

REVIEW

The Betrayal of Work: How Low-Wage Jobs Fail 30 Million Americans. BY BETH SHULMAN. New York: The New Press, 2003. 254 pages. Hardcover, \$25.95.

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"We can thus be confident that new jobs will displace old ones as they always have, but not without a high degree of pain for those caught in the job-losing segment of America's massive job-turnover process," Alan Greenspan argued last January, with his usual penchant for dispassionately doling out bad news for workers. While the Federal Reserve chairman was confident that the U.S. economy could replace most of the jobs lost in the recession, laid-off employees would probably need to be retrained to find new ones. Not that the Bush administration has done anything but cut hours and monies available for job training for those on public assistance, as well as increased costs for health care premiums and child care for those working or looking for jobs. Still Greenspan confidently noted that some 94 percent of the workforce has remained consistently employed. What Greenspan did not elaborate upon was that more than 30 million

of those laborers remain in jobs that fail to pull themselves or their families above the federal poverty line. "And these low-wage, no-benefit jobs translate into billions of dollars of profits, executive pay, high stock prices, and low consumer prices," author and labor activist Beth Shulman notes (p. 5). The story of these workers and the conditions in which they work are the subject of Shulman's new book, *The Betrayal of Work: How Low-Wage Jobs Fail 30 Million Americans*.

In many ways, *The Betrayal of Work* begins where a pre-9/11 political agenda left off. In the summer of 2001 before the terror attacks, the Harvard Living Wage campaign galvanized the nation. U.S. senators, student activists, and antiracism and poverty activists found common ground and worked together to fight for a social and political agenda that challenged the idea that it is OK for workers to live and work in

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subpoverty conditions. Shulman's argument is that workers in low-wage, no-benefit jobs make our economy and profits thrive. Borrowing from both quantitative studies and her own qualitative research into the lives of low wage-workers, Shulman sheds light on the conditions of the child care workers, security guards, retail clerks, customer service representatives, nursing home staffers, teacher's assistants, and the like quietly providing vital services with little to no social safety net to support their endeavors or to help them through tough patches. Their stories are presented with a gripping resolve and dignity. Yet there is more to it.

Borrowing from the longitudinal research of Sheldon Danziger and Peter Gottschalk, Shulman highlights the familiar yet essential reality that entry into low-wage work does not necessarily mean that workers advance into management or beyond poverty-level wages. One study followed a cohort of workers through their initial entry into low-wage positions in 1968 through 1991. Of those who advanced beyond their original work positions, three-fourths still worked at salaries below median incomes nationwide. Thus, low-wage work still provides little as a career ladder, except on the rare occasion.

Yet, the problem does not appear to be doing anything but becoming more intractable. Low-wage work increases profit margins and stimulates the economy. Shulman suggests that over the next decade, the low-wage end of the job market could account for some 30 percent of the

American work workforce. To the extent that service industries continue to thrive, low-wage work will only increase as a proportion of our economy. While skills training may be useful, Shulman suggests what these workers really require is to be compensated for their labors.

Yet, instead of being supported for their endeavors, workers must contend with a series of political, economic, and corporate decisions that have undercut the bargaining power of the workers over the last two-and-a-half decades. These circumstances are familiar enough. They include an increase in unregulated global trade, government efforts to deregulate industries, monetary policies that emphasize reducing the threats of inflation at the expense of increased job growth, and an end to the post-war labor-business accord in favor of maximized shareholder value. These policy trends contribute to the deterioration of work conditions and a worsening of disparities in income and wealth. Yet mechanisms to address these issues have only weakened as the supporting role of unions has declined, along with laws and political support for protecting workers. In 1950 the number of workers threatened or terminated for organizing their workplaces was in the hundreds. Forty years later, that number exceeded 20,000. As private-sector union rates plunge from 25 percent of the workforce in 1979 to current rates of 11 percent, the problem is only increasing.

Yet there is room for optimism. If the 1990s point to anything, increas-

ing the minimum wage will not decrease economic growth. Legislative wage increases in 1996 and 1997 witnessed little to no negative impacts on the economy. Simultaneously, aggregate poverty rates decreased for the first time since the early 1970s. Despite these increases, the value of the minimum wage in 1999 was still 21 percent less than what it was in 1979. The lesson remains: When work is made to pay and wages increase, declining poverty rates follow.

Unfortunately, the modest advances against poverty witnessed during the Clinton years have evaporated. In their wake, “old forms of poverty continue,” the author reports. Today, for those working and remaining in poverty, instead of lacking work, “their poverty is not incidental to their role as workers, but derives directly from it . . . they are America’s super-exploited,” the author contends (p. 4). At its best, *The Betrayal of Work* serves as a telling story and study on the legacy of strategies used to measure and fight poverty, which today have become woefully inadequate. As approaches used to fight poverty—such as labor laws, health care, and other benefits—are subsumed to the imperatives of the market, the picture of work becomes all the more regressive. In his 1844 work, *The Condition of the Working Class in England*, Frederick Engels suggested that each industrial

epoch allows the owners of production “to plunder the poverty of the workers, to undermine the health of thousands, in order that they only, the owners, may grow rich” (Engels 1984/1844, 92). As protections for workers are watered away, the image becomes more and more familiar.

This year marks the fortieth anniversary of President Lyndon B. Johnson’s declaration of “unconditional war on poverty” in his first state of the union address, in 1964. Shulman is right to call for workers, organizers, and policymakers to work to create an antipoverty agenda that supports the efforts of workers. By supporting work, such a policy could avoid the inherent backlash of anti-poverty initiatives of the Johnson-era War on Poverty. Increased social supports, including health care, child care, wages, and earned income tax credit, are not inconsistent with job growth and worker productivity. As the post-9/11 backlash recedes, Shulman has laid out the research and political imperative for a workable agenda based on the needs of American workers across a political and demographic continuum. It’s an agenda worth fighting for.

Reference

Engels, Frederick. 1984/1844. *Conditions of the Working Class in England*. London: Penguin.

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