

Is the Middle Class Crumbling Into the Working Poor?

The Servant Economy: Where America's Elite Is Sending the Middle Class, by Jeff Faux.
Hoboken: John Wiley, 2012.

Reviewed by Russell Harrison

Jeff Faux's new book is a devastating critique of the economics and politics of the contemporary U.S. The picture Faux paints is beyond distressing, mitigated only by his breezy style, probably a necessary defense mechanism given the circumstances he faces. All the usual criminals are here: the tremendous waste of military Keynesianism, the attack on and subsequent reduction of, the power of the working class, the defunding and destruction of our public school systems, the catastrophic power of money in electoral politics and on and on.

Faux's thesis is that given the secular trends of the 20th and 21st centuries – offshoring, computerization, robotization, and subsequent downsizing – we will (and have already) suffer a significant decline in the American standard of living. This is a foregone and unstoppable fact. Also unstoppable is the increase in the tremendous amount of low-paid workers entering the job market and the resultant loss of (good) jobs. Without exception, just about every page brings us amazing and amazingly depressing facts. As noted, he covers all the usual criminals and also as usual the Defense Department looms large whose military-industrial complex has been calling the shots for so long that we've forgotten how obscenely corrupt it is: The Defense Department's budget has never been audited and so we have:

\$998, 798 in transportation costs for shipping two 19-cent washers; \$492,096 for shipping a machine thread plug; a subsidiary of Halliburton that charged for 10,000 meals a day it never served.

The decline in good jobs prophecy is met by its critics with the suggestion that the American economy will more and more consist of (personal) service jobs. Citing an Alan Blinder study that predicts that “the vast majority of new jobs created in the next decade will be in services that cannot be easily exported,” Faux responds that, “As the higher, more secure jobs connected to the global economy are outsourced, the supply of educated workers with personal skills who are willing to work for less will expand. When the rich get richer, they tend to spend more on personal comforts: maids, nannies, governesses, tutors companions for the elderly, gardeners, handymen personal assistants, cooks, security guards, trainers, therapists, sports and fitness coaches, chauffeurs, and masseuses” (227). (Of course, many of those workers can be replaced by workers who did such jobs in their country of origin, such as the Polish bus drivers in England or Russian programmers in the U.S.)

One of the largest service areas that big business will (and has already) tried to get its hands on is education. One of the most well-known examples of this is charter schools which, in the event, have not done as well as public schools. This in spite of the formers' advantages, such as to refuse the poorer students and apropos of such schools, they have become the locus for such non-educational endeavors as real estate profiteering. Frightening, too, for the Oldies among us (such as myself) is the prospective dismantling, or at the very least, downgrading of Social Security and Medicare and, for the poor, Medicaid:

The willingness of Democrats to let pass without much challenge the Republican mantra that Social Security is unsustainable, and therefore will not be there for young people when they retire, will set the table for Wall Street's feast. Sometime in the next decade, the Social Security act is likely to be amended to allow contributors to divert a portion of their payroll taxes to a private 401 (K) plan ... Medicare is even more likely to go on the block (236-7)

The list goes on and this reader was irritated by Faux's blithe tone. As I said earlier, this may be a defense mechanism, avoidance perhaps. But it is allied to something that irritated me from the beginning of the book. By my count, Faux uses the phrase, “governing class” some thirty-plus times and the more he used it, the more I felt, “What's Up with This.” “My God,” I thought, “can't he just occasionally throw us a (more accurate) “ruling class?” Thus, it seems to me that this is clearly a desired locution on Faux's pas – I mean part. To say “ruling class” is more than a little too Marxist. Yet to name the problem as one of governance clearly downtones the issue. It somehow seems to liken the issue to that of an electoral choice when, as Faux well knows, such electoral choices have recently left us with the “same ol', same ol'.” True, he at least acknowledges the existence of class: think about it: we have the Lockean notion of “the consent of the governed.” Locke even endorses revolution, if that consent has been lost. But do we ever see the phrase, “the consent of the ruled?” I think not, and for good reason: such consent is no true consent. Thus Faux's use of the phrase “governing class” is significant. It further seems to me to suggest that any change is going to come from above. This is, I think, the reason for the relatively passing references to Occupy Wall Street, the protests against the IMF over the years, and other such movements “von unten,” as Brecht might put it.

In any event, Faux has a genius for locating impressive concrete details to buttress his case. Some of his more intriguing findings in the field of education, for example:

- “Among the other facts smothered by the Wall Street-financed blitz against the unions is that the school systems around the world that do the best—starting at the top with Finland, South Korea, and Singapore—are completely unionized and run the central government (205)
- “Teachers' salaries in South Korea for example, are on par with what doctors earn.” (206)
- (A propos of “governance”) “What then is the citizen to do? Wait until the next economic catastrophe? Perhaps if next time, instead of just twelve trillion dollars, the markets lose twenty-five trillion dollars, and instead of reaching 10 per cent, the unemployment rate goes to 20 percent, perhaps then our governing class will act for the good of the country. Or perhaps then the people will rise up. (257)

Finally, though Faux ends his book with an intriguing suggestion, something I haven't come across elsewhere. Since the Democrats are a lost cause and since the issue, as all acknowledge, is the corrupting influence of money and since the power that corporate money has stems from the 19th Century Supreme Court's granting corporations personhood, this is where we should seek a solution:

“The root problem is the way the court has interpreted the constitution, and this is not just the case with the Roberts court. Since at least 1886, the Supreme Court has been providing corporations with the rights of individual human beings that were neither contemplated by the Founding Fathers nor supported by the majority of Americans” (259).

“The solution, therefore, is a constitutional amendment establishing once and for all that corporations do not have the political rights of, in the language of the Court, “persons”, and mandating hard limits on campaign spending” (259).

This certainly seems worth a try. In spite of my cavils, this is a good and impressive book.

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Local & National Events: Spring-Summer 2013

NY METRO

Hofstra Heart Health Week: Feb. 20, 11 a.m.-2 p.m. – Hofstra Health Fair in Plaza Rooms, Student Center: Free blood tests, blood pressure readings and nutritional advice from health professionals will be offered on a walk-in basis; 1-2 p.m.: “Life Savers and Good Samaritan Laws – Law School, rm 242. Thursday, Feb. 21, 12:45-2 p.m. – Heart Experts Forum: ‘Is Your Heart At Risk?’ in Plaza Rooms, Student Center: Speakers include: Cardiologist Bruce Goldner; NYCOSH job stress management specialist James Pratt; young cardiac arrest survivor Tim Kiedrowski; and Melinda Murray mother of a student athlete killed by cardiac arrest. Feb. 21, 6-9 p.m.: Hoops for Heart Basketball Tournament at Fitness Center: Free intramural three-on-three basketball tournament. Donations will be welcomed for heart research; Friday, Feb. 22, 11 am-2 pm: Student Clubs Health Fair – in Plaza Rooms, Student Center; Saturday, Feb. 23, 2-8 p.m. – Dodgeball for Heart – Fitness Center: Free intramural six-on-six dodgeball tournament. Register at Fitness Center with Hofstra ID; Tuesday, Feb. 26, 8 a.m.-8 p.m. – Blood Drive in Multipurpose Room, Student Center. This new event has been initiated by the Labor Studies Program and organized in collaboration with the Provosts Office, School of Medicine, School of Health Sciences, School of Education, Intramurals-Fitness Center, Wellness Center, Hofstra Labor and Employment Law Journal, and Office of Student Leadership.

April 4 – Charles Kernaghan speaks on “Will You Lose Your Job to Global Sweatshops?” As Director of the Institute for Global Labour and Human Rights, he is one of the best known critics of child labor, unsafe workplaces, poverty wages, and other abusive working conditions in low-wage countries. At 12:45-2:10 p.m., in 246 East Library Wing, Axinn Library, Hofstra University. Free admission.

April 9 – “Gender Gap 2013: New Debates and Policy Agendas,” is being held on national Equal Pay Day, celebrating the 50th anniversary of the Equal Pay Act. At 4:30-5:55 p.m. in the Guthart Cultural Center Theater. The 3 speakers will be Esmeralda Lyn [chair of the Women's Policy Research, and former Hofstra Biz School Prof], Beth Margolis [labor lawyer], and Jason Starr [Nassau Co. Director, NY Civil Liberties Union]. Among other topics, they will debate the controversy over the book LEAN IN, by Facebook exec Sheryl Sandberg, and Gov. Cuomo’s new ‘Equality Agenda.’

May 1 – “Mayday At The Movies: Comedy & Tragedy At Work,” the 12th annual labor film festival at Hofstra, showcases new and classic movies on work and working people's lives. This year’s films include the new HBO documentary on the 2008-10 Great Recession’s local impacts, “Hard Times: Lost on Long Island.” At 10 am – 4 pm in the Guthart Cultural Center Theater, Student Center, Hofstra U..

May 3 – Labor & Employment Relations Association of Long Island Annual Conference. Starts 9 am, at Tam O’Shanter Club, Brookville, NY. For info. call: 516/746-9307, or visit: www.lilera.org.

June 6 – NYU Law School’s 66th Annual Labor & Employment conference. Starts 8:20 am at Vanderbilt Hall, Macdougall at East 3rd St., Manhattan. For info.: email torrey.whitman@nyu.edu.

July 1 – “Congressional Night” at Long Island Federation of Labor. Annual forum at which US Senators Gillibrand and Schumer, as well as Long Island’s Congressional Representatives, speak to and are questioned by hundreds of union members. At 6-8 pm, IBEW Local 25, 370 Motor Parkway, Hauppauge. For info., call 631/348-1170.

July 20-25 – 38th annual Northeast UALE Summer School for Union Women. Five-day residential program of trainings and events at Cornell University, Ithaca, NY. For info., email: workerinstitute@cornell.edu.

Sept. 7 – Labor Day Parade. Starts at 11 am., Fifth Avenue and 44th Street, Manhattan. For info., see www.nycclc.org.

NATIONAL

April 17–20, 2013 – Annual National Meetings of United Association for Labor Education (UALE) in Toronto, Canada at Metropolitan Hotel. Theme: “What Are Workers Saying?” For info. visit www.uale.org

June 6-9 – Annual National Meetings of Labor & Employment Relations Association (formerly IRRA) at Crowne Plaza Hotel, St. Louis, MO. Theme: “The Future of Work.” For info. call: 608/262-2762, or visit www.leraweb.org

June 18-19 – Labor Research and Action Network annual conference at the Georgetown U. Law Center in Washington, DC. LRAN established in 2011 by academics, union leaders and staff, and progressive non-profits to connect scholars with organizers and worker organizations that are involved in cutting edge campaigns. For registration info. and sessions, visit www.lranetwork.org.

RELEASE DATES FOR MONTHLY LABOR MARKET INDICATORS

2013 RELEASE DATE	NATIONAL			REGIONAL	
	Employment & Unemployment	Job Openings & Turnover	Real Earnings	U.S. Metro Employment	New York Employment
MAY	3	7	16	1	21
JUNE	7	11	18	--	25
JULY	5	9	16	2	23
AUGUST	2	6	15	28	20

Sources: National Statistics – U.S. Bureau of Labor Statistics (BLS): The Employment Situation; Job Openings and Labor Turnover (JOLT); *Real Earnings*; and *Metro Area Employment & Unemployment*. <http://www.bls.gov>
 NY State and Local Statistics – NY State Dept. of Labor: Monthly Press Release. <http://www.labor.state.ny.us>.

NOTE TO READERS:

If you know of upcoming labor-related meetings or conferences, collective bargaining contract expirations or renewals, or other events you would like considered for our next Calendar, please send us a brief description, together with the time, place, contact person, and their telephone number. Either fax this information, with a cover sheet addressed to Regional Labor Review, to fax # 516-463-6519; or email us at: laborstudies@hofstra.edu.

CSEA Talkin' Labor
with Local 830
Hosted by CSEA Local 830 President Jerry Laricchiuta
AIRING ON WGBB AM1240 - Wed. at 6:30 pm

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