionary of the Social Sciences*. New York: Oxford University Press.
- Calhoun, Craig, Joseph Gerteis, James Moody, Steven Pfaff and Indermohan Virk, editors. 2002. *Contemporary Sociological Theory*. Malden, MA: Blackwell Publishing.
- Campbell, Jeffrey R. and Zvi Hercowitz. 2006. "The Role of Collateralized Household Debt in Macroeconomic Stabilization." Nashville, TN: American Economic Association: Annual Meeting Papers, Retrieved June 18, 2009 (http://www.aeaweb.org/annual_mtg_papers/2007/0105_0800_0801.pdf).

- Campbell, John L. 1998. "Institutional Analysis and the Role of Ideas in Political Economy." *Theory and Society* 27:377-409.
- Capozza, Dennis R. 2006. "Subprime Transitions: Lingering Or Malingering in Default." *Journal of Real Estate Finance and Economics* 33:241-58.
- Card, Emily. 1980. "Women, Housing Access, and Mortgage Credit." *Signs* 5 (3 Supplement):215-9.
- Carlson, Susan M., Michael D. Gillespie and Raymond J. Michalowski. 2010. "Social Structures of Accumulation and the Criminal Justice System." Pp. 239-66 in *Contemporary Capitalism and its Crises: Social Structure of Accumulation Theory for the Twenty-First Century*, edited by T. McDonough, M. Reich and D. M. Kotz. Cambridge: Cambridge University Press.
- Carnoy, Martin. 1984. *The State and Political Theory*. Princeton, NJ: Princeton University Press.
- Carter, Susan B., Scott S. Gartner, Michael R. Haines, Alan L. Olmstead, Richard Sutch, Gavin Wright and . 2006. *Historical Statistics of the United States Millennial Edition Online*. New York: Cambridge University Press.
- Chambliss, William J. 1979. "On Lawmaking." *British Journal of Law and Society* 6(2):149-71.
- Chan, Sewell. 2010. "A Political Clash Over Deficits Stalls Legislation to Address Jobs." *New York Times*, July 5, p. B1.
- Cherlin, Andrew J. 1983. "Changing Family and Household: Contemporary Lessons from Historical Research." *Annual Review of Sociology* 9:51-66.
- 1999. "Going to Extremes: Family Structure, Children's Well-being, and Social Science." *Demography* 36:421-8.
- Chibucos, Thomas R., Randall W. Leite and David L. Weis, editors. 2005. *Readings in Family Theory*. Thousand Oaks, CA: Sage.
- Chomsisengphet, Souphala and Anthony Pennington-Cross. 2006. "The Evolution of the Subprime Mortgage Market." *Federal Reserve Bank of St. Louis Review* January/February:31-56.
- Ciscel, David H. and Julia A. Heath. 2001. "To Market, to Market: Imperial Capitalism's Destruction of Social Capital and the Family." *Review of Radical Political Economics* 33:401-14.

- Cohen, Jean L. 1982. *Class and Civil Society: The Limits of Marxian Critical Theory*. Amherst, MA: University of Massachusetts Press.
- Cohen, Wilber J. 1945. "The Federal Government's Program for Ex-Servicemen." *Annals of the American Academy of Political and Social Science* 238:63-70.
- Coleman, James S. 1986. "Social Theory, Social Research, and a Theory of Action." *American Journal of Sociology* 91:1309-35.
- 1988. "Social Capital in the Creation of Human Capital." *American Journal of Sociology* 94:S95-S120.
- 1998. *The Foundations of Social Theory*. Cambridge, MA: Belknap Press.
- Coleman, James S. and Thomas J. Fararo. 1992. "Introduction." Pp. ix-xxii in *Rational Choice Theory: Advocacy and Critique*, edited by J. S. Coleman and T. J. Fararo. Newbury Park, CA: Sage.
- Coleman, Margaret S. 1997. "Female Labor Supply during Early Industrialization." Pp. 42-60 in *Gender and Political Economy: Incorporating Diversity into Theory and Practice*, edited by E. Mutari, H. Boushey and W. Fraher IV. Armonk, NY: M.E. Sharpe.
- Collins, Randall. 1975. *Conflict Sociology: Toward an Explanatory Science*. New York: Academic Press.
- 1994. *Four Sociological Traditions*. New York: Oxford University Press.
- Colton, Kent W. 2003. *Housing in the Twenty-First Century: Achieving Common Ground*. Cambridge, MA: Harvard University Press.
- Conley, Dalton. 2003. "Introduction." Pp. 1-9 in *Wealth and Poverty in America: A Reader*, edited by D. Conley. Malden, MA: Blackwell.
- Coontz, Stephanie. 1992. *The Way we Never were: American Families and the Nostalgia Trap*. New York: Basic Books.
- 1997. *The Way we really are: Coming to Terms with America's Changing Families*. New York: Basic Books.
- 1999. "Introduction." Pp. ix-xxxiii in *American Families: A Multicultural Reader*, edited by S. Coontz, M. Parson and G. Raley. New York: Routledge.
- Coontz, Stephanie, Maya Parson and Gabrielle Raley, editors. 1999. *American Families: A Multicultural Reader*. New York: Routledge.

- Corcoran, Mary, Sandra K. Danziger, Ariel Kalil and Kristin S. Seefeldt. 2000. "How Welfare Reform is Affecting Women's Work." *Annual Review of Sociology* 26:241-69.
- Coser, Lewis S. 1956. *The Functions of Social Conflict*. New York: The Free Press.
- Creed, Gerald W. 2000. "'Family Values' and Domestic Economies." *Annual Review of Anthropology* 29:329-55.
- Cromwell, Jeff B., Michael J. Hannan, Walter C. Labys and Michael Terraza. 1994. *Multivariate Tests for Time Series Models*. Thousand Oaks, CA: Sage Publications.
- Cromwell, Jeff B., Walter C. Labys and Michael Terraza. 1994. *Univariate Tests for Time Series Models*. Thousand Oaks, CA: Sage Publications.
- Crossney, Kristen B. and David W. Bartelt. 2005. "Residential Security, Risk, and Race: The Home Owners' Loan Corporation and Mortgage Access in Two Cities." *Urban Geography* 26:707-36.
- Curley, Alexandra M. 2005. "Theories of Urban Poverty and Implications for Public Housing Policy." *Journal of Sociology and Social Welfare* 32:97-119.
- Danziger, Sheldon. 1999. *Economic Conditions and Welfare Reform*. Kalamazoo, MI: Upjohn Institute for Employment Research.
- Danziger, Sheldon H. and Robert H. Haveman. 2001. "Introduction: The Evolution of Poverty and Antipoverty Policy." Pp. 1-24 in *Understanding Poverty*, edited by S. Danziger and R. H. Haveman. New York: Russell Sage Foundation.
- Danziger, Sheldon and Peter Gottschalk. 1995. *America Unequal*. New York: Russell Sage Foundation.
- Danziger, Sheldon and Robert H. Haveman. 2001. *Understanding Poverty*. New York: Russell Sage Foundation.
- Davis, Ann. 2004. "(De)Constructing Dependency: Institutional, Historical Perspectives of Welfare." *Review of Radical Political Economics* 36:37-51.
- Davis, Kingsley. 1942. "A Conceptual Analysis of Stratification." *American Sociological Review* 7:309-21.
- Davis, Kingsley and Wilbert Moore. 1945. "Some Principles of Stratification." *American Sociological Review* 10:242-9.
- Denzin, Norman K. and Yvonna S. Lincoln. 2003. "Introduction: The Discipline and Practice of Qualitative Research." Pp. 1-45 in *The Landscape of Qualitative*

- Research: Theories and Issues*, 2nd ed. edited by N. K. Denzin and Y. S. Lincoln. Thousand Oaks, CA: Sage.
- Derber, Milton. 1970. *The American Idea of Industrial Democracy: 1865-1965*. Urbana, IL: University of Illinois Press.
- DeWitt, Larry W., Daniel Beland and Edward D. Berkowitz. 2008. *Social Security: A Documentary History*. Washington, DC: CQ Press.
- Dickinson, James and Bob Russell, editors. 1986a. *Family, Economy and State: The Social Reproduction Process Under Capitalism*. New York: St. Martin's Press.
- .1986b. "Introduction: The Structure of Reproduction in Capitalist Society." Pp. 1-22 in *Family, Economy and State: The Social Reproduction Process Under Capitalism*, edited by J. Dickinson and B. Russell. New York: St. Martin's Press.
- Diebolt, Claude. 2002. "Towards a New Social Structure of Accumulation?" *Historical Social Research/Historische Sozialforschung* 27:85-99.
- Doherty, William J., Pauline G. Boss, Ralph LaRossa, Walter R. Schumm and Suzanne K. Steinmetz. 1993. "Family Theories and Methods: A Contextual Approach." Pp. 3-30 in *Sourcebook of Family Theories and Methods: A Contextual Approach*, edited by P. G. Boss, W. J. Doherty, R. LaRossa, W. R. Schumm and S. K. Steinmetz. New York: Plenum Press.
- Douglas, Paul H. and Joseph Hackman. 1938. "The Fair Labor Standards Act of 1938." *Political Science Quarterly* 53:491-515.
- Drake, Saint C. and Horace R. Cayton. [1945] 1993. *Black Metropolis: A Study of Negro Life in a Northern City*. Chicago: University of Chicago Press.
- Durkheim, Emile. [1933] 1997. *The Division of Labor in Society*. New York: Free Press.
- Durkin, Thomas A. 1981. "Consumer Credit Demand." Pp. 296-307 in *Financial Institutions and Markets*, 2nd ed. edited by M. E. Polakoff and T. A. Durkin. Boston: Houghton Mifflin.
- Dynan, Karen, Kathleen Johnson and Karen Pence. 2003. "Recent Changes to a Measure of U.S. Household Debt Service." *Federal Reserve Bulletin* 89 (October):417-26.
- Edin, Kathryn and Maria Kefalas. 2005. *Promises I can Keep: Why Poor Women Put Motherhood before Marriage*. Berkeley, CA: University of California Press.
- Edin, Kathryn and Laura Lein. 1997. *Making Ends Meet: How Single Mothers Survive Welfare and Low-Wage Work*. New York: Russell Sage Foundation.

- Ehrenberg, Ronald G. and James G. Hewlett. 1976. "The Impact of the WIN 2 Program on Welfare Costs and Recipient Rates." *Journal of Human Resources* 11:219-32.
- Ehrenberg, Ronald G. and Robert S. Smith. 2009. *Modern Labor Economics: Theory and Public Policy*. 10th ed. Boston: Pearson.
- Ehrenreich, Barbara. 1987. "The New Right Attack on Social Welfare." Pp. 161-95 in *The Mean Season: The Attack on the Welfare State*, edited by F. Block, R. A. Cloward, B. Ehrenreich and F. F. Piven. New York: Pantheon Books.
- Ellis, Diane. 1998. "The Effects of Consumer Interest Rate Deregulation on Credit Card Volumes, Charge-Offs, and the Personal Bankruptcy Rate." Report Number: Number 98-05.
- Elmer, Peter J. and Steven A. Seelig. 1998. "The Rising Long-Term Trend of Single-Family Mortgage Foreclosure Rates." vol. FDIC Working Paper 98-2, Anonymous Washington, DC: Federal Deposit Insurance Corporation.
- Elster, Jon. 1985. *Making Sense of Marx*. Cambridge, UK: Cambridge University Press.
- Engels, Frederick. [1884] 2001. *Origins of the Family, Private Property and the State*. London: ElecBook.
- Ermisch, John F. 2003. *An Economic Analysis of the Family*. Princeton, NJ: Princeton University Press.
- Esping-Anderson, Gosta. 1998. *The Three Worlds of Welfare Capitalism*. Princeton, NJ: Princeton University Press.
- Evans, Peter B., Dietrich Rueschemeyer and Theda Skocpol. 1985. "On the Road Toward a More Adequate Understanding of the State." Pp. 347-66 in *Bringing the State Back in*, edited by P. B. Evans, D. Rueschemeyer and T. Skocpol. Cambridge: Cambridge University Press.
- Farley, Reynolds and Walter R. Allen. 1987. *The Color Line and the Quality of Life in America*. Ithaca, NY: Russell Sage.
- Federal Deposit Insurance Corporation Division of Insurance and Research. 2010. "Historical Statistics on Banking: CB02: Changes in Number of Institutions FDIC-Insured Commercial Banks United States and Other Areas " Washington, DC: Federal Deposit Insurance Corporation, Retrieved June 4, 2010 (<http://www2.fdic.gov/hsob/SelectRpt.asp?EntryTyp=10>).

- Federal Reserve Board. 2008. "Household Financial Obligations as a Percent of Disposable Personal Income: Series FODSP." St. Louis, MS: Federal Reserve Bank of St. Louis, Retrieved February 01, 2009 (<http://research.stlouisfed.org/fred2/series/FODSP?cid=97>).
- 2009. "Real Personal Consumption Expenditures: Series ID PCECCA." St. Louis, MS: Board of Governors of the Federal Reserve System, Retrieved January 26, 2009 (<http://research.stlouisfed.org/fred2/series/PCECCA/downloaddata?cid=110>).
- 2010a. "Federal Reserve Statistical Release G.19 (February 05, 2010): Consumer Credit." Washington, DC: Board of Governors of the Federal Reserve System, Retrieved February 6, 2010 (<http://www.federalreserve.gov/releases/g19/Current/g19.pdf>).
- 2010b. "Federal Reserve Statistical Release Z.1 (March 11, 2010): Flow of Funds Accounts of the United States, Table B.100, Balance Sheet of Households and Nonprofit Organizations." Washington, DC: Board of Governors of the Federal Reserve System, Retrieved May 13, 2010 (<http://www.federalreserve.gov/Releases/Z1/Current/data.htm>).
- 2010c. "Gross Domestic Product: Series GDPA." St. Louis, MS: Federal Reserve Bank of St. Louis, Retrieved February 6, 2010 (<http://research.stlouisfed.org/fred2/series/GDPA>).
- Ferree, Myra M. and Beth B. Hess. 1994. *Controversy and Coalition: The New Feminist Movement Across Three Decades of Change*. Rev. ed. New York: Twayne Publishers.
- Finlay, Steven. 2009. *Consumer Credit Fundamentals*. 2nd ed. New York: Palgrave Macmillan.
- Fisher, Ernest M. 1933. "Housing Problems." *Quarterly Journal of Economics* 48:129-49.
- Foster, John B. 2006. "The Household Debt Bubble." *Monthly Review* 58:1-11.
- Frank, Robert H. 2007. *Falling Behind: How Rising Inequality Harms the Middle Class*. Berkeley, CA: University of California Press.
- Friedman, Lawrence M. 1967. "Government and Slum Housing: Some General Considerations." *Law and Contemporary Problems* 32 (2):357-70.
- Gabin, Nancy. 1982. "'they have Placed a Penalty on Womanhood': The Protest Actions of Women Auto Workers in Detroit-Area UAW Locals, 1945-1947." *Feminist Studies* 8:373-98.

- Galbraith, John K. 1998. *The Affluent Society: 40th Anniversary Edition*. New York: Houghton Mifflin.
- Gans, Herbert J. 1972. "The Positive Functions of Poverty." *The American Journal of Sociology* 72:275-89.
- Garcia, Jose, James Lardner and Cindy Zeldin. 2008. *Up to our Eyeballs: How Shady Lenders and Failed Economic Policies are Drowning Americans in Debt*. New York: The New Press.
- Garrison, Martha L. 1976. "Credit-Ability for Women." *The Family Coordinator* 25(3):241-8.
- Gates, Margaret J. 1974. "Credit Discrimination Against Women: Causes and Solutions." *Vanderbilt Law Review* 27:409-41.
- Gelman, Andrew. 2008. "Scaling Regression Inputs by Dividing by Two Standard Deviations." *Statistics in Medicine* 27:2865-73.
- Gelpi, Rosa-Maria and Francois Julien-Labruyere. 2000. *The History of Consumer Credit: Doctrines and Practices*. New York: St. Martin's Press.
- Gerardi, Kristopher, Harvey S. Rosen and Paul Willen. 2007. "Do Households benefit from Financial Deregulation and Innovation? The Case of the Mortgage Market." Report Number: Working Paper 12967. National Bureau of Economic Research, Cambridge, MA.
- Giddens, Anthony. 1986. *The Constitution of Society: Outline of the Theory of Structuration*. Berkeley, CA: University of California Press.
- Giddens, Anthony. 1982. "Class Structuration and Class Consciousness." Pp. 157-74 in *Classes, Power and Conflict*, edited by A. Giddens and D. Held. Berkeley, CA: University of California Press.
- Gilbert, Charles E. 1966. "Policy-Making in Public Welfare: The 1962 Amendments." *Political Science Quarterly* 81:196-224.
- Gilbert, R. A. 1986. "Requiem for Regulation Q: What it did and Why it Passed Away." *Federal Reserve Bank of St. Louis Review* February 1986:22-37.
- Glasser, Paul H. and Lois N. Glasser, editors. 1970. *Families in Crisis*. New York: Harper and Row.
- Glazer, Nathan. 1967. "Housing Policy and the Family." *Journal of Marriage and Family* 29:140-63.

- .1970. "Dilemmas of Housing Policy." Pp. 54-65 in *Toward a National Urban Policy*, edited by D. P. Moynihan. New York: Basic Books.
- Goldberg, Gertrude S. and Shelia D. Collins. 2001. *Washington's New Poor Law: Welfare "Reform" and the Roads Not Taken, 1935 to the Present*. New York: Apex Press.
- Goldberger, Arthur S. 1991. *A Course in Econometrics*. Cambridge, MA: Harvard University Press.
- Goldfield, David R. 1993. "Black Political Power and Public Policy in the Urban South." Pp. 159-82 in *Urban Policy in Twentieth-Century America*, edited by A. R. Hirsch and R. A. Mohl. New Brunswick, NJ: Rutgers University Press.
- Goldfield, Michael. 1987. *The Decline of Organized Labor in the United States*. Chicago: University of Chicago Press.
- .1997. *The Color of Politics: Race and the Mainsprings of American Politics*. New York: The New Press.
- Goode, William J. 2003. "Family Changes Over the Long Term: A Sociological Commentary." *Journal of Family History* 28:15-30.
- Goodman, Peter S. 2009. *Past due: The End of Easy Money and the Renewal of the American Economy*. New York: Henry Holt and Co.
- Gordon, David M. 1991. "Inside and Outside the Long Swing: The Endogeneity/Exogeneity Debate and the Social Structures of Accumulation Approach." *Review* 14:263-312.
- .1996. *Fat and Mean: The Corporate Squeeze of Working Americans and the Myth of Managerial 'Downsizing'*. New York: The Free Press.
- Gordon, David M., Richard Edwards and Michael Reich. 1982. *Segmented Work, Divided Workers: The Historical Transformation of Labor in the United States*. New York: Cambridge University Press.
- .1994. "Long Swings and Stages of Capitalism." Pp. 11-28 in *Social Structures of Accumulation: The Political Economy of Growth and Crisis*, edited by D. M. Kotz, T. McDonough and M. Reich. New York: Cambridge University Press.
- Gotham, Kevin F. 2000. "Racialization and the State: The Housing Act of 1934 and the Creation of the Federal Housing Administration." *Sociological Perspectives* 43:291-317.
- Gough, Ian. 1979. *The Political Economy of the Welfare State*. London: MacMillan.

- Government of Canada. 2010. "G-20 Toronto Summit Declaration." Government of Canada, Ottawa, Canada.
- Gramsci, Antonio. 2000a. "Americanism and Fordism." Pp. 275-99 in *The Antonio Gramsci Reader: Selected Writings 1916-1935*, edited by D. Forgacs. New York: New York University Press.
- 2000b. "Hegemony, Relations of Force, Historical Bloc." Pp. 189-221 in *The Antonio Gramsci Reader: Selected Writings 1916-1935*, edited by D. Forgacs. New York: New York University Press.
- Gregory, Steven. 1998. *Black Corona: Race and the Politics of Place in an Urban Community*. Princeton, NJ: Princeton University Press.
- Griffin, Larry J. 1992. "Temporality, Events, and Explanation in Historical Sociology: An Introduction." *Sociological Methods Research* 20:403-27.
- Griffin, Larry J. and Larry W. Isaac. 1992. "Recursive Regression and the Historical use of 'Time' in Time-Series Analysis of Historical Process." *Historical Methods* 25:166-79.
- Grogan, Colleen and Eric Patashnik. 2003. "Between Welfare Medicine and Mainstream Entitlement: Medicaid at the Political Crossroads." *Journal of Health Politics, Policy and Law* 28:821-58.
- Grossman, Jonathan. 1978. "Fair Labor Standards Act of 1938: Maximum Struggle for a Minimum Wage." *Monthly Labor Review* 101 (6):22-30.
- Groves, Ernest R. 1940. *The Family and its Social Functions*. Chicago: J.B. Lippinott.
- Grusky, David B., editor. 2001. *Social Stratification: Class, Race, and Gender in Sociological Perspective*. Boulder, CO: Westview Press.
- Guttman, Robert. 1994. *How Credit Money Shapes the Economy: The United States in a Global System*. Armonk, NY: M.E. Sharpe.
- Habermas, Jurgen. 1975. *Legitimation Crisis*. Translated by Thomas McCarthy. . Boston: Beacon Press.
- Hannerz, Ulf. 1969. *Soulside: Inquiries into Ghetto Culture and Community*. New York: Columbia University Press.
- Harper, Shaun R., Lori D. Patton and Ontario S. Wooden. 2009. "Access and Equity for African American Students in Higher Education: A Critical Race Historical Analysis of Policy Efforts." *Journal of Higher Education* 80:389-414.

- Harrington, Michael. [1962] 1997. *The Other America: Poverty in the United States*. New York: Simon and Schuster.
- Harriss, C. L. 1951. *History and Policies of the Home Owners' Loan Corporation*. New York: National Bureau of Economic Research.
- Harvey, David. 1982. *The Limits to Capital*. Chicago: University of Chicago Press.
- 2005. *A Brief History of Neoliberalism*. New York: Oxford University Press.
- Hassett, Kevin A. and Anne Moore. 2006. "How do Tax Policies Affect Low-Income Workers?" Pp. 265-88 in *Working and Poor: How Economic and Policy Changes are Affecting Low-Wage Workers*, edited by R. M. Blank, S. H. Danziger and R. F. Schoeni. New York: Russell Sage Foundation.
- Hays, R. A. 1995. *The Federal Government and Urban Housing: Ideology and Change in Public Policy*. 2nd ed. Albany, NY: State University of New York Press.
- Hays, Sharon. 2003. *Flat Broke with Children: Women in the Age of Welfare Reform*. New York: Oxford University Press.
- Hedstrom, Peter and Richard Swedberg. 1996. "Rational Choice, Empirical Research, and the Sociological Tradition." *European Sociological Review* 12:127-46.
- Heiskala, Risto. 2007. "Economy and Society: From Parsons through Habermas to Semiotic Institutionalism." *Social Science Information* 46:243-72.
- Helmbold, Lois R. 1987. "Beyond the Family Economy: Black and White Working-Class Women during the Great Depression." *Feminist Studies* 13:629-55.
- Henderson, David R. 2008. "Gary Stanley. Becker." Pp. 525 in *The Concise Encyclopedia of Economics*, edited by D. R. Henderson. Indianapolis, IN: Liberty Fund.
- Hennessy, Judith. 2005. "Welfare, Work, and Family Well-being: A Comparative Analysis of Welfare and Employment Status for Single Female-Headed Families Post-TANF." *Sociological Perspectives* 48:77-104.
- Herszenhorn, David M., Jackie Calmes, Carl Hulse and Edward Wyatt. 2010. "Bank Tax Is Dropped In Overhaul Of Industry." *New York Times*, June 30, p. B2.
- Hicks, Alexander and Gosta Esping-Anderson. 2005. "Comparative and Historical Studies of Public Policy and the Welfare State." Pp. 509-25 in *The Handbook of Political Sociology: States, Civil Societies, and Globalization*, edited by T. Janoski, R. Alford, A. Hicks and M. A. Schwartz. New York: Cambridge University Press.

- Hicks, Alexander and Lane Kenworthy. 2003. "Varieties of Welfare Capitalism." *Socio-Economic Review* 1:27-61.
- Hill, Reuben and Donald A. Hansen. 1960. "The Identification of Conceptual Frameworks Utilized in Family Study." *Marriage and Family Living* 22:299-311.
- Hillier, Amy E. 2003. "Redlining and the Home Owners' Loan Corporation." *Journal of Urban History* 29:394-420.
- Hirsch, Arnold R. 1993. "With Or without Jim Crow: Black Residential Segregation in the United States." Pp. 65-99 in *Urban Policy in Twentieth-Century America*, edited by A. R. Hirsch and R. A. Mohl. New Brunswick, NJ: Rutgers University Press.
- Hodder, Ian. 2003. "The Interpretation of Documents and Material Culture." Pp. 155-75 in *Collecting and Interpreting Qualitative Materials*, 2nd ed. edited by N. K. Denzin and Y. S. Lincoln. Thousand Oaks, CA: Sage Publications.
- Holstein, James A. and Jaber Gubrium. 1999. "What is Family? further Thoughts on a Social Constructionist Approach." *Marriage and Family Review* 28:3-20.
- Homans, George C. 1947. "A Conceptual Scheme for the Study of Social Organization." *American Sociological Review* 12:13-26.
- 1974. *Social Behavior: Its Elementary Forms*. New York: Harcourt Brace Jovanovich.
- 2002. "Social Behavior as Exchange." Pp. 88-98 in *Contemporary Sociological Theory*, edited by C. Calhoun, J. Gerteis, J. Moody, S. Pfaff and I. Virk. Malden, MA: Blackwell Publishing.
- Horowitz, Irving L. 1970. "'Separate but Equal': Revolution and Counter-Revolution in the American City." *Social Problems* 17:294-312.
- Horwitz, Steven. 2005. "The Functions of the Family in the Great Society." *Cambridge Journal of Economics* 29:669-84.
- 2007. "Capitalism and the Family." *The Freeman: Ideas on Liberty* 57(6):26-30.
- Howell, Benjamin. 2006. "Exploiting Race and Space: Concentrated Subprime Lending as Housing Discrimination." *California Law Review* 94:101-47.
- Hunt, Louise, Mary Schulhof and Stephen Holmquist. 1998. "Summary of the Quality Housing and Work Responsibility Act of 1998 (Title V of PL 105-276)." Department of Housing and Urban Development, Washington, DC.

- Iceland, John. 2003. "Why Poverty Remains High: The Role of Income Growth, Economic Inequality, and Changes in Family Structure, 1949-1999." *Demography* 40:499-519.
- 2006. *Poverty in America: A Handbook*. Berkeley, CA: University of California Press.
- Internal Revenue Service. 2010. "SOI Tax Stats - Individual Income Tax Returns: Table 4 -- Individual Income Tax Returns with Earned Income Credit." Washington, DC: Internal Revenue Service, Retrieved May 12, 2010 (<http://www.irs.gov/taxstats/indtaxstats/article/0,,id=133414,00.html>).
- Isaac, Larry W. 1997. "Transforming Localities: Reflections on Time, Causality, and Narrative in Contemporary Historical Sociology." *Historical Methods* 30:4-12.
- Isaac, Larry W. and Larry J. Griffin. 1989. "Ahistoricism in Time-Series Analyses of Historical Process: Critique, Redirection, and Illustrations from U.S. Labor History." *American Sociological Review* 54:873-90.
- Iversen, Roberta R. and Annie L. Armstrong. 2006. *Jobs Aren't enough: Toward a New Economic Mobility for Low-Income Families*. Philadelphia, PA: Temple University Press.
- Jackson, Hubert M. 1958. "Public Housing and Minority Groups." *The Phylon Quarterly* 19:21-30.
- Jackson, Kenneth T. 1980. "Race, Ethnicity, and Real Estate Appraisal: The Home Owners Loan Corporation and the Federal Housing Administration." *Journal of Urban History* 6:419-52.
- Jacobs, Barry G., Kenneth R. Harney, Charles L. Edson and Bruce S. Lane. 1982. *Guide to Federal Housing Programs*. Washington, DC: Bureau of National Affairs, INC.
- Jaeger, Hans-Martin. 2007. "'Global Civil Society' and the Political Depoliticization of Global Governance." *International Political Sociology* 1:257-77.
- Janoski, Thomas, Robert Alford, Alexander Hicks and Mildred A. Schwartz, editors. 2005. *The Handbook of Political Sociology: States, Civil Societies, and Globalization*. New York: Cambridge University Press.
- Janoski, Thomas and Alexander M. Hicks, editors. 1994. *The Comparative Political Economy of the Welfare State*. New York: Cambridge University Press.
- Janoski, Thomas and Larry W. Isaac. 1994. "Introduction to Time Series Analysis." Pp. 31-53 in *The Comparative Political Economy of the Welfare State*, edited by T. Janoski and A. M. Hicks. New York: Cambridge University Press.

- Jencks, Christopher. 1993. *Rethinking Social Policy: Race, Poverty, and the Underclass*. New York: Harper Perennial.
- Jessop, Bob. 1990. *State Theory: Putting States in their Place*. University Park, PA: Pennsylvania State University Press.
- 2002. *The Future of the Capitalist State*. Cambridge, UK: Polity Press.
- 2004. "Developments in Marxist Theory." Pp. 7-16 in *The Blackwell Companion to Political Sociology*, edited by K. Nash and A. Scott. Malden, MA: Blackwell Publishing.
- 2007. *State Power: A Strategic-Relational Approach*. Malden, MA: Polity.
- Jessop, Bob and Ngai-Ling Sum. 2006. *Beyond the Regulation Approach: Putting Capitalist Economies in their Place*. Northhampton, MA: Edgar Elgar.
- Johnson, R. B. 1997. "Examining the Validity Structure of Qualitative Research." *Education* 118:282-92.
- Joint Center for Housing Studies of Harvard University. 2010. "The State of the Nation's Housing: 2010." President and Fellows of Harvard College, Cambridge, MA.
- Jones, Roger W. 1967. "Developments in Government Manpower: A Federal Perspective." *Public Administration Review* 27 (2):134-41.
- Joreskog, Karl G. 1999. "How Large can a Standardized Coefficient be?" Lincolnwood, IL: Scientific Software International, Retrieved July 2, 2010 (<http://www.ssicentral.com/lisrel/techdocs/HowLargeCanaStandardizedCoefficientbe.pdf>).
- Kantor, Harvey. 1991. "Education, Social Reform, and the State: ESEA and Federal Education Policy in the 1960s." *American Journal of Education* 100:47-83.
- Kasius, Peter and C. E. Rice. 1939. "Assistance for the Blind." *Annals of the American Academy of Political and Social Science* 202:95-9.
- Katz, Michael B. 1996. *In the Shadow of the Poor House: A Social History of Welfare in America*. Rev. ed. New York: Basic Books.
- King, Ronald F. 2000. *Budgeting Entitlements: The Politics of Food Stamps*. Washington, DC: Georgetown University Press.
- Kirkpatrick, Clifford. 1963. *The Family: As Process and Institution*. 2nd ed. New York: Ronald Press.

- Kjosavik, Darley J. 2003. "Methodological Individualism and Rational Choice in Neoclassical Economics: A Review of Institutionalist Critique." *Forum for Development Studies* 30:205-45.
- Klein, David M. and Joan A. Jurich. 2009. "Metatheory and Family Studies." Pp. 31-67 in *Sourcebook of Family Theories and Methods: A Contextual Approach*, edited by P. G. Boss, W. J. Doherty, R. LaRossa, W. R. Schumm and S. K. Steinmetz. New York: Springer.
- Kline, Rex B. 2005. *Principles and Practice of Structural Equation Modeling*. New York: Guilford Press.
- Koerner, Ascan F. and Mary A. Fitzpatrick. 2004. "Communication in Intact Families." Pp. 177-95 in *Handbook of Family Communication*, edited by A. L. Vangelisti. Mahwah, NJ: Lawrence Erlbaum.
- Kollmann, Geoffrey. 2000. "Social Security: Summary of Major Changes in the Cash Benefits Program." Report Number: RL30565. Social Security Administration, Washington, DC.
- Kornbluh, Felicia. 2007. *The Battle for Welfare Rights: Politics and Poverty in Modern America*. Philadelphia, PA: University of Pennsylvania Press.
- Kotz, David M. 1987. "Long Waves and Social Structures of Accumulation: A Critique and Reinterpretation." *Review of Radical Political Economics* 19:16-38.
- 1990. "A Comparative Analysis of the Theory of Regulation and the Social Structure of Accumulation Theory." *Science and Society* 54:5-28.
- 1994a. "Household Labor, Wage Labor, and the Transformation of the Family." *Review of Radical Political Economics* 26(2):24-56.
- 1994b. "Interpreting the Social Structure of Accumulation Theory." Pp. 50-71 in *Social Structures of Accumulation: The Political Economy of Growth and Crisis*, edited by D. M. Kotz, T. McDonough and M. Reich. New York: Cambridge University Press.
- 2003. "Neoliberalism and the Social Structure of Accumulation Theory of Long-Run Capital Accumulation." *Review of Radical Political Economics* 35:263-70.
- 2008. "Contradictions of Economic Growth in the Neoliberal Era: Accumulation and Crisis in the Contemporary U.S. Economy." *Review of Radical Political Economics* 40(2):174-88.
- 2009. "The Financial and Economic Crisis of 2008: A Systemic Crisis of Neoliberal Capitalism." *Review of Radical Political Economics* 41:305-17.

- Kotz, David M. and Terrence McDonough. 2010. "Global Neoliberalism and the Contemporary Social Structure of Accumulation." Pp. 93-120 in *Contemporary Capitalism and its Crises: Social Structure of Accumulation Theory for the Twenty-First Century*, edited by T. McDonough, M. Reich and D. M. Kotz. Cambridge: Cambridge University Press.
- Kotz, David M., Terrence McDonough and Michael Reich, editors. 1994. *Social Structures of Accumulation: The Political Economy of Growth and Crisis*. New York: Cambridge University Press.
- Kotz, David M. and Martin H. Wolfson. 2004. "Deja Vu all Over again: The 'New' Economy in Historical Perspective." *Labor Studies Journal* 28:25-44.
- Kremen, Gladys R. 1974. "MDTA: The Origins of the Manpower Development and Training Act of 1962." Washington, DC: US Department of Labor, Retrieved March 13, 2010 (<http://www.dol.gov/oasam/programs/history/mono-mdtatext.htm>).
- Krugman, Paul R. and Robin Wells. 2009. *Macroeconomics*. 2nd ed. New York: Worth.
- Kuklick, Henrika. 1996. "Functionalism." Pp. 246-52 in *Encyclopedia of Social and Cultural Anthropology*, edited by A. Barnard and J. Spencer. London: Routledge.
- Labor Management Relations Act of 1947, 29 U.S.C. §141 (2008).
- Lafer, Gordon. 2002. "Job Training for Welfare Recipients: A Hand Up Or a Slap Down?" Pp. 175-95 in *Work, Welfare, and Politics: Confronting Poverty in the Wake of Welfare Reform*, edited by F. F. Piven, J. Acker, M. Hallock and S. Morgen. Eugene, OR: University of Oregon Press.
- Lareau, Annette. 2003. *Unequal Childhoods: Class, Race, and Family Life*. Berkeley: University of California Press.
- LaRossa, Ralph. 2004. "The Culture of Fatherhood in the Fifties: A Closer Look." *Journal of Family History* 29:47-70.
- Lasch, Christopher. 1995[1977]. *Haven in a Heartless World: The Family Besieged*. New York: Norton.
- Laslett, Barbara and Johanna Brenner. 1989. "Gender and Social Reproduction: Historical Perspectives." *Annual Review of Sociology* 15:381-404.
- Lawson, Steven F. 2002. "Civil Rights and Black Liberation." Pp. 397-413 in *A Companion to American Women's History*, edited by N. A. Hewitt. Oxford: Blackwell.

- Leslie, Gerald R. 1973. *The Family in Social Context*. 2nd ed. New York: Oxford University Press.
- Levitan, Sar A., Garth L. Mangum, Stephen L. Mangum and Andrew M. Sum. 2003. *Programs in Aid of the Poor*. Baltimore: John Hopkins University Press.
- Library of Congress. 2010. "THOMAS." Washington, DC: Library of Congress, Retrieved July 17, 2010 (<http://thomas.loc.gov/>).
- Ligon, Ethan. 2006. "Poverty and the Welfare Costs of Risk Associated with Globalization." *World Development* 34:1446-57.
- Lippit, Victor D. 2005. *Capitalism*. New York: Routledge.
- Lippit, Victor D. 2010. "Social Structure of Accumulation Theory." Pp. 45-71 in *Contemporary Capitalism and its Crises: Social Structure of Accumulation Theory for the Twenty-First Century*, edited by T. McDonough, M. Reich and D. M. Kotz. Cambridge: Cambridge University Press.
- Livingston, Steven G. 2002. *Student's Guide to Landmark Congressional Laws on Social Security and Welfare*. Westport, CT: Greenwood Press.
- Lovett, Frank. 2006. "Rational Choice Theory and Explanation." *Rationality and Society* 18:237-72.
- Lubove, Roy. 1986. *The Struggle for Social Security, 1900-1935*. 2nd ed. Pittsburgh, PA: University of Pittsburgh Press.
- Lundberg, Shelly and Robert A. Pollak. 2007. "The American Family and Family Economics." *Journal of Economic Perspectives* 21(2):3-26.
- MacDonald, Maurice. 1977. *Food, Stamps, and Income Maintenance*. New York: Academic Press.
- Macy Jr., John W. 1966. "The Federal Employee-Management Cooperation Program." *Industrial and Labor Relations Review* 19:549-61.
- Mahoney, James and Dietrich Rueschemeyer. 2003. "Comparative Historical Analysis: Achievements and Agendas." Pp. 3-38 in *Comparative Historical Analysis in the Social Sciences*, edited by J. Mahoney and D. Rueschemeyer. New York: Cambridge University Press.
- Mandel, Hadas and Moshe Semyonov. 2006. "A Welfare State Paradox: State Interventions and Women's Employment Opportunities in 22 Countries." *American Journal of Sociology* 111:1910-49.

- Mangum, Garth L., Stephen L. Mangum and Andrew M. Sum. 2003. *The Persistence of Poverty in the United States*. Baltimore: Johns Hopkins University Press.
- Manning, Robert D. 2000. *Credit Card Nation: The Consequences of America's Addiction to Credit*. New York: Basic Books.
- Marquardt, Donald W. 1970. "Generalized Inverses, Ridge Regression, Biased Linear Estimation, and Nonlinear Estimation." *Technometrics* 12:591-612.
- Marshall, Gordon. 1998. *A Dictionary of Sociology*. Oxford: Oxford University Press.
- Marx, Karl. [1976] 1990. *Capital: Volume I*. Translated by Ben Fowkes. . London: Penguin Classics.
- .[1978] 1992. *Capital: Volume II*. Translated by David Fernbach. . London: Penguin Classics.
- .[1981] 1991. *Capital: Volume III*. Translated by David Fernbach. . London: Penguin Classics.
- .1983. "A Contribution to the Critique of Political Economy." Pp. 158-61 in *The Portable Karl Marx*, edited by E. Kamenka. New York, NY: Penguin Books.
- .1998. *The German Ideology: Including Theses on Feuerbach and the Introduction to the Critique of Political Economy*. Amherst, NY: Prometheus Books.
- Marx, Karl and Frederick Engels. 1983. "Manifesto of the Communist Party." Pp. 203-41 in *The Portable Karl Marx*, edited by E. Kamenka. New York, NY: Penguin Books.
- McAdam, Doug. 1982. *Political Process and the Development of Black Insurgency, 1930-1970*. Chicago: University of Chicago Press.
- McDonough, Terrence. 1994. "The Construction of Social Structures of Accumulation in US History." Pp. 101-32 in *Social Structures of Accumulation: The Political Economy of Growth and Crisis*, edited by D. M. Kotz, T. McDonough and M. Reich. New York: Cambridge University Press.
- .2008. "Social Structures of Accumulation Theory: The State of the Art." *Review of Radical Political Economics* 40:153-73.
- McDonough, Terrence, Michael Reich and David M. Kotz. 2010. "Introduction: Social Structure of Accumulation Theory for the 21st Century." Pp. 1-19 in *Contemporary Capitalism and its Crises: Social Structure of Accumulation Theory for the Twenty-First Century*, edited by T. McDonough, M. Reich and D. M. Kotz. Cambridge: Cambridge University Press.

- McIntyre, Jennie. 1966. "The Structure-Functional Approach to Family Study." Pp. 52-77 in *Emerging Conceptual Frameworks in Family Analysis*, edited by F. I. Nye and F. M. Berardo. New York: Macmillan.
- McLanahan, Sara. 2009. "Fragile Families and the Reproduction of Poverty." *The Annals of the American Academy of Political and Social Science* 621:111-31.
- Mead, Lawrence M. 1979. "Institutional Analysis for State and Local Government." *Public Administration Review* 39:26-30.
- Meadows, Paul. 1948. "Housing the American Family." *Journal of Business of the University of Chicago* 21:80-91.
- Merton, Robert K. 1957. *Social Theory and Social Structure*. Glencoe, IL: Free Press.
- 1994. "Social Structure and Anomie." Pp. 114-48 in *Theories of Deviance*, edited by S. H. Traub and C. B. Little. Itasca, IL: F.E. Peacock.
- Mettler, Suzanne. 2002. "Bringing the State Back in to Civic Engagement: Policy Feedback Effects of the G.I. Bill for World War II Veterans." *The American Political Science Review* 96:351-65.
- Mettler, Suzanne B. 1994. "Federalism, Gender, & the Fair Labor Standards Act of 1938." *Polity* 26:635-54.
- Michalowski, Raymond J. and Susan M. Carlson. 2000. "Crime, Punishment, and Social Structures of Accumulation: Toward a New and Much Needed Political-Economy of Justice." *Journal of Contemporary Criminal Justice* 16:272-92.
- Miller-Cribbs, Julie E. and Naomi B. Farber. 2008. "Kin Networks and Poverty among African Americans: Past and Present." *Social Work* 53:43-51.
- Mills, C. W. [1958] 2009. "Psychology and Social Science." *Monthly Review* 61(7):47-52.
- 1959. *The Sociological Imagination*. New York: Oxford University Press.
- Minchin, Timothy J. 2007. *From Rights to Economics: The Ongoing Struggle for Black Equality in the U.S. South*. Gainesville, FL: University Press of Florida.
- Mink, Gwendolyn and Rickie Solinger, editors. 2003. *Welfare: A Documentary History of U.S. Policy and Politics*. New York: New York University Press.
- Moehling, Carolyn M. 2001. "Women's Work and Men's Unemployment." *Journal of Economic History* 61:926-49.

- Mohl, Raymond A. 1993. "Shifting Patterns of American Urban Policy since 1900." Pp. 1-45 in *Urban Policy in Twentieth-Century America*, edited by A. R. Hirsch and R. A. Mohl. New Brunswick, NJ: Rutgers University Press.
- Moller, Stephanie. 2008. "The State and Structural Vulnerability: Policy Egalitarianism and Household Income." *Research in Social Stratification and Mobility* 26:323-40.
- Morgan, D. H. J. 1975. *Social Theory and the Family*. London: Routledge & Kegan Paul.
- Morgen, Sandra, Joan Acker, Jill Weigt and Lisa Gonzales. 2006. "Living Economic Restructuring at the Bottom: Welfare Restructuring and Low-Wage Work." Pp. 81-94 in *The Promise of Welfare Reform: Political Rhetoric and the Reality of Poverty in the Twenty-First Century*, edited by K. M. Kilty and E. A. Segal. Binghamton, NY: Hawthorn Press.
- Mullaly, Bob. 1997. *Structural Social Work: Ideology, Theory, and Practice*. Don Mills, Ontario, Canada: Oxford University Press.
- Mullins, Leith. 2001. "Households Headed by Women: The Politics of Class, Race, and Gender." Pp. 37-56 in *The New Poverty Studies: The Ethnography of Power, Politics and Impoverished People in the United States*, edited by J. Goode and J. Maskovsky. New York: New York University Press.
- Munch, Richard and Neil J. Smelser. 1987. "Relating the Micro and Macro." Pp. 356-87 in *The Micro-Macro Link*, edited by J. C. Alexander, B. Giesen, R. Munch and N. J. Smelser. Berkeley, CA: University of California Press.
- Munch, Richard. 1992. "Rational Choice Theory: A Critical Assessment of its Explanatory Power." Pp. 137-60 in *Rational Choice Theory: Advocacy and Critique*, edited by J. S. Coleman and T. J. Fararo. Newbury Park, CA: Sage.
- Mutari, Ellen, Marilyn Power and Deborah M. Figart. 2002. "Neither Mothers nor Breadwinners: African-American Women's Exclusion from US Minimum Wage Policies, 1912-38." *Feminist Economics* 8(2):37-61.
- Myles, John and Jill Quadagno. 2002. "Political Theories of the Welfare State." *Social Service Review* 76:34-56.
- Nadasen, Premilla. 2005. *Welfare Warriors: The Welfare Rights Movement in the United States*. New York: Routledge.
- Naples, Nancy A. 1998. "From Maximum Feasible Participation to Disenfranchisement." *Social Justice* 25:47-66.

- National Credit Union Administration. 2007. "The Federal Credit Union Act." Report Number: NCUA 8002 - M3601. National Credit Union Administration, Alexandria, VA.
- NBER Business Cycle Dating Committee. 2008. "Determination of the December 2007 Peak in Economic Activity." Cambridge, MA: National Bureau of Economic Research, Retrieved January 31, 2010 (<http://www.nber.org/dec2008.pdf>).
- Nee, Victor. 1998. "Sources of the New Institutionalism." Pp. 1-16 in *The New Institutionalism in Sociology*, edited by M. C. Brinton and V. Nee. New York: Russell Sage Foundation.
- Neill, Jon. 1997. *Poverty and Inequality: The Political Economy of Redistribution*. Kalamazoo, MI: WE Upjohn Institute for Employment Research.
- Neubeck, Kenneth J. 2006a. "Establishing Respect for Economic Human Rights." Pp. 275-85 in *The Promise of Welfare Reform: Political Rhetoric and the Reality of Poverty in the Twenty-First Century*, edited by K. M. Kilty and E. A. Segal. Binghamton, NY: Hawthorn Press.
- 2006b. *When Welfare Disappears: The Case for Economic Human Rights*. New York: Routledge.
- Newman, Katherine S. 1988. *Falling from Grace: The Experience of Downward Mobility in the American Middle Class*. New York: Vintage Books.
- 2006. *Chutes and Ladders: Navigating the Low-Wage Labor Market*. New York: Russell Sage Foundation.
- Newman, Katherine S. and Victor T. Chen. 2007. *The Missing Class: Portraits of the Near Poor in America*. Boston: Beacon Press.
- Noble, Charles. 1997. *Welfare as we Knew it: A Political History of the American Welfare System*. New York: Oxford University Press.
- North, Douglass C. 2005. *Understanding the Process of Economic Change*. Princeton, NJ: Princeton University Press.
- Nye, F. I. 1978. "Is Choice and Exchange Theory the Key?" *Journal of Marriage and the Family* 40:219-33.
- Nye, F. I. and Felix M. Berardo, editors. 1966. *Emerging Conceptual Frameworks in Family Analysis*. New York: Macmillan.
- O'Connor, Alice. 2001. *Poverty Knowledge: Social Science, Social Policy, and the Poor in Twentieth-Century U.S. History*. Princeton, NJ: Princeton University Press.

- O'Connor, James. 1973. *The Fiscal Crisis of the State*. New York: St. Martin's Press.
- Offe, Claus. 1984. "Some Contradictions of the Modern Welfare State." Pp. 147-61 in *Contradictions of the Welfare State*, edited by J. Keane. Cambridge, MA: MIT Press.
- 1985. *Disorganized Capitalism: Contemporary Transformations of Work and Politics*. Cambridge, MA: MIT Press.
- O'Hara, Phillip A. 2002. "A New Financial Social Structure of Accumulation in the United States for Long Wave Upswing?" *Review of Radical Political Economics* 34:295-301.
- 2004. "A New Family-Community Social Structure." *Forum for Social Economics* 33:51-80.
- Oliveira, Victor, Elizabeth Racine, Jennifer Olmstead and Linda M. Ghelfi. 2002. "The WIC Program: Background, Trends, and Issues." Report Number: Food Assistance and Nutrition Research Report Number 27.
- Organization for Economic Cooperation and Development. 2008. "Source OECD: OECD.Stat, Income Distribution Dataset." Paris, France: Organization for Economic Cooperation and Development, Retrieved January 31, 2009 (<http://masetto.sourceoecd.org>).
- Orleck, Annalise. 2005. *Storming Caesars Palace: How Black Mothers Fought their Own War on Poverty*. Boston: Beacon Press.
- Orshansky, Mollie. 1965. "Consumption, Work, and Poverty." Pp. 52-84 in *Poverty as a Public Issue*, edited by B. B. Seligman. New York: The Free Press.
- Ortiz, Stephen R. 2010. *Beyond the Bonus March and GI Bill: How Veteran Politics Shaped the New Deal Era*. New York: New York University Press.
- Ostrom, Jr, Charles W. 1990. *Time Series Analysis: Regression Techniques*. Thousand Oaks, CA: Sage Publications.
- Pagnini, Deanna L. and S. P. Morgan. 1996. "Racial Differences in Marriage and Childbearing: Oral History Evidence from the South in the Early Twentieth Century." *American Journal of Sociology* 101:1694-718.
- Parrish, Leslie and Uriah King. 2009. "Phantom Demand: Short-term Due Date Generates Need for Repeat Payday Loans, Accounting for 76% of Total Volume." Center for Responsible Lending, Durham, NC.

- Parsons, Talcott. 1955a. "The American Family: Its Relations to Personality and to the Social Structure." Pp. 3-33 in *Family, Socialization and Interaction Process*, edited by T. Parsons and R. F. Bales. Glencoe, IL: The Free Press.
- 1955b. "The Organization of Personality as a System of Action." Pp. 133-86 in *Family, Socialization and Interaction Process*, edited by T. Parsons and R. F. Bales. Glencoe, IL: The Free Press.
- 1966. "The Concept of Society: The Components and their Interrelations." Pp. 5-29 in *Societies: Evolutionary and Comparative Perspectives*, Anonymous Englewood Cliffs, NJ: Prentice Hall.
- 2007. *American Society: A Theory of Societal Community*. Boulder, CO: Paradigm Publishers.
- Parsons, Talcott and Robert F. Bales. 1955a. "Conclusion: Levels of Cultural Generality and the Process of Differentiation." Pp. 353-94 in *Family, Socialization and Interaction Process*, edited by T. Parsons and R. F. Bales. Glencoe, IL: The Free Press.
- 1955b. *Family, Socialization and Interaction Process*. Glencoe, IL: Free Press.
- Pattillo-McCoy, Mary. 1999. *Black Picket Fences: Privilege and Peril among the Black Middle Class*. Chicago: University of Chicago Press.
- Pennington-Cross, Anthony. 2003. "Credit History and the Performance of Prime and Nonprime Mortgages." *Journal of Real Estate Finance and Economics* 27:279-301.
- Peplar, Michael. 2002. *Family Matters: A History of Ideas about the Family since 1945*. New York: Pearson Education.
- Peters, Ray D. and Robert J. McMahon. 1988. "Converging Models of Family Functioning." Pp. 3-14 in *Social Learning and Systems Approaches to Marriage and the Family*, edited by R. D. Peters and R. J. McMahon. New York: Brunner/Mazel.
- Peterson, Janice. 2002. "The TANF Reauthorization Debate: Key Welfare Reform Issues and Concerns." *Journal of Economic Issues* 36:431-9.
- Phillips, Bernard. 2001. *Beyond Sociology's Tower of Babel: Reconstructing the Scientific Method*. Hawthorne, NY: Aldine de Gruyter.
- Pietrykowski, Bruce. 2007. "Exploring New Directions for Research in the Radical Political Economy of Consumption." *Review of Radical Political Economics* 39:257-83.

- Pilloff, Steven J. and Anthony M. Santomero. 1996. "The Value Effects of Bank Mergers and Acquisitions." Report Number: 97-07. The Wharton Financial Institutions Center, University of Pennsylvania, Philadelphia, PA.
- Pimpare, Stephen. 2008. *A People's History of Poverty in America*. New York: New Press.
- Piven, Frances F. 2001. "Globalization, American Politics, and Welfare Policy." *Annals of the American Academy of Political and Social Science* 577:26-37.
- Piven, Frances F., Joan Acker, Margaret Hallock and Sandra Morgen. 2002a. "Introduction." Pp. 9-14 in *Work, Welfare, and Politics: Confronting Poverty in the Wake of Welfare Reform*, edited by F. F. Piven, J. Acker, M. Hallock and S. Morgen. Eugene, OR: University of Oregon Press.
- 2002b. *Work, Welfare, and Politics: Confronting Poverty in the Wake of Welfare Reform*. Eugene, OR: University of Oregon Press.
- Piven, Frances F. and Richard A. Cloward. [1973]1997. "The Urban Fiscal Crisis: Who Got what, and Why?" Pp. 131-65 in *The Breaking of the American Social Compact*, edited by F. F. Piven and R. A. Cloward. New York: New Press.
- [1977] 1979. *Poor People's Movements: Why they Succeed, how they Fail*. New York: Vintage Books.
- 1987. "The Historical Sources of the Contemporary Relief Debate." *The Mean Season: The Attack on the Welfare State*, edited by F. Block, R. A. Cloward, B. Ehrenreich and F. F. Piven. New York: Pantheon Books.
- 1993. *Regulating the Poor: The Functions of Public Welfare*. Updated ed. New York: Vintage Books.
- 1997a. *The Breaking of the American Social Compact*. New York: New Press.
- 1997b. "Introduction, Breaking the Social Compact: The Globalization Hoax." Pp. 3-14 in *The Breaking of the American Social Compact*, edited by F. F. Piven and R. A. Cloward. New York: New Press.
- 2005. "Rule Making, Rule Breaking, and Power." Pp. 33-53 in *The Handbook of Political Sociology: States, Civil Societies, and Globalization*, edited by T. Janoski, R. Alford, A. Hicks and M. A. Schwartz. New York: Cambridge University Press.
- Pizzigati, Sam. 2004. *Greed and Good: Understanding and Overcoming the Inequality that Limits our Lives*. New York: Apex Press.

- Plotnick, Robert D., Eugene Smolensky, Eirik Evenhouse and Siobhan Reilly. 2000. "The Twentieth-Century Record of Inequality and Poverty in the United States." Pp. 249-99 in *The Cambridge Economic History of the United States*, vol. 3, edited by S. L. Engerman and R. E. Gallman. Cambridge: Cambridge University Press.
- Polanyi, Karl. 1957 [1944]. *The Great Transformation: The Political and Economic Origins of our Time*. Boston: Beacon Press.
- Poon, Martha. 2009. "From New Deal Institutions to Capital Markets: Commercial Consumer Risk Scores and the Making of Subprime Mortgage Finance." *Accounting, Organizations and Society* 34:654-74.
- Popenoe, David. 1993. "American Family Decline, 1960-1990: A Review and Appraisal." *Journal of Marriage and the Family* 55:527-55.
- 2005. *War Over the Family*. New Brunswick, NJ: Transaction Publishers.
- Poster, Mark. 1978. *Critical Theory of the Family*. New York: Continuum.
- Poulantzas, Nicos. 1972. "The Problem of the Capitalistic State." Pp. 238-53 in *Ideology in Social Science: Readings in Critical Social Theory*, edited by R. Blackburn. New York: Vintage.
- 1980. *State, Power, Socialism*. Translated by Patrick Camiller. . London: Verso.
- 1986. "Class Power." Pp. 144-55 in *Power*, edited by S. Lukes. New York: New York University Press.
- Pressman, Steven. 2007. "The Decline of the Middle Class: An International Comparison." *Journal of Economic Issues* 41:181-200.
- Pressman, Steven and Robert Scott. 2009a. "Consumer Debt and the Measurement of Poverty and Inequality in the United States." *Review of Social Economy* 67:127-46.
- Pressman, Steven and Robert H. Scott. 2009b. "Who are the Debt Poor?" *Journal of Economic Issues* 43:423-32.
- Preston, Howard H. 1937. "Financing of Housing." *American Economic Review* 27:175-87.
- Pritchett, Wendell E. 2008. "Which Urban Crisis?: Regionalism, Race, and Urban Policy, 1960-1974." *Journal of Urban History* 34:266-86.
- Public Housing Authorities Directors Association. 1999. "Title V of the FY99 VA/HUD Appropriations Conference Report." Washington, DC: Public Housing Authorities Directors Association, Retrieved May 3, 2010 (<http://www.phada.org/qhwra98.html>).

- Quadagno, Jill. 1988. *The Transformation of Old Age Security: Class and Politics in the American Welfare State*. Chicago: University of Chicago Press.
- 1994. *The Color of Welfare: How Racism Undermined the War on Poverty*. New York: Oxford University Press.
- 1999. "Creating a Capital Investment Welfare State: The New American Exceptionalism: 1998 Presidential Address." *American Sociological Review* 64:1-11.
- 2000. "Promoting Civil Rights through the Welfare State: How Medicare Integrated Southern Hospitals." *Social Problems* 47:68-89.
- Radford, Gail. 2000. "The Federal Government and Housing during the Great Depression." Pp. 102-20 in *From Tenements to the Taylor Homes: In Search of an Urban Housing Policy in Twentieth-Century America*, edited by J. F. Bauman, R. Biles and K. M. Szylvian. University Park, PA: The Pennsylvania State University Press.
- Ragin, Charles C. 1987. *The Comparative Method: Moving Beyond Qualitative and Quantitative Strategies*. Berkeley, CA: University of California Press.
- Rank, Mark R. 1994. *Living on the Edge: The Realities of Welfare in America*. New York: Columbia University Press.
- 2005. *One Nation, Underprivileged: Why American Poverty Affects Us all*. New York: Oxford University Press.
- RealtyTrac. 2010. "1.65 Million Properties Receive Foreclosure Filings in First Half of 2010." Irvine, CA: RealtyTrac, Inc., Retrieved July 15, 2010 (<http://www.realtytrac.com/contentmanagement/pressrelease.aspx?channelid=9&itemid=9555>).
- Reich, Michael. 1994. "How Social Structures of Accumulation Decline and are Built." Pp. 29-49 in *Social Structures of Accumulation: The Political Economy of Growth and Crisis*, edited by D. M. Kotz, T. McDonough and M. Reich. New York: Cambridge University Press.
- 1997. "Social Structure of Accumulation Theory: Retrospect and Prospect." *Review of Radical Political Economics* 29(3):1-10.
- Rhoads, John K. 1991. *Critical Issues in Social Theory*. University Park, PA: Pennsylvania State University Press.
- Ritzer, George. 1996. *Sociological Theory*. New York: McGraw-Hill.
- 2000. *Modern Sociological Theory*. 5th ed. New York: McGraw-Hill.

- Robinson, William I. 2004. *A Theory of Global Capitalism: Production, Class, and State in a Transnational World*. Baltimore: Johns Hopkins University Press.
- Rom, Mark. 1989. "The Family Support Act of 1988: Federalism, Developmental Policy, and Welfare Reform." *Publius* 19(3):57-73.
- Rose, Nancy E. 1993. "Gender, Race, and the Welfare State: Government Work Programs from the 1930s to the Present." *Feminist Studies* 19:319-42.
- Rubin, Lillian B. [1976]1992. *Worlds of Pain: Life in the Working-Class Family*. New York: Basic Books.
- 1994. *Families on the Fault Line: America's Working Class Speaks about the Family, the Economy, Race, and Ethnicity*. New York: Harper Collins.
- Rueschemeyer, Dietrich. 1991. "Different Methods - Contradictory Results? Research on Development and Democracy." *International Journal of Comparative Sociology* 32:9-38.
- Saad-Filho, Alfredo. 2002. *The Value of Marx: Political Economy for Contemporary Capitalism*. London: Routledge.
- Sahr, Robert C. 2009. "Consumer Price Index (CPI) Conversion Factors 1774 to Estimated 2019 to Convert to Dollars of 2008." Corvallis, OR: University of Oregon, Department of Political Science, Retrieved May 12, 2010 (<http://oregonstate.edu/cla/polisci/sites/default/files/faculty-research/sahr/inflation-conversion/pdf/cv2008.pdf>).
- Santoni, G. J. 1986. "The Employment Act of 1946: Some History Notes." *The Federal Reserve Bank of St. Louis Review* November 1986:5-16.
- Santow, Leonard J. and Mark E. Santow. 2005. *Social Security and the Middle Class Squeeze: Fact and Fiction about America's Entitlement Programs*. Westport, CT: Praeger.
- Scheer, Robert. 2010. *The Great American Stickup: How Reagan Republicans and Clinton Democrats Enriched Wall Street while Mugging Main Street*. New York: Nation Books.
- Schiller, Bradley R. 1998. *The Economics of Poverty and Discrimination*. Upper Saddle River, NJ: Prentice Hall.
- Scholz, John K. and Kara Levine. 2001. "The Evolution of Income Support Policy in Recent Decades." Pp. 193-228 in *Understanding Poverty*, edited by S. Danziger and R. H. Haveman. New York: Russell Sage Foundation.

- Schultz, Theodore W. 1974. "Fertility and Economic Values." Pp. 3-22 in *Economics of the Family: Marriage, Children, and Human Capital*, edited by T. W. Schultz. Chicago: University of Chicago Press.
- Schwartz, Alex F. 2006. *Housing Policy in the United States: An Introduction*. New York: Routledge.
- Sebastiani, Mario. 1989. "Kalecki and Marx on Effective Demand." *Atlantic Economic Journal* 17 (4):22-8.
- Shieler, David K. 2004. *The Working Poor: Invisible in America*. New York: Alfred A. Knopf.
- Shoch, Jim. 1994. "The Politics of the US Industrial Policy Debate, 1981-1984 (with a Note on Bill Clinton's "Industrial Policy")." Pp. 173-90 in *Social Structures of Accumulation: The Political Economy of Growth and Crisis*, edited by D. M. Kotz, T. McDonough and M. Reich. New York: Cambridge University Press.
- Sidel, Ruth. 1992. *Women and Children Last: The Plight of Poor Women in Affluent America*. New York: Penguin Books.
- 1998. *Keeping Women and Children Last: America's War on the Poor*. New York, NY: Penguin Books.
- Singer, Judith D. and John B. Willett. 2003. *Applied Longitudinal Data Analysis: Modeling Change and Event Occurrence*. New York: Oxford University Press.
- Sirjamaki, John. 1959. *The American Family in the Twentieth Century*. Cambridge, MA: Harvard University Press.
- Sissoko, Macki and Liang-Rong Shiau. 2005. "Minority Enrollment Demand for Higher Education at Historically Black Universities from 1976 to 1998: An Empirical Analysis." *Journal of Higher Education* 76:181-208.
- Skocpol, Theda. 1980. "Political Response to Capitalist Crisis: Neo-Marxist Theories of the State and the Case of the New Deal." *Politics and Society* 10:155-201.
- 1985. "Bringing the State Back in: Strategies of Analysis in Current Research." Pp. 3-37 in *Bringing the State Back in*, edited by P. B. Evans, D. Rueschemeyer and T. Skocpol. Cambridge: Cambridge University Press.
- 1992. *Protecting Mothers and Soldiers: The Political Origins of Social Policy in the United States*. Cambridge, MA: Harvard University Press.
- 2000. *The Missing Middle: Working Families and the Future of American Social Policy*. New York: Century Foundation.

- Skolnick, Arlene. 1991. *Embattled Paradise: The American Family in an Age of Uncertainty*. New York: Basic Books.
- Slessarev, Helene. 1997. *The Betrayal of the Urban Poor*. Philadelphia, PA: Temple University Press.
- Smeeding, Timothy M. 2005. "Public Policy, Economic Inequality, and Poverty: The United States in Comparative Perspective." *Social Science Quarterly* 86:955-83.
- Smith, Anthony D. 1973. *The Concept of Social Change: A Critique of the Functionalist Theory of Social Change*. Boston: Routledge and Kegan Paul.
- Smith, Christian. 2003. *Moral, Believing Animals: Human Personhood and Culture*. New York: Oxford University Press.
- Smith, Jennifer A. 2005. "Newly Enacted Bankruptcy Law: Bad News for Debtors, Good News for Creditors?" *Nevada Lawyer* 13:12.
- Smith, Joan. 1987. "Transforming Households: Working-Class Women and Economic Crisis." *Social Problems* 34:416-36.
- Social Security Administration. 2008. "Statistical Abstract of the United States: 2000." Washington, DC: Social Security Administration, Retrieved May 12, 2010 (<http://www.ssa.gov/policy/docs/statcomps/supplement/2000/index.html>).
- 2010. "Statistical Abstract of the United States: 2009." Washington, DC: Social Security Administration, Retrieved May 12, 2010 (<http://www.ssa.gov/policy/docs/statcomps/supplement/2009/index.html>).
- Sorkin, Andrew R. 2009. *Too Big to Fail: The Inside Story of how Wall Street and Washington Fought to Save the Financial System--and Themselves*. New York: Viking.
- Spiegel, John W. and Alan Gart. 1996. "What Lies Behind the Bank Merger and Acquisition Frenzy?" *Business Economics* 31(2):47-52.
- Sprey, Jetse. 2000. "Theorizing in Family Studies: Discovering Process." *Journal of Marriage and the Family* 62:18-31.
- Stanley, Marcus. 2003. "College Education and the Midcentury GI Bills." *The Quarterly Journal of Economics* 118:671-708.
- Stolte-Heiskanen, Veronica. 1975. "Family Needs and Societal Institutions: Potential Empirical Linkage Mechanisms." *Journal of Marriage and the Family* 37:903-16.

- Stone, Deborah. 2002. *Policy Paradox: The Art of Political Decision Making*. New York: W.W. Norton and Company.
- Strange, John H. 1972. "Citizen Participation in Community Action and Model Cities Programs." *Public Administration Review* 32:655-69.
- Streeck, Wolfgang. 2005. "Rejoinder: On Terminology, Functionalism, (Historical) Institutionalism and Liberalization." *Socio-Economic Review* 3:577-87.
- Sugrue, Thomas J. [1996] 2005. *The Origins of the Urban Crisis: Race and Inequality in Postwar Detroit*. Princeton Classic ed. Princeton, NJ: Princeton University Press.
- Sullivan, Andy and Kevin Drawbaugh. 2010. "House Passes Landmark Financial Reform Bill." New York: Thompson Reuters, Retrieved July 2, 2010 (<http://www.reuters.com/article/idUSTRE65L4A920100630>).
- Summers, Lawrence H. 2009. "Responding to an Historic Economic Crisis: The Obama Program." Report Number: March 19, 2009. Washington, DC: Brookings Institution. The Brookings Institution, Washington, D.C.
- Svallfors, Stefan, editor. 2007. *The Political Economy of the Welfare State: Institutions, Social Cleavages, and Orientations*. Stanford, CA: Stanford University Press.
- Swenson, Don. 2004. *A Neo-Functionalist Synthesis of Theories in Family Sociology*. Lewiston, New York: The Edwin Mellen Press.
- Tabb, William K. 2010. "Financialization in the Contemporary Social Structure of Accumulation." Pp. 145-67 in *Contemporary Capitalism and its Crises: Social Structure of Accumulation Theory for the Twenty-First Century*, edited by T. McDonough, M. Reich and D. M. Kotz. Cambridge: Cambridge University Press.
- Tax Policy Center. 2009. "Earned Income Tax Credit: Number of Recipients and Amount of Credit, 1975-2007." Washington, DC: Urban Institute and Brookings Institution, Retrieved May 12, 2010 (<http://www.taxpolicycenter.org/taxfacts/displayafact.cfm?DocID=37&Topic2id=40&Topic3id=42>).
- Teles, Steven M. 1996. *Whose Welfare?: AFDC and Elite Politics*. Lawrence, KS: University of Kansas Press.
- Temkin, Kenneth, Jennifer E. H. Johnson and Diane Levy. 2002. "Subprime Markets, the Role of GSEs, and Risk-Based Pricing." U.S. Department of Housing and Urban Development, Washington, DC.
- Teplin, Albert M. 2001. "The U.S. Flow of Funds Accounts and their Uses." *Federal Reserve Bulletin* 87 (July):431-41.

- Terkel, Studs. [1970]2005. *Hard Times: An Oral History of the Great Depression*. New York: The New Press.
- 1974[1997]. *Working: People Talk about what they do all Day and how they Fell about what they do*. New York: The New Press.
- 1995. *Coming of Age: Growing Up in the Twentieth Century*. New York: The New Press.
- The Economist. 2010. "Extension Deficit Disorder." *The Economist*, pp. 34.
- Therborn, Goran. 2007. "Is there a Future for the Family?" *Public Policy Research* March-May:41-6.
- Thornton, Arland and Linda Young-DeMarco. 2001. "Four Decades of Trends in Attitudes Toward Family Issues in the United States: The 1960s through the 1990s." *Journal of Marriage and the Family* 63:1009-37.
- Thurow, Lester. 1985. *The Zero-Sum Solution: Building a World-Class American Economy*. New York: Simon and Schuster.
- Tienda, Marta and Haya Stier. 1996. "Generating Labor Market Inequality: Employment Opportunities and the Accumulation of Disadvantage." *Social Problems* 43:147-65.
- Tong, Rosemarie P. 1998. *Feminist Thought: A More Comprehensive Introduction*. 2nd ed. Boulder, CO: Westview Press.
- Trattner, Walter I. 1999. *From Poor Law to Welfare State: A History of Social Welfare in America*. New York: The Free Press.
- Trouillot, Michel-Rolph. 1995. *Silencing the Past: Power and the Production of History*. Boston: Beacon Press.
- Turner, Jonathan H., Leonard Beeghley and Charles H. Powers. 2007. *The Emergence of Sociological Theory*. Belmont, CA: Thompson-Wadsworth.
- Turner, Lesley J., Sheldon Danziger and Kristin S. Seefeldt. 2006. "Failing the Transition from Welfare to Work: Women Chronically Disconnected from Employment and Cash Welfare." *Social Science Quarterly* 87:227-49.
- U.S. Bureau of Labor Statistics. 2008. "Women in the Labor Force: A Databook, Table 23." Report Number: Report 1011. U.S. Department of Labor: Washington, DC. U.S. Department of Labor, Washington, DC.

- 2010a. "(Unadj) Unemployment Rate Series LNU04000000." Washington, DC: U.S. Department of Labor, Retrieved May 28, 2010 (http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LNU04000000&years_option=all_years&periods_option=specific_periods&periods=Annual+Data).
- 2010b. "Seasonally Adjusted (Seas) Unemployment Rate: Series ID: LNS14000000." Washington, DC: U.S. Department of Labor, Retrieved March 4, 2010 (<http://data.bls.gov/PDQ/servlet/SurveyOutputServlet>).
- U.S. Census Bureau. 2008a. "Current Population Survey, Table HH-1: Households by Type, 1940 to Present." Washington, DC: U.S. Census Bureau, Retrieved January 26, 2009 (<http://www.census.gov/population/socdemo/hh-fam/hh1.xls>).
- 2008b. "Historical Income Table - Families: Table F-7. Type of Family, all Races by Median and Mean Income: 1947 to 2008." Washington, DC: U.S. Census Bureau, Retrieved March 4, 2010 (<http://www.census.gov/hhes/www/income/data/historical/families/f07AR.xls>).
- 2009a. "Current Population Survey, Annual Social and Economic Supplements: Table 13. Number of Families Below the Poverty Level and Poverty Rate: 1959 to 2008." Washington, DC: U.S. Census Bureau, Retrieved March 4, 2010 (<http://www.census.gov/hhes/www/poverty/data/historical/hstpov13.xls>).
- 2009b. "Historical Income Table - Families: Table F-2, Share of Aggregate Income Received by each Fifth and Top 5 Percent of Families, all Races: 1947 to 2007." Washington, DC: U.S. Census Bureau, Retrieved May 28, 2010 (<http://www.census.gov/hhes/www/income/histinc/f02AR.xls>).
- 2010a. "Labor Force Statistics from the Current Population Survey: Table A-11 Unemployed Persons by Reason for Unemployment, Seasonally Adjusted." Washington, DC: Bureau of Labor Statistics, Retrieved February 6, 2010 (<http://www.bls.gov/web/cpseea11.pdf>).
- 2010b. "Labor Force Statistics from the Current Population Survey: Table A-17 Employment Status of the Civilian Noninstitutional Population 25 Years and Over by Educational Attainment, Sex, Race and Hispanic Or Latino Ethnicity." Washington, DC: Bureau of Labor Statistics, Retrieved February 6, 2010 (<http://www.bls.gov/web/cpseea17.pdf>).
- 2010c. "Labor Force Statistics from the Current Population Survey: Table A-31 Unemployed Persons by Industry, Class of Worker, and Sex." Washington, DC: Bureau of Labor Statistics, Retrieved February 6, 2010 (<http://www.bls.gov/web/cpseea31.pdf>).

U.S. Department of Commerce, Bureau of Economic Analysis. "Fixed Assets and Consumer Durable Goods in the United States, 1925-97." U.S. Government Printing Office, Washington, DC.

-----2009a. "BEA National Economic Accounts: Real and Current Gross Domestic Product." Washington, DC: Bureau of Economic Analysis, Retrieved February 01, 2009 (<http://www.bea.gov/national/xls/gdplev.xls>).

-----2009b. "National Income and Product Accounts Fixed Assets Table: Table 4.3. Historical-Cost Net Stock of Private Nonresidential Fixed Assets by Industry Group and Legal Form of Organization." Washington, DC: Bureau of Economic Analysis, Retrieved May 13, 2010 (<http://www.bea.gov/national/nipaweb/TableView.asp?SelectedTable=58&ViewSeries=NO&Java=no&Request3Place=N&3Place=N&FromView=YES&Freq=Year&FirstYear=1945&LastYear=2008&3Place=N&Update=Update&JavaBox=no#Mid>).

-----2009c. "National Income and Product Accounts Table: Table 1.1.1. Percent Change from Preceding Period in Real Gross Domestic Product." Washington, DC: Bureau of Economic Analysis, Retrieved February 6, 2010 (<http://www.bea.gov/national/nipaweb/TableView.asp?SelectedTable=1&ViewSeries=NO&Java=no&Request3Place=N&3Place=N&FromView=YES&Freq=Qtr&FirstYear=2000&LastYear=2009&3Place=N&Update=Update&JavaBox=no#Mid>).

-----2009d. "National Income and Product Accounts Table: Table 1.12. National Income by Type of Income, Line 15." Washington, DC: Bureau of Economic Analysis, Retrieved January 26, 2009 (<http://www.bea.gov/national/nipaweb/TableView.asp?SelectedTable=53&ViewSeries=NO&Java=no&Request3Place=N&3Place=N&FromView=YES&Freq=Year&FirstYear=1945&LastYear=2008&3Place=N&Update=Update&JavaBox=no#Mid>).

-----2009e. "National Income and Product Accounts, Table 4.3, Line 28." Washington, DC: Bureau of Economic Analysis, Retrieved February 6, 2010 (<http://www.bea.gov/national/FA2004/TableView.asp?SelectedTable=46&ViewSeries=NO&Java=no&Request3Place=N&3Place=N&FromView=YES&Freq=Year&FirstYear=2002&LastYear=2008&3Place=N&Update=Update&JavaBox=no#Mid>).

-----2010a. "National Income and Product Accounts Table: Table 2.1. Personal Income and its Disposition." Washington, DC: Bureau of Economic Analysis, Retrieved May 28, 2010 (<http://www.bea.gov/national/nipaweb/TableView.asp?SelectedTable=58&ViewSeries=NO&Java=no&Request3Place=N&3Place=N&FromView=YES&Freq=Year&FirstYear=1948&LastYear=2009&3Place=N&Update=Update&JavaBox=no#Mid>).

- 2010b. "National Income and Product Accounts Table: Table 3.1. Government Current Receipts and Expenditures ." Washington, DC: Bureau of Economic Analysis, Retrieved May 28, 2010
(<http://www.bea.gov/national/nipaweb/TableView.asp?SelectedTable=86&ViewSeries=NO&Java=no&Request3Place=N&3Place=N&FromView=YES&Freq=Year&FirstYear=1948&LastYear=2009&3Place=N&Update=Update&JavaBox=no#Mid>).
- 2010c. "Table 7.1. Selected Per Capita Product and Income Series in Current and Chained Dollars, Line 10." Washington, DC: Bureau of Economic Analysis, Retrieved March 4, 2010
(<http://www.bea.gov/national/nipaweb/TableView.asp?SelectedTable=264&ViewSeries=NO&Java=no&Request3Place=N&3Place=N&FromView=YES&Freq=Year&FirstYear=1947&LastYear=2009&3Place=N&Update=Update&JavaBox=no#Mid>).
- Usui, Chikako. 1994. "Welfare State Development in a World System Context: Event History Analysis of First Social Insurance Legislation among 60 Countries, 1880-1960." Pp. 254-77 in *The Comparative Political Economy of the Welfare State*, edited by T. Janoski and A. M. Hicks. New York: Cambridge University Press.
- van den Berg, Axel. 2003. *The Immanent Utopia: From Marxism on the State to the State of Marxism*. New Brunswick, NJ: Transaction.
- van den Berg, Axel and Thomas Janoski. 2005. "Conflict Theories in Political Sociology." Pp. 72-95 in *The Handbook of Political Sociology: States, Civil Societies, and Globalization*, edited by T. Janoski, R. Alford, A. Hicks and M. A. Schwartz. New York: Cambridge University Press.
- Vinovskis, Maris A. 1999. "Do Federal Compensatory Education Programs really Work? A Brief Historical Analysis of Title I and Head Start." *American Journal of Education* 107:187-209.
- Wagner, Robert F. 1971. "Proposal for Better Industrial Relations." Pp. 58-65 in *American Labor since the New Deal*, edited by M. Dubofsky. Chicago: Quadrangle Books.
- Wallace, Michael and David Brady. 2010. "Globalization Or Spatialization? the Worldwide Spatial Restructuring of the Labor Process." Pp. 121-44 in *Contemporary Capitalism and its Crises: Social Structure of Accumulation Theory for the Twenty-First Century*, edited by T. McDonough, M. Reich and D. M. Kotz. Cambridge: Cambridge University Press.
- Warren, Elizabeth and Amelia W. Tyagi. 2003. *The Two-Income Trap: Why Middle-Class Mothers and Fathers are Going Broke*. New York: Basic Books.

- Wayne, Jack. 1986. "The Function of Social Welfare in a Capitalist Economy." Pp. 23-55 in *Family, Economy and State: The Social Reproduction Process Under Capitalism*, edited by J. Dickinson and B. Russell. New York: St. Martin's Press.
- Weber, Max. 1949. *The Methodology of the Social Sciences*. Translated by E. A. Shils and H. A. Finch. . Glencoe, IL: Free Press.
- Wedoff, Eugene R. 2005. "Means Testing in the New 707(b)." *The American Bankruptcy Law Journal* 79:231-80.
- Weigel, Daniel J. 2008. "The Concept of Family: An Analysis of Laypeople's Views of the Family." *Journal of Family Issues* 29:1426-47.
- Weil, Mildred W., editor. 1979. *Sociological Perspectives in Marriage and the Family: Concepts and Readings*. Danville, IL: Interstate Printers.
- Weir, Margaret. 1988. "The Federal Government and Unemployment: The Frustration of Policy Innovation from the New Deal to the Great Society." Pp. 149-98 in *The Politics of Social Policy in the United States*, edited by M. Weir, A. Orloff and T. Skocpol. Princeton, NJ: Princeton University Press.
- Weisskopf, Thomas E., Samuel Bowles and David M. Gordon. 1983. "Hearts and Minds: A Social Model of U.S. Productivity Growth." *Brookings Papers on Economic Activity* 1983(2):381-450.
- Wetherly, Paul. 2005. *Marxism and the State: An Analytical Approach*. New York: Palgrave Macmillan.
- White, James M. and David M. Klein. 2008. *Family Theories*. 3rd ed. Los Angeles: Sage.
- Whyte, William F. 1993 [1943]. *Street Corner Society: The Social Structure of an Italian Slum*. 4th ed. Chicago: University of Chicago Press.
- Wilensky, Harold L. 2002. *Rich Democracies: Political Economy, Public Policy, and Performance*. Berkeley, CA: University of California Press.
- Wilson, William J. 1978. *The Declining Significance of Race: Blacks and Changing American Institutions*. Chicago: University of Chicago Press.
- 1987. *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy*. Chicago: University of Chicago Press.
- Wilson, William J. 1996. *When Work Disappears: The World of the New Urban Poor*. New York: Vintage Books.

- 2009. *More than just Race: Being Black and Poor in the Inner City*. New York: W.W. Norton.
- Wolff, Edward N., Ajit Zacharias and Asena Caner. 2005. "Household Wealth, Public Consumption and Economic Well-being in the United States." *Cambridge Journal of Economics* 29:1073-90.
- Wolfson, Martin H. 1994a. *Financial Crises: Understanding the Postwar U.S. Experience*. 2nd ed. Armonk, NY: M.E. Sharpe.
- 1994b. "The Financial System and the Social Structure of Accumulation." Pp. 133-45 in *Social Structures of Accumulation: The Political Economy of Growth and Crisis*, edited by D. M. Kotz, T. McDonough and M. Reich. New York: Cambridge University Press.
- 2003. "Neoliberalism and the Social Structure of Accumulation." *Review of Radical Political Economics* 35:255-62.
- Wolfson, Martin H. and David M. Kotz. 2010. "A Reconceptualization of SSA Theory." Pp. 72-90 in *Contemporary Capitalism and its Crises: Social Structure of Accumulation Theory for the Twenty-First Century*, edited by T. McDonough, M. Reich and D. M. Kotz. Cambridge: Cambridge University Press.
- Woolley, John and Gerhard Peters. 2009. "The American Presidency Project." Santa Barbara, CA: University of California, Santa Barbara, Retrieved March 23, 2009 (<http://www.presidency.ucsb.edu/>).
- Zaretsky, Eli. 1976. *Capitalism, the Family, and Personal Life*. New York: Harper Colophon.
- 1986. "Rethinking the Welfare State: Dependence, Economic Individualism and the Family." Pp. 85-112 in *Family, Economy and State: The Social Reproduction Process Under Capitalism*, edited by J. Dickinson and B. Russell. New York: St. Martin's Press.
- Zinn, Howard. 1995. *A People's History of the United States*. New York: Harper Perennial.
- Zucchino, David. 1997. *Myth of the Welfare Queen*. New York: Touchstone.