

All work, no play for America's workforce

The Big Squeeze: Tough times for the American worker. By Steven Greenhouse, New York, NY, Alfred A. Knopf Publishers, 2008, 303 pp., \$25.95/hardback.

“Worked over and overworked” is how Steven Greenhouse, the labor and workplace correspondent for *The New York Times* since 1995, describes the current state of the American workforce. The average American worker is now putting in many more hours annually than his or her European counterpart: 135 additional hours than the typical British worker; 240 hours more than the average French worker; and 370 additional hours (more than 9 weeks) than the typical German worker. These long hours, Greenhouse feels, have led to high levels of stress and fatigue.

In addition to hours worked, Greenhouse reviews historical earnings data and finds that, since 1979, overall real earnings of America's workers have risen just 1 percent after inflation and have actually declined 5 percent for male workers. Median income recently failed to increase for the fifth year in a row after factoring in inflation—a situation which has never occurred before in a time of economic growth. In contrast, from 1979 to 2005 income for Americans in “the top fifth of the food chain” jumped 80 percent and for the top 1 percent it leaped an astronomical 228 percent. Income inequality in the United States, in the author's opinion, has not been this great since the 1920s.

To address their increasingly des-

perate situations, Greenhouse notes, millions of American workers have “supersized” their credit cards and/or taken second mortgages on their homes. As a result, many Americans are now spending more than they earn; in 2005, the Nation's personal savings rate dipped below zero for the first time since the Great Depression. As proof of how risky this strategy is, Greenhouse notes that housing foreclosures and personal bankruptcies more than tripled between 1979 and 2004, and the full impact of the subprime loan crisis has yet to be felt.

Greenhouse has other concerns for America's workforce as well. The availability of pension plans is declining. Just one-third of laid-off workers receive unemployment benefits, down from 50 percent a generation ago. Greenhouse cites a study that found that of 173 nations recently surveyed, the United States was one of only four countries that do not provide paid maternity leave. And, even for those workers fortunate to be covered by health insurance plans, the cost has soared by 83 percent, according to another source cited by Greenhouse.

What is the origin of the decline in the circumstances of America's workers? Greenhouse focuses on a number of crucial events that he feels tilted the playing field against workers: a surge in imports, especially steel and automobiles, which reduced the demand for labor; deregulation policies that hit long-established unionized companies the hardest; and the firing of 11,500 air traffic controllers in 1981. The Professional Air Traffic Controllers union rejected what many felt was a very generous offer that year, including an 11.4-percent

1-year pay increase. Nevertheless, the firing was unprecedented and, Greenhouse believes, set the groundwork for future labor “concessions.”

Well-financed corporate raiders also played a negative role, in his opinion, by either taking over struggling companies and selling off their assets (and putting their employees out of work) or by walking away with “greenmail.” He feels the loss of jobs and job security as a result of corporate downsizing has also hurt the labor movement. Globalization has been tough on America's workers as well, especially the outsourcing of America's factories and jobs. Per Greenhouse: “More than any other economic force since the Depression, it is creating havoc for blue collar workers and white collar workers alike.” Finally, Greenhouse feels that tax cuts since the turn of the 21st century have been unfair and helped widen an already large gap between the working class and the very wealthy.

Greenhouse proposes a wide range of regulatory and policy changes to improve workplaces, working conditions, compensation, and retirement, as well as changes to social support programs such as Head Start. From his choice of a title through the topics he covers and the changes in economic and social policies he proposes, Greenhouse's sympathies clearly lie with America's workers and its organized labor movement. For those readers willing to accept his viewpoints—or at least be challenged by them—I recommend this book.

—James C. Titkemeyer
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