Epilogue

The Subprime

This chapter argues that reproductive labor, its relationship to what we formally consider politics and economics, and how we differently value people's lives by race are at the heart of most of the things we disagree about in the United States: feminism, welfare, immigration, infertility and infant mortality, gay marriage. The massive neoliberal shift that began in the late 1970s fundamentally realigned the relationships of households, government, and business such that social reproduction and reproductive labor stopped receiving much support from government (including for schools, housing, and public safety), and frozen real wages sent every available adult into the labor force and then to try their luck on debt markets, in an effort to keep their household afloat. This neoliberal privatization of care has been the core question at the back of nearly every other public policy issue, including the election of Donald Trump, who campaigned with the old racist promise to white people: white working people's pockets are empty because of people of color (immigrants and Black criminals); put your faith in the white ruling class (we'll keep your wages low but you'll get to feel superior to nonwhite people). Trump offered "globalization," a racialized boogeyman of immigrants and free trade agreements, as the name of the problem in place of "neoliberalism," the political movement among the 1 percent to shrink government, unions, and wages and redistribute wealth upwards. For decades, the neoliberal movement accomplished its political goals in particular through race-based shaming of supposedly irresponsible reproductive behavior—an account of Black "welfare queens" and Latina "breeding machines."

Trump's presidency has been portrayed by some as an historical earthquake, radically discontinuous with what came before. Who could have predicted that at a time of rising employment rates, US Americans would vote economic resentment of the Democratic Party? Wall Street would, of course, continue to back the Republican promise of low taxes and small government, but how would they pick up enough other votes to win power? How could one foresee a hostile takeover of the Republican Party by business interests that had long been slightly offstage, the recentering of racism in US public life in a way it hadn't been since Reconstruction (or at least the anti–civil rights backlash), and the upending of democratic traditions in favor of an authoritarian populism that may or may not resemble fascism? From one perspective, it was a radical shift. But the historical developments I've been pursuing in this book provide plenty of evidence of continuities. Welfare reform and anti-immigrant deportation and detention (in a labor sector dominated by household workers) over the past thirty years suggest something of the centrality of racism in our public policy, even if they happened under the more comforting pretexts of ending "dependency" or crime. The economic misery of the 99 percent has been periodically evident in uprisings like the

Occupy movement, but in quite a sustained way in our struggles over households and reproductive labor.

My argument in this book has been that the reproductive politics of households has been one of the key sites where the racist argument for neoliberalism has been advanced and where we have lived our immiseration—not just as less money but also as time famine, where there is never enough of it to allow for kind and generous care of dependents because the formal labor market has sucked up so much of it. The politics of households is also where anxiety about the state of the economy and a vigorous suppression of claims for public support for reproductive labor have been debated as public policy. Further, even as households have less time, they have more responsibilities as the space of public, shared labor and support for dependents disappears. For example, the anxiety around the public school Common Core curriculum might be crystallized in the web pages for parents about how to help their kindergartner (or tenth grader) with Common Core concepts.[1] When, exactly, did we start looking to parents rather than teachers to take responsibility for a community's children's learning? Presumably it was sometime around when neoliberal tax cutting producing scarcity and austerity hit communities and their school budgets—a slightly different moment depending on how impoverished the school systems (and communities) were to begin with, clearly, but certainly a problem that has been creeping up the economic ladder. Even parents who were not Christian Right homeschoolers (who avoided public school because of the teaching of evolution and climate change) became de facto teachers as communities disinvested in schools through tax reduction and budget cuts.

If this argument is correct, we can perform this analysis on nearly any issue—my contention is that reproductive politics govern a great deal of what we have said, and not said, in public discourse. Consider, for example, the work of creating the kinds of safe communities people need to raise their kids, free from police harassment and violence. Mass incarceration—the doubling of the percentage of the US population that goes to jail or prison since the 1970s—has a devastating effect on children: 10 million kids (including one in nine Black children) have experienced parental incarceration, and the increasing use of police officers in schools to handle routine discipline has given rise to what activists terms a "school to prison pipeline."[2] The charter school movement takes money out of the mainstream public schools even as charter schools cherry pick which kids they educate,[3] and some environmental movements blame environmental degradation on too many kids even as polluting corporations assume less and less responsibility for near-epidemic rates of asthma in some communities . . . the list goes on and on.

Equally, we could talk about how US foreign policy has relied on an account of reproductive politics. Historically, US development policy relied on an anti-Communist push to reduce "overpopulation" through birth control and sterilization and on loans and tax relief programs designed to promote industrialization that would employ this smaller work force. These are the same loans that ultimately gave way to the Third World debt crisis, as changes in financial policies allowed the cost of this debt to rise exponentially, and the tax relief programs gave rise to US corporate globalization and the offshoring of manufacturing. Or we could look to Cold War militarization and the way the kidnapping of children in Latin America ultimately gave rise to a multi-billion-dollar transnational adoption industry. In fact, my previous books (*Reproducing Empire* and *Somebody's Children*) focused on these very questions.

By way of an epilogue, though, I want to tell one more story about how reproductive politics occupied the center of U.S. public policy fights over the economy: the financial meltdown of 2007–08, specifically housing market speculation by the financial services industry. I will focus on subprime mortgages—the balloon payments, adjustable rates, and introductory teasers—that were offered to "subprime" borrowers instead of the conventional thirty-year, fixed rate mortgages established under the New Deal. What does the economic crisis have to do with reproductive politics? A great deal, as I discovered one night when I walked into a meeting in Springfield, Massachusetts, of No One Leaves, which has protested the foreclosure crisis by keeping people in their homes[4]—about 90 percent of the seats in the room were occupied by Black and Puerto Rican women and their children. The foreclosure crisis was (and still is) disproportionately felt by single mothers and children. It was, in fact, a replay of the welfare and immigration reform debates of the 1990s.

As we have seen, the denigration of some people of color's reproductive labor has been a key piece of conservative strategy in advancing neoliberal ways of thinking about businesses' goal of maximizing profits (through low wages in particular) and shrinking taxes (by shrinking public benefits) since welfare reform. Because we are schooled to think of what happens at home as distinct from the economy, it might seem like a reach to consider the nasty things people say about how people of color raise their kids to be transformative of the economy or politics. But it is. In the early 2000s, women heads of household across the United States became some of the largest consumers of subprime loans. Many of the women who wanted to buy a house were single mothers with children. As journalist Laura Gottesdiener noted, a disproportionate number were also older Black women who owned their homes but were cash-strapped, often having been the financial rock for multiple generations.[5] In 2006, when the bottom started to fall out of the housing market, these loans could not be refinanced; Black and Latinx borrowers, systematically dispossessed of land and assets across generations, were unlikely to have family resources to turn to. However, the early wave of foreclosures did not cause much concern because, as scholar David Harvey noted, "the people affected were low income, mainly African American and immigrant (Hispanics) or women single-headed households."[6] Even earlier, in 1999, Elizabeth Warren noted more broadly that in two decades, the number of women who had declared bankruptcy had grown 600 percent, and among single mothers with children, one in seven had declared bankruptcy.[7]

These were the canaries in the coal mine that might have told policy makers that unregulated financial markets were destroying people's lives; when we look back, we find many unheard voices among activists who cared about racial or gender justice for mortgage reform. But these warnings went unheeded. When, as a result of this sharp rise in foreclosures, the recession began in earnest in 2007 and unregulated financial market losses turned into layoffs and unemployment, still more people were unable to make mortgage payments, and, within months, a death spiral hit the housing market, making it impossible to sell. Single mothers and their children were disproportionately hit by foreclosure. While many were able to double up with relatives or friends, others became homeless.

In 2008, the *New York Times* ran a piece saying as much, looking at Black women homeowners in Baltimore—single mothers for the most part—and showing that bankers had disproportionately targeted them for subprime mortgages.[8] The response was instructive, suggesting how both bankers and op-ed page editors (mis)read these facts in terms of the moral failings of borrowers: a letter from a Baltimore mortgage lender ran the next week, lamenting that these women were losing their homes or borrowing from friends and family to pay extraordinarily mortgage payments, but, he wrote,

> a big part is missing from the media coverage, and it's exactly the reason people took out subprime loans—they had bad credit and posed a big risk to the lenders. Bad credit means missed payments on cars, 30-, 60-, 90-day late payments on credit cards, bankruptcies and so on. . . . For the most part these people put themselves in a position in which the subprime loan was their only option.[9]

Not mortgage brokers who underwrote discriminatory loans or sought out borrowers they thought unlikely to repay as a way to make a buck, but irresponsible mothers were at fault. As early as 2007, Glenn Beck on Fox News was blaming "illegal immigrant" home buyers, and commentators across Fox were complaining that the Clinton administration had made loans to Blacks and Hispanics, whom they blamed as the morally inferior and financially illiterate cause of the subprime crisis.[10]

The Moynihan report narrative that had animated the welfare reform smears of the 1990s—that the moral failings of Black single mothers were the cause of all the poverty in the Black community, as well as much of what ailed the nation—was more than a way to blame the vulnerable rather than the lenders for the recession. It was, substantially, the cause of the recession. For decades, lenders were trolling for "high risk" borrowers, not content to wait until borrowers shopped for a loan. As one lender admitted, his preferred borrower was an elderly, widowed woman of color living on a fixed income who owned her home and could be persuaded to borrow against it. If she lost her home and could not pay rising interest rates, well, the broker had long since received his fee and the lender who had originated the high-interest loan had already sold it at a profit.[11] For example, consider the case of Flora, whom Elizabeth Warren interviewed in her research on bankruptcy:

> She explained that she and her husband had retired and moved to a small town in the South a few decades earlier to be near family. They bought a modest house. ("That's all we needed.") Flora's husband had passed on, and she was on her own now. Flora said that until recently she had been doing fine, getting by on her Social Security check each month.
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> Flora explained that she'd gotten a call a few years ago from "a nice man from the bank." She said he'd told her that because interest rates were low, he could give her a mortgage with a lower payment. She'd asked him what would happen to the payment if interest rates went back up. According to Flora, he'd assured her that "the banks know about these things in advance" and that he would "call her and put her back in her old mortgage."
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> She had taken the deal, and before long, her payments had shot up. She paused, then said quietly, "He never called." The new monthly payment swallowed nearly every penny of her Social Security check. She had tried delaying her payments, borrowing on credit cards, going to a payday lender, but it had all come crashing down.
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> Next week she would have to leave her home. "I'll be living in my car," she said, "at least for a while."[12]

In a practice activists called "reverse redlining," mortgage lenders sought out Black, Latinx, and female-headed households for mortgages, urging them to considering buying homes, and then "charging them through the roof," as one activist told the *Wall Street Journal.* Subprime industry executives, politicians, and federal regulators fought to keep this high-profit industry expanding, continually easing lending standards.[13] Banking deregulation in the 1980s and '90s incentivized lenders to make loans that were unlikely to be paid back. The lower the borrowers' credit score, the higher the interest rate could go. Securitization meant that mortgage loans and credit card debt could be bundled together and sold, so that no particular bank was responsible if any individual loan was not repaid. Other deregulation measures allowed an ever-expanding array of entities to make loans, so mortgage brokers made increasing profits off origination fees associated with loans, and these too were higher for subprime than conventional loans.[14] "Who was allowed to buy what type of mortgage was so stark," says Laura Gottesdiener in *A Dream Foreclosed,* that the word 'subprime' (the industry's term for predatory loans) became 'a demographic category as much as a financial definition.'"[15] The expectation that these households were morally suspect and unlikely to pay their debts is precisely what had made lenders seek them out for mortgages. In the 1990s, fully one-third of borrowers eligible for conventional loans were steered into subprime loans, because they were much more profitable for brokers and lenders but much more expensive, usually, for borrowers to repay. Win-win for the financial services industry, and when it became clear that government would bail out financial institutions such as AIG that had purchased the bundled high-risk loans (although not Bear Stearns, which was scooped up by J.P. Morgan Chase at bargain-basement rates)—and administrations from Bush to Obama have admitted that all their loan reforms were designed to protect lenders, not homeowners—all the risk devolved onto borrowers, and predatory lenders never paid a price.[16]

Scholars Paula Chakravartty and Denise Ferreira da Silva note that what followed was a wave of condemnation against the "subprime," a category of people "construed as intellectually (illiterate) and morally (greedy), unfit if measured against any existing descriptors of the modern economic subject." Economist Brigitte Young points out, "Mortgage banks targeted women across the board as 'risk borrowers' in relation to men in similarly situated circumstances."[17] Nevertheless, the Black, Latinx, and female subjects of discriminatory treatment in credit markets were taken to be at fault for not paying unpayable loans. After seeking out borrowers based on the bet that these loans couldn't be paid, which drove up the interest rate and origination fees, the lenders could turn around and blame the borrowers for not paying them.

To add insult to injury, it wasn't just those who were behind on their mortgages who were foreclosed on. Lawyers' mortgages earned massive fees, and "foreclosure mill" law firms began to take advantage of judges' inattention and targeted people who should not have been foreclosed on, backdating and falsifying the documents that were supposed to demonstrate what the "subprime" predicted all along: that women and people of color in particular would not pay their bills. Arguably, though, it showed the opposite: like the sharecroppers and agricultural workers who were paid in scrip at the company store and denied access to the ledgers that supposedly showed them in arrears two or three generations ago, societies structured in dominance by geography, race, and gender produced debt bondage, poverty, and homelessness among working folk and single mothers and their kids through fraud and theft. The firm at the epicenter the robo-signing scandal of 2010, David J. Stern, had offices in Miami, San Juan, and Manila, signaling the complicity of massive corruption and sedimented colonialism.[18]

HOW WE GOT HERE

In producing securitized subprime mortgages, mortgage brokers and banks were following the lessons learned in the context of the Third World debt crisis, where unpaid loans yielded more loan products banks can sell, and debts accrued in the 1950s, '60s, and '70s have been repaid over and over, yielding a usurious balance of payments from South to North. Although this process was already under way throughout the era of development, it became embodied in its current, almost surreal form in 1973, when the OPEC oil embargo resulted in a sharp rise in the cost of everything for most nations and currency devaluations in the wake of global inflation that hit Africa and Latin America particularly hard. Meanwhile, OPEC nations deposited massive reserves of petrodollars in New York banks, and as a result, New York was awash in available credit and desperate to be able to make a profit off those extra dollars. As the cost of Latin American and African debt rose on devalued currencies, nations were persuaded to borrow more to pay that debt, albeit at higher rates, given that the loans were more risky. (Indeed, the austerity plans for Third World debt crises—structural adjustment policies that shutter schools and hospitals and raise food prices—are also disproportionately felt by mothers.) Like casinos, New York banks learned to make a fortune off of nothing but risk and money.

Gender and race were explicitly categories through which creditworthiness was understood, and credit markets worked in parallel ways to prevent women of whatever race and people of color of whatever gender from participating in the accumulation of wealth throughout the United States in ways that interlocked with imperial dispossession. But race and gender also acted in ways different from each other. Prior to the Equal Credit Opportunity Act of 1974 and 1976, married women were explicitly barred from personal credit markets—able to get credit cards or loans only in their husbands' name—and redlining prevented people of color from accessing mortgages. Congressional hearings on both demonstrated how local lenders, dependent on loans being repaid, used race and gender as a proxy for reliable financial information about the future (or a crystal ball). For example, a single mom told the following story:

> I was pre-approved for a loan prior to house hunting. The night before I closed on my home the underwriter determined that I was a risk because I was a single mother with two children and two jobs. . . . There was an attorney involved in one of the homes up the chain and he contacted the underwriter to inform her that he would take my discrimination case pro-bono and she backed down. I got my home, it just took a few extra days. That was 18 years ago. I'm still working 2 jobs. My children are in college and I've never missed a mortgage payment.[19]

Similarly, if a heterosexual couple shopping for a mortgage wanted to count a woman's income toward their creditworthiness, they needed to certify her infertility or sterilization, or, in states where abortion was legal, sign a "baby letter" certifying that they would abort any future pregnancies to allow her to stay in her job. If a woman was divorced, abandoned, or widowed, she lost the credit history developed during her marriage, while her husband kept it. A woman who was single, queer, or, perhaps worst of all, an unmarried mother, rarely had access to either a credit card or a mortgage, and her financial fate was linked to cash wages and rented housing.

Redlining was written into federal housing policy in the 1930s, when the New Deal established the Federal Housing Authority of the Federal Housing Administration (FHA), designed in that earlier depression to combat the evictions that the socialist left was objecting to by stabilizing credit markets. From the FHA, we got thirty-year, low-rate mortgages and explicit racial discrimination. The FHA instructed lenders in redlining, in fact, requiring it: "the valuator should investigate areas surrounding the location to determine whether or not incompatible racial and ethnic groups are present, to that end an intelligent prediction may be made regarding the possibility or probability of the location being invaded by such groups." The 1968 Fair Housing Act rendered this practice illegal, along with refusing to sell or rent to people based on race.[20] In subsequent decades, as the mortgage crisis revealed, banks just hired the shady lenders who had been providing financing in redlined neighborhoods and learned how to get into the loan-shark business themselves, by providing financing at usurious rates to the people they used to refuse to lend to at all.

WHERE WE ARE NOW

The belief that distressed mortgage borrowers were morally suspect also governed the response to calls for the federal government to intervene in the mortgage meltdown. Although many advocates for relief to distressed homeowners made compelling arguments about why it was in the best interest of the nation's economy to help them keep their houses, the hoped-for mortgage bailout never really appeared. Despite pious promises, 5 million families lost their homes from 2007 to 2015, resulting in a 30–40 percent reduction of the wealth of the middle class—concentrated among Black, Latinx, and female-headed households. First TARP—the Troubled Asset Relief Program offered in 2008 under the Bush administration—and then HAMP—the Home

Affordable Modification Program from the Obama administration—failed, by design, to keep people in their homes. Prosecutor Neil Barofsky, the special inspector general for TARP, was so disgusted by that program and how it was used to reward what he called "Wall Street crooks" that he wrote a book entitled *Bailout: How Washington Abandoned Main Street While Rescuing Wall Street.*[21] These programs gave billions to banks, regardless of whether they engaged in wrongdoing, but refused to offer more than a pittance to homeowners.

The key debate was about whether these programs should offer principal reduction to homeowners—about whether, because they bought their homes in a market with inflated prices superheated by predatory mortgage transactions that benefited the banks, the government mortgage authorities could reduce their loans to reflect the sober, morning-after reality of what people's homes were actually worth in the Great Recession. For the most part, Republicans were explicitly against this proposal, while the subsequent Democratic administration hid its opposition behind happy-sounding promises of programs to reduce principal but in practice, many argued, was just another giveaway to the banks. Both, revealingly, couched their reservations in moral terms. Timothy Geithner, Obama's treasury secretary, explained that principal reduction would create incentives for borrowers who were not in trouble to stop paying their mortgages in order to get the principal reduced, which he dubbed a "moral hazard."[22]

CNBC's Rick Santelli, reporting from the Chicago commodity pits, apparently didn't get the word that the Democrats were never going to refinance people's principal and made the conservative case against refinancing mortgages when Obama's bailout was announced in 2009, in what was later billed as the rant that launched the Tea Party: "Government is promoting bad behavior.... Do we really want to subsidize the losers' mortgages? This is America! How many of you people want to pay for your neighbor's mortgage? President Obama, are you listening? How about we all stop paying our mortgages! It's a moral hazard." While the hard-right *National Review* cheered Santelli, Charles Demos at the progressive blog My Direct Democracy (MyDD), called Santelli a racist:

> After watching the [Santelli clip], I first had to check my calendar. Somehow I felt I traveled back in time to the early 1970s to witness first hand Richard Nixon's "northern strategy," his pursuit of white ethnic voters who were so deeply disaffected over Great Society programs ranging from desegregation (remember the Boston busing madness?) to affirmative action among others that they would desert the Democratic Party becoming "Nixon's silent majority" and "Reagan Democrats."
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> Rick Santelli is heir to this legacy laced with racist overtones. Note the promo before the rant in the video link at CNBC. CNBC has an upcoming special entitled *The Rise of America's New Black Overclass*. Fear mongering, it's worked before so let's try it again. It's back to the 1970s for the GOP and their rabid white ethnics.[23]

At the same time that Fox News and even the mainstream press were blaming "illegal immigrants" and (subprime) loans to Black and Hispanic borrowers, the Tea Party was born, in part out of the demand that all these unworthy families, many female-headed, be put in the street, that government aid to those conspicuously badly treated by the banks was just another giveaway to unworthy people of color. It was a preview of the Trump electoral strategy.

Perhaps the cruelest cut, though, was HAMP, a 2012 election-year promise to refinance mortgages for distressed borrowers to let them and their children stay in their homes. In fact, as Treasury Secretary Geithner admitted in a meeting that included two of his main critics, Elizabeth Warren (who anchored the progressive wing of the Democratic party under Obama, and often explicitly argued against him) and Neil Barofsky, HAMP was designed to ease foreclosure for the benefit of the banks—to slow rather than stop foreclosures in order to protect the banks from more foreclosures than they could handle at any one time.[24] Barofsky wrote:

> For a good chunk of our allotted meeting time, Elizabeth Warren grilled Geithner about HAMP, barraging him with questions about how the program was going to start helping home owners. In defense of the program, Geithner finally blurted out, "We estimate that they can handle ten million foreclosures, over time," referring to the banks. "This program will help foam the runway for them." A light bulb went on for me. Elizabeth had been challenging Geithner on how the program was going to help homeowners, and he had responded by citing how it would help the *banks*. Geithner apparently looked at HAMP as an aid to the banks, keeping the full flush of foreclosures from hitting the financial system all at the same time. Though they could handle up to "10 million foreclosures" over time, any more than that, or if the foreclosures were too concentrated, and the losses that the banks might suffer on their first and second mortgages could push them into insolvency, requiring yet another round of TARP bailouts. So HAMP would "foam the runway" by stretching out the foreclosures, giving the banks more time to absorb losses while the other parts of the bailouts juiced bank profits that could then fill the capital holes created by housing losses.[25]

Elizabeth Warren wrote after that same meeting, "The Treasury foreclosure program was intended to foam the runway to protect against a crash landing *by the banks*. Millions of people were getting tossed out on the street, but the secretary of the Treasury believes that government's most important job was to provide a soft landing for the tender fannies of the banks. Oh Lord."[26] Fewer than 1 million loans were modified, and many argued that these were low-hanging fruit—loans banks would've agreed to refinance anyway.

In *Bailout,* Barofsky documented rampant and criminal fraud by mortgage servicers in HAMP, as well as two strategies that were perfectly legal but that can be only be called scams by the banks. "One particularly pernicious type of abuse," wrote Barofsky,

> was that servicers would direct borrowers who were current on their mortgages to start skipping payments, telling them that they would allow them to qualify for a HAMP modification. The servicers thereby racked up more late fees, and meanwhile many of the borrowers might have been entitled to participate in HAMP even if they had never missed a payment. Those led to some of the most heartbreaking cases. Homeowners who might have been able to ride out the crisis instead ended up in long trial modifications, after which the servicers would deny them a permanent modification and then send them an enormous "deficiency" bill.[27]

One such homeowner made a video that she put on YouTube that told the story of how she and her son lost their home when their mortgage payment was adjusted after the lender had promised her that she could refinance and keep her lower payments. When she called the bank to find out what had happened, she was told that she would be eligible for an adjusted mortgage, but she should stop making her mortgage payments, which she did, as instructed, for four months. Then the bank put her loan in "forbearance" and began charging new, higher payments, including a $10,000 deficiency payment that she paid for by selling her furniture. She subsequently discovered that "Servicers made more money servicing loans in default than loans that were current, so they encouraged borrowers to default so they could review a modification package. Forbearance payments *do not* go to the loan balance but rather to a suspense account most likely used to pay attorneys and trustees to foreclose." The loan servicers demanded piles of paperwork, and then, after several more months, determined that she was not eligible for a new mortgage. The bank foreclosed.[28]

The second rampant but, again, legal scam was to create a two-track system within the banks, where one side would be negotiating a "trial" mortgage adjustment with the homeowner and the other would be proceeding with a foreclosure. They won both ways: during the "trial" modification period, loan servicers would rack up big fees (because as long as the modification was not final, borrowers were technically "late"—by design—on portions of their mortgage), pocket the partial payments, then deny the modification because of "incomplete" paperwork (homeowners in HAMP modification proceedings reported that banks "lost" their paperwork over and over again, in what many suspected was a deliberate scam—one survey found that homeowners had to submit it an *average* of six times[29]), and then foreclose on the home anyway and resell it. "HAMP was not separate from the bank bailouts;" Barofsky wrote, "it was an essential part of them. From that perspective, it didn't matter if the modifications failed after a year or so of trial payments or if struggling borrowers placed into doomed trial modifications end up far worse off."[30] This explained a particularly cruel feature of these modifications: even if you actually got one, in five years the interest rate ballooned, which meant that a borrower would see her payment go up by as much as 23 percent. The same adjustable-rate feature that was criticized as part of subprime mortgages was built into HAMP. The only difference was that this one was explicitly given the government's blessing.

If predatory lending had been the norm before 2007, no lending was the order of the day subsequently. Some accused banks of a "credit strike," a refusal to extend credit to consumers until their institutions were offered more favorable terms. Warren explained, "The American people were told that the bailout would make it possible for banks to start lending to small businesses again and to help relieve the foreclosure crisis. But once those no-strings-attached checks were distributed to the big banks, that promise evaporated like a tiny ice cube in the desert."[31] And because the banks operate in an intensely racialized and gendered political economic culture, once again, mothers in particular were looked on as "discreditable" by mortgage underwriters, with recent lawsuits revealing an industry practice of refusing to lend to anyone out on maternity leave. A New York oncologist reported being denied a loan when the lender discovered she was on maternity leave, because the originator concluded she must be out on disability. She wasn't; she was using accrued sick and vacation days and being paid her full salary.[32]

When her story came out in the *New York Times,* others came forward to report similar experiences. One new mother, Carly Neals, was approved for a mortgage by PNC Mortgage, but she was then asked to buy mortgage insurance because of a high loan-to-value ratio. PNC contacted Mortgage Guaranty Insurance Corporation (MGIC) for the insurance, which then requested a verification that she had a two-months reserve in the bank. Neals arranged to have her transaction history faxed from her bank, with a note that her salary had been deposited in two parts because she was on maternity leave. MGIC responded that it couldn't give her mortgage insurance if she was out on maternity. It refused multiple letters from her employer saying that "Carly is an active full-time employee of mine" and required a pay stub. The loan processor at PNC, acting as go-between, wrote Neals that "unfortunately the one showing paternal *[sic]* time off is not going to work." Neals ultimately got the loan and the mortgage insurance—PNC said they had made an "exception" in her case—but she decided that she didn't want to deal with the company any more. She got her mortgage elsewhere and sued them for violations of the Fair Credit Act.[33]

Other women report the return of the "baby letter," where banks ignore a woman's earnings unless she promises not to have a baby or signs a letter saying that she will continue to work after the birth of a child, based on the presumption that a woman of childbearing age cannot be trusted to make rational financial decisions in light of the fact that she can get pregnant (and, though it's never said this way, because many women feel forced to leave the workforce after the birth of a child because good child care options are terribly hard to find, and the ding to the career if you are a mother—though not a father—is substantial and painful.)[34]

No one ever asked a bank to sign a baby letter promising to give all their employees high-quality child care, paid maternity leave, enough sick days to cover the needs of raising a human, or a 40-hour workweek for all to level the playing field. No one ever held them to account for the fact that the unequal distribution of poverty and the consequences of living in a racist society (to randomly pick two well-documented material effects of racism: losing your job because, as a person of color, you can't make bail after the police arrested you for getting a straw with your soda, which they took to be drug paraphernalia, and being judged incompetent just for showing up to work as a person of color[35]), not moral failings, creates strings of failure and stress that make Black and Latinx buyers struggle more to pay loans. Certainly, no one held the banks, securities investors, and mortgage service companies responsible for the moral hazard of the immense misery they created by profiting off of racism and sexism with overt scams that should have been criminal but were perfectly legal, putting millions of people out of their homes and tanking the economy. On the contrary, the government bailed them out.

This book has been arguing that the story about "losers' mortgages" and the "subprime as a demographic category" that made the banks and the financial services industry rich before and after the foreclosure crisis was the rule, not the exception. The massive changes in the economy since the late 1970s—stagnant real wages, shrinking government support for everything from schools to roads to welfare, "personal responsibility" and "moral hazard" as the reasons for vast public policy changes—were driven in significant part through a demonization of the reproductive labor of people understood to be women, particularly women of color, and all people who do care work. These economic changes were first called "neoliberalism" by activists in Cold War Latin America[36] (not in the US American sense of liberal versus conservative but in the economic sense of liberalism as free market fundamentalism), who were identifying an activist program by authoritarian, often military-led governments, characterized by austerity in the public sector and the private enrichment of elites. As Milton Friedman, Ronald Reagan, and Margaret Thatcher brought these economic programs to Latin America as the intensification of World Bank loans and structural adjustment programs, they encountered fierce pushback in the United States (as activist resistance to "Reaganomics"). However, just as Reagan himself campaigned for election by telling a story about "welfare queens" driving Cadillacs and getting rich off the government dole, conservatives in the United States used an account of irresponsible Black and Latinx women and their children to beat back that activism.

BY WAY OF CONCLUSION

As I hope this foreclosure example demonstrates, the politics of reproduction are key to understanding our shared political life in the United States. Reproductive politics and reproductive labor—the work of reproducing the species, from having babies to caring for elders—animate a great deal of what we collectively talk about, from the blogosphere to talk radio to newspapers and books. Its political force is powerful, if not always transparent. We think we are talking about whether immigrants on iffy visas are (all?) rapists, and then, boom, it turns out that most of them are women cleaning our homes and caring for children or elders or disabled folks. We think we are talking about the politics of designer babies and rich ladies who don't want stretch marks, and then it turns out that we are really dealing with the consequences of postponing children until we have earned a college degree and are established in our careers, or the barely acknowledged racial disparities in health and infant death. We listen to folks hating or defending LGBT people through the politics of same-sex marriage, and we realize that a long fight for family rights for many ultimately wound up with marriage rights for a few—and that judges did it "for the children," so that the children of queer folks wouldn't wind up on the public dole. We look back to the end of welfare and the demonization of Black women who supposedly had babies to increase their welfare check, and we realize it was a cover story to force them to work for Walmart or McDonald's for minimum wage and park their kids in substandard day care. We hear conservatives blaming feminists for the work/life time crunch and realize that corporations never changed the expectation that all workers were supposed to be available to work all the time—they just expected mothers (and fathers) to adjust.

Reproductive politics are everywhere. Virtually every demonized figure, everyone that conservative or liberals love to hate, is an emblem of our frustration with the impossibility of both finding enough material resources to support our families and households—wages, a home, reliable transportation, schools—and the huge demands on our time to get these things (if we can find a job, a loan, a pension), such that we don't have time to care for infants, children, elders, and those who are sick or in need of care. We are persuaded to hate irresponsible breeders, welfare mothers, and "illegal" immigrants—or the imaginary figures that stand in for people—because they are compact symbols of the near impossibility of managing the money/time problem, not just for poor folks but now for a huge swath of the middle class as well. While this fear and loathing is not limited to white people, it is overwhelmingly the mobilization of whiteness that turns it into something truly dangerous.

There are clearly things that would help:

- A 40-hour workweek, for example—and not just for the lucky few hourly wageworkers with unionized, benefited jobs.
- Paid parental leave—and not just at a handful of workplaces that are competing fiercely for highly trained workers, such as web workers at Netflix or Adobe, where

individuals are allowed to fend for themselves with maternity leave—if their boss agrees, and they can show that they can still do their work, they can have parental leave (although in reality, it's a perk that few can take advantage of; when the norm is that people who "really" care about their job don't take parental leave, very few do get to go on leave with their new infant).

- An actual social safety net—including food stamps that don't require a day waiting in line, SSI/SSDI that doesn't automatically deny people the first time, a return of AFDC for single mothers with small children and no job—that can support people who are struggling and also take a burden off the extended family network that may be trying, and failing, to support family members who are not making it.
- Less policing and more support for people leaving abusive relationships.
- Schools that don't expel stressed-out kids with disabilities or behavior issues, and high-quality, well-funded public schools.
- Free, high-quality preschool that would take a care burden off families while providing tangible educational benefits for children that last their lifetime.
- An end to discriminatory lending and policing.
- School schedules that match 40-hour workweeks, are compatible with higher education, and give kids real opportunities to run, climb, relax, and build friendships.
- Free higher education.
- Living wages for low-paid workers in McJobs, as represented by the "Fight for $15" campaign.

- Cleaning up toxic environments—psychological and physical—that cause miscarriages, infertility, asthma, cancer, and other chronic diseases.
- Family rights for all households where people provide care and share resources with each other.

These are not expensive fixes, if money is even the right question, in the sense that even major corporations have long since realized that easing work/life burdens improves productivity. The politics of racial division that brought Donald Trump to power (and, before him, Richard Nixon and Ronald Reagan) may make these goals seem out of reach. At the top, in banks for example, race and gender are being deliberately used as a force to manipulate access to things like fair loans, good jobs, and favorable public policies. The withdrawal of support for reproductive labor by business and government (alongside comparable shifts in paid labor, including the offshoring of manufacturing) is also what makes racial resentment available for use as political force to divide working- and middle-class people. The political movements of the middle of the twentieth century got a lot of things right, including especially the importance of a politics of expanding social supports for family, households, and communities. We can't understand the rise of Trump, or combat the forces he represents, without attention to reproductive politics.