Introduction

The 1970s are a decade of ill repute. “A kidney stone of a decade,” one character in the popular cartoon strip Doonesbury called it. The nation’s core institutions seemed to be breaking down as the United States, in most tellings of the story, sank into a mire of economic decline, political corruption, and military retrenchment. The last U.S. combat troops left Vietnam in defeat and demoralization, a new outcome for armed forces that, despite something closer to draws in the War of 1812 and the Korean War, had little experience with outcomes other than victory. The United States withdrew from, or scaled down, much of its presence in international affairs, from Southeast Asia to Panama to Iran. Public confidence in the nation’s leadership withered. Richard Nixon disgraced the office of the presidency in the Watergate scandal and became the nation’s first chief executive to resign. Gerald Ford could not overcome his status as an appointed president to get elected in his own right, while Jimmy Carter failed to win reelection.

None of the three presidents brightened the country’s dimming economic prospects. An eightfold increase in the price of oil stemming from Middle Eastern turmoil exacerbated inflation from Vietnam War spending, which combined with a slowing economy to create the new dilemma of “stagflation.” Americans’ confidence in the economic future of their families sank. The nation’s largest city, New York, came within a whisker of declaring bankruptcy in 1975. Neither major political party offered compelling solutions to the country’s serious problems. Ford, a longtime U.S. congressman from Michigan, recalled how as a freshman in the House of Representatives he had listened to President Harry Truman describe the state of the union as “good.” When Ford’s own chance came to make the annual
If the nation’s military, political, and economic institutions sputtered in the 1970s, the private lives and culture of its citizens seemed equally wracked by confusion and failure. Families, the traditional foundation of American society, unraveled amid soaring divorce rates. This change brought liberation and relief to millions of people, but also psychological distress and considerable downward mobility for many women and children. Another measure of dissatisfaction was the widespread use of addictive drugs, ranging from legal versions such as alcohol and prescription medications, to recreational ones such as marijuana and cocaine, to unforgivingly destructive ones such as heroin. One nonpartisan critic suggested wryly that the fact that Ford and Carter had actually lived in the White House was “a possible explanation for the rampant substance abuse at the time.” Another measure of uncertainty was a distinct decline in the percentage of collegians who agreed that “students are morally obligated not to cheat” on exams. Basic matters of cultural taste also seemed out of whack, particularly in retrospect. The appeal of orange shag carpets, polyester pantsuits, wide ties, the “happy face” logo, and disco music was mysterious to many Americans at the time and to more ever since. Only films seemed to improve, artistic creativity being often associated with periods of turmoil and uncertainty. Recalling the decade as a time of “bad hair, bad clothes, bad music, bad design, bad books, bad economics, bad carpeting, bad fabrics, and a lot of bad ideas,” writer Joe Queenan noted “the widespread feeling that America had taken a totally wrong turn in the ’70s.”

Historians and other analysts have described the 1970s in a similar vein. The decade served as a “virtual synonym for weakness, confusion, and malaise,” historian Andreas Killen declared in his revealingly titled book, 1973 Nervous Breakdown. Pulitzer Prize–winning historian David Kennedy lamented “the odd blend of political disillusionment and pop-culture daffiness that gave the 1970s their distinctive flavor.” Two of the best historians of these years, Beth Bailey and David Farber, found them to
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be perhaps “our strangest decade,” a period of “incoherent impulses, contradictory desires, and even a fair amount of self-flagellation.” Observers such as Philip Jenkins and David Frum portrayed a nation in the throes of cultural anxiety and moral decline, while others emphasized the origins of the modern conservative movement that arose partially in response to the sense of disorientation that was so pervasive at the time. The familiar narrative of the 1970s offers a largely depressing and forgettable decade, one most Americans were happy to see end.3

The decade’s neighbors, chronologically speaking, are part of the problem. Both the 1960s and the 1980s have clear story lines of strong reforming forces, exciting social and political conflicts, and significant international engagements. Both decades also experienced considerable economic growth and much less inflation, allowing most Americans a good deal more confidence about their future prospects. Each of these other decades has developed a substantial literature of memoir and historical analysis. For the 1970s, this is somewhat akin to the old problem faced by historically minded residents of North Carolina who referred to their state as “a valley of humility between two mountains of conceit,” South Carolina and Virginia. The 1970s has a similar status, falling between two “real” decades, when important movements and great events happened, for better or worse.4

Upon closer examination, however, the decade turns out to be a crucial period of change and adjustment that reshaped the contours of American history and indeed global history ever since. Beneath the surface waves of economic, political, and cultural challenges that have captured the most attention flowed two powerful undercurrents. One was a spirit of egalitarianism and inclusiveness that rejected traditional hierarchies and lines of authority, asserting instead the equality of all people, particularly women, gays and lesbians, people of color, and the disabled—that is, the majority of people. For most Americans, “the 1960s” really happened in the 1970s. Even animals found a place in this inclusive vision through the Endangered Species Act of 1973.

The second powerful undercurrent was a decisive turn to-
ward free-market economics as the preferred means for resolving political and social problems. Well before the election of Ronald Reagan to the presidency in 1980, Americans across the political spectrum had shifted from a faith in the benefits of some collective action through government intervention, represented by the New Deal order that culminated in the Great Society programs of the 1960s, to a new commitment to purer market values instead as the key to an efficient economy and a fair society. These same two undercurrents of egalitarianism and market values gained significant traction in the 1970s throughout the world, as empires declined and capitalism spread. The United States was thus quintessentially a part of, rather than an exception to, the broader world around it in this decade. While sometimes at odds with each other, egalitarian values and market values converged to form a purified version of individualism and consumer capitalism, one in which all were welcome as buyers and sellers, but the devil might take the hindmost.

These years marked a transformation in American society that has gone largely unnoticed, even though its reverberations are still being felt decades later. It was the moment when the United States fully embraced two profound yet in some ways antagonistic values: formal equality and complete faith in the marketplace. Together, these prototypical American beliefs created a society committed to treating everyone equally, while simultaneously becoming increasingly unequal. Hyper-individualism has been the result: everyone can and should compete, in the pursuit of individual advantage and happiness. Americans have, by example and by influence, promoted this combination of equality in word and inequality in deed around the world.

In the decades after 1970, life in the United States, particularly in its public sphere, became strikingly diverse and inclusive. No other great power—and certainly no dominant world power—had been so shaped by people with ancestors from all over the world. And Americans became accustomed to a culture of formal equality. Women, men, gays and lesbians, heterosexuals, whites, nonwhites, able-bodied and disabled: all were to be officially treated equally. Overt discrimination was illegal and widely re-
viled. “Racist” became one of the worst epithets. Women now ran large corporations, sat on the Supreme Court, and filled half of graduate and professional schools and more than half of undergraduate colleges. Black and female politicians served as leading contenders for the highest offices in the land. Of course, private prejudice and its very real negative impacts still endured—a powerful legacy of a bitter history. But the public expression of prejudice in the United States by the new millennium was furtive and usually costly. An American from as late as the 1960s, brought forward in a time capsule, would have been startled by the egalitarian, inclusive flavor of contemporary America.

Side by side with the commitment to equality was an American culture of faith in the market. Confidence in the mechanisms of supply and demand had replaced confidence in government management. The military filled its ranks with volunteers, not with a draft of all eligible citizens. Deregulation of business—airlines, banks, credit card companies—had the support of both major political parties. Welfare provision had the support of neither: people should be on their own, to rise and fall as they deserved, according to mainstream political thinking. Taxes and social spending remained distinctly lower than in other industrialized nations. Americans generally believed the marketplace solved problems by providing profit incentives for efficient production of whatever was needed. Across the political spectrum from Republicans to Democrats, the private sector was associated primarily with virtue and efficiency while the public sector of government continually had to defend itself and its budgets. Long gone were the New Deal order of the 1930s to the 1960s and its confident use of an activist federal government.

The consequences of this market faith, however, were complicated. The logic of the market was to give people whatever they wanted, whether inexpensive toys at Wal-Mart or the online pornography and gambling that had metastasized into vast industries. The increasing coarseness of American culture in the twenty-first century, measurable in public profanity, sexuality, and violence, as a visit to any movie multiplex confirmed, fed on the celebration of individual consumer choice. The only morality
of the market was efficiency. Free markets were certainly not “conservative” in any meaningful sense of the word. Rather than conserving anything, the unconstrained pursuit of profit through economic exchange brought constant and often relentless change, as the American Rust Belt demonstrated by the loss of its manufacturing base and jobs to the Sun Belt and to overseas places with lower costs of production. Small business owners knew too well the radical changes brought by large corporate chain stores. The economist Joseph Schumpeter had famously called this dynamic the “creative destruction” of capitalism. Indeed, capitalism had been perhaps the greatest force for change, for better and worse, in the modern world. For social and religious conservatives concerned about the preservation of a particular kind of social order and the shaping of a moral citizenry, the unrestrained indulgence of individual consumers should have been anathema. For a generation after the 1970s, the Republican Party reigned in American politics by holding together its two primary wings, social conservatives and free marketers, but the inherent tension between these two constituencies reemerged in the 2008 presidential primary and seemed unlikely to disappear completely. The conservatism that pervaded American politics after the 1970s was considerably more libertarian than puritanical.  

Whatever its other benefits or drawbacks, the process of unleashing market forces deepened economic inequality in the United States for the generation after the 1970s. A society increasingly committed to treating everyone equally was, in practice, increasingly unequal. Indeed, this very inclusiveness actually provided a kind of cover for economic inequality; declining discrimination seemed to mean that remaining differences among individuals’ circumstances were their own responsibility. Identity politics wound up bolstering class differences. Our task is to examine this paradox of growing equality and growing inequality, and to explain how it reshaped America and the world in the 1970s.

Chronology, the old saying goes, is the historian’s best friend. The past unfolds across time, and change over time is the histo-
rian’s primary quarry. But isolating the time frame for any particular story is fraught with challenges. In the present case, the logic of focusing on the decade of the 1970s seems clear enough, yet, on careful inspection, that logic can become elusive. No magical powers adhere to numbers that end with 0; people’s lives and important trends unfold with little regard for the beginnings and ends of decades. Other ways of organizing these years abound, using different criteria: 1965–73 as the period of full-fledged U.S. combat in Vietnam, 1969–77 as the years of Republican control of the White House, or 1979–85 as the era of the renewed Cold War. Each of these periodizations can be compelling for different reasons. “In trying to make sense of American politics and attitudes,” writer Louis Menand has argued, “the decade business is a complete distraction.”

In fact, the years at the center of this particular story are those from 1973 to 1979. Like a line of thunderstorms rolling across the prairie, a series of jolts hit Americans in 1973, leaving them uncertain of what new weather would come along behind this powerful storm front. U.S. troops withdrew from Vietnam; the cover-up of the Watergate scandal unraveled amid calls for the president’s impeachment; the oil embargo by Arab members of the Organization of the Petroleum Exporting Countries (OPEC) began, while Nixon unplugged the dollar from the gold standard and average real wages (adjusted for inflation) declined for the first time in forty years. “Any one of these events would have challenged America’s image of itself,” Andreas Kilen wrote, and together they provided a roundhouse punch to the national psyche. Some visceral shocks had hit earlier, such as the assassinations and war protests of 1968, amid much talk of revolution among young radicals, and those blows had loosened the sense of national cohesion and a predictable narrative of where the world was headed. But the heavy weather of 1973 was clearly coming in to stay longer, and everyone was going to get at least a little wet. Across the next six years squalls continued to blow in, down to the nuclear near-disaster at Three Mile Island in 1979 and the seizure of American hostages later that year in Tehran. The early 1970s marked the time when, in the
most important regards, Americans crossed a divide into a new watershed of what Beth Bailey and David Farber have astutely called “productive uncertainty.”

It was not immediately clear how productive the new uncertainty would be. Mostly, it made people poorer, an inevitable result of inflation, though many families held their own by sending more members, teenagers and especially women, out into the paid workforce. Few were inclined to look to their government for solutions, for the share of Americans with a “great deal” of confidence in the president and the Congress plunged from more than 40 percent in 1966 to 13 percent by 1975. Broader personal freedoms from traditional constraints—of dress, hair, language, sexual behavior, gender roles—contributed to this uncertainty and, for many, an increased sense of vulnerability and even crisis. “America is moving out of Vietnam after the longest and most divisive conflict” since the Civil War, renowned journalist James Reston wrote in the New York Times on January 24, 1973. “There has been a sharp decline in respect for authority in the United States as a result of the war—a decline in respect not only for the civil authority of government but also for the moral authority of the schools, the universities, the press, the church and even the family.” Many of the most creative historians were turning away from grand political narratives to focus instead on social histories of narrower and less familiar, less elite subjects. Because the engine of U.S. history seemed somehow to have jumped the tracks, derailing after a generation of affluent confidence, citizens and historians alike found their old certainty about the country’s unique place in world history slipping away. “It is our Bicentennial Year, and we don’t seem to know how to celebrate it,” prominent Washington journalist Elizabeth Drew wrote in 1976. “Our history began so grandly, and it doesn’t seem so grand anymore.” Many bicentennial celebrations around the country took a local approach, avoiding contentious national issues by focusing instead on folk culture, such as genealogy, quilting, bluegrass music, and local history. Reston concluded, “Something has happened to American life, something not yet understood or agreed upon, something that is different, important and probably enduring.”
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In the mid-1970s, Americans tended to think of themselves no longer as a chosen people, but more often as survivors: of the Vietnam War, of cancer, “of the sinking ships, burning buildings, shark attacks, zombie invasions, and other disasters and tragedies that reflected the siege mentality and were staples of Hollywood in the era,” as historian William Graebner put it. President Ford, the most amiable national leader of the era, survived two separate assassination attempts in November 1975. Americans were dismayed at hostage crises in which no one was rescued, such as the eleven Israeli athletes and coaches seized and executed by Palestinian terrorists at the Munich Olympic Games in 1972, and they increasingly identified with Israel as the ultimate survivor nation due to the Holocaust of European Jews in World War II. Survivor stories were popular. In 1974, Piers Paul Read published a best-selling paperback, *Alive*, that recounted the extraordinary tale of sixteen young men from the Uruguayan national rugby team whose plane crashed into the snowy side of an Andes mountain peak near the Chilean-Argentine border. They survived for ten weeks in the freezing, high-altitude cold before rescuers finally located them, and it soon became clear that their feat hinged upon eating the well-preserved bodies of some of the other twenty-nine passengers who had died in the crash. Reviewers and readers applauded the young men’s determination to make it out of the mountains alive. In 1980, the American Psychiatric Association’s *Diagnostic and Statistical Manual of Mental Disorders* added post-traumatic stress disorder (PTSD) to its roster, an explicit recognition of the ongoing experiences of Vietnam War veterans but also a metaphor for American society as a whole by the end of the 1970s.

When the familiar world begins to disintegrate, when the center seems no longer to hold, when authorities are revealed as corrupt, when things turn out to be quite different from what one has long believed, the crucial question becomes: How does one respond? This is the moment where uncertainty becomes productive—or not. Will it be liberating, a breaking free of old, unexamined assumptions to new wisdom and new action? Or will it be enervating, sapping one’s faith in other people and in the possibilities for social reform and improvement? Does
knowledge empower or dismay, when the emperor turns out to have no clothes? On the answers to these questions hinged the course of the 1970s and the path of American history and much of world history ever since.

One option in response was rage. Simmering anger pervaded many American lives in the 1970s. The sense of national failure in Southeast Asia and the revelation of corruption in the White House created frustration, which declining real wages and rising unemployment exacerbated. Because women and people of color in these same years were shedding much of their traditional deference and workplace segregation, many white men’s unhappiness at least temporarily focused on women and blacks, something visible in the white backlash against school busing and some men’s resentment of what they disparagingly called “women’s libbers.” But the rage that bubbled underneath the surface was not limited to any particular group of Americans. Hollywood captured it best in dark vigilante films such as *Dirty Harry* (1971) (“Go ahead, make my day,” the eponymous, trigger-happy detective played by Clint Eastwood instructs the bad guys, hoping they’ll give him a reason to shoot them) and *Taxi Driver* (1976) (the paranoid Vietnam veteran portrayed by Robert DeNiro promises to “wash all this scum off the streets”), as well as with a lighter touch in *Network* (1976), in which a likeable but disaffected television news anchorman embodied his viewers’ frustrations by denouncing social chaos, consumerism, economic decline, and the media itself in a broadcast tirade. The anchorman commanded his audience to “get up right now and go to the window, open it, and stick your head out, and yell, ‘I’m as mad as hell, and I’m not going to take it any more!’” This line became a common, only partly parodic slogan in the year of the Bicentennial.11

Another response to the perfect storm of public and private trauma rolling through American society was to ratchet up a sense of irony and skepticism. Things were not as they seemed on the surface—presidents lied, U.S. soldiers committed war crimes against civilians, the Communist Chinese were no longer enemies but potential allies—so keep your guard up, don’t take
things at face value, and assume ulterior motives on the part of people in charge. Above all, don’t be a sucker, and keep your distance. The 1970s did not create irony, but they gave it a mighty boost as a default setting, partly in reaction against the now naïve-seeming quest of so many young people in the previous decade for authenticity and sincerity.\textsuperscript{12} One of the most popular films of the era, \textit{Blazing Saddles} (1974), sparkled with irony as it maniacally satirized the most heroic genre of moviemaking, the Western. A witty, worldly black sheriff rides to the rescue of a small desert town’s dully racist citizens, aided by a washed-up, alcoholic white gunman he finds in the town jail. As the two unlikely heroes, in this early version of a biracial buddy film, ride off at the end into the sunset to the swelling strains of classic Western movie music, the camera lingers, and lingers, until the duo dismount, hand their horses to assistants, slap hands, climb laughing into a waiting limousine, and head off the set bound for the bright lights of town. The tough, honorable, lonely protectors of society were no more.\textsuperscript{13}

The turn to irony and the disinclination to take things at face value fed the growth of postmodernism in the realms of philosophy and literary criticism. Postmodernism emerged in the 1970s as a mood and a sensibility, a stance against the certainties of modern life, whether of the Left or Right, of religion or socialism, of progress or reason, of any coherent narrative of history leading anywhere foreseeable. Postmodernists understood reality as socially constructed—that is, as only perceivable through the particular interests represented by particular language or discourse, and not as something eternal and objectively knowable. Viewing any permanent truth as a kind of hoax and therefore all cultures as having equal claims to truth, postmodernist thought was fundamentally relativist and bolstered the idea of multiculturalism. A central text for postmodernism was Edward Said’s \textit{Orientalism} (1978), which offered a powerful critique of how Westerners had long dominated but little understood the Middle East and Asia. Said himself, however, had little tolerance for the more extreme versions of postmodernism that considered language all-important, as he observed that human rights,
for example, “are not cultural or grammatical things, and when violated are as real as anything we can encounter.” At its best, postmodernism challenged people to examine the assumptions embedded in the language they used, and the power relations implicit in those assumptions.14

Beyond resentment and ironic detachment was a broader tendency to turn inward from public to private life, to focus on one’s self rather than the corrupt or unknowable larger world. This is the version of the 1970s most frequently cited, the “Me Decade” famously labeled by journalist Tom Wolfe, though that label would prove to be an even more apt description of the following ten years. A new emphasis on self-improvement, self-expression, self-gratification, and self-indulgence moved to the center of American culture, to the detriment of more community-oriented values. For novelist Dana Spiotta, life in Los Angeles in 1974 seemed “as if someone had taken the aura of the counterculture and extracted every decent aspiration. What was left was the easy liberation of sex and drugs.” The knowing slogan, “Better living through chemistry” (originally a DuPont advertisement), referred primarily to illegal drugs, but legal ones were even more prevalent. The anti-depressant Valium reigned as the largest-selling drug of the decade, peaking in 1978 with nearly 90 million bottles prescribed annually—the same year former First Lady Betty Ford admitted her addiction to it. Personal freedoms pushed ahead of long-term commitments; marriage rates declined, divorce increased, fewer children were born.15

The engagement of Americans with community activities dropped off. Political scientists have measured the beginning of the decline of political participation and “social capital”—the sinews of shared civic life and social engagement—in the contemporary United States from the 1970s, when citizens became decreasingly likely to vote, join civic organizations, trust the government and each other, or even have company over for dinner. In a famously insightful but politically maladroit speech on July 15, 1979, President Carter observed that “in a nation that was proud of hard work, strong families, close-knit communities and our faith in God, too many of us now tend to worship self-indulgence and consumption.” One of the scholars Carter
consulted in the weeks leading up to that address was historian Christopher Lasch of the University of Rochester, whose best-selling book, *The Culture of Narcissism*, had just been published. Lasch wrote regretfully that “to live for the moment is the prevailing passion—to live for yourself, not for your predecessors or posterity.”

Yet another response to the traumas and changes of the 1970s was to reject them and call for a return to an earlier era, one of remembered national strength abroad and a home front not yet struggling with rising crime and divorce rates, legal abortion, court-ordered school busing, and expensive energy. The new conservative movement that would reshape contemporary American politics is most frequently dated to Ronald Reagan’s election as president in 1980. Yet Reagan’s ruggedly handsome visage as the symbol of conservatism might be better understood by analogy to Yosemite’s El Capitan, the most famous mountain in his home state of California for rock climbing, a sport that boomed in the 1970s. El Capitan appears a smooth, monolithic face from afar, but turns out, when viewed up close as climbers do in ascending a rock face, to contain all kinds of cracks, ledges, corners, and overhangs. Similarly, the conservative movement was not a monolithic team but an amalgam of at least three major wings: those concerned primarily with social issues such as crime, drug abuse, abortion, gender roles, and sexual preferences; those focused on liberating the economy from government regulation and management; and those determined to reassert U.S. political and military hegemony in international affairs.

These social, libertarian, and neoconservative elements of modern conservatism did not mesh easily. After all, it was not easy to make a government both stronger (for moral and military purposes) and weaker (for economic purposes) at the same time. Reagan helped the movement coalesce and hold together with an optimistic style and likable manner that made all three wings feel he belonged to them, along with his “Eleventh Commandment” to “speak no ill of another Republican.” All of these elements of the Republican Party found their first mainstream political traction in the turmoil of the 1970s, including Reagan’s
own nearly successful campaign for the party’s presidential nomi-
nation in 1976, and they shared a common desire to rebuild a
more unified and more powerful nation.\textsuperscript{17}

For many more Americans than has generally been recog-
nized, the years of uncertainty and disillusionment in the mid-
to late 1970s turned out to be something different: an unprece-
dented opportunity to press for reform and improvement of
American society. Environmentalists, political reformers, human
rights activists, and evangelical Christians all sought enthu-
siastically to reshape American life along what they saw as healthier
lines. Egalitarian reformers were most important of all, led by
women who in the 1970s surged past the old barriers that had
constrained them in education, work, public life, and personal
relationships. This feminism directly affected more American
lives, female and male, than any previous reform effort, as it
challenged people to reconsider assumptions and behaviors re-
garding what it meant to be—and to act on a daily basis as—a
male human being or a female human being. Some women chal-
lenged the very meaning of gender, revealing how it varied in
different times and places, rather than being \textit{the} eternal, essen-
tial form of human identity. The intimacy of women and men, of
girls and boys, in each others’ lives meant that few families were
untouched by this rising wind of change. Between 1973 and
1979, the United States developed a more egalitarian culture.\textsuperscript{18}

The new inclusiveness in the United States reflected a world-
wide trend in the same direction. As Americans moved to elimi-
nate the remnants of discrimination from public life—against
women but also against the disabled, non-European immigrants,
and homosexuals—so, too, did the world make a major turn in
the 1970s away from formal inequality, colonialism, and em-
pire. In the European sphere, the last great overseas empire,
Portugal, caved in with the liberation of Angola and Mo-
zambique. The penultimate racist state, minority white-ruled
Rhodesia, gave up the ghost and was transformed into Zimba-
bwe, while the final wave that would soon wash minority rule
out of neighboring South Africa, the last redoubt of legal white
supremacy, began to build in the black township of Soweto. In
the less formal U.S. sphere of empire, Vietnam fought its way free of American occupation, Panama negotiated a return of its control of the Canal Zone, Nicaragua overthrew the brutal pro-American dictatorship of the Somoza family, and Iran did the same by driving Shah Reza Pahlavi into exile. In the Soviet sphere, empire entered its terminal stage when Red Army troops marched across the Amu Darya River into Afghanistan and into eventual disaster. Dissident movements in Russia and Eastern Europe gained traction, leading to the creation in Poland of Solidarity, the first labor union in a Communist state—an extraordinary admission of the failure of Communism to achieve its supposed highest priority, the well-being of the working class. Across the globe, human rights organizations such as Amnesty International became an important force in international affairs in the 1970s, and old hierarchies of race and sex lost much of their power to be understood as natural and right.19

Replacing the now clearly artificial hierarchies of race and sex in the 1970s was a new hierarchy considered more natural: the sorting out of people in what were seen as their natural socioeconomic levels by the operation of the free market. With unnatural barriers based on irrelevant group identities eliminated from public life, free marketers—sometimes known as neoliberals or libertarians—could more readily claim that the inequalities remaining were the just and reasonable result of letting the natural laws of supply and demand operate and letting people rise and fall on the basis of their abilities and how hard they worked. People were both more equal and less equal than they used to be. What was understood to be “natural” in social relations had changed. Historian George Fredrickson called this “a global capitalism that draws no color line, because it seeks customers and collaborators from every race.” William Weidner, the president of Las Vegas’s huge Venetian gambling resort, explained this dynamic in regard to the recent rapid increase in the number of Asian gamblers in the southern Nevada city: “This is a merit system here. The highest quality players will get whatever they want. The Chinese are the highest and best quality players in the world, so they’ll have preference. We don’t care
how tall you are, how short you are, how fat you are, what color you are. Green is the most important color.”

The turn toward free markets in the 1970s was a global rather than just an American story, in the same way that the shift toward greater formal equality and inclusiveness in this decade was a worldwide rather than a national process. In the Southern Cone of Latin America, in western Europe and particularly in the United Kingdom with the 1979 election of Conservative Margaret Thatcher as prime minister, and in Eastern Europe in its early anti-Communist organizing, people across the globe were losing faith in the welfare states and socialist states that had emerged from World War II. They were turning instead to the mechanism of the market as a way to stimulate economic growth after the worldwide recession of the early 1970s. The vast scale and diversity of human societies assured that such a trend was not uniform and did not happen everywhere at the same time. Vietnam and Nicaragua, for example, spent the 1970s building revolutionary socialist states of their own kind. But even those exceptional boats paddling upstream would soon, within ten years, be turned around and swept along with the rising current of the capitalist river. The most dramatic evidence came in the largest country, the one that had also long had the most fervidly anti-capitalist government: China. Following the death of Mao Zedong in 1976 and a brief interlude of intra-governmental struggle in Beijing, a new regime under Deng Xiaoping moved forcefully by 1978 to introduce market reforms in order to speed its economic growth. World economic history has not been the same since.

The expanding formal recognition of the dignity and equal worth of all people, both in the United States and around the world, arrived, then, not at a time of socialist or even liberal hopes, but at a moment of capitalist resurgence. The confluence of a new commitment to legal and cultural equality with an equally strong drive toward free markets produced a version of capitalism increasingly purified of the inefficiencies of artificial discrimination. The feminism that filtered throughout mainstream American life was not, for the most part, the more radi-
cal 1960s dream of making new women and men or creating a more caring and compassionate society. It was instead a feminism narrowed mostly to the channel of individual rights and equal opportunity for competition as individuals. All would be included—on juries, on playing fields, in corporations, everywhere—but only as individuals. Ever since, women have been increasingly able to choose a lifestyle of whatever mix of family life and work life that they can put together, mostly on their own. The new egalitarianism did not change the system, but included all within the system, one marked by individual choice, the logic of consumer capitalism. A de facto agreement had emerged that seemed to say: all are welcome to join the game now, but we’re dropping our gloves and playing for keeps, with no more state regulation to act as referee. Welcome, and you’re on your own.

An unexpected and little noticed result of this peculiar confluence of egalitarianism and market values in the 1970s was a striking reversal in the contents of the public and private spheres of American society. What had long been considered essential elements of public life, such matters as taxation, military service, welfare provision, and economic regulation, began to shift out of the realm of government responsibility and into the private sphere where markets ruled. The market rather than a draft created soldiers; taxes were sharply cut back; airlines and other industries were freed from regulation. And what had long been considered concerns of the private sphere, such as religious faith, family life, and sexual behavior, moved instead into the mainstream of public life. Politicians began to assert their personal relationships with God; divorce shed its aura of shame and became commonplace; contraception, abortion, and homosexuality seized public attention. Discretion and restraint started to seem quaint in a culture increasingly monopolized by explicit sexuality. A 2006 headline in the nation’s leading conservative newspaper captured a bluntness that would have been unimaginable in that venue a few decades earlier: “New Network Will Showcase Greed, Lust, Sex.” Suggestions to limit the sharply widening gap between the wealthiest Americans and their fel-
low citizens, by contrast, were a touchier subject, one regularly denounced by affluent political leaders as a form of unpatriotic “class warfare” that could weaken the social cohesion of the country. The reversal of public and private spheres stemmed directly from the changes of the 1970s.21

Crucial political and cultural developments often stand out more vividly in retrospect than at the time. This is part of the attraction of doing history. Amidst the confusing crosscurrents of the 1970s, it was not clear that the United States would emerge both more committed to formal equality in the public sphere and less actually equal in measurable economic terms, due to the shift toward deregulation and freer markets. Nor was it obvious that this would be part of a global trend. There was always contention over these developments as the era unfolded. But hindsight, while not perfect, does reveal that the years between 1973 and 1979 witnessed a critical transition that made American society simultaneously more equal and less equal, and American culture still more individualistic, than they had been before.