

THE FAMILY WAY

Third Ways

How Bulgarian Greens, Swedish Housewives, and Beer-Swilling Englishmen Created Family-Centered Economies – and Why They Disappeared

Allan C. Carlson

Wilmington, Delaware: ISI Books, 2007

Reviewed by F. Roger Devlin

Economic science is so imposing an edifice viewed from outside—with its technical paraphernalia, its libraries full of books and journals, its endowed professorships and international conferences, its specialties and subspecialties—that the layman might be hesitant to take up the experts' time with questions about so petty a matter as the family. As Allan Carlson tells it (pp. 35–38), however, such deference to the economist's professional expertise would be misplaced: the natural family has remained a stumbling block to economic science as well as policymakers for more than two hundred years.

Adam Smith and David Ricardo expressed cautious optimism that an unhindered market in labor would provide the ordinary working man a large enough wage to marry and raise a few children; but neither claimed to have demonstrated the necessity of this. Radicals such as Marx and Engels soon challenged the idea, maintaining that capitalism transformed labor into an ordinary commodity which women and even children could sell to capitalists at a fraction of the cost for adult men. The traditional autonomy and solidarity of the family would thereby fall prey to industrial efficiency and the Faustian quest for profits. Later liberal economists such as J. S. Mill and Alfred Marshall came to agree with the Marxists that the capitalist market economy makes no natural accommodation to the family.

The Marxists also appear to be correct that the loss of family autonomy through wage competition is a development specific to capitalism. Alexander Chayanov, subject of one of Carlson's chapters, studied the preindustrial economy of peasant families and protested that the imposition of concepts like wages and capital on agrarian production was arbitrary and procrustean. The peasant family produced for

use rather than profit; their work pattern was determined not by supply and demand but by natural biological rhythms: the recurrence of the seasons, sowing and reaping; the human life-cycle of birth, procreation, and death. The analytic scheme of modern economics, which presupposes a fundamental distinction between capital and labor, is therefore of no help in elucidating what goes on in peasant households (pp. 72-73).

The "Third Ways" described in the present book were programs designed to protect the natural family—peasant or otherwise—from the solvent of market competition. It consists of seven chapters of about twenty or thirty pages, each devoted to one "third way." They include programs to restore full-scale family farming, others just to promote home ownership and a modest degree of household production, and others still merely to guarantee a family-supporting wage to fathers.

It might at first sight seem paradoxical that families could ever be economically worse off having a second income instead of just one. But this is a classic example of what logicians call the fallacy of composition. It works like this. When an exciting play occurs in a baseball game, all the fans jump to their feet to get a better view. Do they actually get a better view? On average, no. If only one fan were to rise, *he* would get a better view; but when all rise, the overall view is no better than before. Analogously, an individual woman entering the workforce undoubtedly improves her own material situation; but if the great mass of women enters the workforce, the overall effect is merely to glut the market for labor, driving down wages for everyone. As early as 1825, an editorial in a British newspaper declared:

The labouring men of this country should return to the good old plan of subsisting their wives and children on the wages of their own labour, and they should demand wages high enough for this purpose. By doing this, the capitalist will be obliged to give the same wages to men alone which they now give to men, women, and children. [Labourers must] prevent their wives and children from competing with them in the market and beating down the price of labour. (p. 38)

No "law of economics" prevents such insulation of women and children from the labor market. All societies treat certain things they

especially value as *extra commerciam* – outside the scope of market exchange. There need be no market for beef, for example, in a country where cows are considered sacred. Or again, as long as a market in slaves existed they were subject to the same law of supply and demand as any other commodity; but this market could be abolished, and was. Similarly, there need be no market for women's labor in a country which values home life and family solidarity more than maximal industrial efficiency. Except under rare conditions involving extreme destitution – e.g., where women's or children's wage work might be necessary to allow everyone in a family to eat adequately – any society can enjoy as much family autonomy as it is willing to pay for in such efficiency. Proponents of family-centered "third ways" believe such a tradeoff worthwhile; some may disagree, but there is no economic absurdity involved in the idea.

If you are even familiar with the term "family wage" today, you are showing your age. Yet this ideal, writes Carlson, "dominated labor goals throughout the North Atlantic region from the mid-nineteenth through mid-twentieth centuries and had measurable effects on wages and the labor market." While industrialists almost without exception advocated the "right" of poor women to work (and drive down men's wages), working class husbands felt differently. They fought for and won wages that permitted their women to remain at home with the children. In Britain between 1842 and 1914, for example, "substantial gains in material standards were achieved by the working class, accompanied by the movement of women from wage-earning to domestic pursuits." Similarly, in Belgium there was "a thorough transformation in the family life of workers between 1853 and 1891, based on a withdrawal of married women from the labor market and a dramatic rise in the real incomes of men" (p. 44). Keep this in mind the next time you hear a feminist complacently assert the "impossibility" of returning to the days when a woman's place was in the home.

In America the family wage ideal rested on legal barriers, direct discrimination (gasp!) against categories of female workers, marriage bans, and labor laws requiring the special treatment of women, discouraging their employment. The system was strong enough to survive the New Deal, but was dealt a body blow by the entry of the United States into World War II and the consequent mobilization of women for industry. The National War Production Board recommended "a single evaluation line for all jobs in a plant regardless

whether performed by men or women." Only 13 percent of US firms had followed such a policy in 1939, but by 1947, 57 percent did (pp. 45-46).

Carlson provides a graph of the erosion of the family wage system in America since 1951. Let the Family Wage Ratio be defined as the median income of dual earning couples divided by the median income of stay-at-home-wife couples. Under a family wage regime, this figure will approach 1.0; under the feminist gender-equivalence regime, the figure tends toward 2.0. In 1960, the figure was 1.25; it rose slowly in the 60s and 70s, and was still 1.42 as recently as 1982; then the rise accelerated, reaching 1.82 in 2003, the most recent date for which the book provides figures (pp. 47-48).

"Equal pay for equal work" is a masterful piece of political rhetoric with a sort of "2+2=4" ring to it. Carlson catalogues for us a few of the realities this deceptive slogan has served to conceal. First of all, family households with only a single male wage earner have experienced a *decline* in real income: between 1973 and 1993 alone, this decline amounted to 13.6 percent. Next, single-income families have been put at a mounting competitive disadvantage relative to two-income families in the acquisition of consumer goods. There has also been a sizeable increase in the number of men earning less than a "poverty line" wage, and similar growth in the number of children living in female-headed households. Married women are increasingly faced with a stark choice: leave their young children during the day to try to earn income, or stay with them and fall into poverty. Either way, the children lose (pp. 50-51).

For the first time in history, notes our author, the family is becoming completely industrialized. Gardening, food preparation, home repairs, child care, and other residual forms of home production are being abandoned by busy couples in favor of market-provided services; in other words, the home has no economy of its own, but has become at best a kind of consumer's cooperative (pp. 51-52). With the economic rationale for marriage thus eroded, divorce, transitory cohabitation, bastardy, abortion, and loneliness all increase. We have come a long way, baby.

Sweden is often held up as the best model of a country pursuing a "third way" between capitalism and socialism. Carlson devotes a chapter to the evolution of Swedish family policy in the past century and the ideological debates surrounding it; rumor has it that its original title

was "Desperate Swedish Socialist Housewives." However that may be, this chapter makes especially clear the difficulty of arranging family policy prescriptions neatly on a conventional left-right ideological spectrum. As early as 1866, delegates to the First Socialist International "approved a resolution calling for bans on the employment of women. The measure's sponsors reasoned that working women pressed down overall wage levels and displaced men; in their view, working women were the equivalent of strikebreakers" (p. 113). Sweden's Social Democratic Party adopted this view, and for many years it remained normative for Swedish "progressives."

The author draws our attention, for instance, to Ellen Karolina Sofia Key: socialist, feminist, eugenics advocate, disciple of Darwin and Nietzsche. None of these commitments prevented her from laying heavy emphasis on the maternal role and its importance to individual women, their children, and the society of the future. Woman was "most free," she wrote, "in the physical and psychic exercise of the function of maternity." The mother was an "artist in education" who understood "the enormous significance of the *first years*." What she most requires to fulfill this role properly is *time, time, and again time*." She believed the State should place as high a priority upon proper mothering as upon military service. For many years a popular women's magazine, *Morning Breeze*, propagated Key's ideal of the socialist housewife, carrying illustrations of athletic-looking Nietzschean *Übermütter* surrounded by swarms of healthy children (pp. 114-17).

Gunnar and Alva Myrdals' pernicious influence on Swedish social politics commenced in the 1930s, but was effectively resisted for longer than many realize. "Astonishingly," writes Carlson, "as late as 1964 the labor-force participation rate for Swedish women remained steady at 30 percent; a mere 3 percent of Swedish preschool children were in public daycare centers" (p. 128).

The socialist housewives began referring to homemaking as "domestic science" and portrayed themselves as efficient laborers whose work station just happened to be the home. They demanded and got several years of mandatory education in home economics and child care for all Swedish girls. Government agencies sponsored quantitative studies which revealed, *inter alia*, that the average working-class housewife had at her disposal 2.8 frying pans and 1.6 teapots. The modern Swedish household was obviously a highly scientific place (pp. 122-24).

By the 1960s, however, Alva Myrdal and her stridently anti-familial feminism were again on the march. Individual rather than familial taxation became a central issue in Swedish politics. As passage of the measure approached, a "Campaign for the Family" was launched. Fifty thousand letters of protest poured into the Prime Minister's office; thousands of women marched on the Riksdag in (as one Swedish newspaper put it) "history's first housewife demonstration."

It was to no avail. In 1970, individual taxation went into effect; overnight, a housewife became an expensive luxury (pp. 129-31). Carlson writes: "Correctly labeled the era of Red Sweden, the first Olaf Palme government committed a kind of feminist genocide, intentionally eliminating a whole class of women through coerced 'reeducation' and forced labor" (p. 179).

The family wage is by nature a compromise with industrial capitalism; it turns one member of the family over to the labor market in exchange for keeping the rest insulated from it. Distributism, the economic platform advocated by Hilaire Belloc and G. K. Chesterton, went farther by seeking to counteract some of the inherent tendencies of capitalism directly.

The distributists believed property "so important that every family should have some." But capitalism, they asserted, naturally brought about the consolidation of property in a few hands. The State, therefore, should openly favor smallholders, cooperatives, and family businesses over large corporations and monopolies. They advocated progressive taxation and legal restrictions on large enterprises. In his chapter on the distributist movement, Carlson is in the odd position of having to defend Chesterton in particular from some of his greatest admirers, too quick to dismiss this aspect of his work as incoherent, vacuous or futile. Such is the usual price of political failure (pp. 1-34).

For a similar economic program that made real headway, Carlson turns our attention to the peasant parties which swept to power in the new democracies of Eastern Europe after the Great War. Their fundamental principle was that land should belong to those who till it. This required extensive land redistribution from the old nobility to peasant families, sometimes without compensation. In Czechoslovakia, 4.5 million acres were distributed to peasant families by 1931; in Poland the figure was 6.25 million acres by 1937.

The peasant parties also favored progressive taxation, free trade, republicanism, decentralized governance, agricultural cooperatives,

pacifism, educational reform, mandatory public service for youth, rural life, and *limited* industrialization (the processing of agricultural and forest products, for instance, being preferable to machine gun or mustard gas production). The peasant parties also uniformly opposed communism. A "Green International," formally called the International Agrarian Bureau, took form in 1923 to coordinate political action across international boundaries. One specific project aimed at creating a Danubian free trade zone in Central and Eastern Europe (pp. 90-101).

A fluke of history allowed agrarian ideas to influence policy even in the Soviet Union for a time. In 1921 Lenin announced the New Economic Policy, a tactical retreat on the economic front aimed at allowing the Bolsheviks to tighten their political grip on Russia. For most of the 1920s, collectivization of peasant land-holdings was shelved and private industry on a modest scale was permitted. The agrarian economist Alexander Chayanov openly directed an agrarian think tank in Moscow from 1919 until 1930, and even became Deputy Minister of Agriculture for a time (pp. 69-70).

Despite their promising beginnings, all these agrarian programs succumbed to more ruthless enemies of various sorts. Peasant rule was violently overthrown in Bulgaria in 1923; then in Poland in 1926. The new Yugoslav government gradually squelched it in Croatia during the twenties, and in Romania it lost out to royalist militarism by 1930. Stalin had Chayanov arrested and sent to the Gulag that same year. A number of peasant leaders ended by being assassinated. In Czechoslovakia, however, peasant rule continued all the way up to the Nazi occupation (pp. 81, 101-106).

Anyone familiar with the "Christian Democratic" parties of contemporary Europe will be suspicious of their inclusion in a volume devoted to "third way" politics. Carlson recognizes this; he explains that in the course of the 1950s these parties either faded from the scene (as in France) or

consolidated their hold on power at the price of their vision. By the early 1960s, they were increasingly pragmatic and bureaucratic, self-satisfied defenders of the status quo. Ambitious office seekers rather than Christian idealists came to dominate the parties. [They] became simply mass parties of the right-of-center. (p. 169)

If you want to understand what is wrong with the Old Continent today, study the Christian Democrats of Germany or Italy.

Yet Christian Democracy has distinguished roots extending back into the nineteenth century. Its progenitors were believers who abhorred the anti-Christian aspects of the French Revolution but had no particular concern for the preservation of monarchy, feudal titles, or great private fortunes. They rejected liberal individualism and laid emphasis on the family as a natural institution which the State was bound to protect and defend.

Many sought to unify Christians of various denominations politically in order to counteract the secularizing tendency of the modern world. Abraham Kuyper, for example, was a Protestant clergyman who helped found the Antirevolutionary Party of the Netherlands; he saw Catholics as natural allies in the struggle against Christendom's enemies. Kuyper's influence on American Evangelicals has been extensive, but remains little known outside Evangelical circles.

German Catholics were also among the early founders of Christian Democracy. Bishop Ketteler of Mainz helped organize "The Catholic Federation of Germany" in 1848, which was later renamed the Center Party and opened to Protestants. "During the 1860s," writes Carlson, "Ketteler denounced 'capitalist absolutism,' called for the creation of Christian labor associations to protect workers, and urged political reforms that would increase wages, shorten the working day, and prohibit the labor of children and mothers in factories" (p. 157). He was also a principal opponent of Bismarck's so-called *Kulturkampf* of the 1870s. This campaign succeeded in abolishing church weddings and forbidding the discussion of political matters from the pulpit. Until he met opposition, Bismarck also attempted to give the State a large degree of control over clerical affairs.

Leo XIII's encyclical *Rerum Novarum* had great influence on Catholic Christian Democratic thinkers (as well as on the Distributists). Although often misunderstood as merely a rejection of socialism, the document "implicitly declared over 80 percent of Europe's land—circa 1891—to be held unjustly. In effect, [it was] a call for peaceful agrarian revolution" (pp. 6–7). The document became a part of the Catholic Center Party's platform (p. 158).

Hitler abolished the Center Party in 1933; Mussolini had already outlawed its Italian Christian Democratic counterpart in 1925. During the years it was forced out of public life, the Christian Democratic tradition

was carried on at a philosophical level by a number of French Catholics: Emmanuel Mounier, his student Gilbert Dru (murdered by the Gestapo), Etienne Gilson, Etienne Borne, and Jacques Maritain. To the liberal individualism which spoke of the self as a locus of desires they opposed "personalism," which stressed moral choice and the development of the personality through participation in social bodies such as the family and local community. They held that women should enjoy equal civil, legal, and political rights, but believed this compatible with the family wage ideal and traditional sex roles (pp. 162-64).

Christian Democratic parties had a decisive influence on the politics of the immediate postwar period, coming to power in West Germany and Italy while taking part in governing coalitions in France and the Netherlands. The UN Universal Declaration of Human Rights has been described as "largely identical" with the worldview of Christian Democracy, and the original European Economic Community was also their work (pp. 166-67).

The most important economic thinker associated with the original Christian Democratic movement was Wilhelm Röpke. Although he was the mind behind the West German *Wirtschaftswunder* of the 1950s (through his influence on Economic Minister Ludwig Erhard), Röpke was the first to criticize the "cult of productivity" as a "disorder of spiritual perception." Insisting that "people do not live by cheap vacuum cleaners alone," he sought "to adapt economic policy to man, not man to economic policy" (pp. 164-66).

While defending private property and free markets, Röpke insisted that a successful market economy required a moral framework—one which was not itself a product of market relations, but of "family, church, genuine communities, and tradition." Like the Distributists, he favored regulatory measures to prevent monopolies and encourage home ownership, small shops, and family farms.

* * *

None of the third ways Allan Carlson describes proved a complete success; but none was without positive effects, and often more than commonly realized. More importantly, the problems to which third way advocates responded are with us still: the collapse of Communism does not imply that the West has succeeded in reconciling the family's needs with the demands of a competitive industrial economy.

I shall give Dr. Carlson the final word. In a recent interview he spoke of his own ideal as a “Family Way” economy which:

. . . would treat the family grounded in marriage, not the individual, as its fundamental unit. Real property would be so treasured that every household would have some. Where outside employment was necessary, it would favor the payment of a “family wage” to the head-of-household so that the other parent – normally the mother – might devote herself to children and home production. It would give strong legal and financial protections to family-held businesses. This economy would favor small farms and independent shops. It would favor home offices for doctors, lawyers, accountants, and other professionals. It would encourage families to create home businesses, to garden, to engage in modest animal husbandry, and to homeschool their children. And it would frown on advertising that relied on the vices of lust, sloth, greed, gluttony, envy, and pride.

*F. Roger Devlin, Ph.D., is an independent scholar and the author of **Alexandre Kojève and the Outcome of Modern Thought** (Lanham, Md.: University Press of America, 2004).*