CHAPTER 1

They Had It Coming

"You all remember," said the Controller, in his strong deep voice, "you all remember, I suppose, that beautiful and inspired saying of Our Ford's: History is bunk. History," he repeated slowly, "is bunk."

—Aldous Huxley, *Brave New World*

John Hope lost his job in 2009. For fourteen years he had worked at a car plant near Detroit, heaving truck bumpers onto the practiced balance of his lean, muscled arms and machine-polishing away the wounds in the rough steel, readying them for immersion in a chemical bath that would gild each piece with a thin layer of luminous chrome. It was a work of magic, conjured up in a foul, fume-drenched cavern, an industrial alchemy that transformed masses of cheap base metals into things of beauty and value.

John, fifty-five, excelled at the work. Every day on the job meant handling metal and machinery that could, with a moment's indecision, crush or maim him. He took pride in the strength required to hold the bumpers without tipping over, and the skill needed to buff each piece precisely, so that every hairline nick or abrasion disappeared, the chemical sheen wrapped perfectly across the smooth steel, and the bumpers arrived at the end of the line looking like lustrous silver jewelry. "If I ain't doing it good, you're going to lose the money," notes John in his Alabama drawl.

His Southern roots linger in that whirling, excitable, workingman's voice, but his job—and the pride, status, and paycheck that came with it—long ago separated him from a personal history of vicious rural poverty. Deserted by young parents when he was just a baby, raised by a grandmother who had to abandon him about a decade later when she went blind, John learned to fend for himself. For a time he and his older brother slept in vacant houses and cast-aside cars, on porches and forest floors.

As a teen John headed down to Florida and laid pipe. Then the lure of Detroit's auto plants, with their union-won wages, took hold of his imagination. John followed a cousin up there in the seventies, as the industry was marching unwittingly into the decade's oil shocks and a first brush with foreign-made, fuel-efficient cars.

After a stint doing construction, John worked in the chrome-plating industry. For a time John made good money doing piecework, but soon the factories started installing huge machines to polish their bumpers, relegating humans to the leftover work of burnishing imperfections. "A man might run one hundred bumpers a day, but this automatic did a thousand or so a day," John notes. "Automatic takes all the money out." At least for the workers, it did; the company slipped the money saved into its pockets—before competition drove those profits lower, too. That was the way the market worked.

John took a job at a plant in Highland Park, a small municipality surrounded on all sides by Detroit. The United Auto Workers, the feared union that Walter Reuther had built into a fortress of labor in the early half of the twentieth century, represented the workers there. For over a decade John saw his income rise steadily—to $50,000 a year, overtime included, for forty-five to fifty hours of work a week. It was enough to support his family of four, enough to buy a red-brick ranch house in the city, enough to give his daughter and son video games, clothes, and other trappings of a middle-class American childhood. It was enough for John to look back and feel pride in what he—an abandoned child, a once-homeless boy, son of the dirt-poor South—had accomplished.

Then the Great Recession hit. On Wall Street, years of heedless risk-taking wreaked collateral damage on industries and households suddenly cut off from credit and income. Governments bailed out banks and other financial giants. In Detroit, years of neglect of quality and product lines brought about a similar reckoning for General Motors, Ford, and Chrysler. Sales of their gas-guzzling cars dropped to record lows, forcing two of the once–Big Three to come begging for government help, too, and all three to shed workers and plants. As America's automakers fell, the damage spread to the feeder plants that supplied them—and that, thanks to now well-developed processes of outsourcing, actually employed twice as many people.[1]

The economic ripples sank many feeder plants, including John's. First, production stalled. John was laid off for the summer. His family's water heater died around then, too, so for a time they boiled water for baths, as John didn't have cash on hand for a replacement. Eventually he was called back. But shortly afterward, his company decided to ship all the work to one of its larger factories, to cut costs. More than a hundred workers were terminated, John included.

Perhaps he should have seen the end coming. For years now, the economy had moved away from chrome, away from factory jobs, away from the manual labor he knew. Polishing, too, had been dying the death of so many proud crafts, the victim of a mercurial consumer market that, for better or worse, fancied cheap, easy-to-replace plastic. But John knew he was a good worker. "By God, I never was a problem for nobody," he says. "I treat everybody nice and I work hard. I never had a criminal record. I never been in trouble. . . . That makes me a better man." With his work ethic and skill, John thought there would be a place for him in a big company. He was wrong.

Now it is the middle of winter, and John is feeling the loss of income hard. He draws $774 every other week from unemployment, but his partner Christina is a stay-at-home mom, so those checks alone must support both of them and their two kids. Having already been sucker-punched by last year's layoff, they have used up their savings and are now three months behind on their mortgage. When I visit them on a frigid day in January, two stove burners have been left fired up, providing heat. The furnace is shut off because John doesn't have $1,000 to repair it.

But his family is not on food stamps or welfare, he points out. They have never gone bankrupt—yet. If he could just find a job, everything would turn out all right, John declares. All these problems would retreat like bad dreams. "You're used to working, and getting what you want," he says. "When you're not working, it's like being in jail, but you have to get your own food." He slaps his knee and shrieks with laughter. It is the way he deals with adversity—with a smile and a devil-may-care quip. Ask him how he copes, and he will flash a wide grin. "I feel good. I got a great sense of humor." Ask him about his job search and he'll say things will work out. "As long as you believe, you're going to be all right," John says, with his idiosyncratic penchant for referring to himself—whenever his frame of mind turns serious—in the second person. "You got to believe. You got to be happy."

To a point, this works for John. But as the conversation goes on, the certainty starts to unravel, the defensive smiles recede. "I'll be back to work soon," he insists—but then adds, after a pause: "It can be stressful."

He scours the Sunday paper for job listings. He calls around and visits factories but has yet to find a promising lead.

John starts to talk about the last vacation he took, seven years ago. He went down to Birmingham to see his mother for the first time since he was eleven months old. John stayed with her for a week. He has not seen her since. "I ain't used to her," he says. As for the grandmother who raised him, she died a decade ago. His father died five years ago. All his good friends worked at the plant—and now that job is gone, too. "When you work fourteen years, them are all the friends you got. A bunch of guys with nowhere else to go."

The job was more than a job. "To me it's real bad," he says slowly, forcing out each syllable, "because the thing about my job—man, it makes me think—my job was like my mother and father to me." Quietly, John starts to sob. He wipes the tears on the denim collar of his button-down shirt, rubs his eyes gently with his fingers. "It's all I had, you know," he goes on. "I worked hard because I had no mother and father. I was cut loose. I hate to think about them. . . . When you growing up young, your mother and father, they take care of you. And I ain't never had that. . . . All my life I depended on my job as my mother and father. If I could only make it every day, I know I'm all right."

As hard as he worked, as loyal as he was to his corporate parent, John was still let go. "When you used to working at a place, you thinking you got you a job," he says. But times have changed. For workers like him, there is no more security, no more loyalty—no more forgiveness of error. "You can't make no mistakes," he says. "You got to do everything perfect. You can't get into trouble. You can't do nothing. You got nobody to run to."

His employer's betrayal has wounded him, though John tries not to show it. He blames himself for not working harder. He blames the union for not caring enough for merit and diligence. But he never really blames the company. They were just doing what made business sense, and what would be the use of anger or regret? "You move from that day on to the next day. I can't look back at how much money I made, or what I did, or what jobs I had. I got to thank God I'm alive." After all, he did well, for a time. He supported a family and bought a home on those factory wages. Now he needs to look to the next destination, holding fast to the commonsense creed that has kept him going all these years: *Stay happy. Keep a smile on your face. Keep your head up.* The words are his Hail Mary, a Panglossian prayer to push down deep the motley anxieties and stresses of his new, uncertain life. "That's just the thing that makes to kill you inside—the worry. I had fun, I made money, and like I say I'm going to look for me another good job."

He pauses, lost in thought. "I'm an old man now," he adds, softly.

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When the world's financial markets collapsed in 2008, millions of workers lost their jobs. In the months that followed, the unemployment rate hit peaks of 10 percent in the United States and 8.7 percent in Canada. In Michigan, the rustiest link of America's long-battered Rust Belt, unemployment rose to over 13 percent, the highest in the country. At the height of the economic crisis, fifteen million Americans and 1.5 million Canadians were out of work. Four in ten Americans experienced long-term unemployment—a spell of joblessness longer than six months.[2] That figure was double the share in previous modern U.S. recessions. So many people were out of work for so long that government bureaucrats had to bump up the maximum length of unemployment that job seekers could disclose on surveys—from two years to five.

As devastating as it was, the recession only accelerated long-standing trends. The past four decades have seen the erosion of key institutions—ranging from labor unions to the two-parent family—that have historically helped many households prosper, especially the less than well-to-do.[3] While ordinary families have struggled, inequality has climbed—in America, to heights not seen at least since the early part of the last century, with the top 10 percent of earners taking in half the country's income, and the wealthiest 10 percent owning three-quarters of its wealth.[4] Even though the economy has grown, middle-class households still have less income than they did at the turn of the century. Though significantly lower, income inequality in Canada has also increased. The gap between the pay of CEOs and their workers narrowed temporarily during the recession, but it has steadily risen in both countries over the years—in the United States, from a 20-to-1 ratio in 1965 to just shy of a 300-to-1 ratio in 2013.[5]

At the same time, the job market has become more uncertain, for office workers as well as factory workers. Just as they have invested incessantly in manufacturing plants, office machines, and other forms of physical capital, companies have increasingly sought out workers with the kinds of human capital—skill, intelligence, flexibility, creativity, initiative—that contribute noticeably to the firm's bottom line. Less fortunate workers now scramble to get hours on the clock or to turn their temp jobs into permanent ones. Technological progress and cross-border competition have wiped out many of the good jobs they once held. Expectations have, in turn, changed profoundly: from how long employees stay with one firm, to how much their retirement depends on rolling the dice in the stock market. These changes have rewarded those able to deal gracefully with greater risk. Yet, they have also opened wide the divide that already existed between more and less advantaged workers.[6]

When the economy was doing well, the consequences of these trends were not obvious. The last recession, in 2001, was mild and short. Then came the worst economic dislocation since the Great Depression. Families suddenly found themselves vulnerable, cut off from the credit that had masked their feeble growth of income. Workers who lost good jobs struggled to find new ones, lacking the skills and experience now in demand in a trimmed-down economy that had quickly learned to do more with less.

Years after the recession officially ended, the American economy continues its slow-burn recovery. While GM and Chrysler have paid back their government loans and started making money again, the auto industry and the broader manufacturing sector continue to employ hundreds of thousands fewer people than they did before the recession.[7] Nationally, the unemployment rate has slid downward and the labor market has added jobs, but some of those laid off have simply stopped looking for work. Even though a third of the country's nine million unemployed have been out of work for six months or more, federal and state governments have already rolled back the time limits for unemployment benefits. In Canada as well, the amount of time that workers there are typically out of work remains high.[8]

In this book, I argue that unemployment has become a more dangerous proposition for working families, thanks to rising inequality and uncertainty and a harsh culture of judgment. I study the long-term unemployed, the forgotten stepchildren of a market economy that has, over several decades, transformed the world in many ways for the better. I compare America and Canada, two sibling countries that help us understand the ways that small but significant differences in policies and culture matter for those out of work. I focus on well-off blue-collar workers, who today straddle the divide between a faltering middle class and an impoverished working class, exemplifying some of the trends that affect them both. And I profile former autoworkers at plants in the heart of North America's auto industry, a group that perhaps more than any other symbolized the economic might and egalitarian prosperity of the world's postwar industrial workshop.

Major studies written about the changing character of the working class have drawn a rich portrait across the decades: their advances and setbacks, their pride and prejudices.[9] My book sets itself apart in several ways. To put it simply, I focus on today's long-term unemployed, giving us a window into the lives of these luckless men and women amid a major economic crisis that led to massive layoffs and, at one point, faced the world with the possibility of utter market collapse. In a comprehensive and detailed fashion, this book also describes the impact of national policies and a host of other factors—institutions like the labor market and family, identities like gender and race—on the well-being and prospects of ordinary workers running to keep up with a quickly changing world.

More specifically, this book makes five contributions to our understanding of unemployment, inequality, and social policies. First, I argue that long-standing economic, political, and technological trends have transformed the labor market in ways that have devastated the job prospects and security of ordinary workers. For this group, getting a *good* job with decent pay, benefits, and working conditions increasingly requires education and other markers of human capital, as well as the cultivation of certain social skills that fall under the category of cultural capital.[10] Amid rapid technological change and an accelerating capital race, hard work—the key to the American Dream—is no longer enough to secure a good job, as the struggles of my workers show. The expanding and tightening criteria for success demand both a strong work ethic *and* proven ability, making the job prospects of the long-term unemployed much worse. At the same time, today's labor market is not a true meritocracy—that is, a system in which people advance based solely on their ability and achievement. It is what I call a *stunted meritocracy*. At the labor market's topmost tiers, as other scholars have noted, elite workers continue to band together to block off their professions from competition, win tax breaks and favorable regulations, pass down advantages to their families, and find other ways to manipulate the market and thus keep themselves, and their children, employed and well compensated.[11]

Second, my research teases out how and why social policies matter to the unemployed, in part by comparing the impact of policies on either side of the U.S.–Canadian border. The common perception—in America at least—is that Canada is a socialist paradise/hell, the country where hippies go when they're fed up with hegemony, a land of unrepentant liberalism that boasts universal health care and "conservative" politicians who behave more like the left-of-center Democrats southside. In his classic comparative study of the two countries, sociologist Seymour Martin Lipset described a "continental divide" of culture and policy, with America a bastion of individualism and libertarian policy, and Canada decidedly less so.[12] Among other things, Canadians have long favored a greater role for government in regulating the economy and tamping down inequalities. The United States has historically been less generous in helping its less advantaged workers and families, most obviously in its unwillingness to adopt Canada's model of universal health coverage, where the government pays the costs of care. While the American labor movement once had more reach than its Canadian counterpart, the situation reversed in the 1960s with the rise of an influential political organization, the New Democratic Party, that championed the interests of Canada's workers. In spite of all the ground it has lost in recent years, organized labor there remains relatively stronger, thanks in part to government policies that make it much easier to form a union and get it recognized.

Beyond the simple stereotype, of course, in other ways the two countries are quite alike. Canada, for instance, stands closer to America than to Europe in the scope of its social safety net and the workings of its economy. However, recent scholarship continues to emphasize key differences between the two countries and how they matter in real and profound ways. For instance, pioneering research by sociologist Dan Zuberi on the working poor in the United States and Canada (which inspired this book) suggests that policy continues to play a significant role in ameliorating inequalities up north, even in the face of seemingly inexorable forces like globalization.[13]

In line with this view, I started my research believing that the historically stronger social safety net in Canada would ease the hardship of the unemployed in a much more vigorous way, as it did for the working-poor families Zuberi studied. Surprisingly, the results were mixed. Because the Canadian government has pulled back its worker-friendly policies in recent years, even as America offered emergency help to the recession's unemployed millions, the expected Canadian policy advantage did not appear in all areas, and certainly not to the extent I had expected. I explain in concrete terms why this is so. That said, one key way that Canada's social safety net did give substantial help to my workers there was by lifting the incomes of lone-parent families. Of all the families I got to know, on both sides of the border, unemployment hit the single parents the hardest, a hint of the confluence of disruptive trends washing over much of society—and yet swamping the working class. Declining rates of marriage and rising numbers of children born out of wedlock, alongside growing risk and a dwindling selection of good jobs, meant that these vulnerable workers swiftly fell into desperate circumstances once they lost their jobs. Targeted policies in Canada, though, helped ease that suffering.

Nonetheless, the third point that this book makes is that crafting good policies is not enough. They also need to be skillfully implemented. Throughout the book, I describe the experiences of the long-term unemployed across a wide range of interacting settings: within their families and relationships, in their dealings with social service agencies and hospitals and schools, and in their searches for good jobs to replace those they had lost. This more complete picture of the lives of my workers allows me to show in concrete detail how policies are experienced on the ground. Benefit levels and eligibility thresholds are not the only things that matter, as their stories make clear. Sluggish, impersonal, and inaccessible bureaucracies weakened the effectiveness of various kinds of assistance in important ways. More broadly, I find that institutions of government, unions, and corporations failed workers on both sides of the border, providing little but bandages for the intractable problems they faced. Whenever unemployment checks got delayed and training programs ran out of funds, bureaucratic inaction became real to my workers in painful ways. Yet their hapless situation also suggests that inadequate implementation matters in our daily lives in ways that we, the gainfully employed, may seldom consider: in the audit we may or may not get during tax time, in the long lines to get our cars titled or benefits secured, in the fine print we may sign without a clue, in the union dues we pay with little apparent return—or in the union we never get to join, because of the toothless enforcement of government regulations.

Fourth, the book gets into the heads of the long-term unemployed, giving them the chance to talk honestly and openly about how they make sense of their new circumstances. As a sociologist, I focus on the *social* effects of the economic downturn, the ways that unemployment affects individuals not just in terms of the sizes of their bank accounts and mortgages but also in their day-to-day lives—as members of households and communities, as individuals with a sense of their own identity and self-worth. As they struggled to piece together new careers, my workers dealt with the anxiety of an uncertain and viciously competitive job market, the hurt of relationships tested—and sometimes broken—by crisis, and the shame of an unemployed and unengaged life that, in their desperation, might not seem worth living. Some of my men, once proud of their contributions to a shared bank account, saw their relationships unravel after they lost their jobs. For their partners, romance without finance quickly became a nuisance.[14] That said, in spite of all the rhetoric about the economic chasm yawning before today's male workers, the quarter of my respondents who were women also coped badly with long-term unemployment.[15] Among other things, single women hustling to survive felt the need to turn to less-than-desirable men in order to slow down their economic free fall.

More broadly, society's attitudes about success and fairness shaped the sense of worth and deservingness that my workers clung to, in fear of what was to come. Building on seminal work by other scholars, I examine how the dominant culture of individualism, self-reliance, and critical judgment influences even unionized blue-collar workers—a group that has long championed collective strategies and egalitarian ends. Especially in the United States, my autoworkers responded to long-term unemployment in an individualistic fashion. As their unemployment deepened, they came to the pragmatic and rational view that they needed to rely on themselves. This outlook was, in turn, reinforced by what I call *meritocratic morality*—an up-by-the-bootstraps philosophy long linked to the American Dream but now quite prevalent elsewhere as well. With its belief that anyone can succeed based on their own efforts and abilities, meritocratic morality channels the anger and disenchantment of the unemployed into a particular narrative, one that deepens feelings of shame, criticizes government and unions for their alleged inefficiency and unfairness, and defends corporations as creators of growth and jobs. While this attitude remains stronger among other classes of workers, some of the former autoworkers I talked to had adopted portions of it to explain what happened to them, and most felt the need to defend themselves against its wounding judgments.[16]

Many of us take for granted that meritocracy is a good thing. And certainly it has very positive consequences for both individuals and society. But when taken to an extreme, I argue, it leads to the judgment of less successful people as lazy, uneducated, and incompetent.[17] For the jobless, it also feeds a poisonous self-blame.

The book's final contribution is to point us toward one possible, if partial, solution to this problem. At the end of this book I make an original case for not just the social policies to improve the prospects of ordinary workers, but also a kind of political organizing devoted to bringing about a less judgmental and materialistic ethos in society. My argument is that efforts to level the playing field or even reduce inequality more directly can only go so far, because egalitarianism ultimately embraces many of the same tenets of materialism and economic conflict that meritocracy does. It, too, is limited by a fundamentally zero-sum viewpoint, which believes that society's scarce resources must be apportioned according to an arbitrary measure of social justice—as opposed to an arbitrary measure of merit. I argue that we must go beyond these two narrow moral understandings and rethink how our society views and treats the people whom the labor market inevitably, and perhaps increasingly, will discard. What I call a *morality of grace* is an attempt, both pragmatic and idealistic, to ease some of the sting of failure and yet also prevent the kind of class warfare that leaves all bloodied and embittered.[18]

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I began planning my research in the early days of the recession, when financial institutions were toppling and markets roiling, caught in a downward spiral of unbounded panic and uncertainty. With so many out of work, I wanted to look across the Detroit River to see how policy differences mattered for the long-term unemployed. To do this, I took unemployed autoworkers who did the same job at similar plants—with the chief difference being the country they lived in—and compared how they and their families fared during the crisis years of 2009 and 2010. My workers lived in the Detroit and Windsor metro areas, on the two sides of the U.S.–Canadian border. They came from the Chrysler engine plants in Detroit and Trenton, Michigan, paired with the Ford engine plants in Windsor; and the Chrome Craft plating plants in Highland Park, Michigan, paired with the Chromeshield plating plants in Windsor. All were minutes from Detroit, and the plating plants were all owned by Flex-N-Gate, an American firm that supplies the Big Three (and whose owner, Shahid Khan, also owns the Jacksonville Jaguars NFL football team). When they worked, the Americans were members of the UAW, and the Canadians were members of the Canadian Auto Workers, which had been part of the UAW until it split off in 1984.

All in all, I interviewed seventy-one recently or currently unemployed workers. Half of my interviewees were jobless and looking for work. A quarter had gone back to school, and a half-dozen had left the labor market for other reasons. Several had found full-time work—though all of them in positions that paid much less than the ones they had left—and several had part-time jobs but were looking for something better. In addition to interviewing these workers, I observed their families and communities, talked with local experts, and analyzed union and company documents, assembling a detailed portrait of unemployment and economic distress during the Great Recession.

Some readers may wonder why I chose to focus on autoworkers. First, more than perhaps any other group, the autoworker symbolizes an egalitarian past that has largely disappeared. The consequences of that loss are, I argue in this book, profound. In the boom years that followed World War II, an era of powerful unions and gated economies, autoworkers led the way in winning good wages for ordinary workers. Indeed, the rapid growth of standards of living across the last century arguably had its roots in the car industry, from Henry Ford's heralded decision to pay his laborers $5 a day—doubling the wage of the average worker—to the legendary sit-down strike at GM's Flint complex that launched the UAW (and the militant wing of the broader labor movement) to national power.[19] Most of those working the assembly lines never went to college, yet with generous overtime, cost-of-living adjustments, and pensions underwritten (at growing expense) by individual companies, they could toil their way into middle-class neighborhoods, middle-class retirements, and middle-class dreams of stability and success. In turn, the remarkable contracts that the UAW's leaders negotiated inspired other unions to copy its strategies. Nonunion companies competing for labor and fearful of organizing drives were forced to match surging wages elsewhere.[20]

Then the Detroit automakers and the UAW began their long decline. The blows came, one after another. Amid an oil crisis and economic stagnation in the seventies, consumers embraced cheap, fuel-efficient cars built overseas. In America, when politicians threatened to stanch the flow of imports, foreign automakers began to open up factories in the South, where right-to-work laws made organizing harder. Later, as governments loosened trade restrictions, the Big Three shut plants and moved some of their operations to Mexico and elsewhere. Many of the factory jobs that had sustained urban neighborhoods and company towns vanished, hollowing out once-vibrant communities.[21]

The wild popularity of the SUV energized the industry during the nineties, but it was only a brief respite: the union rolls continued to shrink, and the Big Three continued to bleed market share. In 2007, the companies demanded their own pound of flesh from the UAW: a two-tier system, with new hires brought aboard at half the wages of veterans. The union agreed, trading a measure of solidarity for a promise of security.

As bad as things got in these years, those plants that were still left continued to provide good livelihoods. Getting that job offer from Chrysler or Ford, my workers said, was like winning the lottery: unexpected, and perhaps undeserved, but life-changing all the same. It allowed them to provide amply for their families, enjoy a standard of living better than their parents, and entertain the hope that, with a solid upbringing, their own children would someday do better.

Then, in 2008, the auto industry imploded. Confronted with the worst car market in decades, the major automakers responded with a wave of cost-cutting. Tens of thousands of Big Three workers were ushered out the factory doors with buyouts and early retirement. GM alone scrapped thousands of dealers, shuttered more than a dozen plants, shelved three car brands, and cut a third of its hourly workforce. Reliant on the Big Three, parts suppliers—which did not offer their employees nearly as much in the way of job protections—were wiped out. A third of their U.S. workforce disappeared over the course of the recession.[22] Meanwhile, the UAW agreed to humbling concessions, including the end of a provision that paid laid-off Big Three workers close to their full wages—a remarkable benefit that had stood for a quarter of a century as the epitome of job security, or union overreach, depending on your perspective.

My autoworkers were once some of the luckiest people in the labor force: well paid thanks to their years of seniority, looking forward to hefty pensions upon retirement, sheltered by a stalwart and respected labor movement. But for them, and for many other working men and women today, things have fallen apart. Having lost those good jobs, they are now some of the unluckiest workers to be found: their skills outdated, their retirements uncertain, their unions in retreat, and their future employment doubtful.[23]

A second reason that I find autoworkers interesting to study is that they put in sharp relief many of the trends that have shaped, and continue to shape, the labor market for blue-collar and white-collar workers alike. Arguably, as a class of unionized plant workers, autoworkers represent the prototypical core of the traditional working class, and not the middle class. However, much as the sociologist David Halle described the subjects of his classic study as "working men"—factory workers whose experiences on the shop floor made them class-conscious, but whose consumer lifestyle at home made them middle-class—I see my autoworkers as a hybrid class.[24] On the one hand, they are working-class in terms of the labor they did and the cultural perspective they have, a sensibility imprinted by their education, occupation, and family background. On the other hand, their income and job security (thanks to union-won contracts) and consumption (housing, cars, consumer technology, and so on) make them more like the white-collar middle class.[25] My workers tended to have relatively high wages, with annual incomes in the range of $50,000 to $90,000 for the Big Three workers on either side of the border, and $30,000 to $50,000 for the parts workers—not including what their spouses or partners made. In other words, they were solidly middle-class blue-collar workers—the backbone of the postwar middle class, and a sizeable portion of the labor force even today, but a group under-studied because of the popular focus on the college-educated or the poor.[26] Here, it should be emphasized that while the ranks of the college-educated have grown, they are still not a majority of the adult population, and a fifth of America's workers continue to clock in at blue-collar jobs.[27] It is vital to understand what is happening to this significant segment of the labor force as the economic waters rise around them. And since it can be argued that no class of blue-collar workers built itself as high a perch as the American and Canadian autoworker, it is especially instructive to examine how this once-favored group is dealing with the long-term unemployment that has already affected, or awaits, multitudes of today's less advantaged workers. If they can't make it, after all, who can?

As I've mentioned, the market machine has threshed a much broader swath of the workforce than those toiling in factories and construction sites. In our postindustrial age, workers throughout the middle and bottom tiers of the labor market—white-collar and blue-collar—have seen their good jobs steadily winnowed away, replaced by other jobs that tend to pay well for those at the top, and less well for those below. My unemployed autoworkers provide one useful way to understand this transformation, standing as they do in an uncomfortable space between the older economy's entrenched industry and the newer economy's rootless individualists—between the stable if monotonous employment of postwar society, and the frenetic free agency of today.[28] Indeed, they have arguably experienced a wider range of the ongoing changes in the economy and society than many workers immediately above or below them in the pecking order.

For example, my workers are finally encountering market trends that began to affect white-collar managers and professionals years ago. Especially now that they have lost their jobs, the logic of "career management" has percolated into the thinking of even former unionized autoworkers, who are expected to network, train, and search, with ever-greater sophistication and never-ending persistence, so that they will continue to be employable. While today's start-up culture of "personal brands" and entrepreneurial initiative does not influence these workers as much as it does their more privileged counterparts, they, too, are starting to have to play that game if they want good jobs.[29] At a time when cars are run by computers, factories are manned by robots, and supply chains spread across the world, education and certification in key industrial trades are vital on many shop floors. Less obvious competencies increasingly matter, too: computer literacy, soft skills of communication and teamwork, and hard skills of math, reading, and problem solving.[30]

At the same time, unemployed autoworkers have long endured the kinds of trends that are now spreading to white-collar workers with middle-of-the-road college educations. Sophisticated machinery and offshoring wiped out factory jobs in rich countries years ago. Nowadays, complex and powerful computing is doing the same in the office, leaving fewer good jobs and more competition for them. My blue-collar workers also demonstrate changes in the family—growing single-parenthood and fewer, more fragile marriages—that have hit less educated households the hardest, but have transformed the entire society. As the educational speedup that I describe in this book erodes the value of the skills that even more educated workers possess, and as family structures increasingly stray from the income security and stability of the two-parent, married model, working people at every level may find themselves beleaguered and left behind.

THE RISE OF THE STUNTED MERITOCRACY

The economy's stunted meritocracy and society's culture of judgment are two of the defining challenges of our time, I argue in this book. As a prelude to the discussion in the chapters that follow, let me say more about them, and how they help us to understand the challenges faced by many of today's workers.

At its best, the corporation has historically been a "mother and father" to American workers. There was less assistance for those out of a job, but the dynamic U.S. economy held out a promise that those who *did* find work would be cared for. Protected by tariffs, red tape, and the lackadaisical pace of communication and commerce, some corporations stepped up. In the early twentieth century, chocolate magnate Milton Hershey and shipping tycoon Henry Kaiser built first-rate schools, libraries, and hospitals for their laborers. Perhaps the most potent motivation for such enlightened self-interest, of course, was the specter of picketing workers. As labor unions gained power, they, in turn, pushed for policies favorable to workers. During the early postwar period epitomized by the "Treaty of Detroit"—a landmark agreement between the UAW and General Motors—strong unions, progressive taxes, a high minimum wage, and other worker-friendly policies and institutions broadly distributed the gains from growth.[31]

Scholars have argued that this postwar period was an aberration. Amid the rise of a serious economic and ideological challenge to capitalism, societies everywhere were forced to dwell more on the well-being of their workers, in hopes of keeping communism at bay. Two world wars and high inflation devastated the accumulated fortunes of the rich, dramatically pushing down inequality. As a result, even "laissez-faire" America saw the emergence of a virtuous circle of egalitarianism: an economics of government intervention, a politics of collective action and shared prosperity, and a culture of solidarity—of course, all relative to what had existed before.[32]

In recent decades, however, trade barriers have fallen, engaging the world in a fierce competition over cutting costs, seeking talent, and building brands. New technologies have exploded, eliminating certain jobs, creating others, and raising the value of highly skilled workers.[33] Unions and governments have loosened their hold on the market, their attempts to intervene quashed not just by economic pressures but also by interest groups hostile to corporate oversight and the tax-reliant welfare state. The financial sector has racked up greater power, infusing its favored ventures with capital even as it bends the management of corporations and the governance of nations in line with its interests.[34]

These trends of globalization, innovation, and deregulation have shattered the barriers faced by certain groups and multiplied opportunities for those with ability and drive.[35] For elite workers, the corporate parent is alive and well: high-flying tech companies boast twenty-first-century versions of the company town, with free international cuisine and coffee shops, massages and spas, games and athletic facilities, day care and doctors, and other in-house amenities for a workaholic staff. At the same time, the transformation of the labor market has raised the stakes of the economic game—and placed ordinary workers in a precarious position. For them, success and failure increasingly depend on the individual alone, unshielded by the unions and government policies that once reduced both rewards and risks. Meanwhile, social safety nets that depended on employers to fill in their gaps are coming under intense strain, as government budgets grow tighter and these corporate "mothers and fathers" demand more from ordinary workers—the surplus children still under their care.

One of the narratives that the Great Recession helped popularize was that a college degree is no longer sufficient—a lesson that a generation of graduates swiftly absorbed as they tossed their commencement robes aside only to find themselves unemployable. Clearly, degrees in certain fields have become much stronger magnets for today's employers. As computers take over the routine tasks being done in the office cubicle as well as on the factory floor, the labor market is becoming more polarized, with the rapid growth of a service sector that still employs unskilled workers—though largely in poor jobs with low wages—and the hollowing out of the middle. Unemployment has risen even among the college-educated since the turn of the century.[36] Technological progress creates new jobs, but the good jobs are scant and harder to qualify for—epitomized to an extreme degree today by tech startups that sell for billions of dollars but employ only dozens of well-vetted workers. It may be that the pace of progress, as the economist John Maynard Keynes once predicted, is outrunning the pace at which society can find new jobs for its workers—or, I might add, train them for those jobs. Meanwhile, research finds that those laid-off workers who do find employment see their wages drop substantially, with the effects persisting for decades.[37]

And yet, as grim as the prospects currently are for those graduates whose office tasks have been outsourced or automated, they are altogether frightening for workers who never went to college to begin with. The recession may have pushed many of them directly into unemployment, but it was just one sharp drop in a long downhill march. Today, college graduates in America are unemployed at about half the rate of high school graduates. (For the young, the college advantage is even starker.) A similar, if slightly smaller, gap exists in Canada.[38] While these differences have fluctuated in size over the years, the edge in earnings and employment that the more educated enjoy is dramatically higher today than it was in the seventies. Likewise, research by Harry Holzer and his collaborators concludes that education has become more decisive in getting good jobs.[39] With this reality in mind, we can talk about a "meritocratic" labor market for ordinary workers—even if it is also important to note that the situation has gotten worse for the relatively better-off segment of this group, the white-collar workforce.[40]

Faced with already swollen ranks of more advantaged competitors, the less educated struggle to catch up in the quickening race for credentials and to win the few good jobs that remain. Older workers, the hardest hit by long-term unemployment, fall into an ersatz early retirement, spending their remaining decades in economic limbo—unable to find decent work but lacking pensions sufficient to pay the bills. Justified or not, some of those with chronic health conditions give up on the labor market altogether and start collecting disability payments, lowering the measured unemployment rate but merely shifting the social problem to other policy arenas.[41]

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A careful look at today's labor market reveals at least three tensions inherent in meritocracy—both in theory and in practice. Even in a society with competitive markets and equal chances for all to succeed, society moves toward a stark inequality. This is the dystopian image of meritocracy that sociologist Michael Young had in mind when he coined the term in his 1958 book, *The Rise of the Meritocracy*. In the fictional society of the novel, equal opportunity and meritocracy triumph over egalitarianism. People are repeatedly and perfectly sorted by their intelligence and effort, with the talented and hard-working rising to the top, and the untalented and indolent falling to the bottom. The gulf between them widens further as the talented children are nurtured and the untalented ignored, the elites put in power and democracy gutted.[42] True equality of opportunity and true meritocracy, Young argues, lead to an aristocracy of the talented to replace hereditary aristocracy. They also lead to the poverty and self-hatred of the untalented, who no longer can argue that they were not given a decent break.[43]

Young offers a sociological understanding of the way that a perfect meritocracy leads to rising inequality. His perspective complements recent work that offers an *economic* understanding of the way that a perfect *market economy* leads to rising inequality. Analyzing historical data from countries throughout the world, economist Thomas Piketty concludes that, in the absence of countervailing forces like wealth-destroying war and aggressive government intervention, the growth in the return on capital typically exceeds the overall economy's growth rate. In short, it is normal for the rich to get richer, while everyone else struggles futilely to catch up. Inequality is baked into capitalism's pie.[44]

Meritocracy is the human face of the inequality-generating market machine. Within a meritocracy, those with ability and drive rise to the top, thanks to the impartial ways that the invisible hand distributes its rewards. The quest for greater profits should naturally weed out inefficiencies, pushing employers to seek out those meritorious individuals who are more productive. If those inefficiencies include well-paid jobs for individuals with ordinary skills—the historical basis of the middle class—so be it. After all, much good comes from a focus on merit alone. Profit-seeking companies have incentives to care primarily about a worker's ability to do the job, and not aspects of her background she can't control—gender, race, sexual orientation, and so on. Therefore, talented individuals from whatever marginalized group can succeed.

Young and Piketty argue that inequality is the inescapable outcome of even the ideal manifestation of a meritocratic market. Whether or not you agree, meritocracy as practiced in the real world is not ideal. For as much as society idolizes meritocracy in theory, elites continually game the system to preserve their privilege. They do this in two ways: by manipulating markets (market advantage) and by passing down educational and cultural advantages to their children (family advantage). By pursuing family advantage, elites subvert equal opportunity.[45] By going after market advantage, they sabotage meritocracy itself.

Let me point out more plainly here that *meritocracy* and *equal opportunity* are distinct, if often confused, concepts.[46] The first is a system that sorts by ability and achievement. The second is a system that offers equivalent opportunities to attain that merit. A society where a fair combat determines status can remain meritocratic in principle, even if the children of warriors always end up on top thanks to their parents' mentoring and resources. Indeed, this is why a meritocracy that is supposed to focus on individual merit actually tolerates certain forms of discrimination. The fact that certain groups do not have equal opportunities to develop their talents gives the employer a troubling rationale for "statistical" discrimination against members of those groups who, according to data or opinion, are less productive or costlier to employ.[47]

In today's integrated global economy, we see plenty of examples of extraordinarily talented individuals—from pop musicians to business leaders—who have ridden admiring markets into superstardom, their rare and world-class ability speaking to the justice of the overall system. But it is important to remember that they are not the norm. As a whole, those at the bottom have a worse shot at success—especially in America, where they now have a much harder time rising up the income ladder than is the case in Canada.[48] As research shows, how much schooling people wind up getting has a great deal to do with socioeconomic class and the educational resources that parents can thereby muster.[49] The children of less educated workers are largely at a disadvantage here, with parents who have not gone to college themselves lacking the finances or cultural refinement to pave a sure path to higher education. Indeed, as early as age three, huge gaps exist between the test scores of the children of college graduates and those of the children of high school graduates. This inequality persists into high school, along with gaps in soft skills that also shape later success: motivation, self-control, self-esteem, the ability to work with others.[50] Throughout their lives, the children of elite workers can also use their multitude of advantages to pull ahead in terms of the quality, and not just the quantity, of their education (a point I will return to later in the book). That leads to an even starker inequality between the career trajectories of those lucky enough to be born well-to-do and those of everyone else. Here, I do not wish to overstate the decisiveness of a comfortable upbringing. Clearly, family advantage is just one of many factors that determine a person's success, and luck and other traits that have little to do with merit can also be key—as research has found, even individuals raised in the same family experience a wide range of outcomes.[51] Nevertheless, it is an important advantage, and one crucial to the stunted meritocracy that has emerged.

Political scientist James Fishkin has put forward a useful theory to explain how family advantage makes equal opportunity impossible. Society, he writes, distributes wealth and status on three grounds. According to the principle of merit, qualifications for positions should be evaluated fairly. According to the principle of equal life chances, the likelihood of a child's later success should not depend on arbitrary traits like gender, race, and family background. According to the principle of family autonomy, parents should be free to shape their children's development. The problem, Fishkin argues, is that these three principles are in constant tension: choosing any two of them rules out the third.[52] If we want equal life chances for all, we have to prevent parents early on from giving their children a leg up in the race, or otherwise impose remedies later in life, such as various forms of redistribution and affirmative action, that will weaken the link between a person's merit and her reward. Likewise, if we want meritocracy, we have to find ways to diminish family advantage, or otherwise accept the fact that opportunities will not be equal. Obviously, in real life the tradeoffs are less stark, a matter of degrees rather than black-and-white conditions, but they are meaningful nonetheless.

It is perfectly understandable that parents want to do everything they can to give their children the best possible opportunities for success in life. Unfortunately, elite workers can prepare their children for the labor market in superior ways, and this presents problems for the children of ordinary workers trying to compete for the economy's limited number of good jobs. Furthermore, family advantage is not the only way that elites wield outsized influence in the labor market.

In their pursuit of market advantage within the world of work, those already at the top game the meritocratic system, ensuring that those who rise to join them are not necessarily the most deserving. Even as some of these elites trumpet the virtues of the free market, they engage in practices that economists call rent-seeking, suppressing competition and twisting the rules in their favor. For example, many of the highly paid professional classes—from doctors to lawyers to university professors—have successfully walled off their fields of specialty through licensing, certification, and other forms of social closure that prevent talented newcomers from making inroads.[53] The true victors in the deregulated marketplace, however, are high-level managers and financial workers—increasingly the same class. Without strong unions or social movements to counterbalance their sway, corporate managers have gained ever-larger shares of the economy's bounty. They have also coopted government. On the one hand, they have weakened it by gutting rules and dispensing with oversight. On the other hand, corporations have actually *grown* government by weaving a tangled web of legislation that has furthered their specific interests, from targeted tax breaks to competition-killing patents. Dominated by corporate executives, the richest 1 percent have made out handsomely in recent years, even as the wages of other workers have not kept pace with their growing productivity.[54]

To be sure, elites are not the only people who employ these tactics. From public-school teachers to nurses, from UPS drivers to police officers, workers across the social spectrum continue to throw around their aggregate weight. Licensing laws protect heating technicians, hair stylists, and interior decorators. But these are the lucky (and besieged) few, however much they make the news with every strike, pension disagreement, and new licensing rule. The great mass of other working people have lost the postwar protections of strong labor unions and activist government policies to create and protect jobs. With the withering away of these institutions, and with the large numbers of individuals seeking out the dwindling number of jobs not automated or outsourced, the sorting by markers of merit has quickened in the lower and middle tiers of the labor market, the ordinary market. Workers there now find themselves in a survival-of-the-fittest reality, where continued employment depends on each person's ability to climb up the ladder quickly—and where those on the bottom rungs have little hope of catching up.

In other words, my argument is a *relative* one, describing a shift in the ordinary market toward perceived individual merit and away from collective solutions. Because elite workers remain able and willing to assert their own power, what has emerged is a stunted meritocracy. It tolerates anticompetitive machinations and cronyism in the elite market, even while demanding individual responsibility and proven skill from other workers, who no longer wield as much strategic power to defend their interests as the elites do—in a collective fashion.

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Combined, the three tensions I described above form an iron law of meritocracy. Even in its ideal form, meritocracy would lead to inequality. In its stunted, real form, elites find ways to fence off their higher ground. They band together in the marketplace to neutralize meritocracy. Their families pass down advantages to preserve their place in the social order—at the expense of equal opportunity. In these ways, market advantage and family advantage contradict the very ideals of meritocracy and equal opportunity. In the next section, I will discuss how this behavior by elites is an example of the group-centric perspective I call *fraternalism*, one of several ways that society distributes its opportunities and rewards.

MERITOCRATIC MORALIZING

For workers across the labor market—factory workers and office workers, low-wage laborers and well-paid professionals—long-term unemployment is a psychologically painful experience. However, there is at least one difference in the way it affects workers like mine. For many of them, not having enough education and other proofs of merit becomes yet another source of self-blame. Their dim self-appraisal was summed up by a word that some of them used to describe themselves: *loser*. After all, society sends them the message—even in union towns like Detroit and Windsor—that less educated people should not be paid well. "They just see us as money-grubbing slobs," said one of my Canadian workers. Particularly during the recession, the public raged against unionized autoworkers in newspapers and radio and online forums.

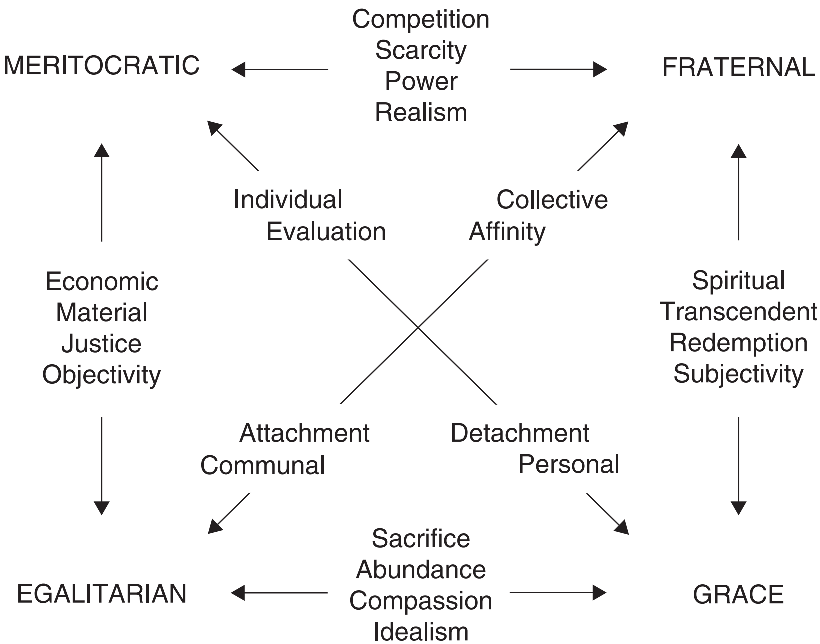
They were finally getting their due reward for demanding too much in wages and benefits—more than the market should ever have allowed.

Even in better economic times, however, there are few left today who bemoan the demise of the high-wage, low-skill jobs that once sustained a strong and broad middle class. In her study of the shuttering of a Midwestern Chrysler plant in the late eighties, anthropologist Kathryn Dudley talked to middle-class professionals who felt that the layoffs were a "justly deserved fall from grace." Thanks to labor unions, they said, uneducated workers were paid much more than they deserved. Organized labor's "artificial" interventions disrupted the natural workings of the market, where wages depend on your value added: what you know, rather than whom you know.[55]

Sociologist Katherine Newman has dubbed this perspective *meritocratic individualism*. "At the center of this doctrine is the notion that individuals are responsible for their own destinies," she writes. One's career is a narrow path of rectitude, and hard work and sacrifice will prove one worthy of the destination. "Cast this way," Newman adds, "success is not a matter of luck, good contacts, credentials, or technical skill, but is a measure of one's moral worth, one's willingness and ability to drive beyond the limitations of self-indulgence and sloth."

This is our modern-day, secular version of the Protestant ethic, but even more uncompromising in its vision, having rid itself of the softening hues of civic virtue in which the Puritans dutifully wrapped their dogma. Even industrial workers, the heart of the downtrodden proletariat that Marx believed would one day lead his communist revolution, cannot ignore it. If some of them at first view their layoffs as a collective tragedy—the grim harvest of what corporations, unions, and governments had sown—with time they come to see their protracted joblessness as an individual, moral failing: a deserved comeuppance from the foolish decisions they made, sometimes decades ago.[56]

In this book, I examine some possible ways that the culture of meritocracy has changed, thanks in part to society's shifting understandings of what merit is. I define this perspective, meritocratic morality, in opposition to three other kinds of moral thinking regarding advancement in society and the distribution of economic rewards: *egalitarian morality*, *fraternal morality*, and *grace mora*lity. The figure shown here, "Morality and reality," describes these four ideologies, or systems of belief. As the reader will note, I have adapted three of them from the theories of James Fishkin.[57]



Morality and reality. Four opposing perspectives determine opportunities and outcomes within society. These moral viewpoints can exist purely as ideology (culture), or they can reflect the reality of how society is organized (social structure).

These moral principles can be put into practice in the real world, creating the corresponding social systems of meritocracy, egalitarianism, fraternalism, and grace. The distinction between the individually held ideology and the socially enacted reality is an important one, which I will return to later. But let me focus first on the culture, the shared modes of thinking and behavior that my unemployed workers use to make sense of their situations.

Meritocratic morality follows market logic. The market demands certain skills, and individuals need to get the education and experience to supply them. The focus here is on economic concerns: the constant measurement of every increment or decrement of power and status. Yet meritocratic morality is also a *moral* belief system, based on two principles, equal opportunity and individual responsibility. An individual suffers an injustice whenever she is denied the right to compete with others on a level playing field. But when the rules are fair, whatever happens ultimately depends on the individual's perseverance. Success, therefore, is a sign of moral virtue—and inequality is all in the game. You succeeded because you did what you were supposed to do. You failed because you did not plan ahead and work hard. In this way, meritocratic morality justifies the ways of the market to ordinary men and women.[58]

Of course, even adherents of meritocratic morality do not believe that society is utterly fair in its distribution of rewards. They recognize that they live in an imperfect world where the rules can often be twisted in favor of certain interests. Meritocratic morality can tolerate a degree of dissonance between the ideals of merit and the reality of corruption because the ideology provides self-justification and hope to its true believers. Yul Kane, a forty-two-year-old Canadian who used to work at Ford, exemplifies this attitude. Faced with the infuriating outcome of the recession's bailouts—"they pay these multimillion-dollar payouts to these people who screwed things up"—Yul has not had his faith in meritocracy shaken one bit. Children today may be spoiled, with everything "handed to them"; teenagers working at McDonald's may drive Mustangs because "banks will give anyone a loan"; company executives may "fuck up" and still get golden parachutes. But Yul is better than that. "I'm the type of person that if I say I'm going to do something, and I shake your hand, then that's the way I am," he says. The meritocratic ideology stresses the individual's dignity amid the teeming, undeserving masses, in this way defending the market economy from popular discontent and alternative ways of viewing the world.

One of those alternatives is egalitarian morality. This is a moral perspective that seeks economic justice for the *collective*. It desires a leveling of inequalities so that all individuals share equal life chances—a fair shot at improving their lives. At its most extreme, it is also about achieving equal life *outcomes*: alleviating the suffering of the world's dispossessed majority by radically redistributing the spoils of economic activity. Today's "egalitarians" in Europe and North America tend to be much more moderate, seeking a combination of meritocratic and egalitarian aims revolving around equal opportunity. And yet, just like meritocrats or communists, they behold the world with an economic lens focused on each gain or loss. Precise measurement is necessary in order to transfer the appropriate amount of wealth and power to the poor and weak.

Historically, fraternal morality has been the most prevalent and powerful code of conduct: the morality of the tribe, the rudimentary beginnings of society. It understands humans as social creatures, living within groups and attempting to advance their interests. The fraternal perspective is moral in the sense that it creates bonds of obligation to the group. It restrains the behavior of the individual, prioritizing the interests of the collective rather than his own. The family is the archetype for all forms of fraternity, which have become ever more complex as society has evolved, from yesterday's tribes, clans, and castes to today's corporations, platoons, and unions. In the competition among these groups, there are no universal ethics, only the furtherance of the group's aims. Might makes right. Yet, in identifying with that group, the individual does not merely satisfy her desires for power and prestige. She also finds spiritual gain: the transcendent joy and dignity of joining a larger whole. The word "fraternal" refers to masculine brotherhood, and that is something I want to emphasize, for there is also a dark side to fraternalism: its exclusion, its homogeneity, its chauvinism.

The fourth kind of moral code is what I call the morality of grace. Grace is a concept from Christian theology, and refers to the favor of God, offered to chosen individuals as a gift of salvation—undeserved and unmerited. As someone who is not religious, I hesitate to use a term with such historical baggage, but I feel it best captures the antithesis of the meritocratic ideology: a spiritual perspective of nonjudgment and abundance; a foil to an economic perspective of measurement and scarcity. It is worth emphasizing that grace morality is not synonymous with religion, which often veers in the direction of temporal values of might and merit.[59] The viewpoint I have described can be seen in certain Christian traditions, but it is evident in many other belief systems, and can be secular as well.

Like egalitarian morality, grace morality offers a compassionate perspective, offering help to the "undeserving." But unlike egalitarian morality, grace rejects the categories of right and wrong. It is in fact antithetical to justice, in that it offers neither retribution nor restitution, but forgiveness. It also downplays the importance of material circumstances. Under grace morality, individuals give up their wealth and power—not for the sake of redistribution per se but because these possessions and positions are not significant when viewed from the broad vantage point of life, the universe, and everything. Earlier interpretations of grace often argued that only certain individuals were chosen by God to be saved, but here I conceive of grace as universal. Redemption is not based on deservingness. It is available to all.

Even in libertarian America, we can look back through history and see all four moralities wrestling for dominance. The early Puritans championed the view that salvation occurred through God's grace alone.[60] Today's politicians tend to use meritocratic and egalitarian rhetoric on the stump. If our culture celebrates these diverse values, however, the social structure of fraternalism often prevails in reality. Even avowedly meritocratic or egalitarian institutions channel the economic rewards of competition or redistribution to certain favored groups. Parents pass down advantages to their children, and elite workers bar entry to their professions. Labor unions favor the interests of their members and leaders over those of the entire working class. Venal governments sermonize about free markets or populist redistribution while growing rich from the schemes of crony capitalism. Political parties, the avatars of modern democracy, encourage a tribal sort of partisanship, where the enemy is always wrong.

Meritocratic morality deserves special attention in this book, however, because of the ways it seemed to influence my unemployed workers when they doled out blame for their predicament. Obviously, the men and women profiled in this book are not saints. Some were skilled caretakers of their households amid hard times, but others succumbed to debt and wastefulness, frivolity and despair. Yet their failings reinforce a key point: *individual* morality runs deep in society, even as the social apparatus that shapes and constrains the individual's free will grows larger and stronger, even as discerning the behaviors that constitute the "good" becomes a harder, murkier enterprise.[61] Personal responsibility is crucial, but so are the realities that impinge on a person's ability to choose well: the personal temperament and talents he is born with, the education and experiences that shape the preferences and predilections she calls her own.

Another fundamental tension in the meritocratic ideology is its premise that all can reach the capitalist nirvana. As political scientist Jennifer Hochschild notes, "Everyone cannot simultaneously attain more than absolute success. Capitalist markets require some firms to fail; elections require some candidates and policy preferences to lose; status hierarchies must have a bottom in order to have a top." The institutions of society, Hochschild continues, "are designed to ensure that some fail, at least relatively."[62]

In the meritocratic perspective, however, we tend to ignore the fact that deprivation is not just absolute. What results is a kind of material myopia. We seek ever-more affluence and believe ourselves better off with every new bit of economic value added to the national statistics. But after society reaches a threshold of prosperity that countries like the United States and Canada long ago surpassed, the link between happiness and income is not so straightforward, research shows.[63] Further improvements increasingly depend on our ability to improve our *relative* status—for example, moving to an upscale neighborhood, or moving up within the corporate hierarchy at work. Yet, obtaining these so-called positional goods is by definition a zero-sum game. One person's gain is another's loss. This may explain the fierce economic competition between the top income earners and top wealth holders, an endless race for (happiness-producing) bragging rights to the largest bank accounts and estates. This tug-of-war is played out in the lower tiers of the labor market as well, as workers like mine try to catch up with those higher up in the hierarchy.[64]

As I describe in chapter 2, however, there are not enough decent jobs for everyone, not even all the deserving, and the situation may worsen in the future, if technological progress over the long run turns out to be job-killing rather than job-creating, or if education fails to keep up with the economy's needs. The meritless masses who fail to achieve a respected livelihood suffer for it, lacking the status equivalent of the linen shirt that Adam Smith famously described as a luxury for the ancient Greeks and Romans but a "necessary of life" for the contemporary European day-laborer. For today's low-wage worker, relative deprivation means not just lower status but also, as Smith observed, the shame that comes with it.[65]

Decades after abandoned factories first started to litter the landscape, the shock has dissipated. The factory workers now being cut loose are well aware that they are obsolete—and for that reason, they berate themselves all the more for their failure to adapt. Of course, the belief that they can adapt is itself an extension of this idealistic mindset, which affirms that everything will work itself out, with dedication and patience and "a smile on your face." This idealism extends, too, to society as a whole—not just in the great faith it places in the proposition that laid-off workers can be retrained, but also in the Darwinian morality it attaches to the outcome.[66] Those who are hungry enough for success do well. The rest suffer—and rightly so.

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In the chapters that follow, I describe the experiences of the long-term unemployed in three areas: their individual efforts to ascend the meritocratic ladder, the social policies that are designed to keep their unemployment from spiraling into poverty, and the family life that urges them onward—or pulls them down. (Loosely, these themes match

James Fishkin's principles of merit, equal life chances, and family autonomy, which themselves mirror the three republican ideals: *liberté, egalité, fraternité.*) I then build upon this work by examining the institutions and cultures that surround the unemployed and mold their views.

In chapter 2, I examine the prospects of autoworkers who have lost their jobs and now seek to retool themselves for an evolving labor market. At every level, governments in both countries express great enthusiasm for retraining. Yet the task is daunting for many former factory workers, who by their own confession are not well suited for booming industries that demand higher education or compliant customer service. In general, Canada's retraining system improved the opportunities and outlook of my workers there to a greater degree, thanks in part to action centers: support centers funded by government and staffed by their former coworkers, who tailored help to their specific needs and guided them through poorly managed and underfunded government bureaucracies.

Yet the larger problem—one that the social safety net does not adequately address—centers on the relative lack of skill that hinders workers like mine. The race for greater amounts of education and skill means that the bar keeps rising and the contest speeds up. Expectations rise about what is acceptable in terms of education, experience, and personality. The job-application process becomes more professionalized, bureaucratized, and complex. Yet my workers lacked the pedigree and resources to fare well in this competition, where finding *good* jobs or schools means going up against younger, more tech-savvy rivals without the baggage of failed careers and work-years wasted on the pursuit of antiquated skills. The lingering effects of the economic crisis have made their odds even worse. If retraining for the new economy was the mantra of the Clinton years, the massive levels of long-term unemployment unleashed in recent years challenge the hopeful expectations of economists that, with the right policies, no worker will be left behind.

Chapter 3 describes the economic, social, and psychological blows that unemployment delivers to laid-off workers, and the ways that policies soften them. Lack of health insurance on the U.S. side was a major challenge for workers already struggling with their job search, who now found themselves fighting a second front against physical and mental illness—often aggravated by the stress of their predicament—and the steep medical bills that followed. With their single-payer health care system, Canadians experienced fewer problems affording care. Prescription-drug costs and other gaps in public coverage did cause hardship, but action centers filled in some of those gaps, connecting my autoworkers to other sources of help or negotiating with companies on their behalf. In terms of unemployment benefits, however, the policy differences were not so clear-cut. America's benefits actually lasted longer, thanks to temporary policies. Their shorter window of assistance meant that Canadians who could not find new jobs fell sooner into the stigmatized welfare system, with ruinous consequences for their psychological well-being.

In one particular area, however, Canada's income supports were clearly superior: assistance to single-parent households. Chapter 4 focuses on these targeted policies and their consequences for families. More so than their college-educated counterparts, less educated workers have moved away from marriage and toward single-parenthood. When they lose their jobs, then, the economic repercussions are all the more vicious, compounding the disadvantages already faced by these workers. In Canada, single-earner families with children—both single parents and married households with just one, now unemployed, worker—receive heftier benefits, compensating for their fragile finances. This key policy difference may help shape attitudes toward the importance of the breadwinner in both countries.

One issue that complicates my comparison of the United States and Canada is race. My American autoworkers were mostly black, and my Canadians were mostly white, a result of how I went about finding my interviewees as well as the distinct demographics of the communities I studied.[67] As historian Thomas Sugrue has argued, racial segregation and discrimination in Detroit and other major cities dramatically worsened opportunities for black workers and their families, as whites left them behind in tottering, tax-starved neighborhoods and blocked their entry into well-paid occupations that could replace the factory jobs decimated by disruptive economic trends. As a result, unemployment and poverty have historically hit these households the hardest.[68] When I examine the effects of social policies, the racial differences among my workers become a limitation, as race also plays a role in the worse outcomes observed among my African American workers.

Race is central to my analysis in this book, and I discuss its role extensively in chapter 3, exploiting my study's racial differences to hone in on the mechanisms by which race blunts the impact of social policies. In addition to the lingering discrimination my black workers continue to face in the job market, the dearth of resources in their social networks, I argue, made it harder to turn to family and friends for loans, gifts, and job leads, which my white workers, on the other hand, often relied on. There are some additional factors affecting the link between race and unemployment that are worth noting at the outset. In regard to the growing numbers of households headed by single parents, recent research has found that this trend has deeply affected the white working class as well.[69] Also, as I will describe, the Canadian system did provide either more funding or better policy implementation in terms of its family supports, universal health care, and retraining policies, and in these areas, white Canadian autoworkers also fared better compared to their white American counterparts, with a connection to specific policies up north.

Indeed, what became striking in my analysis of the policies available to my jobless workers was the serious problem of implementation. Funding was inadequate, and my workers encountered numerous bureaucratic barriers. (On the Canadian side, the situation was somewhat better for those who made use of the action centers.) In chapter 5, I explore how their encounters with failing institutions prompted Americans and Canadians alike to take a dismal view of the prospects for government and labor unions in a transformed economy. The disenchantment they felt tended to go hand in hand with a realistic recognition that what they really had to do was pull themselves out of their situation—by the bootstraps. The sentiments that my autoworkers expressed, however, sometimes went beyond their personal experiences and their avowed realism. Perhaps to a greater degree than was the case for blue-collar workers in earlier, more halcyon times for organized labor, some of my workers voiced fervent support for the meritocratic ideology. Many others felt the need to defend themselves, more or less dexterously, against its strident claims—that the better educated should be rewarded more in the labor market, and that unions protect the lazy and irresponsible. Meanwhile, prolonged unemployment in a market that idolizes the successful and talented chipped away at their sense of decency and self-respect, as I describe in chapter 6. In this particular comparison, the racial mix of my workers is less of a hindrance, because the national pattern I observe—that Americans experience more self-blame and are more opposed to labor unions than Canadians are—pushes in the opposite direction, reducing some of the impact of the racial differences that past research has discerned. (This body of work—most notably the work of sociologist Michèle Lamont—finds that black workers are more collectively oriented than whites are.[70])

In chapter 7, I conclude by discussing possible responses to the high levels of long-term unemployment and inequality that today's stunted meritocracy and culture of judgment strengthen and make harder to bear. A sturdy safety net can greatly alleviate the hardships endured by workers who lose their jobs, but it is important to focus not just on the quantity of benefits but also on the quality of the bureaucracies that provide them. More broadly, however, these policies reach a point of diminishing returns, thanks to the economic and political pressures that confront a large, expensive welfare state, and the difficulties that conventional unemployment policies confront in addressing the predicament of the long-term jobless in any meaningful way. The loss of these workers' well-being stems from more than the drop in their incomes, and their ability to find good jobs en masse depends on more than just grabbing credentials. New Deal–style interventions to create jobs and dampen inequality, as well as legislation and organizing to promote unions and other worker-friendly institutions, might go further. But the politics of the moment in many countries do not adequately support this turn to activist government policies, and in any case what may come with the egalitarian dream must give us pause. I argue that political attempts to organize and advocate on behalf of ordinary workers and families could benefit from explicit efforts to temper the popular appeal of meritocratic morality, especially among elites. I propose a new politics that might succeed in balancing the goals of liberty, equality, and fraternity, allowing for a measure of grace in a labor market characterized by the relentless conditionality of merit and advancement.

Throughout this book, I use the experiences and perspectives of individuals to show the real-life consequences of the trends and patterns I highlight in my research. For the most part, I chose to focus on selected individuals so that I would not lose readers in a flurry of quotes and personalities. I use my other interviews as needed to flesh out certain points, and summarize the views of my interviewees when it is important, but my hope is that readers will come away from this book truly understanding the people profiled in its pages.

My other hope is that the perspective I present in this book is not caricatured as anti-market. That is not my position. The market economy is one of humanity's greatest achievements, a powerful tool that—under the right conditions—can allocate resources efficiently and spur innovation and economic growth. In recent decades, properly fettered market forces have helped millions in the world's poorest regions climb out of poverty, develop their talents, and share in the culture and wealth of an integrated global society. Furthermore, the postwar period was no utopia. We cannot ignore the prejudices that choked off career possibilities for many individuals, especially women and minorities, or romanticize the brutal, monotonous, and authoritarian conditions that factory workers endured. Indeed, with its focus on human capital, the market economy over the long term has been a liberating force for many workers, replacing drudgery with more creative and stimulating work and helping push aside certain forms of discrimination as harmful to businesses who want to cultivate talent—in whatever individual it may reside.[71]

Yet, for all its inefficiencies and constraints, the postwar economy did lead to a broadly shared prosperity. After all, one person's inefficiency is another person's good job: when ordinary factory workers secured wages far greater than their education would otherwise permit, it gave them dignity and helped build a strong middle class. It moved society in the direction of income equality. As factories began opening their doors more widely in the decades that followed, the good jobs that remained became engines of upward mobility even for the most disadvantaged groups.[72] As I will explain, my black workers in particular rose up from poor neighborhoods, pulling up their extended families along the way. For women, too, these jobs could be paths out of painful circumstances. Several of the women I interviewed confided to me that they had suffered domestic abuse in past relationships. Getting a well-paid factory job, they said, had helped them escape the violence and fear at home.

Over the decades, the anomalies of the old economy have been smoothed away, with each profit-boosting closure and concession. Today, with the loss of their high-paying, low-skill jobs, my once-envied workers have suddenly been transformed into the economy's undereducated and unproductive "losers." Having chosen unwisely (it seems in hindsight), they find themselves defective parts on a quickening assembly line, too riddled with the scrapes and notches of their personal histories to be plated with the slick gloss of education and skill. Their radically different circumstances are a sign of how just how profoundly the labor market has changed, for better and for worse.

While some degree of inequality is necessary for the market economy to operate the way it should, I worry that we have gone too far in that direction. Democracy is not sustainable with a widening gulf of income and understanding between those with advantages and those without—a concern, I should add, that some conservative thinkers share.[73] Writing during the Second World War, economist Karl Polanyi made this very point: the laissez-faire capitalism that triumphed in the nineteenth century ultimately unleashed social pressures that led to the undoing of the global economy and the rise of the extremist causes of fascism and communism.[74] After Europe lay in ruins, political movements in many countries sought to soften the sharp edges of the market without turning to the utopian thinking of any of those three distinct systems—in a sense, fraternal, egalitarian, and meritocratic dreams that inevitably faded into nightmares. But in the late twentieth century, that history was forgotten. Free-market economic idealism rose from history's ashbin.

Even beyond the moral outrage and social discontent it stokes, there is troubling evidence that inequality harms the well-being of individuals caught in its ambit. These include lowered levels of health and happiness, especially for those at the bottom, but for those higher up as well. As I described above, in a modern industrialized society our well-being increasingly depends on positional goods of zero-sum status and exclusive possessions, so the commonplace argument that we can just grow the economy's pie and thereby help the least well-off runs into problems.[75] Once past the threshold of absolute affluence necessary for happiness, those lower down in the economy—even a booming economy—experience their low status in a most tangible way: as a blow to their dignity. And whether we cheer or jeer the mammoth gains of elites in recent years, the vexing reality that many hard-working men and women can no longer make a decent living is another reason to reconsider our society's current priorities.

Finally, the trade-off between efficiency and egalitarianism should not be overstated. There is evidence that income equality is good for economic growth. Even in highly competitive industries some profitable companies take the "high road" of a well-paid, well-treated, even unionized workforce, betting on the gains to be had from higher productivity and morale and lower turnover.[76] In turn, we have to ask what the costs are of discarding so many workers in the name of a dynamic and flexible economy—social costs that are not always tallied in the standard metrics of economic success. As the stories of my workers suggest, the toll of long-term unemployment on families and communities is immense. It brings into question the very idea of economic efficiency, and whether the gains of consumers and companies are worth all the suffering. There is a difference, in short, between unemployment in the abstract—unemployment as a "fresh start," a "shrewd" business move, a market "imperative"—and unemployment as it is lived and endured.

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It is no longer enough to be a hard worker, John Hope has learned. He played by the rules, but the rules of the game have changed. The livelihood he tried to build over a half-lifetime of work now has little value in the eyes of others. Suddenly he is supposed to be a different person. He should have known, when he was parentless and homeless, to stick with school. He should have known, when he was driving trucks and building freeways, to attend college. He should have known, when he was building a life for his kids with his factory wages, to train for a new career. Instead, he stuck with the principle he had learned young: an honest day's work with his hands would get him by.

Back then, school was the furthest thing from his mind. "I couldn't wait to get old and get a real job," he says, laughing. He took off after eleventh grade, believing, as many did, that he could do better. Decades later, John dismisses the idea of returning to school so that he can compete with twenty-year-olds. "I'm about fifty-five years old . . . not much you can do now. Don't too many people want you when you get that old. I tried to be smart, but what can you do?"

John has started going to food pantries. For Christmas, a local children's hospital gave his kids clothes and gift cards. That saved the holiday. But now it's a new year, and the bills keep piling up. If he can't rework the terms of his mortgage, he will have to declare bankruptcy, he says.

John remains hopeful that things will, in time, work out. "You don't know what the next day brings. Sometimes it's a good day, sometimes it ain't. But you got to make them all be the same." God will take care of him, he says. "I feel I ain't got what I used to have. But I know I got God on my side. And maybe the stuff ain't meant for me. God may not [have] meant that for me. You accept whatever you got coming. . . . Some people think somebody owe you something. I don't think like that. I thank God for what I have and that's it."

In his darker moments, though, John will admit to being troubled by what happened. "You work so long and then you find a good-paying job and then. . . . You don't know what to think." Weren't he and his coworkers doing good work all those years? His bosses thought so at first, but then new management came around and thought differently. "You might see it one way, another person see it another way. But that's how it goes. I guess that's the chance you take, working. You don't know what nobody is gonna do no more these days, you know what I mean?"

Trust and goodwill turn out to be, like so much else in the modern marketplace, ephemeral and conditional. Having liquidated its stores of tradition and obligation, the market has little willingness anymore to indulge ordinary workers like John. It has little patience for inefficiency and naive notions of loyalty and propriety. It has little respect for history—beyond the sharply delimited history of a résumé.[77]

But the immaterial qualities of life—affection, trust, faith—depend mightily on a past of shared experience. Without this grounding, the ability to connect deeply, to feel more than just fleeting impulses of admiration, pleasure, and lust, never takes root. For John, the loss of his job—the loss of the one "parent" he could depend on—has left him with a hole inside. These days, he finds himself dwelling on the family he lost years ago. He remembers when he was a boy, and wanted desperately to see his father, an itinerant truck driver. That's why he headed to Florida when he was a teen—relatives told him his father might be there. John never found him.

In his forties, John learned his grandmother was dying. He went home to Alabama to see her one last time. "I was her baby," he says. "My daddy . . . he didn't come back. She took me and loved me like she would do him." Word had been sent to the son, too, but he never showed. "He could have been back," John muses. "He didn't come back. I didn't get to see him."

Years later, relatives sent him a photo of his father, with the news that he had died of a heart attack. "I wait all these years to see my dad alive, and he come back dead." John did not attend the funeral. He had never had a connection to the man in that box.

"I didn't know him," John says. "All I know is I tried to take care of myself."