

From Reproduction to Consumption to Deterioration:

*The Changing Political Economy of the Family*

Dissertation Proposal

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## INTRODUCTION

In the period following World War II, families in the United States have experienced a precipitous decline in economic and social well-being. For example, median family incomes have grown roughly 150% from 1947 to 2007, an annual average growth rate of 1.52 percent (U.S. Census Bureau 2008d). However, when compared with the 630 percent increase in gross domestic product (GDP) over the same period, an annual average growth rate of 3.3 percent (U.S. Department of Commerce 2008a; U.S. Department of Commerce 2009a), it is clear the economic well-being of families has not kept pace with the growth of the U.S. economy. Moreover, the share of aggregate family income for the lowest two-fifths decreased by over 18 percent since 1947, compared with a nearly 15 percent increase for the top five percent of families (U.S. Census Bureau 2008c). Despite slower and disproportionate growth in family income, personal consumption expenditures have increased at an annual average rate of 3.5 percent concomitant with a nearly 450 percent increase in outstanding consumer credit (Federal Reserve Board 2009d).

As the economic conditions of families have deteriorated over the past sixty years, the social safety net for children and families provided by the federal government has also evaporated. Beginning in the late 1970's, governmental transfers of cash assistance for poor families, increasing one-half of one percentage point, pale in relation to the distribution of other areas of social spending, including a 5 percentage point increase in the share of spending on medical benefits (Iceland 2006). The introduction of 'welfare reform' in 1996 accelerated stark reductions in support for needy families decreasing both caseloads and expenditures, and increasing the reliance of former recipients on low-wage employment paying annual incomes lower than the federal poverty threshold (Neubeck 2006b; Segal 2006).

Through these trends, it is clear that understanding family well-being necessitates a historical view. Moreover, given the interdependence of the family on the economy and the state, this historical examination requires the focus of the family as a social institution in the political economy. Therefore this research asks: *Why has the economic condition of the family deteriorated after World War II?*

In order to understand social problems, one must consider both historical and contemporary phenomena, including macro-societal issues and micro-private troubles. As Mills (1959:152) argues,

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?

To answer this research question, and in order to consider multiple levels of phenomena, the research methods used will be two-fold. First, an in-depth analysis of shifts in the family as an institution will be explored through a *qualitative* social institutional analysis of changes in post-WWII social welfare and economic policy. By considering actual policy interventions by the government, historical accounts of family life, and other products of social research, the changing relationship between the family and the economy can be investigated. Second, the qualitative analysis will be supplemented by multiple *quantitative* time-series models comparing the shifting conditions of the family and economy. Beyond basic descriptive social indicators, time-series modeling allows for relationships to be explored not only between variables, but also as a condition of history.

Given this methodological approach, certain anticipated conclusions can be outlined. First, the in-depth institutional analysis will link the actions of the government with changes in the family and the economy. Taking the state, market, or family as an independent institution neglects the interdependence of each in the history of the post-WWII United States. Intertwining shifts in each institution will provide a holistic understanding of the decline of the family amidst changes in political economy. Second, the institutional analysis will be supplemented with empirical analyses over time; the analysis of the temporal relationship between variables opens social phenomena to be explored in relation to time and space. By combining both qualitative and quantitative methods, it is anticipated that a more complete understanding of the deteriorating conditions of families in the United States can lead to a broader perception of the historical relationship between the state, economy, and family.

#### STATEMENT OF THE PROBLEM

In one arrangement or another, the family has continually been connected to both the political and economic institutions of a given society. This relationship between the family and the political economy is historically 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).

More succinctly, Rubin (1976:6) writes, the family, a historically contingent social institution, "is a product of its historical time and place and of its relationship to the other social institutions with which it connects and intersects."

The post-WWII U.S. family, *as a social institution* – the embedded patterns and norms in relationship with the organization of society – is an outcome of significant shifts in the nineteenth century from a relatively independent rural, agrarian orientation of collective interest to urban, individualized labor in the market. “Each succeeding ruling class has incorporated and transformed the ideology of its predecessors. The rise of capitalism turned ‘families’ into units of commodity production... turning private property into capital and wage labor” (Zaretsky 1976:36-7). By the mid-twentieth century, the family consolidated into reciprocal and necessary relationships with economic and political institutions and, after the Second World War, became a prominent and vital contributor to, and beneficiary of, industrial society. As the United States, transformed into an advanced capitalist mode of production, the family increasingly became a vehicle for *capital accumulation*—the family provides both labor power as an input to production and a durable market for consuming goods and services. The two-parent male-breadwinner family, therefore, as a social institution, is defined and promoted in relation to the needs of capitalism (Aronowitz 1973).

First, capitalism separated household and market production restructuring the family and labor market. In the United States, as an outcome of the New Deal response to the economic collapse of the 1930’s, the government, “assisted families in the reproduction of the labor force and the maintenance of non-working members of the population. In doing so, the state institutionalized the pattern of intervening in family life when the conditions of production...threatened to undermine the sphere of reproduction” (Abramovitz 1996:235). This arrangement supported a traditional family model of a male breadwinner for the public labor market and female homemaker within the domestic, private sphere. As Sirjamaki (1959:6-7) explains, the traditional family securely provides the physical and social reproductive institution

for a society, and because their "respective activities 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."

Not solely reproductive, the post-WWII family is also influenced by the products of capitalist activity. "Industrial enterprise did not alter only the physical environment of the family, however. It reached into the home as well and wrought great changes therein, many of great benefit to members by increasing their material comfort" (Sirjamaki 1959:45). As families, through wage labor, became consumers of goods and services, their consumption function aided in the ability to maintain the current labor power of the male breadwinner and supported the reproduction of the next cohort of workers. "Thus the family household appears as the primary institution of individual consumption and hence, in turn, is also the societal locus of generational reproduction through legitimate procreation, child bearing and initial socialization" (Dickinson and Russell 1986b:9).

However, as the post-WWII period advanced, the family began to change. In 1947, for example, the two-parent traditional family model comprised 87.6 percent of all families in the United States, however, over the next sixty years, two-parent families declined by 13.4 percentage points to 75.2 percent of all families. In the same sixty years, single-parent female-headed families doubled their prevalence from 9.2 percent in 1947 to 18.4 percent in 2007 and single-parent male-headed families increased from 3.23 to 6.46 percent (U.S. Census Bureau 2008b). Moreover, by 1967, 43.6 percent of married-couple families were two-earner families, placing both adult members of the family in the labor market, compared with 35.6 percent of one-earner families with employed husbands. This trend continued through the post-WWII period with 51.8 percent of married couples having dual earners in 1980, 59.0 percent in 1990,

and, by 2006, 57.4 percent, while one-earner husband families comprised, by 2006, only 24.6 percent of all married couples (U.S. Bureau of Labor Statistics 2008).

The family, concomitant with the political economy, experienced profound changes from being a stable social institution to a cultural ideal. In the historical pattern of human development, the breadwinner/homemaker model is, in reality, an aberration advanced solely for the needs of capital, thus generating only a moral benchmark toward which a middle-class society should strive. The family, historically, cannot be neatly packaged into an ideal type. As Skolnick (1991:18) argues, “[t]he reality of everyday experience was at odds not only with the rigidity of middle-class norms but also with the cultural images of family happiness that were supposed to result from holding on to those norms.”

Connected to these changes in family structure, the importance of a family norm was promulgated by reinforcing an ethic of production and consumption. Capital accumulation depends on a stable labor force and markets for consumption, and the reinforcement of the ‘traditional’ family reciprocates the needs of capital. State involvement in the economy and the two-fold functions of the family serves to stabilize the accumulation process (Gordon, Edwards, and Reich 1994; Piven and Cloward 1993). Therefore, one would assume that, as the economy expands and contracts, the economic welfare of families will be mediated by the political infrastructure consolidated through the New Deal and its connection to, and activity in, the labor market (Zaretsky 1986). Yet as this complex between the family, economy, and the state is traced historically, just as the structure of families shifts, their institutional nature also changes form, especially when compared to the accumulation of capital. In essence, the social organization – the relations of production – determine the relationship between the state and its citizens, especially its families (Quadagno 1988).

*The Research Problem: Deteriorating Economic Conditions of the Family after WWII*

The problem thus becomes, when tracing and comparing trends in capital accumulation and the economic conditions of existence for families, that regardless of cultural norms and ethics, empirical trends show divergent results. For example, the gross domestic product (GDP) in 1947, chained in 2000 dollars, was \$1.6 trillion. By 2007, despite periodic fluctuations, the GDP increased over 630 percent to \$11.5 trillion with an average annual increase of 3.3 percent (U.S. Department of Commerce 2008a; U.S. Department of Commerce 2009a). In addition, from 1947 to 2004, the non-financial, corporate business sector net fixed nonresidential private capital stock in constant dollars (1982-1984 = 100) increased 588 percent (U.S. Department of Commerce 2008b). Finally, the net after tax corporate profits in 1947, in constant dollars (1982-1984 = 100), was \$55.6 billion and, as a measure of income going to capital, increased by 934 percent to \$575.0 billion by 2007 (U.S. Department of Commerce 2009b).

Despite such economic growth, the family as a social institution did not share in the success of capital. For example, 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, family incomes did not experience the same rate of growth. The median family income from 1947 to 2007, in constant 2007 dollars, increased only 149.3 percent and the mean family income increased 173.8 percent (U.S. Census Bureau 2008d). A larger increase in the mean income as compared to the median income highlights a skew 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 \$4,182.00 in 1947 to \$17,490.00 in 2007 showing quite succinctly increasing inequality in family incomes.

Insert Figure 1 about here

Figure 2 compares the share of aggregate family income going to the lowest two-fifths and top five percent of families. Between 1947 and 2007, the share of income of the lowest two-fifths decreased by 18.34 percent, while the top 5 percent of families increased their share by 14.86 percent. Moreover, the fourth and fifth quintiles, the two highest, were the only two that increased their aggregate share of income, 0.87 percent and 10.00 percent respectively (U.S. Census Bureau 2008c). Because they share in corporate profits, to no surprise the highest fifth of families saw the greatest increase in aggregate income.

Insert Figure 2 about here

Finally, Figure 3 compares the proportional rates of change in median family income and the net corporate after tax profits. By comparing these trends, and the clear spikes in capital income, the disparity in the growth of capital and median family income is obvious. 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.

Insert Figure 3 about here

Historically there has been a negative correlation between the GDP and poverty rates of families after WWII, 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 and 12 percent for the remainder of the post-WWII period. As recently as 2007, the percentage of families in poverty was 9.8 percent. 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 geographical conditions. As an alternative measure, the Organization for

Economic Cooperation and Development (2008), among other organizations, reports poverty rates contingent on the current median family income after taxes and transfers. Using 50 percent of the median income for the United States, in the mid-1970's, 15.4 percent of families were poor, jumping to 17.9 percent in the mid-1980's, and remaining at 17 percent through the late 1990's and 2000's.

As the post-WWII period progressed, poverty has not been uniform across different types of families. 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 to 28.3 percent for single-parent female-headed families, a disparity present throughout the post-WWII period (U.S. Census Bureau 2008a).

What is more, comparing actions of the state for the poor and the rich highlights these troubling trends. For example, expenditures on public assistance for poor families through the federal Aid to Families with Dependent Children (AFDC) and the Temporary Assistance for Needy Families (TANF) programs, aimed specifically at helping the changing demographic of poor families, increased, as a percent of GDP, from one-tenth of one percent in 1948 to nearly six-tenths of one percent in 1978. However, the percentage of public assistance declines to a fraction of one-tenth of one percent, .081, by 2004.<sup>i</sup> In the same time period, corporate taxes and those for the top personal tax brackets declined from 70 percent in the late 1970's to 28 percent by 2003 (Harvey 2005). This shift in state intervention clearly shows the deterioration of the family, especially poor families, in the interests of capital.

Despite increased income inequalities between families, the gap between changes in family incomes and corporate profits, and negative correlations with family poverty, the rate of change in GDP is highly correlated with a similar rate of change in consumption patterns.<sup>ii</sup> Between 1947 and 2007, the annual average increase in GDP of 3.33 percent is matched by a 3.51 percent increase in the personal consumption expenditures on services as well as both durable and non-durable goods (U.S. Department of Commerce 2008a). Further, from 1945 to 2007, the real personal consumption expenditures increased 814.24 percent to total \$8.25 trillion (Federal Reserve Board 2009c).

As considered above, family income and subsequent economic conditions, have not kept pace with capitalist development, leading to the question of *how the contradiction between earnings growth and consumption can increase differently in the same economy?* Further, given the declining economic conditions of the family and increasing levels of poverty, *how is consumption sustained?* One troubling indicator, and another measure of the deterioration of families within the post-WWII economy, is the specter of consumer credit. This trend impacts not only those families living in poverty, but to a greater extent, the working class and middle class families who, having easier access to credit, are the backbone of the U.S. economy.

Figure 4 shows the proportional rate of change in annual average consumer loans post-WWII. While declines in consumer credit occurred during the major recessionary periods in the 1970's, 1980's and 1990's, consumer loans have increased every year since 1993 (Federal Reserve Board 2009a). Concomitant with the increase in consumer loans, as depicted in Figure 5, between January 1945 and December 2007, the monthly total of outstanding consumer credit increased from \$5.6 billion to \$2.52 trillion, a 448.84 percent increase in debt thus out-pacing increases in family income (Federal Reserve Board 2009d). Additionally, household financial

obligations, as a percentage of disposable income, increased by 3.15 percentage points from 15.90 to 19.05 percent between January 1980 and July 2008 (Federal Reserve Board 2008). Finally, as outlined by Elmer and Seelig (1998), home foreclosure rates rose steadily from 1972 through the 1990's for conventional rates, to over 1.0 percent, and Federal Housing Assistance (FHA), to over 2.25 percent. Because the home is their primary asset, for most families, climbing family debt leads to mortgage defaults (Foster 2006).

Insert Figures 4 and 5 about here

### *Recent History and Continued Deterioration*

Comparisons between the growth of corporate profits and disparity in family incomes provide the historical context for both capital accumulation and family economic well-being leading up to the current economic crisis. That is, increases in capital accumulation concomitant with decreases in the standard of living of families and individuals are a real outcome of an economy in crisis. As the United States enters a deepening recession, families are experiencing a rapid decrease in their ability to engage in, let alone survive, in the U.S. economy. For example, according the U.S. Census Bureau (2009b; 2009c), in just one year, from December 2007 through December 2008, the unemployment rate has increased across levels of education, gender, race, ethnicity, and industry of employment, including business and professional industries. Moreover, the percentage of job losers from the total number of unemployed persons increased from 50.0 percent in December 2007 to 58.4 percent in December 2008, a majority of whom are not on temporary layoffs (U.S. Census Bureau 2009a). Increased reliance on market forces, as Neubeck (2006a:282) highlights,

has led to a shortage of living wage jobs. Combined with a series of tax cuts that have primarily benefited the wealthy, this job shortage has produced a widening gap between

the affluent and the poor, while decreasing the economic security for growing numbers of middle- and working-class people.

Moreover, despite the continual loss of jobs, personal consumption expenditures since 2000, tracked by the U.S. Department of Commerce (2008a), decreased for the first time in the third quarter of 2008. What is more, while durable goods, nondurable goods, and services independently saw marginal increases and decreases in consumption over the period, the third quarter in 2008 is the first quarter to see a decrease in all three consumer categories. The majority of the decrease is due to durable goods (-14.8 percent), while services only saw a nominal decrease (-0.1 percent). Finally, according to the Federal Reserve of the United States, consumer credit decreased at an annual rate of 3.7 percent in November 2008 and 1.3 percent in October 2008 after nearly a decade of increases in consumer lending. These decreases in lending 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).

## RESEARCH QUESTION

These statistics and indicators show, up to recent economic activity, a contradiction between the accumulation of capital and deteriorating economic conditions of a majority of individuals and families. As employment markets tighten and family incomes decrease, consumer spending has, only recently, declined conspicuously in tandem with decreases in consumer credit and, arguably, with the ability of families to participate in the capitalist economy. Most important, these statistics highlight the increasing preponderance of the marginalization of families whose conditions of existence have deteriorated while capital accumulation grows. Therefore, this research will investigate the historical conditions of these trends to ask: *Why has the economic condition of the family deteriorated after World War II?*

## THEORETICAL FRAME

In order to consider the deterioration in economic conditions of families after World War II, a comprehensive consideration of the historically contingent family *as social institution* can provide an explanation of its relationship with both the state and capital. Moreover, this consideration should not be solely focused on one class of families, whether poor, working-class, or otherwise. Rather, focusing on the family as an institution argues that it serves a specific role in society, one that is intricately linked to the political economy.

While much research has focused on the conditions of particular families such as single-parent mother households (Edin and Lein 1997; Sidel 1992; Sidel 1998; Zucchino 1997) or low-wage, working poor families (Rubin 1976; 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 policy directly affecting poor and working-class families (Abramovitz 1996; Piven and Cloward 1993; Quadagno 1994; Skocpol 1992), such research is also focused on specific governmental provisions. Finally, the political economy as a condition of social policy has also played out in relevant 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 exemplars of relevant research, the aim is to combine them into a more holistic understanding of the institution of the family within the political economy. In order to address the research question, therefore, this project will focus not only on the personal experiences of families in different social classes in the United States, but also on state policies and economic institutions. Being a society rooted in the capitalist mode of production, this approach should, fundamentally, consider the post-WWII history of the United States as such. Therefore, to explain the

deteriorating economic situation of families in the United States requires a theory of history.

One such theory that incorporates both institutional and historical dimensions of political economy is *social structure of accumulation theory*, and will be discussed in turn.

### *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. A long period of sustained economic growth results when a set of social institutions that define and regulate relations between capital, labor, and the state comes together in a *consolidation phase* to produce a climate conducive to capitalist 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, this set of institutions begins to break down during the *decay phase*, due to inherent contradictions and labor/citizen unrest, leading to economic decline. Decay is followed by a lengthy period of institutional restructuring during the *exploration phase* (which overlaps 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

Marxist theory of long-swing capitalist economies, SSA theory focuses heavily on the historical contingencies of, and relations between, capital and labor within the mode of production. The original analytical intent of SSA theory, as outlined by Gordon et al. (1982), is to “integrate critical and complex connections among macrodynamics, institutional structures, the organization of work, and the character of the working-class movement” (p. 16) and to help analysts of capitalist labor markets “recognize the political contingency of past and present structural change” (p. 17).

SSA theorists have subsequently provided a more detailed analysis of the social institutions comprising the post-WWII 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 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, a period characterized by the dominance of business from about 1979 through the early 1990s, and a continued and prolonged exploration. Outlining 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 institutions that support the pursuit of accumulation 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 consistency 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 the priorities of

capitalists and 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 were the product (often unintended) of the projects and struggles of real people trying to cope with changing circumstances.

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 macro economy conducive to steady and dependable capital accumulation, the capitalist-citizen accord connects macro-economic policy, the subsidization of business, and relative citizen placation through social insurance and public assistance (Bowles, Gordon, and Weisskopf 1990:57-61). For those left out of, or marginalized from, the labor market, this accord promotes the stability *and* legitimacy of the capitalist regime through market fluctuations by regulating the struggles of real people.

*A theory of the state in the capitalist-citizen accord.* SSA theorists stop here 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 label attached to their pillar – the capitalist-citizen accord – that effectively eliminates an explicit consideration of the state in their analysis. While SSA theorists, in analyzing the capital accumulation process – the acquisition of input commodities (labor power, technology and raw materials), the creation of

output commodities (useful products and services), and the selling of commodities for money capital which is then reinvested in input commodities – argue that a stable set of institutions support this circuit, they promote the most important of which as the pattern of state involvement in the economy (Gordon, Edwards, and Reich 1994:14). Questions, therefore, can be raised about the conspicuous non-treatment of the ‘state’ in SSA theory. 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 relations between, not only labor and business, but between capital and citizens? Is the capitalist-citizen accord a function of the state on behalf its 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?

A major short-coming of SSA theory – the paltry amount of work focused on institutions outside of the capital-labor accord – leads to the lack of consideration of other institutions that impact capital accumulation. 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 role of the state in this process. While discussing interventions by the state at specific historical moments, such as changes in the U.S. welfare regime, there is not a clear explanation of the state that is also historically contingent. Carlson, Gillespie and Michalowski (forthcoming) have provided, following O’Connor (1973), a theoretical approach to the state in SSA theory. As O’Connor (1973:6) argues,

the capitalist state must try to fulfill two basic and often mutually contradictory functions – *accumulation* and *legitimization*...the state must try to maintain or create conditions in

which profitable capital accumulation is possible...[and]...maintain or create conditions for social harmony.

Conceptualized through the capital-labor accord, O'Connor's argument can translate to the capitalist-citizen accord as well. However, as the state's role in both economic and family institutions is analyzed, the capitalist-citizen accord may demand further theoretical substance. As such, during the analysis of the research question, SSA theory may be reconstructed to bridge gaps and shortcomings and produce an expanded set of institutions through which the post-WWII period in the United States can be understood.

#### FOCUS OF THE DISSERTATION

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, historical 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).

In order to employ the capitalist-citizen accord in SSA theory, ensuring a more robust theory of the state, the accord will be reoriented toward including the level at which the state buffers its citizens from market forces. By doing so, this project takes an approach advocated by Burawoy (1991) toward advancing existing theories where SSA theory is not treated as a failure to be rejected, but the "grounds for a reconstruction" (p.9). Taking an existing theory, applying

it to an empirical problem, considering its strengths and weaknesses, and, if needed, providing supplemental material is the process through which “theoretical gaps and silences” can be filled (p. 10). This approach will build a framework for an informed, historically-contingent capitalist-citizen accord.

In order to dissect the pattern of changing conditions in the post-WWII family, the direction of this dissertation will proceed through two major stages. The first stage of this project will be a qualitative historical institutional analysis of the post-WWII SSA focused on the capitalist-citizen accord. By utilizing documentary histories, ethnographies, historical biographies, and other forms of material culture, the changing conditions of the family across the post-WWII SSA phases can be explored. The use of various forms of material culture, the documents and records of and about people and institutions, provides enduring, historical insight into contemporary experiences (Hodder 2003). Such sources include oral histories by Rubin (1976; 1994) and Terkel (1981; 1997), as well as the Oral History Association collections (2007), existing qualitative and quantitative studies of particular family structures, such as those focused on single-mother (Edin and Lein 1997; Hays 2003) or low-income families (Newman 2006; Shipler 2004), political economy (Sirjamaki 1959; Zaretsky 1976), and actual policies enacted by the U.S. government. Such material, however, is not focused solely on sociology of *the family*, but from the breadth of social, political and economic research.

Second, the institutional analysis will be empirically investigated through quantitative time-series models by comparing historical indicators *that emerge through the institutional analysis*. Such measures may include those focused on family welfare, such as shifts in welfare expenditures and participation rates, consumption patterns, labor market indicators, and economic trends, and SSA-congruent measures of capital accumulation. The use of historical

time-series models allows the empirical analysis of the temporal relationship between variables and opens social phenomena to be explored in relation to time *and* space. Moreover, time-series analyses allow for a more historical-contextual orientation to temporality by “[u]nderstanding past actions and events *in* time and *through* time” making such analyses those of contingent “repositories of particular actions, or the culminations of actions” (Griffin and Isaac 1992:166). As such, combining qualitative analyses with quantitative models merges levels of detail in order to understanding the historical changes in the economic conditions of families, both in and through time, after World War II.

#### ANTICIPATED FINDINGS AND IMPORTANCE OF THE STUDY

Through the political-economic history of the post-WWII United States, it is anticipated that changes in the conditions of existence of the family will follow a similar course from a consolidated ideal, through a prolonged decay, and an important exploration for a new institutional function. Considering the family in relation to capital accumulation, this trajectory is anticipated to be neither a direct condition nor outcome of economic growth and decline, but mediated through the actions of the state. As the state negotiates both the accumulation of capital and its own legitimacy from citizens, two hypotheses can be formulated.

First, it is hypothesized that changes in the family will be characterized by a movement from the economic emphasis on its productive and reproductive functions to the focus on the family as a market for consumption. Given the slow growth of family median incomes and increases in consumer credit and patterns of consumption, this shift links production to consumption through expansion of consumer credit. Second, it is hypothesized that as the post-WWII SSA decays and enters a period of exploration, the role of the state shifts its attention to stabilizing accumulation while providing little enhanced support for the needs of citizens,

especially families. More specifically, it is expected that, as the family shifts from a two-parent, one-breadwinner ideal, state policy maintains, legitimizes, and reproduces this ideal family type despite the shifting reality in family conditions, and reduces support for other types of families. It is expected that families may strive to meet a measure of this ideal despite the continued deterioration of their economic and political conditions.

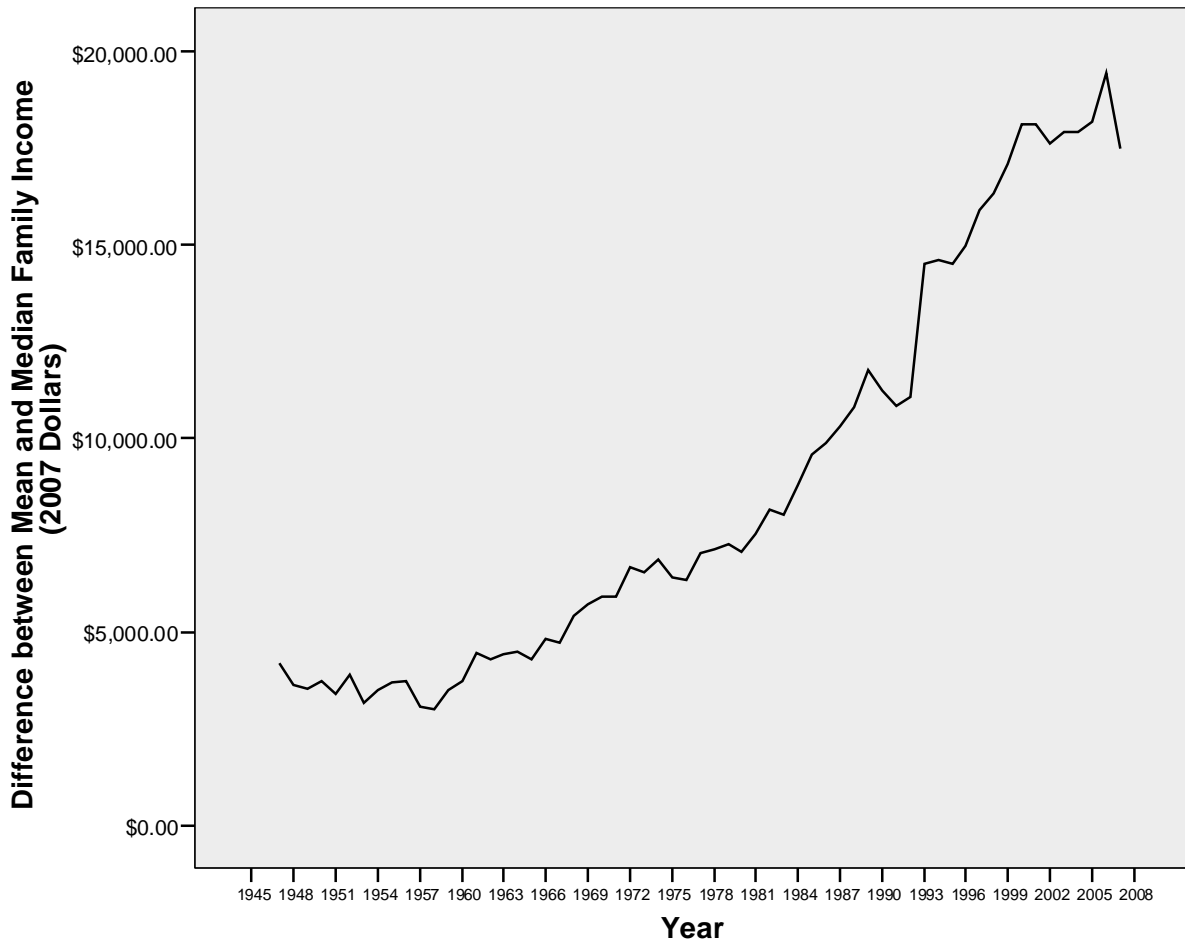
This study, exploring the shifting conditions of existence of families after WWII, leads to three empirical and theoretical implications. Empirically, given the current economic crisis in the United States, history will allow for the explanation of changes in the relationship between capital, the state, and family. Considering the historically contingent interdependence of each, the current economic crisis can be understood not as an ahistorical phenomenon, but a historically contingent outcome of political and economic changes. While the family is just one institution through which this can be explored, it is a vital institution to the stabilization of U.S. society.

Second, this study is important because it can explain macro-social transformations in the family as a social institution. By taking a multi-method approach, the changing conditions of families in historically contingent and complex relations with capital and the state will be explained through its multiple layers. Because social institutions overlap and are interdependent, studying the family from a political economic approach can provide a depth of comprehension for the observed indicators of its worsening condition.

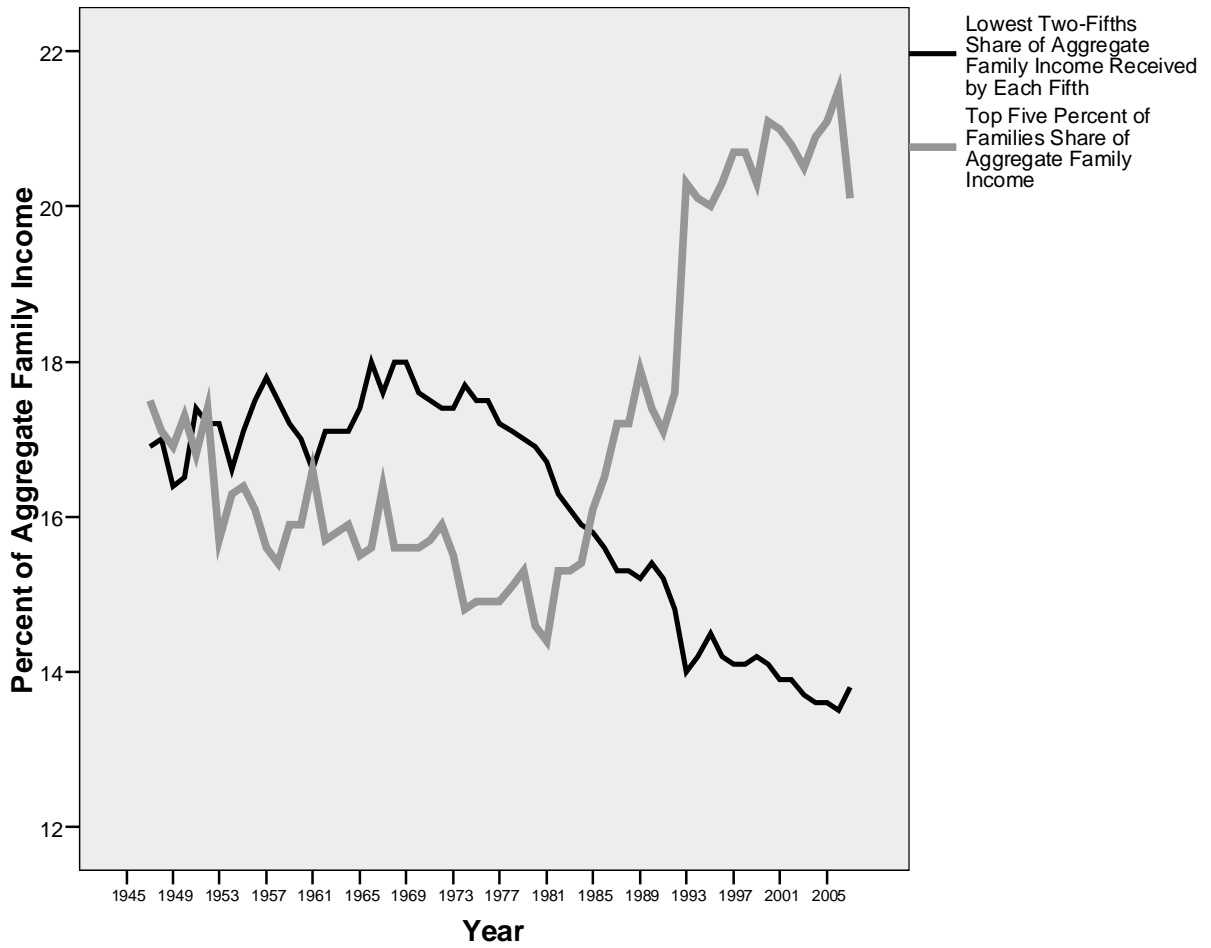
Finally, and theoretically, by considering the family as a social institution, SSA theory can be reconstructed to include a more robust theory of the state. Moving beyond the normative analysis in SSA theory through the capital-labor accord, incorporating other social institutions can illuminate shifts in the conditions of existence for different segments of society. SSA theory

is dynamic and by incorporating other social institutions to transcend theoretical gaps and silences, the larger SSA project will be advanced. The importance of continually confronting the short-comings of theory leads to their reconstruction as more robust explanations. Here, by focusing on the social institution of the family, SSA theory will benefit from such a reconstruction.

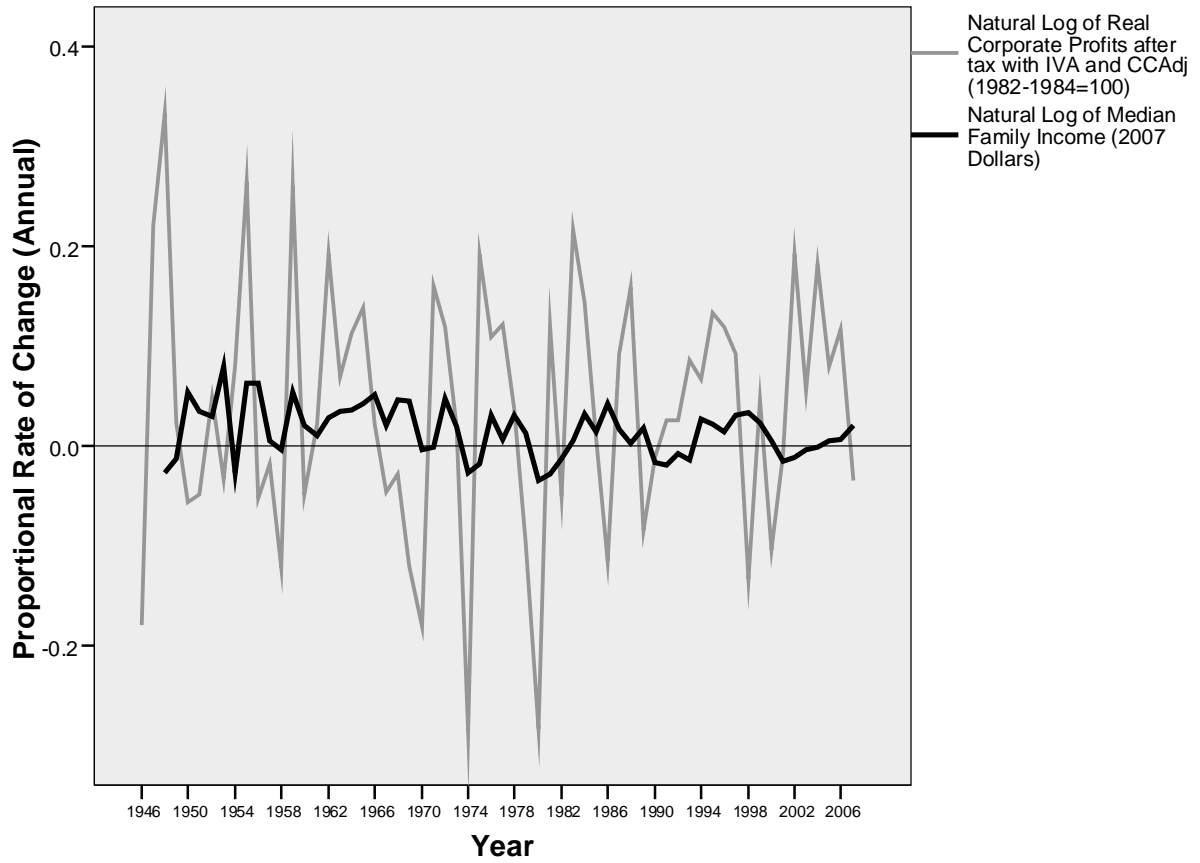
**Figure 1: Difference in the Mean and Median Family Income, 1947-2007**



**Figure 2: Comparison of Aggregate Share of Family Income between the Lowest Two-Fifths and Top Five Percent of Families, 1947-2007**



**Figure 3: Proportional Rate of Change in Median Family Income and Net Corporate After Tax Profits, 1947-2007**



Transforms: difference(1)

**Figure 4: Proportional Rate of Change in the Annual Average of Real Consumer Loans, 1945-2007**

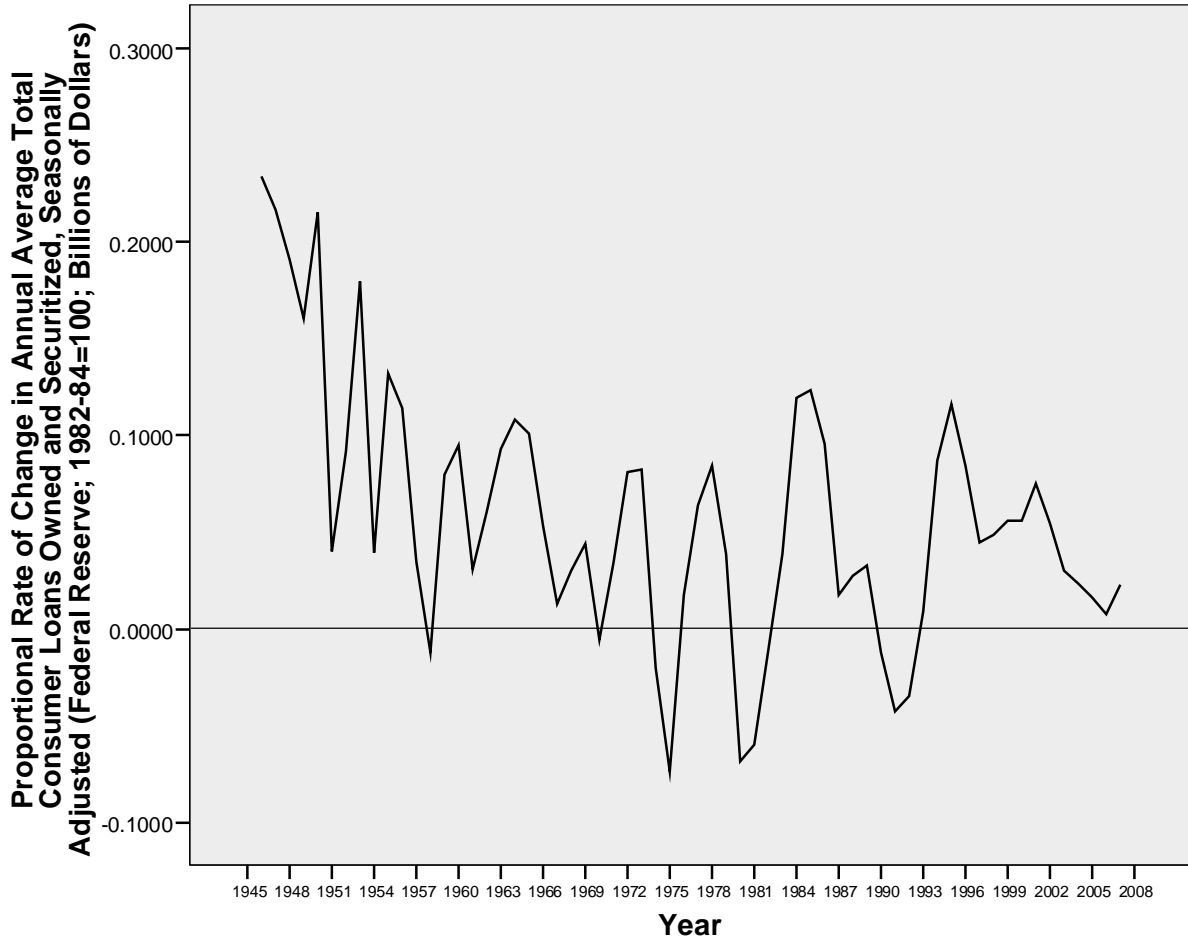
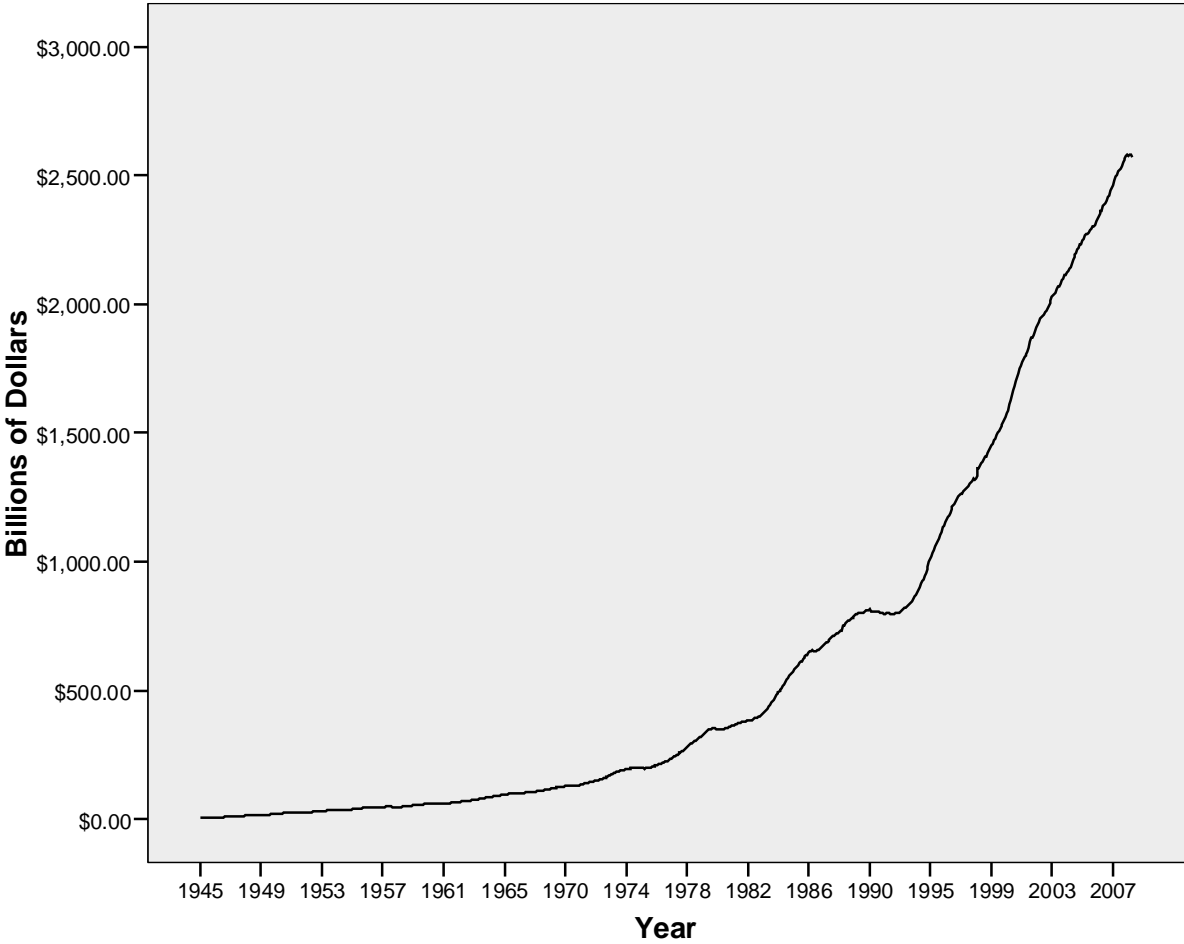


Figure 5: Total Consumer Credit Outstanding, 1945-2008



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Endnotes

<sup>i</sup> These percentages were calculated by taking the constant AFDC/TANF expenditures (1982-1984=100; (Carter et al. 2006; Social Security Administration 2005)) and dividing the constant gross domestic product (1982-1984=100; (Federal Reserve Board 2009b)).

<sup>ii</sup> 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.