

Inflation and the Decline of the Single-Breadwinner Household¹

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Abstract

The transition from the single-male-breadwinner household to the dual-income norm is one of the most significant social transformations of the post-World War II era. While conventional analyses attribute this shift primarily to sociological factors such as feminism or technological advancements, this paper investigates the overlooked role of monetary inflation as a structural driver of family reorganization. Utilizing an Austrian economic framework and the True Money Supply (TMS) metric, this research argues that systematic monetary expansion has undermined the economic viability of the traditional division of labor within households. The analysis identifies three primary transmission mechanisms: (1) Cantillon effects, which drive asset prices upward faster than real wages, creating an affordability crisis; (2) monetary uncertainty, which forces households to secure secondary income streams as hedge against purchasing power erosion; and (3) the emergence of an “inflation culture” that shortens time horizons and disincentivizes the savings necessary for the single-breadwinner model. By correlating historical monetary data with shifts in household structure, this paper concludes that the rise of the dual-earner family is not merely a cultural evolution, but a rational economic response to the systematic devaluation of the currency.

Keywords: *Inflation, Family Economics, Cantillon Effects, Single-Male-Breadwinner Household*

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I. Introduction

The image of the single-male-breadwinner household—a post-World War II ideal where one income comfortably sustained a family—has largely faded into history. Today, the two-income family is the norm, driven by what is commonly cited as a mix of cultural shifts, changing gender roles, and the demands of modern life. Yet, a deeper economic force may be at play, a force that fundamentally changes the cost of maintaining a family's standard of living: monetary inflation.

The research presented here seeks to examine the following question: what effect has the sustained rise in the stock of money and money substitutes (inflation) had in the post-World War II United States on the proportion of married-couple households with children that are supported by the earnings of a single male breadwinner?

My thesis is as follows: I argue that systematic government expansion of the money supply has exerted a direct influence on the long-run rise of dual-breadwinner families in the post-World War II period in the United States. This is achieved primarily through the erosion of real male wages, the rising cost of living, the destabilizing effects of inflation-induced uncertainty, and the cultural transformations arising from inflationary environments.

The research conducted here relies on the previous work done in several separate categories. Firstly, this paper builds upon the economic analysis of the family, notably Nobel Prize winning economist Gary Becker's seminal work in *A Treatise on the Family* (1981), which treats the household as a unit engaging in the joint production and consumption of goods. Becker identifies the economic rationale for the division of labor within the family; he also established the modern economic analysis of marriage, fertility, and household production.

In addition to the work on the family, this paper also draws from many economists' work on money in general and inflation in particular. Jörg Guido Hülsmann's *The Ethics of Money*

Production (2008) and Jesús Huerta de Soto's *Money, Bank Credit, and Economic Cycles* (2006) both provide excellent insight into the mechanics and historical uses of money by private individuals and states. The work of Ludwig von Mises (2010) (1981), Murray N. Rothbard (2009) (2008), and Joseph Salerno also supplied impeccable analysis of inflation, Cantillon effects, and the resulting incentives of monetary alterations.

Additionally, Jeffery Degner's research and recent work entitled *Inflation and the Family: Monetary Policy's Impact on Household Life* (2025) combined these two literatures of inflation and the family. Degner explored the broader consequences of inflation for divorce rates, birth rates, and family stability. This paper stands directly on their shoulders while attempting the first focused treatment of inflation's specific impact on the viability of the sole-male-breadwinner household.

The decline of the single-breadwinner family is one of the most thoroughly documented social transformations of the post-World War II era, yet virtually every mainstream account treats rising female labor-force participation as an exogenous cultural or technological event (Fernández 2013).

By contrast, this study seeks to draw attention to another phenomenon as a contributing factor: the persistent monetary inflation. Monetary inflation is an overlooked variable that systematically destroyed the economic conditions under which a median male income could support a wife and children in the United States. While much analysis has been done concerning the topics of both the family (Becker 1981 and 1988) and concerning inflation (Rothbard 2008), and Degner's work (2025) has been a recent addition that sought to combine these two literatures, there has not been any study of how specifically inflation has affected the single male breadwinner households in the United States. Establishing this link not only reframes a major chapter of

twentieth-century social history, but it also carries immediate implications and insights for monetary and family policy in the twenty-first century.

It must be pointed out that the purpose of this paper is not to explain the magnitude of the effect that inflation has played in the fall of single male breadwinner households. How strong or weak that relationship is remains a subject beyond the scope of this paper. Here, I simply point out the gap in the literature in this area, indicating that there is indeed a causal connection between inflation and the fall of single male breadwinner households that has not yet been studied. This paper seeks to demonstrate that there is, in fact, a connection between these two factors that has, to this point, been neglected throughout the economic literature.

The remainder of the paper proceeds as follows. Section II defines the key concepts of “family” and “inflation.” Section III provides historical background for the analysis, documenting the parallel postwar trends in money-supply growth, price inflation, real male wages, and the share of single-breadwinner households. Section IV develops the three theoretical channels in detail. Section V presents an empirical analysis, demonstrating a real-world connection to the theoretical framework. Section VI critically examines the leading alternative explanations for the fall of single male breadwinner households. Lastly, a brief conclusion summarizes the argument and suggests directions for further future research.

II. Definitions

In the interest of limiting confusion, I will begin by explaining what precisely is meant by the terms “family” and “inflation” as understanding both of these concepts is integral to understanding the entire subject matter of the paper. Furthermore, these terms have been adopted by the general public to mean a wide variety of things so it helpful to be precise with one’s language.

a. The Family

Firstly, for the purpose of this economic analysis, the family must be understood through both its functional economic role and its traditional sociological context, as the decline of the single-breadwinner model impacts both dimensions.

In economics, following Gary Becker's influential work, the family has traditionally been viewed primarily as an economic unit. Becker maintains that a family is "a small, multi-person household in which members... engage in the joint production and consumption of goods and services" (Becker 1981).

In this framework, marriage and family formation are seen as beneficial due to the potential for specialization and gains from "trade." The traditional single-breadwinner model relies on a high degree of specialization within it to endure. This system includes one spouse (historically the male/father) who specializes in market production and the earning of income to support the family. And the other (historically the female/mother) specializes in home production, including but not limited to child-rearing and education, domestic services, and the sort.

The viability of the single-breadwinner model hinges on the market income of the male in this case being sufficient to exceed the value of the joint output of a two-income family. A family can rely on one breadwinner only if that one salary is higher than (or competitive with) what the family would gain if both adults worked, factoring in the opportunity cost of the female forgoing her work in home production.

Additionally, like Degner, I would also like to articulate certain distinctions "in regards to the philosophical framework and definition of the family institution" (Degner 2019, 219). Degner draws heavily from the Dutch Calvinist philosopher Abraham Kuyper. I, like Kuyper and Degner, view the family as a divine creation, possessing its own "sovereign sphere" encompassing its own

“rights, responsibilities, norms, roles, and limits.” This provides context for the widespread “deinstitutionalization” of the family across the globe, as many disregard this aspect of the family.

The family is an institution predating government and serving as "the first and vital cell of society" (John Paul II 1981, sec. 42). Formed through marriage, the family is usually overseen by social norms. Throughout time and place, married persons are overwhelmingly expected to be monogamous, and the male is, as stated above, expected to be the provider for the family. There is also a noted parallel between families and firms that has been pointed out, with families producing children (Becker 1981).

These two aspects of the family, the mundane and the spiritual, come together to form the institution of the family as it exists in the world. While these two aspects come together to form the family, only the “mundane” are relevant to our study here.

The above definition reinforces the idea that the family is an important building block for society, with its structure containing distinct aspects. The specialization inherent in the single-breadwinner model was not just an efficiency choice but an organization tied to these traditional roles within the family. The economic crisis created by inflation represents an assault on the *ability* to maintain this division of labor, thus forcing a change in the *structure* of what some might justifiably call a cornerstone of society.

b. Inflation

The definition of inflation is crucial to understanding the economic argument outlined here. The conventional definition of inflation, used by institutions like the Federal Reserve and others, is the sustained rise in the general price level (i.e., the rate of change in the Consumer Price Index (CPI) or Personal Consumption Expenditures index) (U.S. Bureau of Labor Statistics 2025). I reject this interpretation of inflation. Although this paper acknowledges the widespread use of this

description, the price-level definition of inflation is deemed lacking. This is because what the CPI and other government issued measures of the price level do is actually measure the *effects* of inflation rather than inflation itself. This will be clarified below.

However, because the conventional analysis of this subject in the literature accepts the general price level as a measure of inflation, a distinction will be made between “price inflation” and “monetary inflation.” It must be clear that it is monetary expansion that is the independent variable driving the dependent variable (the decline of the single-breadwinner family).

The definition of inflation is the cornerstone of this entire economic argument. This paper rejects the commonly used *price index* definition in favor of the *monetary* definition, which identifies the root cause.

This paper strictly adheres to the Austrian School of economics definition of inflation: inflation is an increase in the stock of money, money substitutes and credit (Rothbard 2009). In this view, rising prices (as measured by the CPI) are merely the *symptoms* of the prior expansion of the money supply. This distinction is critical because it directs the causality toward government and central bank policy (monetary expansion) rather than vague “market forces.”

The primary metric used to measure this cause will be the True Money Supply (TMS), a measure developed by economists in the Austrian tradition Murray N. Rothbard and Joseph Salerno which includes money and money substitutes. Because it only includes money and money substitutes, TMS is a more accurate measure of inflation or monetary inflation compared to the CPI or price inflation (Herbener 2022).

Central to the thesis and an additional reason for analyzing monetary inflation instead of price inflation is the concept of the Cantillon Effects. These Cantillon Effects explain *how* the new

money supply expansion alters the incentive structure encountered by American families, translating into the economic rationale for two incomes.

The Cantillon Effects states that, when new money is introduced into the economy, it does not raise all prices simultaneously or equally (Thornton 2022). The reason for this is that the new money that is created is not spread evenly across the entire economy all at once. Instead, the new money is systematically injected into the economy at certain points, meaning certain individuals will receive this new infusion of cash before others. These individuals will experience an increase in their spendable income while prices are still at their original level. With the increase in their spendable money, these people will engage in consumption, increasing their demand and increasing the price of all the goods they buy throughout the economy. As the prices get bid up, the new money flows throughout the economy with every exchange. The people who receive the new money at this later stage also experience an increase in their income, but, unlike their earlier counterparts, they face a market that already has underwent the effects of monetary inflation resulting in higher prices, and so their new income does not go as far.

Thus, the inflation (or monetary inflation) tends to benefit the early recipients such as those closest to the source of the money, such as financial institutions and government contractors, while penalizing the late recipients such as those whose incomes rise last (like fixed wage earners).

Since the new money often enters through credit markets and asset purchases, it drives up the prices of capital goods (like real estate, stocks, and bonds) first, before it significantly increases the prices of consumer goods. This disproportionate rise in essential capital assets (like the family home etc.) relative to the median wage is a core mechanism forcing the single breadwinner into obsolescence.

III. Historical Context

Having outlined the relevant definitions for the paper, I will now detail the historical rise and decline of the single-breadwinner household and then analyze the corresponding central banking policies that initiated the era of mass inflation.

a. American History of the Single Breadwinner

While a simple historical analysis reveals that women have always contributed to the economic life of the family, the single-male-breadwinner household reached its historical zenith in the just prior to the World War II period. This type of organization of the family was not the norm for the entire history of the United States, but rather a temporary cultural and economic ideal made uniquely viable in American during this time.

World War II temporarily shattered the traditional division of labor across the world in general and in the United States in particular. Millions of women entered the workforce to fill industrial roles previously held by men who were deployed. Crucially, however, after the war, most women voluntarily returned home.

In 1960, at the height of the baby boom, nearly three-quarters (73%) of children were living in families with two married parents (Pew Research Center 2015), and the percentage of families that fit the "traditional male breadwinner/female homemaker" model was significantly higher than today (e.g., declining from 44.7% in 1975 to just 20.7% by 2008) (Boushey 2009, 35). This era established the cultural expectation that a single, middle-class income should be sufficient to purchase a home, raise children, and finance a comfortable retirement.

Following the early 1970s, the decline of the single-breadwinner household became a distinct and relentless trend. From the 1970s onward, the proportion of families relying on a single male income began a steep and sustained drop. Today, the two-income or dual-earner household

is overwhelmingly the dominant economic reality for most American families, representing a profound structural shift away from the post-war ideal that was considered traditional by having the male be the sole breadwinner for the family. The male being the sole male breadwinner in the family is now a distinct exception within the United States. However, this trend can be viewed elsewhere as well. This structural decline coincided precisely with the acceleration of a massive monetary.

b. US Central Bank Policy and the Inflationary Era

The period immediately after World War II was characterized by the Bretton Woods system, which nominally tied the US dollar to gold at a fixed price, and foreign currencies to the dollar. While the recently created Federal Reserve often financed Treasury debt (e.g., pegging interest rates during and immediately after the war), the gold convertibility—even if only for foreign central banks—acted as at least theoretical constraint on the creation of an infinite amount of money.

This anchor was steadily eroded, however. Throughout the 1960s, the US government pursued policies aimed at full employment, mandated by both the *Employment Act of 1946* (United States 1946) and the Federal Reserve’s dual mandate. These policies were partly guided by the belief in a stable Phillips Curve trade-off, the idea that higher inflation could permanently “buy” lower unemployment. This theory was largely a non-monetary view of inflation. Motivated by this erroneous belief, the Federal Reserve increasingly accommodated large fiscal deficits by expanding the money supply. This led to a gradual, but increasing, rate of inflation (Murphy 2021) (Herbener 2022).

The pressure on the gold stock became untenable due to the increased creation of dollars. In August 1971, President Nixon unilaterally closed the gold window, officially ending the Bretton

Woods system and fully removing the United States from the gold standard. This action fully disconnected the dollar from any commodity anchor, eliminating the final restraint on the Federal Reserve's ability to inflate the money supply.

The period immediately following the final break with gold witnessed a rapid acceleration of inflation, often referred to as the “Great Inflation.” Liberated from the gold constraint, the Federal Reserve pursued policies that resulted in a dramatic increase in the True Money Supply. The central bank's mandate prioritized fighting unemployment over controlling the money supply, leading to widespread price inflation throughout the economy.

The next sizeable development came in 2008. The 2008 Financial Crisis introduced a new phase of monetary policy known as Quantitative Easing (QE), which served to further entrench the need for two incomes. QE was the name given to describe when the Federal Reserve massively expanded its balance sheet, injecting unprecedented liquidity into the banking system. This was done with the justification that it was needed to stabilize the markets. This inflation directly fueled the significant asset price increases during this period.

This new money primarily entered the housing, equity, and bond markets. As argued, this exacerbated the Cantillon Effect, pushing the prices of critical capital goods (especially housing) further out of reach relative to stagnant wages. The need for a second income became crucial not just for daily consumption, but for accessing credit and capital, particularly for the down payment on a home.

In more recent times, the period surrounding the COVID-19 pandemic of 2020 and the years following represented a massive, rapid acceleration of the trend. Both fiscal stimulus and Federal Reserve actions resulted in the fastest expansion of the money supply (TMS) in decades.

The monetary expansion rapidly translated into high consumer price inflation across virtually all sectors in the economy (Murphy 2021).

IV. Three Economic Channels of Disruption

Inflation, defined as the expansion of the money supply, disrupts the economic model of the single-breadwinner family not through a single, uniform effect, but through three interconnected channels that create an affordability crisis and diminish the viability of traditional specialization within the family unit.

a. Effects of Inflation

The central argument of this paper hinges on the fact that when the central bank inflates the money supply, the resulting increase in prices is not uniform or simultaneous, as pointed out above. Drawing on the 18th-century work of the economist Richard Cantillon, inflation operates through the sequential process known as the Cantillon Effect.

As pointed out above, these effects dictate that those who receive the new money first like large financial institutions, government contractors, and those who access credit earliest benefit the most, as they spend the new money while prices for most goods have not yet risen. Conversely, those who receive the money last (e.g., wage earners) are penalized, as their incomes only increase after they have already faced higher prices for goods and assets (Thornton 2022).

The way money is created in the modern fractional reserve system, particularly through credit expansion and central bank asset purchases (like QE post-2008), ensures that new money enters the economy primarily through credit markets. This has a direct and devastating consequence for the single breadwinner family.

The new money disproportionately drives up the prices of financial assets and capital goods, including, notably, housing. These critical assets rise rapidly *before* the median wage adjusts.

This inflationary pressure coincides with the functional stagnation of the primary income source: the male's wage. Following the full departure from the gold standard in the early 1970s, the economic data points to real wages for men stagnating.

As outlined in the Analysis of Congressional Research Service (CRS) data and other sources, the real wages for the median American man stagnated or outright fell after approximately 1973 (Congressional Research Service 2013, 9). This period of wage stagnation occurred precisely as the monetary restraints were removed and inflation was accelerating.

The combination of stagnant purchasing power and skyrocketing asset prices (the Cantillon Effect) meant that the single income of a male could no longer cover the cost associated with supporting an entire family as it traditionally had. The addition of a second income became the rational economic response to an externally imposed affordability crisis. This was to offset the effects of price inflation that arose as a direct result of the expansion in the money supply.

Additionally, inflation acts as a mechanism of hidden taxation. The breadwinner earns a wage that has a certain value, but because the value of money is constantly declining (due to expansion of the money stock), that wage is spent *later* at a *lower* real value. This transfer of real wealth away from fixed-income earners and savers (the middle-class family) and toward the financial sector and government ensures that it becomes economically prohibitive to accumulate capital or savings on a single income, further locking the family into a dependency on the dual-earner model simply to compensate for the systematic erosion of their savings and wages.

b. Increasing Uncertainty

A stable monetary unit is essential for rational economic calculation and planning. When the money supply is constantly being expanded (inflation), the unit of account is continuously being corrupted. Families, or more accurately the individuals within those families, lose the ability to reliably predict and foresee not only the *direction* of price changes but the *magnitude* and *timing* of those changes.

This seems to be a variant of “regime uncertainty,” an idea popularized by the economist Robert Higgs (1997). Higgs pointed out in his 1997 article, “Regime Uncertainty: Why the Great Depression Lasted So Long and Why Prosperity Resumed After the War,” that investment and economic growth during the World War II era was greatly stunted because of all the new laws and regulations that were constantly developed and implemented, increasing uncertainty during this time. Entrepreneurs simply did not invest.

Similar logic can be applied to families with regards to inflation. With prices constantly fluctuating, increasing by sizable margins, the core financial obligations of the traditional family such as funding retirement, saving for college tuition, and planning for catastrophic health events become impossible to predict reliably. For example, a family budgeting to save \$100,000 for college faces the risk that inflation will double the real cost of that education before their child graduates high school.

The rational response of the household unit to this economic volatility is to seek additional income as a form of risk mitigation or economic insurance. In order to combat or deal with the increased burden of supporting the family amid drastically rising prices, the female will join her husband in the workforce. This will provide a second income for the family, offering a buffer and “diversification” against the unpredictable erosion of the primary income's value.

This pervasive uncertainty creates immense psychological and financial stress. The pressure to secure a second income shifts from a desire for comfort to a functional necessity for maintaining peace of mind and guarding against catastrophic financial failure stemming from uncontrollable macroeconomic forces. Thus, inflation creates uncertainty and prevents people from making long term plans into the future.

In essence, the single-breadwinner model is partially predicated on the *predictability* of the currency's value. When inflation removes that predictability, the entrepreneurial foresight of the family is muddled, and the family is forced to secure a redundant income stream to hedge against the volatility created by monetary policy and the increase in the money supply.

c. **“Inflation Culture” and the Destruction of Specialization**

The final channel is the sociological and economic deterioration of the family structure itself, which depends on stability and long-term planning. A profound long-term consequence of sustained monetary inflation is the creation of what Degner termed an "Inflation Culture." This type of culture fundamentally alters social time horizons and undermines the traditional internal organization of the family, completing the dismantling of the single-breadwinner household.

Degner asserts that, when money loses its value through inflation, families will lose their structure. The traditional family structure is inherently a long-term enterprise, built upon delayed gratification, saving for the future (retirement, education), and generational planning. Inflation systematically attacks the monetary incentive for this long-term view.

Degner’s work draws a link between the monetary policy of the central bank, the rise of inflation culture institutions, and the habits surrounding the inflation institutions that foster household implications (Degner 2025, 10). Here, legal tender laws, monetary expansion, and suppression of the interest rate lead to increased indebtedness, inequality, and moral hazard

throughout the economy. These “inflation institutions” cultivate a rising age of first marriage, altered fertility patterns, and increased divorce rates.

Inflation acts as a penalty on saving and a subsidy for debt and consumption. When the currency is expected to lose value, individuals rationally raise their time preference. This means that people within the family will value present consumption over future savings. They become more present oriented. This shift directly undermines the stability necessary for the single-breadwinner model, which requires the breadwinner’s income to reliably fund future needs. The constant devaluation of money pushes individuals toward a mindset focused on immediate income maximization and spending, rather than the stability and specialization necessary for optimal home production and child-rearing.

Monetary policy affects the household in a variety of different ways including by impacting capital markets, factor markets, and Cantillon effects. While the conventional approach to economics generally ascribes the changes in behavior to the firm, individual consumers at the household level within the family will also experience the effects of this inflation culture.

Degner makes this point succinctly:

These institutionalized behaviors [of debt, inequality, and moral hazard] aren’t just emergent among privileged banks, households are also swept up into the same activities. Indeed, as a result of these institutional features, there are increased incentives to adopt habits that lead families to participate in behaviors that have implications for marriage, childrearing, and divorce (Degner 2025, 11).

The economic failure of the primary provider, caused by the stagnation of the real wage amidst rising asset prices, leads to the dissolution of the internal economic logic of the traditional family structure, as described by Becker (1981).

Becker posited that the efficiency of the traditional family relies at least partly on the division of labor, with the husband specializing in market work while the wife in home production. When inflation makes the single-earner income insufficient, both spouses are forced into

generalized market production. This reduces the overall efficiency of the household, leading to less time for home production, less nurturing attention, and an overall diminishment of domestic output.

The father is seen less as the unique, successful provider or breadwinner when his income cannot secure the family's basic capital needs (like housing). Similarly, the mother's specialized role in nurturing and home production is diminished as she is forced to spend a significant portion of her time and energy in the market to meet the financial shortfall.

An additional aspect of inflation culture within the family is a reduced distinction between the roles within the family unit. There is an inversion of the family hierarchy. The specialized economic rationale for the traditional arrangement dissolves under the pressure of needing two incomes to compensate for the systematic devaluation of the money supply.

The father is seen less as a provider or breadwinner. Similarly, the mother is viewed as less nurturing. This is due to the decreased distinction between the roles of family members. If the mother and father are both doing essentially the same thing (working in the market to supply for the family), then they can both be viewed as homogenous units providing essentially the same service rather than distinct actors engaged in discrete activities in the family division of labor.

V. Empirical Analysis

We will now examine the empirical data related to both inflation and the rise of the dual income household. As stated above, with inflation, I use the Austrian measure of the money supply (TMS) to gain an accurate depiction of what the stock of money is in the United States and how it changes over time. While data (Herbener 2022) available only stretches back until 1945 (the year World War II ended), the trend still shows starkly the notably substantial increase in the money supply from that time until the present day.

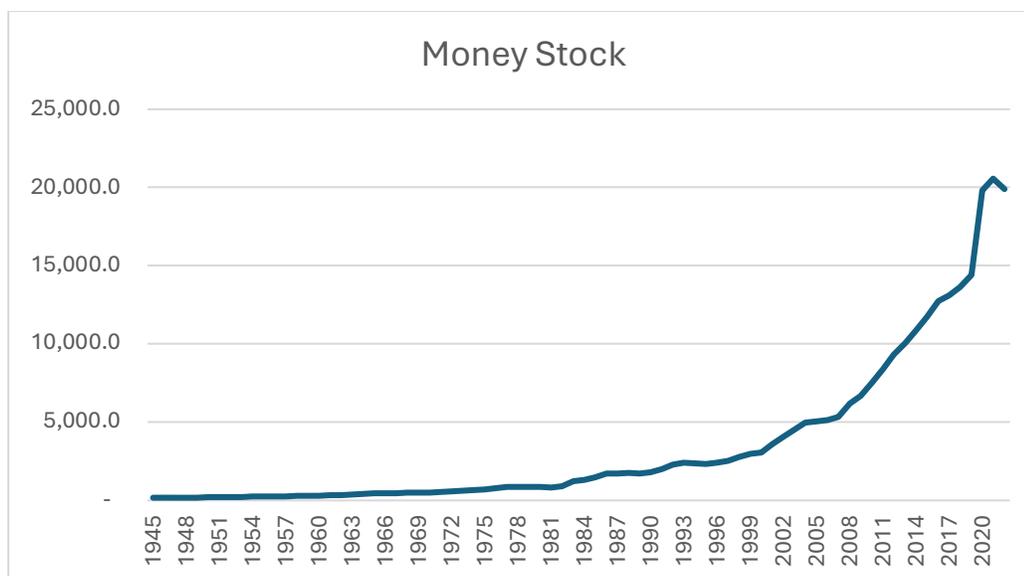


Fig. 1: True Money Supply metrics from 1945-2022 in billions of dollars (Herbener 2022)

Figure 1 clearly demonstrates the marked increase in the money supply since the end of World War II. While the money stock was comparatively low in 1945, totaling only \$181.5 billion, new money was pumped into the economy over the decades, with sizable increases occurring in the 1970s and ‘80s, at the beginning of the new millennium, and during the 2008 crisis. The money stock peaked in 2021, reaching an all-time high of \$20.5 trillion as part of the government’s response to the Covid-19 pandemic (Herbener 2022).³

In addition to this, the empirical data also supports the theoretical arguments made with regard to the rise in dual-income households. Firstly, there *has* been a measurable increase in the number and proportion of women in the United States participating in the labor force and earning

³ It should be noted that, although the standard measures of the money supply are not used within this paper, the broad trends they reflect are the same. Of the two standard mainstream money supply measures, M1 and M2, the latter is more accurate, though it is still inferior compared to the TMS. While M2 has methodological drawbacks, particularly due to its inclusion of certain bank debt which can distort the true money stock, the broad trends nonetheless align. Monetary inflation has increased exponentially since the end of World War II, with major increases occurring at the times outlined above. Although M2 is less accurate than TMS, it is still used more by the conventional approach. The fact that its data demonstrates broadly the same conclusion reinforces the central finding: that the money supply has greatly increased (Board of Governors of the Federal Reserve System 2025).

an income. Data from the United States Census Bureau shows an increase in the number of women with incomes in the United States.

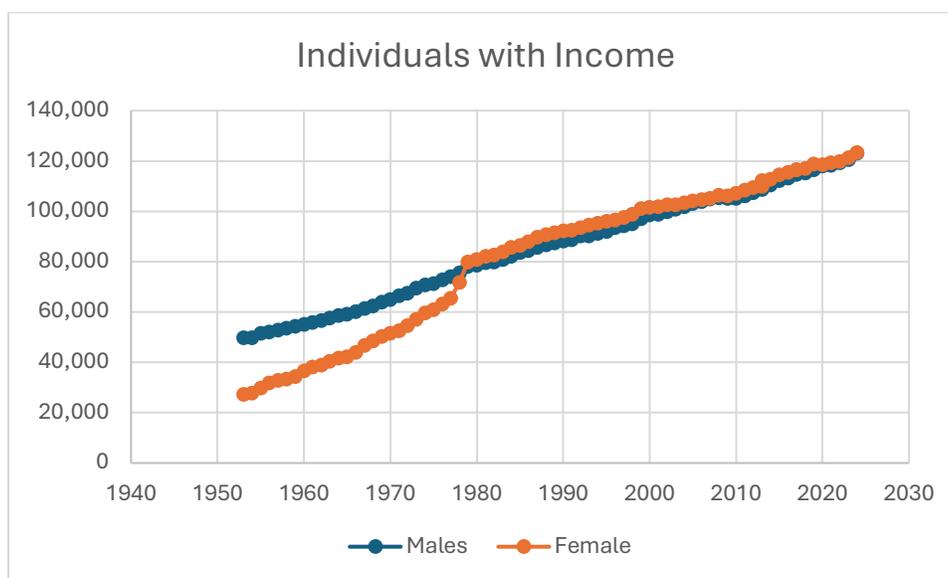


Fig. 2: The number of people who earned income in the US broken down by year and sex in thousands. (U.S. Census Bureau 2025).

As Figure 2 shows, the U.S. Census Bureau's data, stretching from 1954-2025, shows individuals earning income in the United States ages 14 or 15 years and older (depending on the year). The data shows that, only nine years after the end of World War II, the number of men in the United States earning income was slightly less than double the number of women earning income. Although obviously both the number of women and men earning rose over time due to increases in population, the number of females earning income rose substantially faster than that of men.

By the year 1979, the number of women earning income in the United States actually exceeded the number of men. This has remained the case up to the present, with the US Census Bureau holding that, in 2024, there were four hundred thousand more women earning income in the US than men. This, theoretically, would not be the case if the standard household in the United States had only the traditional one (male) income earner.

Steve Ruggles goes still further with empirics to find the actual proportion of households that are single vs. dual income in the United States (2016).

Family economies of U.S. couples aged 18–64: United States, 1800–2010

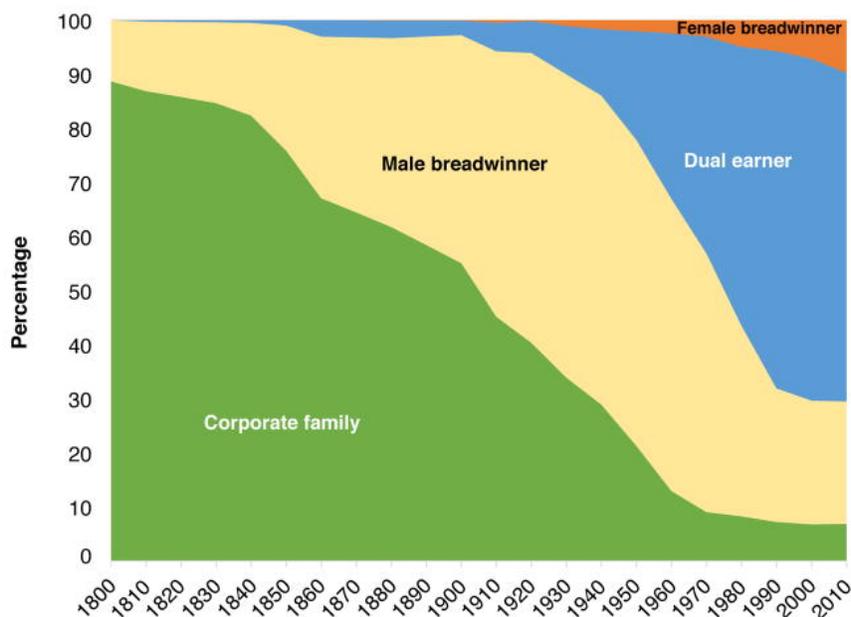


Fig. 3: Family economies of U.S. couples aged 18–64: United States, 1800–2010 (Ruggles, 2015).

Ruggles explains that, during the 19th century, “corporate families,” which he defines as “all married couple households with self-employed heads” were the prevailing household structure (Ruggles 2015). This was predominantly due to the number of farming families at this time. While these corporate families were dominant throughout the 19th century and still played a role at the beginning of the 20th century, their influence began to wane after that as their numbers declined.

Ruggles explains the shift exhibited in Figure 3, wherein the corporate family gradually declines to be replaced with the male breadwinner household:

Corporate families were replaced by male breadwinner families in the early twentieth century. Male breadwinner families are defined as those in which the husband works for wages or salary and the wife has no occupation listed in the census. By 1920, the number of male-breadwinner families exceeded the number of corporate families, and this percentage continued to grow until World War II (Ruggles 2016).

The male breadwinner family experienced great growth at the beginning of the 20th century, so much so that it became the most common and widespread form of family organization in that time period. It continued to grow in leaps and bounds until the onset of World War II. At its peak in 1940, the male breadwinner households made up 57% of the economy (Ruggles 2016). While dual income households did exist before 1940, it was the extreme exception during that time.

Post-World War II, the male breadwinner family declined steadily, until it was overtaken and replaced by the dual income household in the middle of the 20th century (Ruggles 2016). While female breadwinner households do exist and have increased slightly in the last decade or so of the 20th century into the 21st century, they only make up approximately 10% of all marriages in the United States.

This timeline lines up perfectly with the above theoretical analysis positing a causal connection between the rise in the money supply and the rise in dual income households in the United States. As the money supply drastically increased after World War II, there was an empirically observable shift in the organizational makeup of households. The male breadwinner family, which had reached numerical dominance in the first part of the 20th century despite advancements in technology, began a gradual decline until it was forced into a minority position with the dual income household achieving the majority of the market toward the end of the 20th century. This convergence of the data suggests that the economic necessity created by the monetary inflation, was a contributing causal factor driving the transformation of the American family unit.

VI. Alternative Explanations

A comprehensive economic analysis must address the prominent alternative explanations for the decline of the single breadwinner. In doing this, it must be pointed out again that it is not my intention to demonstrate that inflation is the only (or primary) factor contributing to the shift

toward dual income households. Such statements are beyond the scope of this paper. I do, however, wish to posit that inflation has been a neglected/overlooked factor in this shift; and, consequently, these other factors outlined below are overemphasized.

a. The Rise of Feminism

The rise of the modern feminist movement, coupled with significant policy changes in the 1960s and 1970s, is often cited as a primary cause for women's entry into the labor force (Fernández 2013). This claim holds that feminism provided the ideological framework advocating for women's professional careers and financial independence, naturally leading to a reduction in the single-earner household model. Technological and legal changes, which lowered the transaction costs and risks associated with leaving or restructuring marriage, logically played some role in the shift toward dual income and were used as weapons by feminists. Examples of this include the invention of the birth control pill and the legalization of no-fault divorce. However, these are probably less important than often portrayed. The capability for women to work was established during WWII. But, as pointed out above, women's mass, permanent entry into the workforce did not occur until after 1970, driven in part by the functional insufficiency/stagnation of the male wages.

Additionally, the expansion of the welfare state provided a separate, non-market-based mechanism for income support. This policy became a more viable alternative to the financial stress of a failing single-breadwinner model, accelerating the rise of single-parenthood. It is important to note that many families that might have transitioned from single-breadwinner to dual-income instead transitioned to single-parent/welfare state dependency due to these shifts.

Had these women remained married (and thus counted in the data), the *observed* proportion of dual-income families would likely be even higher, reinforcing that the *economic pressure* was a primary driver, irrespective of the marital outcome.

b. Increased Capital Goods and Labor-Saving Devices

The argument that labor-saving household technology freed women from home production seems to be slightly weaker than the feminism argument because it does not align with the historical timeline of labor force entry. Proponents of this view hold that the mass adoption of appliances like washing machines and vacuum cleaners drastically reduced the time required for home production, creating a labor surplus that women rationally filled by entering the market.

However, there is a temporal lag. Research from the National Bureau of Economic Research (Ramey 2008) and other sources indicate that hours of home production did not significantly fall until the late 1970s and 1980s. This decline occurred well *after* the massive explosion in female labor-force participation that took place in the 1960s and early 1970s. The NBER report finds that, while appliance adoption increased output, it did not significantly decrease hours until after 1965. Even then, the significant drop only happens post-1970s.

VII. Conclusion

In this paper, I have argued that the systematic expansion of the money supply by the U.S. government and the Federal Reserve has played a significant, yet overlooked, role in the decline of the single-male-breadwinner household in the post-World War II United States. I have demonstrated how this monetary policy has eroded the economic foundations of traditional family specialization. Through three primary channels—the Cantillon Effects leading to stagnant real male wages amid rising asset prices, the heightened uncertainty that undermines long-term family planning, and the emergence of an "inflation culture" that elevates time preferences and dissolves

household efficiency—inflation has compelled families to adopt the dual-income model as a rational response to an externally imposed affordability crisis.

Historical trends support this thesis: the post-1945 surge in monetary inflation parallels the precipitous drop in single-breadwinner households from their mid-century peak. The empirical data underscore this correlation, including TMS growth, rising female labor-force participation, and shifts in family economies. While alternative explanations, such as feminism and labor-saving technologies, undoubtedly contributed to social changes, inflationary pressures that made single-earner viability more costly have not been rigorously pointed to in the same way. Recognizing inflation's role highlights the need for sound money reforms to restore conditions conducive to family stability and specialization.

Future research should quantify the magnitude of inflation's impact relative to other factors, perhaps through econometric models incorporating TMS data alongside variables like female education rates and technological adoption. Comparative studies across countries with varying monetary regimes could further test the causality proposed here. Ultimately, by illuminating this neglected connection, this paper calls for a reevaluation of how monetary policy shapes the family, urging economists and policymakers to integrate these insights into broader research.

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