‘HOME ECONOMICS’: THE MANAGEMENT OF THE HOUSEHOLD AS AN ENTERPRISE

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The financial crisis commencing in 2007 has been persistently described as a failure of the market system. Initially, it was even claimed that the ‘whole intellectual edifice’ of neoliberal economic policy, with its guiding assumptions about economic rationality and the efficiency of markets, had floundered, if not collapsed (Alan Greenspan quoted in Skidelsky 2009: 36; see also Couldry 2010). Yet the rhetoric of crisis lends itself too easily to a focus on exceptional events at the expense of the continuation of norms, highlighting the aberration of market logics rather than their resilience and expansion.

By focusing attention on the example of spectacular ‘market failure’, the analytical lens of crisis avoids scrutiny of the more mundane and general tendencies within the economic system as a whole. In the aftermath of the global financial crisis the belief that markets always self-correct or self-regulate may well have been discredited, but the generalisation of market principles throughout society has continued unabated and even intensified in many institutions and domains. In other words, the neoclassical idea of the market form as a grid of intelligibility for both economic and social processes remains intact.

This specific imagination of the market as a privileged site of legitimacy has had a major impact on the kinds of economic restructuring undertaken by Western democracies in recent decades, and Australia has been no exception. Market-inspired ‘reforms’ have transformed public policy in a vast array of fields (health, education, welfare, pensions and superannuation, housing, water, energy utilities and so on), especially in relation to public goods and social services traditionally provided by the state. But the rationality of the market has also been used to reshape the organisation of social life more broadly, extending to social domains once thought to be outside, beyond or in opposition to the spheres of ‘the
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Relatively routine financial practices such as the purchase of houses, cars, consumer goods, and the payment of insurance, phone and utility bills are connected to globally integrated financial markets through processes of securitization. Moreover, finance itself is constituted in important new ways through the borrowing and saving practices of ordinary households (Bryan and Rafferty 2009; Langley 2008). Markets are then increasingly integral to daily life, particularly so with the ongoing redefinition of the state’s responsibility for social reproduction. This marketisation of social relations has led to a diffusion of calculative logics throughout the social fabric, encouraging individuals to view market rationality as a model for a personal and ethical style of conduct. Subsequently, the increasing prominence of market dynamics is now evident across a range of social phenomena, from market-based solutions to environmental crisis and climate change to the everyday life of Australian households.

This article explores these shifting relationships between the household, the state, and the market. It suggests that large-scale restructuring, privatisation, and the market-dominated principles commonly referred to as neoliberalism, cannot be adequately understood without taking into consideration the redistribution of risks and responsibilities onto the household and the implicit expectations that it will perform in particular ways. As a site of mediation between individuals and markets, and as the domain on to which public sector functions are increasingly displaced, the household is a space intimately entwined with such major political and economic shifts. It is also where assumptions of productive and responsible self-management are located and therefore a site upon which such processes are effectively dependent.

The article argues that such shifts further blur the boundaries between public and private space and introduce complex practices of competition and financial calculation into the everyday life-spheres of households. Conventional critiques of marketisation as simply commodification are, in this sense, somewhat inadequate. Instead, the article argues that imperatives of competition, self-enterprise and calculation — practices which households are now regularly called on to perform — are more defining of the current context and therefore require scrutiny both in terms of how they manifest as material practices and in terms of their
social and political consequences. Finally, the article also considers what this resurgence of household economy, or *oikonomia*, may suggest about some key categories of political economy.

**The Sustainable Household**

The growth of ‘flexible’ modes of accumulation and the insecurity of many kinds of contemporary work has forced many individuals to equip themselves with the entrepreneurial skills and capacities necessary to negotiate increasingly unpredictable economic circumstances. Government policies have also compelled citizens to engage with markets in order to manage their own financial lives and futures — hence the crucial importance of the instruments of private property, such as individual home ownership.

In terms of social relations, what is important here is the way in which individuals have been encouraged to engage with markets and develop forms of market-based citizenship independent of state and government. In turn, this has made financial activities and services increasingly central to the ways in which consumers interact with markets — a development that has been termed the ‘financialization of daily life’ (Martin 2002). Practices of investment, calculation and speculation therefore become associated with normalisation and domestication, their embrace by individuals taken as a sign of personal initiative, responsibility and enterprise. In this way, ordinary households have been exhorted to perform their own kinds of ‘calculative agencies’ (Callon 1998:3) in their efforts to function as competent financial subjects. We have already witnessed how some of these agencies played out in relation to the global financial crisis; we can also see them at work in recent local events.

In May 2011 the newly elected New South Wales State government announced that it would make major changes to the State’s solar bonus scheme, cutting the feed-in tariff from 60 cents per kilowatt-hour of solar power generated on subscribers rooftops to 40 cents. The government also announced that the feed-in tariff would remain at 20 cents for households that had recently subscribed to the scheme but were yet to have solar panels installed and that it would not accept any new applications. An angry public outcry followed this decision, with the solar industry, panel installation companies and consumers joining forces
to condemn the tariff reduction and the closure of the scheme. The highly publicised protest continued over a number of weeks, and different groups used a range of media outlets to express their dissatisfaction with the changes to the scheme; the solar industry even threatened to launch class actions against the government.

The most significant opposition to the changes came from ordinary households who claimed they had ‘invested their hard earned dollars’ in expensive solar panels and who had now been ‘betrayed’. As one subscriber put it, ‘[p]eople like us invested a lot of money only to have the rug pulled out from under us’ (quoted in Kelly 2011). Disgruntled households were also explicit about the financial calculations that had underpinned their decision to ‘invest’ in solar panels and the cash dividends they had expected. An overwhelming majority of households described their decision to subscribe to the scheme in these same terms — as a financial investment — and expressed their anger about the losses they now faced. While some households certainly subscribed to the scheme for environmental reasons and to show their support for renewable energy sources, in many instances the motivation for installing solar panels was, as one consumer put it, ‘because they made financial and environmental sense’ (quoted in Cook 2010).

Irrespective of the stated ethical/environmental motivations for subscribing to the scheme, most of the households that had installed solar panels had done so to reduce their electricity bills. Yet the furore over the cut to the feed-in tariff also showed that some households had invested in the scheme as an opportunity to do more than offset utility bills and had expected the photovoltaic cells on their rooftops to become a source of income in the years ahead. At a public demonstration in Sydney attended by more than 2000 protesters, one subscriber described how he had anticipated that the scheme would provide an alternative stream of income for his family’s immediate needs and that according to his current calculations this income had now been significantly reduced: ‘[the feed-in tariff reduction] is costing us nearly $5000 per year in lost income and that was something we were wanting to put towards our children’ (quoted in Margetts 2011). The opposition to the proposed changes intensified to such an extent that the government eventually backed down and agreed to honour the original contracts with the scheme’s subscribers.
The solar bonus scheme events highlight the more routine ways in which the family home has become associated with practices of speculation and investment, and how pervasive financial calculation has become within social existence in general (Cook Smith and Searle 2009; Martin 2002). Through these processes, the ordinary domestic world of house and home is framed as a space of investment yielding financial returns and therefore subject to complex forms of calculation and economic management (Smith 2008). The role of calculation especially is highlighted in this example, as a device that must be successfully understood and employed in social practices that also now double as investment decisions. The large number of solar scheme subscribers who acknowledged that they regarded the installation of solar panels as an investment strategy also points to the existence of a wider ‘investment culture’ (Harmes 2001). Here, the individual is encouraged to negotiate risk/return calculations as a sign of a responsible and prudent life.

The disputes over the NSW solar bonus scheme show the way in which growing numbers of homeowners are now encouraged to imagine their home within the terms of a general economic calculus: as collateral to borrow against in order to finance spending on non-housing expenditures, as a leveraged investment, and as a form of insurance against unexpected life events and disruptions to income. However, in addition to regarding their housing assets as stores of equity able to be released as required, homeowners are now depending on their homes in other ways too. These include, for example, the use of housing wealth not just as a supplement to retirement income but also as a substitute for pensions, and indeed for welfare in general.

Such ‘asset-based welfare’, along with asset accumulation policies more generally, has recast the links between property ownership and citizenship in new ways, emphasising the virtues of market-based enterprise and citizenship (Sassen 1996). By addressing individual behaviour and responsibility, and by conceiving of the ownership of assets as investment strategies guided by entrepreneurial calculation and rationality, such policies create highly individualised forms of agency and financial practice. Within a wider context, the consolidation of such investment networks within the spaces of everyday life also signals the extent to which a previous social order of state-funded welfare and insurance has in part been displaced by the calculative technologies of investment and risk (Langley 2008; O’Malley 2004).
With the marginalisation of government from a range of social responsibilities previously managed and delivered under the rubric of the welfare state, the household has been expected to compensate by developing extensive forms of self-management, including the active use of financial services. Labour market transformations that have resulted in increasingly precarious forms of employment — self-employment, casualisation, and the spread of temporary, insecure and informal kinds of work — have contributed to this trend. The erosion of both employment and unemployment rights and protections has also compounded these changes. One important result has been the reconfiguring of the household as a ‘shock-absorption mechanism’ for the displacement of risk (Bezanson 2006:174).

Increasingly, households must shoulder the burden for the multiple life-risks previously looked after by more collective forms of social security. In this sense, the home has become the primary site for the ‘reprivatisation’ of social reproduction (Bakker and Gill 2003; Bezanson and Luxton 2006), along with the individualisation of costs that this transfer of risks and responsibilities entails. In addition, the household is also now a space where an increasing number of market-based exchanges occur (outsourced labour for child-minding, domestic work, gardening, dog washing, etc., along with home-based employment and activities such as online share trading and investment). In the context of a much wider risk shifting agenda, the responsible self-management of the household has been re-defined so that it now encompasses a diverse range of obligations, from meeting governmental environmental sustainability agendas to the wise and effective management of personal finance and investment opportunities.

These developments radically reconfigure fundamental social processes at the level of self and subjectivity, at the level of the domestic and familial, and at the level of much wider systems of political governance. The entanglement of markets with spaces and activities not previously associated explicitly with processes of calculation and market logics suggests a considerable challenge to received understandings of key relationships: those between economy and society; production and reproduction; private and public; and the individual and the collective. Yet these developments represent something far more significant than the insidious extension of new modes of capital accumulation into everyday practices. They demonstrate an implicit belief that the market form should be the organisational principle for nearly every aspect of society,
including for the role of government. In these terms, both the state and its subjects are exhorted to behave like ‘market actors’, with the market economy serving as a template for deciphering both governmental action and traditionally non-market relationships. In this conceptualisation of the social, any residual distinction between economics and politics is rendered indistinct.

**Big Government**

In the political and economic order established in the period after the Second World War, the economy and civil society, and their analogues, the market and the household, were generally understood as separate and distinct (although still mutually beneficial and interlinked) spaces of activity and action. The postwar welfare state formalised interventionist social policies that would balance or nullify the inequalities of the capitalist market economy on the social fabric and on other domains thought to be ‘non-economic’. This role in fact reflects a traditional liberal understanding of the state as intervening to mitigate, regulate, and also compensate for the destructive effects of economic freedom and market principles. And while notions of economic planning and demand management may appear as antithetical to a classic liberalism that calls for minimal state intervention, both share a modern view of ‘the economy’ and ‘the market’ as distinct and self-contained totalities with their own logics of operation. This arrangement of the economy also necessarily gives rise to a related series of conceptual distinctions between the monetary and the non-monetary, the public and the private and so on, which affirm the ‘social’ as a non-economic domain (Gibson-Graham 1996; Mitchell 1998).

In the 20th century, Australia’s postwar welfare state reinforced this modern conception of the economy as an autonomous totality requiring scientific management and expert knowledge. Not coincidentally, it also ‘disconnected the financial practices of the household from those of the nation’ (Brett 2003:139). Rather than being understood as an economic unit in any sense, the household’s role was reinforced as a domestic sphere of (unproductive) consumption and reproduction, a ‘private’ space for the modern family. This was reinforced by a sexual division of labour between a male ‘breadwinner’ who undertook paid labour in the marketplace and a dependent wife whose unpaid domestic labour
maintained the home. The state, in turn, underwrote this specific model of the workplace, the household and family by guaranteeing a basic wage linked to the cost of living. In this way, the heterosexual norms of the household, underpinned most importantly by the unpaid domestic labour of women, were integral to the post-Federation settlement reached between capital and labour and the much wider organisation of the national economy.

Through national controls on labour, and specifically through mechanisms such as the family wage and a strong system of collective bargaining and industrial arbitration, the state played a key intervening role in the maintenance of a steady, reliable and productive labour force. And with the implementation of a series of social welfare policies in the fields of health, education and social security, which in the second half of the 20th century also included universal health insurance, the welfare state also managed and mediated a large proportion of the costs and responsibilities of social reproduction. This was not only one part of the way in which state authorities organised everyday life so that it conformed to a set of social norms and a particular vision of social order, it was also consistent with an understanding of the links between the state, social democracy and citizenship.

Public provision along such lines, combined with a normative understanding of the common good, produced a certain uniformity of infrastructure, service delivery and the social and spatial organisation of the urban environment — the one-size-fits-all model that came to be indelibly associated with a benevolently bureaucratic state. Infrastructure projects in particular were an integral part of a wider, public-owned and funded system of facilities and services organised and managed by the state. In relation to water, these technological and institutional infrastructures for water delivery can be characterised as ‘Big Water’ (Sofoulis & Allon 2005; Sofoulis 2005).

This was no rhetorical flourish. When Australian Prime Minister Robert Menzies opened the Snowy Mountains Scheme in 1958, the rhetorical strategy he employed hinged upon exactly this point:

In a period in which we in Australia are still handicapped by a slight distrust of big ideas and big people or of big enterprise, this scheme is teaching us to think in a big way, to be thankful for big things, to be proud of big enterprises and to be thankful for big men (Menzies quoted in Wigmore 1968:194).
‘Big Water’ refers not only to the giganticism of the engineering projects themselves, but also to a whole network of relationships between human beings and nature and domestic users and technical authorities/experts. This system manifested a distribution of responsibility away from individuals and its delegation instead to large government structures. Simply turning a tap became the natural thing to do to access a seemingly constant flow of water whose source (both physically and symbolically) was far removed from the urban environments where it was actually used. As Kaika (2005: 146) puts it, ‘[w]ater became something “out there”, beyond the city’s boundaries, external to society, something which could/should/would be dealt through scientific and technical means and managed by a technocratic elite’.

In recent years, growing recognition of the scale of the environmental crisis has seen a shift of focus of public discourses from ‘big’ questions of production and supply to finding ways of reducing energy consumption through strategies of *domestic demand management* at the household level. This has led to a reconfiguration of the relationships between domestic ‘end-user’ households and large, bureaucratic and centralised authorities. Once considered the most rational entity for managing essential resources and services like electricity and water, such authorities have been partially displaced by a greater reliance on neoliberal market principles and pricing mechanisms.

At the same time, critiques of ‘big government’ have also entailed a radical rethinking of the role of government as a service provider, resulting in a sweeping privatisation of public assets and government-owned energy utilities. This has been accompanied by the introduction of new strategies of ‘governing at a distance’ (Miller and Rose 2008) and an increasing focus on the self-provision of public services. In Australia, Big Water, like comparable systems of infrastructure provision such as communications and electricity, has been transformed through extensive programmes of corporatisation, privatisation and deregulation. Under the terms of the National Water Initiative water has been priced in line with market principles to promote more economical use by households and industry.

Moreover, the construction of desalination plants provides another illustration of risk shifting to households in the sense that they are charged a premium for the enhanced water capacity irrespective of whether water storage levels warrant such plants to actually deliver
water. The NSW solar bonus scheme, with individual households generating electricity and selling it back to the government, is a similar example of neoliberal service provision (‘Small Electricity’) that stands in direct contrast to ‘Big Water’. The privatisation and deregulation of electricity provision has also resulted in a complex plethora of ‘individual choices’ in regards to energy supply, including a range of different tariffs, green energy packages, consumption level incentives and so on (see Beder 2003).

Underpinning these shifts has been the emergence of a political climate placing greater emphasis on flexibility, personal responsibility and consumer choice, a political rationality that values, even demands, self-enterprise and individual initiative. Individual, and national, wealth and security have become redefined in part as objectives that can be achieved ‘through the entrepreneurship of autonomous actors — be they individuals or families, firms or corporations’ (Rose 1999:139). These broader shifts in discourses of governance find a common point of intersection in the private space of the household: the home, after all, is precisely where practices of self-management, self-reliance and self-sufficiency (socially, economically and environmentally) can be most effectively developed, demonstrated, and actively encouraged.

Nevertheless, these new strategies of service provision do not decouple economic activity from environmental pressures, but instead seek to socialise the risks and responsibilities of major socio-technical change, including the environmental costs of production, consumption, and ecological crisis on to households. This is consistent with a broader redistribution of financial, social and environmental risks from states and corporations to households that Jacob Hacker (2006) has described as The Great Risk Shift. In this sense, the household sector is now being reconfigured as the ‘shock absorber of last resort’ for the demands of economic and financial adjustment, as the IMF described it in 2005. As the IMF then goes on to state: ‘at the same time, these new recipients of financial risks must learn how to manage the newly acquired risks’ (IMF 2005: 89). The household is therefore expected to manage its increased exposures to market forces on a number of fronts, but also to mediate a much wider shifting distribution of responsibility between state, market, capital and families, especially in relation to the restructuring of social reproduction.
In particular, the household is now required to absorb more of the risks, responsibilities and costs associated with nearly every dimension of social reproduction — those activities that ensure life is sustained, maintained and reproduced on a daily basis. In the age of public infrastructure and the welfare state, these risks and responsibilities were to a great extent shared, but now they are increasingly relocated to households (Katz 2001). This ‘return’ of social reproduction to the household became a cornerstone of social policy during the period of the Howard Coalition government. As Howard (1996: 4) stated:

It is our families that provide us with a roof over our heads and provide us with sustenance, as well as moral and emotional support ... I think all of us recognise that stable, united, functioning families represent the most effective welfare system that any nation can ever devise'.

In this way, social reproduction is both naturalised and reprivatised:

On the one hand, it is returned to its so-called “natural” venue in the household, and, on the other, household and caring activities are increasingly provided through the market and are thus exposed to the movement of money (private forms of home care, elderly care, and so on) (Bakker and Gill 2003: 36).

This is the ultimate neoliberal vision, in which control and authority are returned from the state and public institutions to the individual or the family based in the home. Home detention, home work, home schooling, home-based health care – is there anything now that can’t be outsourced to the home? This new order moves us away from the so-called heavy hand of the state, shifting responsibility onto the individual. After all, the individual is now increasingly required to take on responsibility for superannuation, health insurance, education, and private owner-occupier housing, along with the accompanying investment risks, and to know how to both depend on and leverage wealth accumulation for future consumption needs and retirement.

Bryan, Martin and Rafferty argue that ‘[i]n the language of finance, the household is increasingly to be seen as a set of financial exposures to be strategically self-managed’ (2009: 462). In this way, the ordinary household is required to function as a unit of financial calculation in response to a range of increasingly complex decisions, choices and transactions. Moreover, located within an increasingly economised
An Enterprise Society

Neoliberalism has become the catchall phrase most commonly used to describe these extensive changes to the postwar social and political order as a result of policies designed to introduce the virtues of market competition into the economy. It is a clumsy term that has spawned a large corpus of theoretical and political debate, which, despite its size and breadth, still tends to be dominated by accounts that reduce a range of disparate processes to one single entity or one single, usually economistic, motivating factor. However, there is also another point of entry for considering ideas about the market within the phenomenon of neoliberalism and, especially, the particular imbrication of state and market that neoliberal thought has called forth.

In a series of lectures presented in 1978-79, Michel Foucault considered 20th century neoliberalism not via reference to events that occurred in the 1970s, but within the much wider context of the shifting relations between the market and the state in the history of liberalism. The question of ‘frugal government’ that appeared in the 18th century, and which from this point on motivated the eternal paradox of what is ‘too much and too little’ government, was at the heart of this history, he argued (Foucault 2008:28). In these terms, liberalism rests not so much on an opposition between state and market, but a relationship that is ‘transactional’, a continually changing mobile interface between intervention and restraint, between extension and limit, and between government and governed.

Although markets of course predate liberalism, the emerging science of political economy at this time accorded the market a new kind of legitimacy within the practice of liberal government. In other words, the market became a site of truth, a ‘site of veridiction’, for the conduct of government: ‘the market must tell the truth; it must tell the truth in relation to governmental practice’ (Foucault 2008: 32). Through this, the market functions as a principle or ‘test’ of government’s self-limitation.
This intertwining of political rationality and economic processes also makes it difficult to understand capitalism in terms of ‘the single necessary logic of its economy … determined by the logic of capital and its accumulation’ (Foucault 2008: 164-165). Rather, Foucault argues, capitalism is better understood as a series of distinctive and variable economic-institutional formations that only make sense within singular, historically specific contexts.

Liberalism, therefore, as the wider framework for competing imaginaries of the state form, includes both Keynesianism and the differing forms of neoliberalism. However, it is not purely an ideology, philosophy, or theory of rights, but an ‘art of government’ constituted implicitly in terms of political practice. Yet the one significant constant of the different schools of neoliberalist thought is the wholesale reorganisation of politics from the perspective of a market economy: ‘what is at issue is whether a market economy can in fact serve as the principle, form, and model for a state’ (Foucault 2008:117).

In the ‘Freiburg School’ of Austro-German ordoliberalists, for example, Foucault identifies a novel inversion of the state’s role as a compensatory mechanism for the possible destructive effects of the market. Instead, the role of the state is now configured to provide a permanent and multifaceted form of social interventionism into the market’s conditions of possibility. This is a specific rethinking that ‘does not ask the state what freedom it will leave to the economy, but asks the economy how its freedom can have a state-creating function’ (Foucault 2008:94-5). Here markets are viewed as entities that can provide a model for politics and government as well as for social organisation (Couldry 2010).

It is important to note that, from this perspective, neoliberalism is not in any way a simple withdrawal of state intervention. Rather, the role of government, as it is understood here, is to compel the individual to self-manage and compete in the market. Here government is governing ‘for the market’, a role which includes providing the individual with an ‘economic space within which they can take on and confront risks’ (Foucault 2008: 144). This is government still intervening in society ‘in its fabric and depth’, but now working primarily to produce market competition and the competent individuals who can effectively engage in such competition (Foucault 2008: 145). Market principles, in these terms, become not just a reference point for appraising government activity, but something that can be distributed throughout everyday life.
This is, Wendy Brown argues, a neoliberal rationality which, ‘while foregrounding the market, is not only or even primarily focused on the economy; rather it involves extending and disseminating market values to all institutions and social action’ (Brown 2005: 39-40). However, what appears as most significant about neoliberalism as a mode of power is not purely that it attempts to make all of society conform to the commodified market form. Rather, and more crucially, it is how the dynamics of competition it espouses are intended to displace previous norms of social life and identity and become the basis for a new organisation of social relations as a field of market opportunities. Neoliberal governance proposes, therefore, ‘equality of inequality’ in which the principles of difference and competition rather than equity, inclusion or social justice structure the entire social system.

In this way, the model of the enterprise becomes the ‘formative power of society’ (Foucault 2008: 148). Importantly, the enterprise is not just an institution, ‘but a way of behaving in the economic field’; it is a model for subjectivity and the self, functioning as a blueprint for the autonomous citizen who now must manage a multiplicity of transactions across a diverse range of spaces — workplace, private property, insurance, pension, household — in order to achieve security and self-actualisation (McMay 2009: 61). The imperative of self-enterprise, however, is not just coupled to self-management and the care of the self that this implies, but also generates the entrepreneurial capacities of self-transformation: *Homo oeconomicus* reappears but rather than being a ‘partner of exchange’, he or she is an entrepreneur, ‘an entrepreneur of himself’ [or herself]; in other words, ‘an internal site of competition’ (Couldry 2010:28; Foucault 2008: 226)

Consequently, the principles of market competition extend even to the most intimate relations of the self, the family and private life — a development that reaches its apotheosis in Chicago School neoliberalism and especially the ‘new household economics’ of Gary Becker (Becker 1981). Self-enterprise dissolves the boundaries between public and private life, work and family, government and market, minority and mainstream, and transforms every space in terms of greater competitiveness. This includes, of course, the spaces of the home and household. As Foucault asks, ‘What is a house if not an enterprise?’ (2008: 148).
For Becker, the management of the household as an enterprise was an obvious response to the major societal shifts that had taken place in the late 20th century, most notably the reorganisation of the sexual division of labour which accompanied the exit of middle class women from the household and their increased participation in the labour force (Cooper 2012). After all, in the wake of such shifts, the household became the site for a wide range of exchanges that disrupt conventional distinctions between public and private, thereby prompting speculation that the household could be analysed as a unit of production operating along similar lines to a business or firm.

In Becker’s work, all activities within the household, including care and consumption, can be understood within an economic calculus of production and investments in human capital, as productive forms of labour that will yield returns or ‘add value’ in a number of ways, from personal satisfaction and self-improvement to future remuneration. In this sense, the household is configured as a site for multiple (paid and unpaid) value-accumulating activities that exist in addition to, and are often expected to supplement, conventional sites of production associated with the formal labour process.

Oikonomia

It’s worth repeating that the diffusion of the market form across social life does not follow a simple logic of uniformity, homogenisation and commodification. The flexibility of market dynamics is able to incorporate a diversity of values and practices, including those that may even initially appear to be in direct conflict with a capitalist market economy. Moral and ethical considerations, such as responses to climate change and environmental crisis, are not simply eclipsed or overlooked by market rationality, but instead ‘re-emerge as business opportunities’ (Shamir 2008: 14).

In the last few decades, global environmental politics have been fundamentally reframed in line with the market principles, with much environmental policy becoming a means of creating new financial markets such as carbon credits and other cap and trade measures. At the same time, these developments have become equally significant at the level of the household. In fact, household sustainability schemes such as the Solar Bonus Scheme, Green Loans for Aussie Homes and so on have
been overwhelmingly promoted as addressing ethical and moral issues which can be pursued within the framework of financial calculation. This ‘DIY eco-preneurialism’ as it has been termed, has been integrated with many environmental issues, where it is used to demonstrate how enterprise and good economic judgement can be linked to an ethical commitment to sustainability. This, in turn, provides a model of contemporary civic-minded conduct and citizenship based on business principles:

In a workforce where job security, a pension and affordable healthcare are a thing of the past, social trends are moving toward greater self-reliance, relocalization and sustainability. ECOpreneuring is a fresh and dynamic approach to entrepreneurial thinking, blending passion for the planet with small business pragmatics and smashing the stereotype that “doing good” and “running a business” can’t go hand in hand (Ivanko and Kirivist 2008).

The figure of the self-empowered citizen, taking on responsibility where government is either floundering or failing, appears prominently in much of the popular discourse on environmental sustainability, especially around sustainable housing and green home improvements. The message being presented here is that the individual must develop a style of citizenship that is independent of government and appropriate for what, it is imagined, will be a post-welfare state world. Integral to this ethic of self-sufficiency is an explicitly entrepreneurial disposition, from the immediate financial benefits (‘I can sell electricity to the grid’), to the steadily increasing home equity in a state-of-the-art eco-house. In this way, economic and moral behaviour are conflated, with morality appearing predominantly as a question of costs and benefits.

This unfolding of such market dynamics within the spaces of ordinary life, coupled with an emphasis on the home as a site for an enterprising form of self-management, reconfigures the household along market principles. But if this is the household’s future, it also evokes a certain understanding of the household derived very much from the past. After all, in many respects this is yet another script for the management of the household as an oikos. Oikonomia is a term that in Classical Greece referred to the wise management of the goods, wealth and welfare of the household. In this pre-modern sense, the oikos — the household — was an economic institution, the site for an embedded integration of
production, reproduction and consumption. The household economy was managed not just to satisfy immediate material needs but to also provide the possibility of a good life distinguished by independent wealth and prosperity.

With this history in mind, it is clear how *Oikonomia* also provides the etymological basis for the modern concepts of political economy and economic management, as outlined by Rousseau in *A Discourse on Political Economy*:

> The word Economy, or Oeconomy ... meant originally only the wise and legitimate government of the house for the common good of the whole family. The meaning of the term was then extended to the government of that great family which is the state (Rousseau 1973:128).

But it has also been suggested that there is more than etymological resonance linking *Oikonomia* and political economy. Foucault (2007) understood this shift from household to state management as the moment when ‘political economy’ becomes central to the project of government and emerges not only as a modern science but a reference point for political practice. Through these transformations, the economy is recentred on the plane of the population as a whole rather than that of the household, while at the same time the household no longer provides the model of government but rather becomes an instrument and target of government. And through its new scientific legitimacy, political economy provides the medium of the state’s intervention not just into the wealth and security of the population in general, but into the effective government of family and household.

The recent emphasis on productive and self-managed households reactivates the pre-modern genealogy of the *oikos*. With the calls for individuals to secure their material well-being not via the state (through pensions and public housing, health care and education) but privately through markets (via superannuation and real estate investment, private health care and education), the household is revalorised as the pre-eminent site for combining social and economic activities that will enable independent wealth generation. And, once again, the wise government of house and home is not only presented as a condition of citizenship but also a means of securing individual freedom and prosperity — objectives which are defined as (again) best pursued within
the private and domestic unit of home and family as a sign of a self-directed and autonomous life.

However, sustained critiques have been made of the figure of the individual household that tends to dominate much existing social and environmental policy and which perpetuates, ‘in a largely ‘apolitical’ manner … behavioural norms that facilitate the continuance of the current social/economic system’ (Smith 2005:51). Contemporary manifestations of green oikonomia, for example, invariably emphasise the isolated individual consumer at the expense of other collective or cooperative forms of social organisation. Without large-scale changes at the level of broader, social, political and economic institutions and structures, sustainability enacted at the level of the household will produce only limited long-term difference.

Additionally, there is also the question of whether the prism of ‘consumer choice’ is the best way of responding to globally interconnected and collectively shared environmental crises. ‘Green’ consumption ‘reinforces a model of isolated individuals whose variously green identities are expressed through a precisely calibrated and increasingly extensive palate of green consumer choice’ (Shove 2003:7). However, this fails to challenge the assumptions about standards of living that govern practices of consumption in the first instance. In this sense, many environmental initiatives simply reinforce the ‘environmental privatisation’ that is at the heart of the problem.

Focusing on the household alone as the solution for environmental, social and economic management also ignores much wider structural social relations and inequities; indeed such state-sanctioned individualism displaces the very idea of ‘society’ itself. Sustainability schemes organised at the level of the private household implicitly privilege those with high incomes who can invest in expensive technologies and materials such as solar panels and other green energy forms. Privatised schemes of service provision more generally operate along these lines, benefiting households with higher incomes and allocating both entitlement of access and social power to those with the greatest ability to pay for services. As McNay (2009:65) argues, the organisation of society as a multiplicity of individual enterprises ‘profoundly depoliticises social and political relations by fragmenting collective values of care, duty and obligation, and displacing them back on to the managed autonomy of the individual’. Moreover, many current
government policies to individualise responsibility for essential goods and services often exceed the individual capacity to manage complex financial choices and unknown market risks.

Yet oikos is also the root of the term ecology, a connection that is often emphasised in much environmental literature. While the etymological links between these terms can certainly support a conservative agenda focused around ideas of familial and environmental auditing (Mitropolous 2011), there is still space to think about them differently. Revisiting these etymological connections can perhaps also provide a basis for rethinking contemporary relationships between the household and the environment, the human and non-human, the private and the public in ways that unsettle traditional scripts of both the economy and the market and allow alternative imaginings of connectedness to be framed. Political opposition must rest therefore on more than rejecting the rationale that market solutions are always sufficient to achieve social ends, especially in relation to broad-scale problems such as climate change. It must also contest the specific understandings of such concepts as the household, the domestic sphere and the economy that make market-centred principles possible in the first place. Rather than the autonomous household, the oikos, it may then be possible to shift the focus on to relationality, plurality and cooperation, the idea of the common or the commons, and processes of care and co-constitution which may be able to provide a kind of counter rationality to the presumed ceaseless rationality of the market.

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References


