Nickel and Dimed: On Not Getting By In America
reviewed by Vernon Mogensen

For the past two decades, corporations have increasingly hired low-paid contingent labor with few or no health, retirement, or other benefits. This trend reminds me of the joke in which the president gives a banquet speech boasting about the thousands of new jobs created during his administration, and the waiter serving him mutters, “Yes, and I have three of them!” The joke is a cruel one for many who are struggling to get by in “the land of opportunity,” where jobs that pay a living wage are getting harder to find. In the venerable tradition of role-playing investigative journalist, Barbara Ehrenreich decided that she would try her hand at trying to get by on six or seven dollars an hour.

A longtime writer and activist, Ehrenreich is the author of Fear of Falling: The Inner Life of the Middle Class, which was nominated for a National Book Critics Circle award, The Worst Years of Our Lives: Irreverent Notes from a Decade of Greed, and has authored or co-authored seven other books. A former columnist for Time Magazine, her byline has graced the pages of numerous other publications. Nickel and Dimed, the outgrowth of an article for Harper’s Magazine, has fulfilled every writer’s dream of literary success. The book was a bestseller in hardcover and paperback, formed the basis for an A&E television documentary, and was optioned by a Hollywood movie producer. Most recently, it has been adapted for the stage.

Ehrenreich’s plan was to enter the job market as a divorced homemaker with little or no job experience. She started her experiment working as a waitress at two restaurants near her home in Key West, Florida, continued as a cleaning woman and nursing home aide in Portland, Maine, and finished at a Wal-Mart in Minneapolis, Minnesota. But, as Ehrenreich later admitted, she underestimated the difficulties that awaited her.

She worked with people, mostly women, who couldn’t afford apartments on seven dollars an hour, and were forced to share living space in trailer parks, flophouses, or, during the off-season, residential motels. A fortunate few had a family member or significant other who made enough to pay the rent. Ehrenreich herself had to drive thirty miles from work in Key West to find a $500 apartment that was within her budget. And, in addition to high rent and a long commute, she had to deal with unanticipated housing problems such as threats to personal safety (a significant issue for many, especially women). Her experience was not unusual, and illustrates the fact that affordable housing is in very short supply and constitutes a major social crisis.

Making enough to eat was also a real problem. A Czech immigrant restaurant worker was fired for allegedly stealing little bags of ketchup. There was a housemaid in Maine who could barely afford to eat lunch, and Ehrenreich took advantage of the free meals at her nursing home job to help make ends meet. She developed a deep respect for coworkers who did their jobs diligently no matter how humble the task, and realized that even so-called “unskilled” jobs required concentration and coordination that posed a challenge for her, an educated person with a Ph.D.

Ehrenreich found that a job advertisement doesn’t always mean there is a job opening; many low-wage employers run ongoing want ads in order to keep a ready supply of labor on tap. So, to increase her chances, she applied for as many jobs as possible. There were also the ubiquitous employment questionnaires to be filled out, asking what she thought about employee theft, the value of unions, the virtue of nonconformity, and whether she had ever been convicted of a crime. Ehrenreich had to endure the indignity of taking a drug test—that is, urinating in a cup for her employer. This was a stark reminder that many workers, especially those without unions, are forced to leave their civil liberties at the workplace door. As if the low pay and poor treatment weren’t humiliating enough, she also found that employers controlled new employees by withholding their desperately needed first-week’s pay.

Recent stories about Wal-Mart’s illegal, anti-labor practices make her chapter on the nation’s largest retailer look prescient. In its orientation program, Wal-Mart goes
to great lengths to warn its employees against “time-theft,” that is, an employee who engages in any nonworking moments at work. This is ironic since reports have surfaced that Wal-Mart workers were forced to walk “off the clock.” Wal-Mart is also the target of lawsuits by workers charging it with racial and gender discrimination, and not being paid time-and-one-half overtime pay as mandated by the federal Fair Labor Standards Act. And Wal-Mart workers have to pay such high rates for limited medical care that many forego it altogether.

Although Wal-Mart employs over one million workers, not a single one of them belongs to a union. This is not, as Ehrenreich explains, by chance. While Wal-Mart claims that its employees don’t want unions, unions in a Texas store voted to unionize several years ago, the retail giant eliminated their jobs. While working there, Ehrenreich tried to jump-start a discussion about organizing, but it was at the end of her stay, and the reader is left to wonder what might have happened.

But why do so many workers put up with low pay, long hours, and a lack of respect? Mainstream economists posit the existence of “economic man,” a rational actor who seeks higher paying jobs in a tight labor market. Ehrenreich demolishes the assumptions behind “economic man,” noting that low-wage workers have neither the time nor resources to look for better paying jobs or to attain the skills necessary to move up. With little or no money to spare, even a few days between jobs could result in not being able to eat, or pay the rent. The lack of transportation is another barrier to switching jobs; having a car at her disposal made Ehrenreich the enviable exception among her peers. Living in a working class world, her co-workers lacked the network of social contacts that middle and upper class Americans tap into. Moreover, many employers use industrial psychology to co-opt their workers. Some refer to their employees as being part of the “family” or “team.” Wal-Mart calls them “associates,” which implies that they are well-compensated partners or colleagues. In reality, it is management’s euphemism for low-paid, expendable sales clerks.

Occupational health hazards are one more reminder that these workers are just one illness or injury away from debt and possibly losing their jobs. Since Ehrenreich’s job involved a lot of repetitive strain injuries (RSIs) comes up. Workers are pushed to work faster and longer without safety breaks. This management-by-stress strategy results in stress-related illnesses. Lacking such “luxuries” as sick days, health care insurance, and savings accounts, many have no choice but to work through the pain. President Bush made life harder for working Americans when he repealed OSHA’s ergonomic standard in 2001; it would have prevented many of the 1.8 million RSIs that occur annually.

Ehrenreich intersperses her commentary with footnotes full of valuable findings and analysis from the academic labor literature. One wishes that she had incorporated more of this analysis in her text, but she probably didn’t want it to interfere with the flow of her narrative, which pulls you into the low-wage world. She rightly worries that the so-called Welfare Reform Act of 1996 was a shortsighted and mean-spirited policy. Given the difficulties involved in getting by on poverty wages with no social safety net during a full employment economy, the situation is bound to get worse now that the economy is in recession and unemployment is rising. Many mainstream economists, corporate leaders, and government policymakers have shown a callous disregard for the millions of women and men stuck in the vortex of structural unemployment, or underemployment. This is why Nickel and Dimed makes for an important and all too timely read. It should be Exhibit A in the case for a living wage, the relevance of unions, and the need to restore the social safety net.

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