The Rise and Decline of Patriarchal Capitalism

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About fifteen years ago, I had the pleasure of collaborating with Tom Weisskopf on an article entitled "Did Father Know Best? Families, Markets, and the Supply of Caring Labor." In retrospect, it seems the article was not widely read outside my own small circle of feminist economists. However, collaboration shaped my intellectual agenda for most of the intervening period, during which I thought hard and wrote long about the meaning of caring labor and its implications for theories of gender inequality. Tom provided an insight about the economic consequences of cultural norms that proved immediately fruitful: the notion that the supply of unpaid care could be described to some extent as a game of "Chicken," helping explain why concern for others can reduce individual bargaining power through a kind of hostage effect. "Did Father Know Best?" (the answer, by the way, was "no") also helped explain why capitalist development, with its attendant normative emphasis on the pursuit of individual self-interest, initially had some liberating consequences for women, despite its imposition of new economic penalties on all caregivers, whatever their gender (Folbre 2009).

My collaboration with Tom also included some new ideas about the logic of patriarchal systems and their interaction with capitalism that I set aside in order to pursue a narrower research agenda on care work. These ideas were more strongly rooted in the tradition of historical materialism, though they had distinctly feminist inflections: One was the hypothesis that patriarchal systems predating capitalism evolved partly because they successfully generated an ample supply of caring labor to fuel population growth. The other was the hypothesis that capitalism remained, in many respects, dependent on the very patriarchal structures it tended to weaken in order to address its own problems of "social reproduction." Both these hypotheses emerged in the wake of early "domestic labor" debates, and were touched upon to some extent in my earlier work, *Who Pays for the Kids? Gender and the Structures of Constraint* (1994). For whatever reason, attention to them seemed to ebb along with declining interest in the grand themes of historical materialism.

I now find myself drawn back to these themes, and propose to undertake a new book entitled *The Rise and Decline of Patriarchal Capitalism*, that will explore them in more detail. The title evokes Edward Gibbon's classic, *The Decline and Fall of the Roman Empire* (and perhaps calls attention to the difference between "decline" and "fall"). However it is also inspired by Robert Heilbroner's classy little book, *The Nature and Logic of Capitalism* (1985) which long ago made me want to pencil in the qualifier "patriarchal" right before that last word. The nomenclature also captures my twisted relationship to the traditional Marxian tradition: On the one hand, I dislike its failure to integrate a theory of gender inequality into its theory of historical change. On the other hand, I admire its insistent attention to a large structure of social organization that goes beyond a mere collection of "institutions," including appreciation of the ways that social norms and political ideologies tie institutions together into an unstable but nonetheless coherent whole.

Conventional Marxist theory terms this structure a "mode of production"—a useful term if and only if, in my opinion, the term "production" is widened to include the production of people and social reproduction of society. The term "social formation," admitting the possibility of overlapping, articulating modes of production, may be more apt (1980). In any case, I hope to show that the concept of patriarchal capitalism can take us beyond a compensatory analysis of gender inequality to a better understanding of our current economic and political circumstances, including the "Wealth-Power Connection" raised in Arthur MacEwan's contribution to this conference session. I believe my approach can help elucidate persistent social divisions that help explain why class differences play a less prominent role than predicted in determining political allegiances.

At the same time, and more surprising (to my former self, at least) my approach also puts less emphasis on gender differences than might be expected, because it situates these within a larger system of inequality in which age, biological kinship, and metaphorical forms of kinship based on race and citizenship play a central role. Patriarchy means, literally, "rule of the fathers," and it is a system with momentous consequences not merely for mothers, daughters, and sons but also for collective conflict between groups defined in terms of familial allegiance. Indeed, I will argue that competition among kin-based groups helps legitimate patriarchal control over women, much as competition among firms helps legitimate capitalist authority over workers. In their research into the origins of group solidarity, Sam Bowles and others argue that in-group altruism largely represents an evolutionary response to between-group conflict (e.g. Choi and Bowles, 2007). I believe that in-group altruism in this context helps facilitate docility to hierarchical control, contributes to the emergence of both patriarchal and capitalist systems and helps explain their gradual but not entirely successful hybridization.

Although I situate this narrative within the structural tradition of historical materialism, I draw heavily from recent research in institutional and behavioral economics. In the previous paragraph, for instance, I invoked the concept of "docility" because I find Herbert Simon's (1990) discussion of this concept far more useful than the analogous Marxian term "false consciousness." The institutional economists who I draw from include strange bedfellows such as James Buchanan (1980) and Gordon Tullock (1980), traditionally considered members of the pro-market, anti-statist school of "public choice." Despite my disagreement with their idealized vision of markets, I admire their analysis of rent-seeking activity, which parallels traditional Marxian analysis of "surplus-extraction." Building on this tradition, Jack Hirschleifer (2001) offers important insights into the logic of collective conflict that can be usefully applied to an explanation of the emergence of patriarchal systems (Folbre, 2006a).

I also draw from the literature of evolutionary biology, which helps explain the dialectic of cooperation and competition that characterizes human society as part of the larger natural world. In particular, I have been influenced by Robert Trivers' (1972) characterizations of gender differences in parental investment, parent-offspring conflict and sibling rivalry, which resonate with many dimensions of patriarchal society. I have recently been startled by convergence between research on the effects of oxytocin, the "nurturance" hormone, on women's propensity to care for dependents (Taylor, 2002) and evidence that the same hormone promotes in-group trust and cooperation (De Dreu et al. 2010).

I recognize that serious consideration of both conservative economic ideas and sociobiological research will deter many readers who find them distasteful, if not threatening. However, I firmly believe that a structural approach based on a critical analysis of relations of domination can effectively mobilize insights from this broad literature without being corrupted by it. I find that many critics of capitalism dislike the suggestion that social inequality is deeply rooted in pre-class societies, and cannot simply be explained as a concomitant of the emergence of private property. The longer the history of exploitation, the harder it may seem to eliminate it. On the other hand, the gradual attenuation of gender inequality in human society represents a remarkable vindication of ideals once termed "utopian". The lessons we can learn from a close analysis of the evolution of gender inequality should be applicable to the critical analysis of other forms of inequality that have intensified over time.

Here ends my provisional overview of a work-in-progress. I have not advanced to the point of developing a chapter outline or organizational scheme. Instead, I have developed a long list of topics that I plan to cover in a modular, experimental, maybe even bloggy form. Here, I first argue the need to reconfigure three concepts fundamental to Marxian theory: work, surplus, and exploitation. Then—though this is a big jump—I explain the consequences of this reconfiguration for an analysis of the modern welfare state and explain why we see less support for redistributive and safety-net policies than we have been led to expect.

Work, Surplus and Exploitation

Feminist theorists have long challenged the economic "invisibility" of women's work, attributing it to the androcentric tradition to classical political economy (Folbre 2009). The work of caring for others, in particular, has been treated as a natural activity or form of emotional expression rather than a rational, instrumental, socially-organized form of productive labor. Without going into great detail here, I would like to recapitulate the most important aspects of this challenge as it pertains to Marxian theory, which builds a complex analysis of surplus and of exploitation on its foundational definition of labor and the related concept of "production."

Work

British political economy emerged alongside a liberal political critique of principles of royal authority articulated in Sir Robert Filmer's *Patriarcha*. Kings derived their authority as literal fathers of their subjects (Filmer traced the lineage of the English monarchy to the first father, Adam). Since fathers produced children (via the intermediary of women) they deserved to wield authority over them. To challenge the authority of a king was to challenge the authority of all fathers. John Locke, among others, challenged the view that paternal responsibility should translate into absolute power. The labor theory of value that he outlined asserted two basic principles: a man should have control over the products of his labor, and a man should enjoy autonomy or self-ownership. If men (understood broadly to include both men and women) produce other men, these principles contradict one another.

The labor theory of value, it all its later incarnations, treated men and women as “non-produced” commodities. Within classical Marxian theory, the value of labor power is defined as the value of the wages earned, the cost of “reproducing labor power.” But no labor seems to be required to convert wages or wage goods into labor power. Nor do there seem to be any demographic parameters involved in defining the reproduction of labor power. It does not seem to matter whether workers raise no children, exactly enough children to take their place as adults, or enough children to generate population growth. This lack of interest in the actual production of labor power characterizes the Marxian tradition up to present, finding almost poetic expression in Piero Sraffa’s classic *Production of Commodities by Means of Commodities,* which entirely ignored the production of people by means of people.

In his early writings Marx describes labor as a fundamental aspect of man’s “species-being,” his engagement with the world. He distinguishes the largely instinct-driven activities of animals from the rational and creative problem-solving activities of men faced with the need to provide for themselves.[1] He never explicitly discusses women’s activities of care for family members in part because, like most of his contemporaries, he takes these for granted. His omission is rendered particularly obvious in his hallowed distinction between production for use and production for exchange. Production for use is described as production for one’s own use—not for that of family members. Production for exchange is described as sale in a market, excluding the informal non-monetary exchanges that take place within the family. Production *of* family members or *for* family members, whether motivated by love or by reciprocity, does not count as production.

My intent here is not to derogate Marx, who certainly had more respect for the working-class family's struggle to care for its members than many of his predecessors, including David Ricardo and Robert Malthus. These political economists viewed childbearing and childrearing not only as "unproductive" but also as a major threat to economic growth (For more discussion see Folbre 2009). However, I believe that Marx's androcentric definition of labor has momentous consequences for his theories of surplus and his theories of exploitation, limiting their relevance to the world we live in.

Surplus

Marxian theory defines surplus as the difference between the value of labor power, or what the worker consumes, and the value created by labor power. Hence, the definition of the value of labor power is part of the definition of surplus. As emphasized above, Marx avoids consideration of the size of the working class family, or the process by which it converts wages into its own labor power. His analysis treats profits—or the difference between wages and other costs of production and total output—as the primary form of surplus. This definition is incomplete because his definition of the value of labor power is incomplete, ignoring both lifecycle costs and population growth.

The simplest way to illustrate this point utilizes the basic "corn model" that is often used to introduce Marxian theory on an introductory level and often reappears in John Roemer's modern reformulation of the theory of exploitation (which will later be discussed in some detail). Farmers plant corn. At harvest time, they divide the output into three piles: what they need in order to plant a crop for next year, what they need to consume to feed themselves, and what is left over—the surplus. Who controls the surplus? That is the key question in Marxist analysis of social and historical transformation.

But this simple "what's left over" definition of the surplus falls apart when the phrase "what they need to consume" is unpacked. The amount they need to consume must be more than the adult farmers themselves consume, because these adults were once infants, occasionally become ill and unable to work, and may become unable to provide for themselves in old age. So the farmers must set aside corn to pay for the costs of family members in order to reproduce themselves over time. How will corn be allocated to these family members? Will those who harvest the corn share it equally with those who are providing family care? Some farmers may support ten children, while others raise none at all. Should shares of the corn harvest be based on individual productivity or on family size? Technological change (such as improved health conditions) will affect the amount of corn necessary to reproduce the worker. Children who die before reaching working age consume corn but don't contribute to it; a decline in infant mortality, therefore, improves reproductive "productivity" and creates a "surplus" that can be divided among other family members.

In other words, children themselves are like seed corn: the quantity needed to ensure next year's crop varies according to conditions of production. And just as the production of surplus corn affects farmers' economic welfare, the production of "surplus population"—that is, population growth beyond the level required to reproduce the existing population, affects economic welfare. In mercantilist economic theory, unlike classical political economy, population growth was considered as source of economic advantage. Even in classical political economy, it was considered as source of military advantage. The system of outdoor relief that developed in early Britain—later curtailed by Poor Law Reforms, was justified as a means of ensuring an ample supply of soldiers and sailors (Folbre 2009).

In retrospect, it seems ironic that a theory so oriented toward the analysis of surplus should ignore the relevance of "reproductive" surplus. If the wage bundle is sufficient only to provide the minimum level of subsistence to family members, distribution is hardly an issue. But once the family has more than it needs to survive until end of the next production period, distributional questions loom large. Many of these questions bear on demographic trends, which in turn bear on economic trends. Indeed, many of the major debates of nineteenth century political economy revolved around the advantages of distributing a surplus in the form of higher wages or public assistance to workers versus distributing higher profits. Malthus and Ricardo essentially argued that any wage surplus would create a demographic surplus that would drive wages back down to subsistence.

Marx ridiculed that argument, insisting that higher wages for workers would not be dissipated by population growth. But he never addressed this issue within the analytical framework he developed within *Capital.* How do "surplus wages" affect family size decisions? Does family size increase, driving population growth? Or does a decline in mortality lead to a decline in fertility, enabling parents to raise fewer children? If average family size declines, do parents devote additional resources to each child, investing more in the development of each one's productive capabilities? These questions went unasked for a long period of time, perhaps because the statistical infrastructure necessary to perceive and analyze trends in mortality and fertility took a long time to develop. For the most part (excepting wars and epidemics) demographic change follows a longer, slower rhythm than economic change.

Other, more obvious questions regarding inequalities within the family politically and culturally taboo. Still, they were raised by the so-called utopian socialists who foreshadowed some other elements of Marxian theory. Robert Owen, William Thompson and Anna Wheeler all emphasized gender and age-based inequalities within the family, and sought to conceptualize an economic system that would remedy these even as it eliminated class inequalities (Folbre, 2009). Marx remained uninterested in these dimensions of inequality, which were essentially defined out of analytical existence by his definitions of work and surplus. Nonetheless, the Marxian framework suggests a way of thinking about them.

Exploitation

If human history is shaped by struggles over control and distribution of surplus, much depends on the way that surplus is defined. Resources allocated to the care of dependents can be conceptualized as a form of surplus necessary to social reproduction. Collective conflicts over the distribution of the costs of caring for dependents add several layers to the forms of collective conflict that Marx described. The concept of exploitation can be meaningfully applied to intrafamily transfers. While it is difficult to conceptualize this form of exploitation in terms of a labor theory of value that denies its very relevance, it fits easily into the more general critique of exploitation developed in Marx's account of the process of primitive accumulation and developed in more detail by John Roemer (1988). Furthermore, this approach offers a new way of thinking about the role of the "welfare state" in transferring resources from the adult working population to help support children, the sick, the disabled, and the elderly.

As I argued long ago in an article entitled "Exploitation Comes Home" (1982), one can analyze the exchange between a male wage-earner and his wife engaged in unpaid work in the same terms as the exchange between a capitalist and a worker, by comparing the ratio of hours worked to remuneration received. In both cases, some analytical problems emerge. For instance, we must assume that the amount of labor hours provided is the "socially necessary" amount. If one worker puts in more hours than another worker but spends much of that time loafing, we would not consider that wasted time worthy of remuneration. In the case of the household, an additional complication arrives in the form of public goods: a large portion of the wage bundle goes toward paying for goods or services that are not totally excludable in consumption, such as rent. But it is not far-fetched to suggest that a man who works eight hours a day to support a wife who works eight hours a day to provide domestic services for him should share his wages equally with her. Indeed, much contemporary research on gender inequality focuses on differences in the total amount of time that men and women devote to total work, defined as the sum of paid and unpaid work.

Critical analysis of the exchange of money and services between parents in the support of children, and between parents and children over the lifecycle, is more complex. However, we can still ask to what extent expenditures of time and money on children are shared between mothers and fathers, and to what extent children "repay" expenditures on them when they become adults, either by supporting their parents in old age or by raising children of their own. Voluntary transfers to family members typically represent a form of unequal exchange. Under what conditions would be term such forms of unequal exchange "exploitation?" Proponents of a strict or literal labor theory of value offer an answer to this question that is not easily extended to the realm of social reproduction.

However, Marx himself outlined a political theory of exploitation based on differences in the relative bargaining power of participants in voluntary exchange. In particular, his historical account of the process of primitive accumulation emphasized the forcible expropriation of land rights as a precondition for the creation of a proletariat willing to work for exploitative wages. John Roemer develops this theory of exploitation in considerable detail (1988 and elsewhere), based on unfair property rights. He provided a clear analytical definition based on a counterfactual—a “just withdrawal rule.” In highly simplified terms, the counterfactual is this: a class of persons is exploited in an economy if they would be better off (and others worse off) if they could exit the existing relationship taking a per capita share of all alienable assets with them. Roemer does not apply this counterfactual outside a series of stylized “corn economy” scenarios, but it can easily be applied to housewives under capitalism (Goodin 2005); its application to children, the sick, the disabled, and elderly is less straightforward, but still feasible.

The counterfactual specified depends on political principles, rather than economic analysis. Roemer, like other economists strongly influenced by the Marxian tradition, focuses on the egalitarian distribution of productive assets as the definition of a just society (hence his emphasis on the term “alienable”). But this counterfactual could be expanded to include the egalitarian distribution of opportunities to develop productive capabilities. It could also be expanded to include the egalitarian distribution of the costs of creating and developing human capabilities. In other words, an individual may be exploited if a) they lack equal access to society’s productive capital or b) they lack equal access to a society’s “reproductive capital” or c) they are forced to pay an unequal share of the costs of developing and maintaining “reproductive capital.”

This is not the place to develop these political principles in more detail. However, it is worth noting that principles b) and c) have played an important if inadequate role in the development of the capitalist welfare state. The notion that individuals should enjoy equal opportunities to develop their own productive capacities through access to public education and protection against discrimination in employment has clearly shaped public policies in the advanced capitalist countries. Even in the United States, disadvantaged minority groups and women made important relative and absolute gains over the course of the twentieth century. Furthermore, the long-standing feminist argument that men should assume more responsibility for family care has gained at least some cultural traction.

One could argue, then, that the traditional Marxian critique of class based on ownership of the means of production has been trumped by a critique of other forms of inequality based on access to the means of social reproduction. Perhaps it is simply easier to mobilize collective action based on race/ethnicity and gender than on asset ownership and control. But to jump to such conclusions is to ignore important insights that can be gained from reconsideration of the relationship between human capital and financial capital within our larger mode of production.

Indeed, the traditional Marxian analysis of class remains remarkably relevant precisely because it helps explain increased access to the development of productive capabilities. The potential to extract surplus from increasingly well-educated and productive workers in a largely nation-based economic system gave U.S. capitalists a strong incentive to promote public investments in human capital. At the same time, the expansion of wage employment significantly contributed to the empowerment of racial/ethnic minorities and women. Put in terms that resonate with what Marx and Engels wrote in the *Communist Manifesto*, new forms of exploitation helped undermine older forms.

But contrary to the traditional interpretation, the older forms of exploitation were not merely “feudal.” They were rooted in far more resilient sources of collective identity based on nation, race/ethnicity, gender, and age, relevant to direct appropriation of surplus through military power and the distribution of surplus to the process of social reproduction. As a result they were not immediately displaced by the expansion of wage employment. They continued to shape family life, access to education, training, and jobs, and state policies, with significant impact on the process of accumulation.

The approach I outline differs significantly from efforts to recognize the importance of "non-class-based" inequalities on class differences. While many scholars influenced by the Marxian tradition have emphasized the importance of forms of distributional conflict other than those based on class, they have typically restricted application of the concept of exploitation. For instance, Charles Tilly (1999) refers to "opportunity hoarding" as a process distinct from but analogous to exploitation. Erik Olin Wright refers to "nonexploitative economic oppression" (1994: 39-46, 1997, Chapter 1).

By contrast, the approach that I have outlined above broaden the definition of exploitation rejects the notion that one form of exploitation defines a dominant mode of production and suggests that different forms of exploitation both coexist and coevolve in complex social formations. One precedent for this approach lies in Marxian analysis of inequalities between more developed and less developed nations, especially the work of Andre Gunder Frank and Arghiri Emmanuel, which describes flows of surplus between nations, rather than classes alone. However, I hope to develop a more general approach, reaching deeper into the history of collective efforts to control and organize resources, and focusing in particular on the emergence and evolution of patriarchal systems. Meanwhile, I will skip to a topic that I believe illustrates the contemporary relevance of this approach.

Rethinking the Welfare State[2]

The market-centric bias of modern economics leads us to see the welfare state, like the family, as a relatively non-economic sphere—in Marxian theory a sphere of mere "distribution" rather than production; in mainstream economics a relatively unproductive institution whose chief role is to correct and adjust but hopefully not otherwise interfere with efficient markets. The market is the horse; the welfare state the cart. The market is the energy source and driving force; the welfare state is simply a device for storing, transporting, and distributing the surplus it creates.

But the private sector is not the only source of horsepower in our economic system. The distribution of the costs of caring for dependents—achieved largely through the family and the welfare state—largely determines the disposable income that individuals have to meet their personal needs (Folbre 2006b). Investments in human and social capital made by both families and the state provide the foundation for the accumulation of financial capital and the promotion of technological change.

Women devote considerably more time than men to non-market work, including the care of dependents. Precisely because this work helps "pull the cart," societies devote considerable effort and attention to ways of harnessing and driving it. Public policies toward family formation, marriage, child care and elder care are not merely a byproduct of decisions made regarding wage employment. Indeed, in welfare state budgets, expenditures on dependents—expenditures that essentially replace and supplement those once made within families and communities—far exceed expenditures on job training for adults and social safety net provisions such as unemployment insurance.

Welfare State "Surplus"

The welfare state does not simply regulate or mediate capitalist relations of production; it regulates and mediates a costly process of social reproduction. It socializes some forms of family support and privatizes others; it promotes health and encourages fertility and defines citizenship and restricts immigration. Its taxes and transfers have huge implications for inequalities based on race/ethnicity and gender as well as class. Indeed, the modern welfare state itself is largely grounded in the exclusion of non-citizens from participation. To gain citizenship in an advanced capitalist country is to gain access to an extremely valuable means of reproduction—access to health services and education for one's children as well as one's self. Indeed, the state represents a family writ large—a unit that pursues its collective interests in ways shaped by the relative bargaining power of its members.

The magnitude of redistribution through the state is huge. Consider the relative size of two different forms of "surplus" in the U.S. economy in 2009, based on the most up-to-date data available from the *Economic Report of the President*, 2011.[3] Corporate profits (with inventory valuation and capital consumption adjustments) came to about $1.3 trillion. Total federal, state, and local government receipts (primarily taxes) came to almost three times (2.96 times, to be exact) as much $3.7 trillion. In 1962, the earliest year for which comparable data is available, the ratio of government receipts to taxes was slightly lower in 1962, at 2.42.

In other words, the ratio of surplus extracted by government to surplus extracted by corporations is extremely high, and appears to be increasing somewhat over time—mostly as a result of state transfers augmenting and displacing transfers that primarily took place within families, such as expenditures on the health and education of children and the elderly (a theme which I will explore in more detail in another, yet-to-be-written section).

Obviously, there is a big difference in the distribution of these forms of surplus. One goes primarily to those owning shares of profitable enterprises, and the other is distributed much more broadly, creating a giant wedge between taxes paid and taxes net of government benefits. A large portion of government receipts are invested in human and social capital, as well as other dimensions of productive infrastructure. Yet it is remarkably difficult for individuals (or groups) to calculate their net lifetime benefits, or to estimate the extent to which the taxes they pay are directly transferred to other groups or individuals with whom they are competing for both resources and opportunities. Lack of clear information about net benefits breeds suspicion and resistance to taxation, setting the stage for distributional conflict.

The State and Distributional Conflict

The traditional Marxian theory of the state focuses on the ways in which it mediates class conflict, ameliorating problems such as sustained unemployment or environmental damage. A broader view of collective conflict over distribution of the surplus among workers—including its intrafamily distribution—helps explain why a relatively small minority of wealth holders can build alliances with other groups that effectively magnify its influence. It is not hard to find examples of coalitional logic relating to the effects of U.S. global dominance or the history of racial/ethnic inequality in the U.S. It is important to show how coalitional logic also links the history of patriarchal policies and the specific role of welfare state policies.

The simplest example of coalitional logic based on what might be dubbed “sell out” lies in Lenin’s concept of an “aristocracy of labor.” The argument is straightforward: capitalists can redeploy surplus accumulated through both military/political dominance and international trade to deliver high wages and social benefits to a significant sector of the working class, thereby winning their political allegiance. The political splinter group known as the Weathermen carried this analysis to an extreme in the late 1960s, insisting that the American people as a whole had sold out their ideals in return for relative affluence.

Another example lies in the trajectory of state laws in the Southern United States in the aftermath of slavery. As W.J. Wilson persuasively argues in *The Declining Significance of Race* (1980), white landowners successfully persuaded low-income whites that they stood to gain from strict racial segregation and Jim Crow laws. These are examples of state policies that, independent of employers' actions, enforced racial inequality. In Wilson's view, capitalist development itself led to economic changes that rendered racial divisions less directly important, because they came to be reproduced by class relations. In other words, explicit discrimination began to play a less salient role than the inheritance of class-based differences in access to economic opportunity.

A third example is provided in Claudia Goldin's account of the role of government policy in restricting women's economic opportunities as schoolteachers and public employees in the early twentieth century. Her history of the "marriage bars"—policies that forced women to resign positions once they married-- provides a clear example of the role of the state in enforcing the gender division of labor. Only later in the twentieth century were women able to mobilize in ways that turned state policies in their favor by prohibiting discrimination against them.

The Civil Rights Act of 1964 and subsequent legislation clearly reduced the relative bargaining power of white men. As long as economic growth remained robust, the absolute earnings of white men continued to increase. Yet wage decline set in for most wage earners lacking a college education in the 1980s and 1990s. Further, the decline of manufacturing employment through overseas globalization helped gut the trade union movement. As the potential for class-based collective action of workers weakened, the potential for non-class based forms of distributional conflict intensified. One could describe backlash against affirmative action policies and opposition to public safety-net problems such as Aid to Families with Dependent Children as a form of "false consciousness."

Alternatively, one could take the view, clearly laid out by Edna Bonacich in her classic article on split labor market theory (1982). She argues that highly-paid workers are both willing and able to form coalitions protecting themselves from competition with less empowered wage earners in order to improve their own standard of living. Their success in doing so does not depend on the adoption of explicit "divide-and-conquer" strategies adopted by employers (as described in Roemer 1979). She points to use of the state to promote strategies such as immigration restriction and licensing requirements. I argue for more attention to distributional conflict over state spending on health, education, and retirement, rather than wage bargaining alone.

Consider, for instance, the impact of gender differences. Women depend more on the welfare state than men do for two reasons: they are more likely to take responsibility for children and they are more likely to outlive their spouses in old age. The "social safety net" effect nudges women in the Democratic direction (Deitch, 1988). At the same time, the decline in marriage has de-linked the economic welfare of women and men, pushing women in a more left-wing direction and augmenting a gender gap in political loyalties (Edlund and Pandi, 2002).

Few forms of public assistance other than unemployment insurance or Supplemental Nutritional Assistance Plan (previously termed Food Stamps) are available to men who are not contributing to the support of children. Some public programs, such as child support enforcement, explicitly redistribute money from fathers to their children and their children's mothers. In 2004 Governor Arnold Schwarzenegger of California famously referred to advocates of a strong public sector as "girlie men."[4] The so-called "male backlash" effect often takes the form of dismissive criticisms of the maternalist "nanny state."

Political Implications

The economic crises of the twenty-first century, characterized by severe bubble-busting recessions in 2001 and again in 2009, have intensified both class and non-class forms of distributional conflict, especially those focused on the role of surplus distributed by the state to spending on education and health. Like Arthur MacEwan, I believe the political impasse of the left reflects the structural dominance of capital, intensified by strategic investments in political and cultural control that make it difficult for most people to perceive and act on their best interests.

However, I think that three other factors play a role. First, the left has consistently underestimated the significance of forms of collective identity and action based on factors other than class, and needs to develop a more comprehensive analysis of distributional conflict. Amid growing evidence from behavioral economics that people often care more about their relative income than their absolute income, we should consider the possibility that people are more likely to compare their position with those they come in contact with on a daily basis than with employers/owners/managers whose lives seem far more remote.

In the current political environment, consider the likely success of two possible political strategies: 1) class-based collective action within the U.S. to reduce the corporate political power and claim a share of its surplus 2) race-and-gender-based collective action to improve the relative position of white male workers via cuts in forms of public spending that primarily benefit low-income families of color. The Democratic Party offers weak leadership for strategy 1, but the Republican Party offers strong leadership for strategy 2. The potential gains to strategy 2 may be far lower than those to strategy 1, but they are counterbalanced by huge differences in relative probabilities of success.

Second, the left has failed to adequately conceptualize the potential for conflict over the distribution of the costs of caring for dependents and developing human capabilities. The responsibility that individuals take—both within the family and through the state—for the wellbeing of others has a fundamental impact on their own standard of living and their economic bargaining power, often yielding public goods that are not captured in market transactions or adequately remunerated through the state. It seems paradoxical to me that so many progressive scholars so convinced of "the limits of the market" continue, nonetheless, to ignore the impact of non-market work and family care on living standards. It seems tragic to me that we are often impelled to defend a welfare state that rests on largely ad hoc policies and provisions rather than a clear or consistent set of principles (see, for instance, my criticisms of family policies in *Valuing Children* (2008)).

Third, globalization has exceeded a threshold sufficient to weaken the incentives for multinational capitalists to support public investments in the health and education of a national labor force. Political and economic changes have combined to generate a huge increase in the global supply of labor even as the cost of capital mobility has declined. As a result, employers have less to gain from improvements in the quality or quantity of local labor power than they once did—they can essentially free-ride on the efforts of other countries. Let the Chinese and the Indians develop their education systems at no cost to the U.S., allowing top global universities and businesses to cream the very best. In the process, the wage premia that American workers have traditionally enjoyed relative to workers in other countries are also declining, making it ever harder for Americans to pay for their own college education. Large-scale American businesses may also be less concerned about the state of national infrastructure and the possibility of continued high long-term unemployment than they have in the past. (For more on this theme see my *New York Times Economix* post “Super Sad True Jobs Story” (http://economix.blogs.nytimes.com/2011/05/02/super-sad-true-jobs-story/).

In Sum

And so I return to an argument that Tom and I outlined in our earlier article, one that suggests that capitalism has followed a kind of hump-shaped pattern of success, probably peaking sometime near the end of the twentieth century. At that point in time, capitalist development could claim considerable credit not only for massive development of the forces of production, but also for the weakening of kin-based systems of authority—patriarchal control over women and children and racial/ethnic solidarity largely based on metaphorical kinship. Energized by fossil fuels created in the past, and offloading their climate-changing externalities into the highly discounted future, global corporations appeared to be powerful engines of development.

Now, the externalities, the unanticipated consequences, are beginning to pile up, exacerbating the cyclical instabilities that made capitalism particularly dependent upon both the patriarchal family and the welfare state. As Karl Polanyi (1944) suggested, perhaps prematurely, capitalism may be undermining the very institutions that it depends on for successful social reproduction. Alternatively, it may be moving into a new phase, one in which it simply does not require—and is unwilling to help finance—the successful cultivation of human capabilities outside the narrow wedge of a managerial elite.

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Notes

[1] In the *Economic and Political Manuscripts*, Marx writes, "Admittedly animals also produce. They build themselves nests, dwellings, like the bees, beavers, ants, etc. But an animal only produces what it immediately needs for itself or its young. It produces one-sidedly, whilst man produces universally. It produces only under the dominion of immediate physical need, whilst man produces even when he is free from physical need and only truly produces in freedom there from. An animal produces only itself, whilst man reproduces the whole of nature. An animal's product belongs immediately to its physical body, whilst man freely confronts his product. An animal forms only in accordance with the standard and the need of the species to which it belongs, whilst man knows how to produce in accordance with the standard of every species, and knows how to apply everywhere the inherent standard to the object. (See http://www.marxists.org/archive/marx/works/1844/manuscripts/labour.htm)

[2] This section draws heavily from a published paper of mine commenting on the "varieties of capitalism" literature (Folbre, 2009) and one unpublished paper commenting on the work of John Roemer, presented at a conference organized at the Political Economy Research Institute in 2005 by Woojin Lee (Folbre, 2005).

[3] See the 2011 Economic Report of the President at http://www.gpoaccess.gov/eop/tables11.html, based on Tables B-90 and B-83.

[4] http://en.wikipedia.org/wiki/Arnold_Schwarzenegger