

# SECOND-HAND DREAMS

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You give me second class houses,  
And second class schools.  
Do you think all colored folks  
Are just second class fools?

— Nina Simone/Langston Hughes, 1966

The tragedy of the age of integration (1954 onward) in the United States is that it overlapped with the demise of the social-wage state and with the rise of the neo-liberal social order. Whereas the civil rights movement fought for the widest provision of dignity, the guardians of the American state have reduced this vision to one concession: that all people will have certain rights vested in the state. When the US Congress passed the Voting Rights Act and the Civil Rights Act, it ended legal segregation in the US. That, combined with the judicial decisions that culminated in 1954 in the *Brown v. Board of Education* decision, was immense, and its victory should not be underestimated or misunderstood. Within a generation, people's struggles had destroyed the statutory acceptance of Jim Crow and put in its place high-minded ideas of equal rights. By the logic of bourgeois democracy, the state is the guardian of those rights—the right to vote, along with all the other rights assembled in the Bill of Rights and the US Constitution. The problem is that the state, by the late 1960s, was not the same institution. The guardians of the state had dismantled the social-wage state, leaving citizens with high-minded norms as it gutted the institutions that could respond to them. The first-class visions of the civil rights movement would collapse into the second-class nightmare of our times.

## From the New Deal to the New Racism

From the 1930s (the New Deal) to the 1960s (the Great Society), the American state entered the world of social commerce and interaction with an agenda to benefit people across class lines. The concept that united the many social

programs of this period was the social wage. The social wage is that amount of deferred wages that goes toward the creation of various publicly available goods, such as public transportation, health services, schools, parks, postal delivery, safety, and so forth. Public services are available to all, regardless of income and social standing, even as they are paid for by a progressive tax. A universal concept in abstraction, the social wage during this period remained highly gendered and racialized. The domain of 'women's work' (such as child-rearing and housework) did not benefit from these public goods. When women's organizations or trade unions voiced demands for public child-care, for example, they were turned aside. White women did benefit from the perquisites of the racialized social wage, from the parks and schools, transportation networks, and other services. Public space and public services for those of color, however, had been severely compromised. Nevertheless, the concept of the social wage did not have any internal gendered or racialized constraints—its elements provided the horizon for the civil rights movement and, eventually, for all the various anti-subordination movements that came in its wake (women's rights, gay and lesbian rights, disability rights, etc.).

The historical advance of the Civil Rights Act is not so much that it dismissed Jim Crow segregation but that it allowed people of color to have access to the social-wage and social-insurance schemes of the New Deal. From the 1930s to the 1960s, those whom the state designated as 'white' lived within a privileged, state-supported circle that thrived on the benefits from the accumulated deferred wages of all people (white and of color). The surplus from their wages went to the state as taxes, and then this fund provided whites with credit to buy homes (and thereby have access to some capital against this property), with freeways on which to drive their cars, with schools and hospitals, with health insurance and unemployment benefits, and other such "possessive investments in whiteness," as George Lipsitz (1998) put it. The Civil Rights Act allowed people of color to benefit from the social wage (transportation, education, etc.) and social insurance (social security). It was in and through this state, supposedly outside the maelstrom of racism, that people of color would claim their deferred or indirect wages. The state stood before them as the bulwark against racism and the bank for their economic dreams. Affirmative-action schemes in the state sector strengthened this impression, and before long the largest union for African Americans, for example, became AFSCME—the American Federation of State, County, and Municipal Employees.

The victories of the mid-1960s opened up the social wage to all people, although its gendered character remained. Women benefited, but the domain of 'women's work' was not liberated by the provision of public goods. Nor indeed did the Equal Rights Amendment pass muster before the establishment, whose own committee (the Nixon-appointed President's Task Force on Women's Rights and Responsibilities) had argued, in its 1969 report, *A Matter of Simple Justice*, for the creation of an Office of Women's Rights and Responsibilities and for legislation to establish full gender equality, including, crucially, amendments to ensure equality of men and women in the Civil Rights Act, the Fair Labor Standards Act, and the Social Security Act.

On racial terms, the victories were a huge advance for a civilization-making social program where all people had to pay into the scheme, but where previously only certain people (whites) could benefit from all of it. The social wage would now be technically colorblind. But just when this advance occurred, a combination of pressure from the old social classes and of international structural changes altered the nature of the US state. Frances Beal, in her cautionary article, "Double Jeopardy" (1970) indicated that the gains of civil rights could not be slighted because of the continuation of sexism. Rather, she stated: "We welcome [the civil rights gains]. We see in [them] the eventual liberation of all black people from this corrupt system under which we suffer ... If we are going to be liberated as a people, it must be recognized that black women have very specific problems that have to be spoken to. We must be liberated along with the rest of the population." The gains had to be recognized, but they could not create stagnation or the demobilization of the movement. Rather, the victories had to become the foundation for the *intensification* of the movement.

From the mid-1960s onward, that section of the ruling class that had already thrown in its lot against Jim Crow crafted a new agenda that dispensed with the overt structures for a set of covert policies of division. This liberal wing, represented by Daniel Patrick Moynihan, joined with a newly refashioned conservative segment, now led by the neo-conservatives (on race, Charles Murray, for instance), to produce an intellectual agenda for subordination without the vulgarity of Jim Crow. These intellectuals within the government provided a very smart political coalition that dovetailed with those elements of the dominant classes (finance, insurance, real estate, military, etc.) who looked forward to a new 'corporate wage' to displace the social wage. They fought to reorganize the social wage state into a neo-liberal state, whose features can be summarized in four aspects.

### *Cannibalization of the Social*

In 1970, President Richard Nixon announced: "Most Americans today are simply fed up with government at all levels." As part of a scheme to create a 'new Republican majority,' Nixon's administration championed the New Federalism, which devolved social-wage schemes to increasingly underfunded states and municipalities. The Nixon administration sought to 'starve the beast', where the 'beast' represented the federal government—the state—the very institution that the civil rights movement had vested its hopes in and where it claimed its unpaid check from. One administration after another would cut the funds to support the constitutive and regulative state, invoking the mantra of 'fiscal responsibility' to undermine any effort to increase its social-wage provisions.

### *Intensification of Repression*

Despite its concerns for fiscal responsibility, the American state spent lavishly on law enforcement and prisons, transforming ghettos into gulags. In 1970, Congress allowed Nixon to appropriate \$296.5 million toward law enforcement,

which by 1973 had mushroomed to \$850.5 million. Federal spending on law enforcement increased astronomically regardless of the crime rate or of the efficacy of the well-funded, highly visible strategy to deal with criminality. The federal government maintained a heavy hand in the arena of 'criminal justice', not only by its direct expansion of federal police (including the FBI, the political police), but also by providing funds to states and municipalities to expand their repressive arms. From Johnson's Omnibus Crime Control and Safe Streets Act of 1968 to Clinton's Violent Crime Control and Law Enforcement Act of 1994, money flowed from the federal government to the localities, which, being strapped for cash, took it and all its harsh provisions (including its tough sentencing stipulations).

As the social wage felt the axe, the widespread distress in the country was translated into petty criminality—or worse. Rather than go to the core of the social problems, the neo-liberal state sought to treat the symptoms with the baton. As more people go to jail each year, it becomes the storehouse of the redundant working population as well as its soup kitchen. The state prefers to provide social services to the unemployed if they submit themselves to total surveillance: the jail is the ultimate place for such debasement. In 1993, the state spent more on Aid to Families with Dependent Children (AFDC) than on law enforcement, but by 1996 the priority had been reversed. The government added more than \$8 billion to corrections in this period, while it slashed AFDC by almost \$2 billion. Gregory Winter, who works at the Hamilton Family Center in San Francisco, notes: "When funds are siphoned away from social programs to prisons, communities are drawn inexorably toward incarceration." Furthermore, if incarceration trumps social security at the same pace, "the criminal justice system will become the government's primary interface with poor communities, particularly those of color. Prisons will replace public entitlements, subsidized housing, and perhaps even the schools as the principal place where poor people converge."

### *Parasitic Bureaucracy*

In 1972, Carl Gerstacker, head of Dow Chemicals, told a White House gathering hosted by Nixon: "I have long dreamed of buying an island owned by no nation and of putting the World Headquarters of Dow Company on the truly neutral ground of such an island, beholden to no notion of society." Gerstacker's dream had already begun to be a reality in Nixon's America. Regulation of corporations began to slacken, as did tax laws and other such hindrances. Nixon removed the US dollar from the gold standard and, through a series of complex maneuvers, produced the dollar as the global medium of exchange. The dollar lost its value, which made US goods cheaper on the world market. With domestic price controls, Nixon's administration maintained order at home, just as the dollar gradually replaced gold as the anchor of international finance. Petro profits and off-shore funds began to be held in dollars, whose strength provided a necessary resilience to the unfettered US commercial banks and corporate sector. Whereas in much of the Third World, the bourgeoisie had

a parasitic relationship to the state, in the US, the state began to have a parasitic relationship to the corporations. The state would be driven by a corporate agenda, and its resources would be used to shore up the expansive military-industrial-financial complex. Tax benefits to companies would provide annual corporate welfare payments in excess of \$75 billion. One federal agency, the Export-Import Bank, for instance, disbursed \$100 billion in international trade assistance to global corporations, far more than the US government gives out in food, disaster, and development relief. A revolving door and a battery of lobbyists would enable Washington to be governed by a cabal whose principal interests intersected with those of the dominant social classes. The pittance that went toward campaign finance did not change the minds of the legislators, most of whom were already predisposed to the corporate logic.<sup>1</sup> The state, in effect, had become a parasitic bureaucracy.

While the two main political parties (Republicans and Democrats) are aligned toward the interests of an unregulated corporate sector, they do reflect two different sections of the oligarchy, different fragments of the ruling class, and different regionally dominant classes. Temperament, class, and region divide two parties, whose programs and leaderships are otherwise remarkably similar. As a 1948 pamphlet written on behalf of the Progressive Party put it, “The Democratic Administration carries the ball for Wall Street’s foreign policy. And the Republican Party carries the ball for Wall Street’s domestic policy.” Over five decades, this assessment remains insightful. Nevertheless, there is a fracture in the ruling alliance, and it is this that provides some measured opportunity for social movements.

### *Cruel Cultural Nationalism*

If the state is less able or willing to provide resources toward the creation of equity (through the social wage and similar means), how do the legislators return to the people in a formal democracy and ask for re-election? Why would people keep a regime afloat if it promises nothing in return, or if it delivers little? The expenditure on the punitive side certainly takes care of a considerable amount of organized and unorganized dissent. But coercion can be only a partial solution. As the neo-liberal state began to appear in one country after the other in the 1970s, consent in these states came about through various forms of cruel cultural ideologies. The New Racism (or the cultural incompatibility of people) that infects the advanced industrial states is only one variant of cruel cultural nationalism, whose other instantiations draw from religion (as in India, Egypt, Israel, and elsewhere). In the US, the New Racism consists of three intertwined and dialectically related concepts: multi-culturalism, color-blindness, and the model minority.

Multi-culturalism promotes formal diversity and canalizes complex social communities on racial/cultural lines. It assumes that people’s races or cultures have a discrete history and that this separation provides ontological meaning in social life. What is needed now is simply for the state and the old social classes to celebrate this diversity. Class divisions and gender oppression can be

subsumed into the fabric of difference, and power differentials on racial lines can be displaced onto cultural celebration. The logic of Vietnamization is the foreign policy variant of multi-culturalism.<sup>2</sup>

Colorblindness presupposes that each person should be treated based on his or her individual merits and not on historical distinctions (of class, race, gender, etc.). Those who justify individual merit have to do so based on examples of historically oppressed folk who have 'made it' by overcoming adversity, so that multi-culturalism cannot be outside this framework.<sup>3</sup> The shallow divide between multi-culturalism as a liberal doctrine and colorblindness as a conservative one masks the dialectical inter-relationship between the two: both doctrines, in tandem, occlude any discussion of the means of subordination of certain people along class, gender, and racial lines.

Multi-culturalism and colorblindness receive buoyancy from the third concept—the model minority. Just as the US government fixed the problem of apartheid, it also opened the gates to a social-engineered form of immigration. Kept out of the US for half a century, Asian immigrants were permitted entrance once again, but this time only if they brought with them fairly high levels of skill. This state-selected community of Asians was then measured by the model-minority concept against African Americans, in the main. The comparison is odious because it disregards fundamental social facts—that the Asians who came to the US between 1965 and the early 1980s brought state-created skills whereas the African American community had only recently been liberated from the shackles of Jim Crow. The model-minority concept provides fodder for the colorblind/multi-cultural complex because it allows the New Racist society to celebrate diversity and achievement, often at the cost of the vast population of unemployed, underemployed, or highly exploited people of color, without seeming to be discriminatory in any way. In this view, those who make it (Asian technocrats, for example) do it on their own volition, just as failure is the fruit of the inaction of others.

The triad of multi-culturalism, colorblindness, and the model minority provides the ideological foundation to the US variant of cruel cultural nationalism. For institutions, multi-culturalism and the model-minority population provide an important function by allowing them to adjust the diversity of their staff, student body, or platoon without addressing issues of inequality. For individuals, colorblindness functions as an awesome means to deny any structural conditions for inequality, as well as to allow those individuals who make it to enjoy their success 'without any assistance'.

## **Conclusion**

As a social-ideological matrix in the age of neo-liberalism, the multi-culturalism/colorblindness/model-minority doctrine allows certain segments of the population of color to strive for upward mobility in an unequal system. A culture of hierarchy has enveloped this matrix and further occludes the immense structural inequality of the political economy. Individual advancement is the

norm, and any discussion of the racialization of poverty is itself discounted as being racist. Upward mobility in a culture of hierarchy perpetuates inequality without confronting it. Upwardly mobile people of color do not want to be mistaken for janitors, just as they don't want to abolish the position of janitor itself. This is a perversion of the wide demand for dignity that motivated the civil rights movement.

We are in our second-class nightmare. Faced with the inevitable victory of the civil rights movement and with its social-wage consequences, the power elite attempted to refashion the ideological framework of social relations. An increase in law enforcement and incarceration, a decline in the already minimal welfare state, the abandonment of sections of the population from the possibility of meaningful, waged work—these are the contours of the neo-liberal state, whose opiate is the New Racism. To feel the effects of 'race pride' without the means to live proudly is small comfort.

## Acknowledgments

I put together the notes for this essay when preparing for the Municipal Rights meeting at the Center for Third World Organizing, Oakland, CA, 6 July 2004. My co-presenter, Jon Liss, director of the Tenant Workers Support Committee (Virginia), had prepared a co-written document with David Staples titled "New Folks on the Historic Bloc: Workers Centers and Municipal Socialism." Our thoughts are parallel and overlapping. I want to thank them for a very fine and clear political document. Valuable advice from Joy James, Robin D. G. Kelley, and Howard Winant helped me strengthen the case, and a discussion with Indu Agnihotri, G. Balachandran, Naveen Chand, Prabhu Prasad Mohapatra, Sumit Sarkar, Tanika Sarkar, and the inestimable Sabyasachi Bhattacharya, after I presented this article at the V. V. Giri National Labour Institute in Noida, India, in the summer of 2005, helped me greatly. George Baca provided much-appreciated intellectual heft.

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## Notes

1. The problem had already been sketched out by C. Wright Mills (1959), with the only caveat being that the people in his "Higher Circles" who transit the worlds of the military, corporations, and politics are far more intertwined.
2. The US had anyway far preferred to manage its primacy through imperial sub-contractors rather than through direct colonialism.
3. The elevation of Clarence Thomas to the US Supreme Court took place in this ideological vise, for it was argued both that he was meritorious enough to be judged based on his record and that his elevation provided a fillip to the multi-cultural democracy.

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