Households are by far the largest reasonably homogeneous sector of any society, and have been for a long time. We find that household purchases are about 60 percent of the GNP; in fact, in the "good old days" of Herbert Hoover they were over 70 percent. Then, we find that households are by far the most important agent in the "grants" economy. The grants economy is the economy of one-way transfers. Private charity, foundations, tithing, and government redistribution do not total much compared to transfers within the households from earning members of households to non-earning members. Despite the fact that we sometimes regard the household as almost extinct, if the other institutions in society had to perform the functions of households, society would immediately collapse. Households are the major producers of people. People are the only major product that is largely unskilled labor. Mental ill-health on the whole is produced in households. Protein deficiency in children is a failure of the traditional household economy under the devastating impact of the modern world. The other big function is the educational, or the learning function. Capital is only human knowledge impressed upon the materials world. The problem of the transmission and expansion of the knowledge stock is the crucial problem of any society.

The question I am raising is whether the household, and especially the family household, will continue to perform these extraordinarily essential functions in the future as it has performed them in the past. The household is incredibly tough, it is the oldest human institution. It is one of the few human institutions that is absolutely universal in all societies. Nevertheless, it may not be immune to erosion. Almost for the first time in human history, there is a question somewhere under the table as to whether a society is conceivable without households. Two long-run changes are contributing to this movement. There has been considerable transfer of functions of the household into other institutions. There must have been a decline in the proportion of the household in the grants economy because a hundred years ago nearly all the grants economy was in the household, and today at least part of it is in national states all over the world. The other thing that has happened, is the technological revolution in the household. This could almost be called the "Morrill" revolution, for the Morrill Act of 1862 that established the study of agriculture and home economics in land-grant colleges had something to do with it. Manufacturers of appliances also played a key role. Release of women into the labor force from households in the last forty years has been as dramatic as the release of men out of agriculture.

On the other hand, the social consequences of this household revolution may be larger than we think. "At what point in the loss of function of the household does the institution begin to disintegrate?" There are things happening in the technology of the household that could have all sorts of utterly unforeseen consequences that we have hardly begun to think about. Other things have happened also. Take the sexual revolution, birth control, the change in attitude toward abortion, the change in attitudes toward children.

"Can the human race survive if it is rational?" The survival of the human race, up to now, may have been dependent, first, on the exploitation of women--without this the human race might have disappeared a long time ago; secondly, on the downgrading of pleasure. Now we get a hedonistic and libertarian society which could disappear in a hundred years. Who would go through the sweat of having children if they really counted the cost? As my young friends tell me, "We're not
going to have any children because we don't want to be treated the way we're treating you." Another thing which is happening is the decay of the extended family as the result of mobility. This is the most uxorious society in human history; everybody is married. Nevertheless, one sees in the demand, especially of young people today, for communities, for extended and larger households, perhaps a suggestion of the need for something to take the place of the old extended family. These may be, however, imperfect substitutes. A thing that is crucial about the household is that it has very few economies of scale. This is why the nuclear household has been, throughout history, so fantastically stable. Actually, the nuclear family has really been characteristic of almost all human society, and the reason for this is that this kind of intimate relationship is very hard to sustain with increasing numbers of people.

"How far has the formalization of the exchange between the generations, through pension plans, social security, and the like, destroyed the reciprocity which was the core of the family relationship?" There is a very significant difference between reciprocity and exchange, even though they look rather alike. In exchange, I give you something if and only if you give me something. In reciprocity, I give you something out of the sheer goodness of my heart and you give me something out of the sheer goodness of yours. It is reciprocity that holds society together; this is why we give Christmas presents, frequently reciprocally. The great advantage of exchange is that you can bargain; in reciprocity you cannot. The family and the household is the core of social reciprocity. In the old days, you did not make a contract with your children to support you in your old age, but you expected it. Today, my children have no intention of supporting me in my old age -- that is, TIAA-CREF will do that. The contractualization of these relationships can easily destroy some of the social external economics that come from reciprocity, and particularly from what I call serial reciprocity. On the whole, we support our children because our parents supported us. The only way, particularly in the modern world, that you can repay your debt to your parents is by supporting your children. Without serial reciprocity, that is, I do something for somebody because somebody else has done something for me, society may fall apart. It may be that part of the disintegration we sense in our own society, in the cities particularly, is the result of the decline of reciprocity and the attempt to substitute exchange.

"What is the critical point in the transfer of functions out of the household at which the household begins to collapse as a unit?" It is an acute crisis of the household because it is in the household that the culture of traditional societies is transmitted, and if the household collapses the whole society collapses.

"What should be the role of the 'household aiding' agencies?" These are agencies which feed input into the household and are supposed to make it more effective. We seldom visualize the household as a segment of society which may need inputs from other agencies to enable it to perform its functions more successfully. We are just beginning to see this in some government programs of the 1960's, such as Headstart. On the whole our inputs into the household have not been all that successful. Look at welfare, which is a near-disaster area in our society.

"How can we improve the education of the household decision-maker?" One of the great weaknesses in the social structure is this unskilled nature of the household decision-maker, particularly in the non-traditional household.

"What ought to be the role of government?" Should we have a Department of Household Affairs like the Department of Agriculture?" If we had any adequate sense of the priorities of our society, it seems to me that we would put ten times as much of both research and education into the area of households as we do now.