

The Crisis Upside Down

July 8, 2013

The financial crisis that began in 2008 has accelerated many economic trends already at work in the neoliberal period of capitalist development. Wages continue to decline, the class struggle bursts out in contradictory fits and starts at the same time as the societal value of work, and therefore the people who do it, continues to depreciate.

At the same time, the global crisis of capitalism has found a corresponding crisis of ruling-class ideology. More than ever before, people need something explained to them — most fundamentally, why we are in this predicament. This has led to a renaissance of financially oriented books that seek to explain the economic crisis in the most basic terms. While journalists seek inroads into the rough waters of finance, renowned economists seek a more popular medium as means to acquire a mass audience their profession denies them.



Fundamentally, the role of these books is an expression of the deep mystification of economics. As it is taken for granted that the science of economics is too “complicated” and therefore closed off to the understanding of the public, the burgeoning library of financial journalism offers to patiently explain what’s wrong and how it should be fixed.

Most of this outpouring of literature is of course nonsense. One does not have to really know anything about economics to publish a book on the financial crisis.

One example of this trend is a man by the name of Michael Lewis. His most recent book, *Boomerang: Travels in the New Third World* took on the crisis as it expanded from the housing bubble in the United States to the sovereign debt crisis in Europe, and “boomeranged” back to the austerity and misery during the first three years of the recession. From Lewis’ point of view, the enigma of the crisis has a simple answer: Western society is spending more than it can reasonably afford. The culprits for this are numerous, and they include states, civil society organizations such as the church, and finally the working class, particularly organized labor.

Typically, Lewis finds Greece to be the outstanding example of all this overspending. Though he reserves some ridicule for the politicians, he retains special ire for the Greek working class. “If there were any justice in the world,” he writes, “Greek bankers would be marching to protest the morals of the ordinary Greek citizen,” which include such offensive things as desperately trying to maintain

their plummeting wages, benefits, and standard of living in a country whose basic social services are rapidly being shut down. Lewis and those like him don't feel the need to interview the European or American workers they blame for the crisis. That would be demeaning when they could instead learn all they need to know on a glamorous morning run with Arnold Schwarzenegger. In the final pages of his book he announces what really stands in the way of resolving the crisis in the United States: public-sector unions.

Now, however, into the field steps Barbara Garson, a journalist and playwright with a long past in social movements from the 1960s onward. Her book comes as a welcome contribution to the muddled and anti-working class, not to mention anti-democratic, mood of the vast majority of economic and financial journalism. It deserves to be widely read and publicized.

The title is *Down the Up Escalator: How the 99% Live in the Great Recession*. In itself, this suggests many themes taken up in the book. Written in the aftermath of the Occupy movement, Garson takes its slogan of "the 99%" as a starting point, documenting the cases of all those screwed over by the recession: the homeless, warehouse workers, urban professionals, and failed bankers and entrepreneurs alike.

The phrase "we are the 99 percent" from the Occupy movement of 2011-12 was, and still is, deeply relevant. It is, however, incredibly contradictory. On the one hand, it expresses the very basic class-based sense of injustice that has always been a part of working-class consciousness. At the same time, the "them" in the conflict was never really meant to include the whole capitalist class, but the small minority of financial profiteers who ran the economy into the ground. The capitalist owners of really productive enterprises were never really included in the formula.

In some ways "we are the 99 percent" is a perfect slogan for the unique politics of the United States, which due to various historical reasons has never had social class as a significant part of the political discourse to the same extent it is in most other countries. To a certain extent Marxists find it contrived to talk about "the working class" in the United States when there is not, except in exceptional circumstances, a stable body that sees itself this way. "The 99 percent" seems to fit better the confused but radical consciousness of many American workers. As I mentioned, one of the compelling reasons for a book like Garson's is that in a society whose basic economic functions remain mysterious to those who are affected by them, we can often better understand and relate to personal stories and anecdotes that show the underlying economic processes better than we can to statistics.

The panorama of those she interviews is an impressive cross-section of American society. In her book, we find the stories of a black mother who has struggled all her life to hold onto her family and home, only to face losing both, an upwardly mobile Filipino immigrant family that suddenly finds itself "riding the down escalator," a group of suddenly unemployed New York City professionals, a laid-off hedge fund consultant, and everyone above and below them.

The book thus lends itself well to a division based on the struggles to maintain that are central to the lives of the contemporary American worker: sections on "our jobs," "our homes," and "our savings" follow each other in an incredibly detailed treatment that does not lose sight of the totality of American economic life.

The assault on the working class underway is multifaceted and can be seen across these three areas. Therefore no one struggle among these is more important than the others; unfortunately, I can't hope to address each section as it deserves in the space of this review. The section on jobs

elicits my interest the most because it tends to show most directly the trends Garson seeks to explain.

Garson describes four scenes in the life of a single man whom she “met forty years ago and caught up with him on three more occasions.” The life of this American worker, whom she rechristens Duane, “should have been enough for me to predict the Great Recession.” She first encountered Duane as a GI back from Vietnam awaiting his discharge. When she caught up with him again several years later, he had moved home — to Ohio — and found a job in an auto factory, was married and expecting a child. Years later, she encounters Duane again. He has left the auto industry because of layoffs and has become an expert machinist. By the time she looks up Duane again, however, he has already passed away. Constantly staying ahead somehow, Duane got into the software industry and had moved to Arizona before he died, leaving behind a large and loving family and, unfortunately, an even larger mortgage. Duane’s life encapsulates many of the socioeconomic trends Garson describes in her book. In one man’s life story we get the tale of deindustrialization which causes Duane’s several career changes, the financialization of the American economy which affords working-class America a standard of living through credit even as its wages decline, leading finally — in 2007 — to the housing bubble which popped and the extended recession that has followed.

Garson situates her analysis firmly within Marxist economics, which allow us an understanding of what has happened in the lives of Duane and other working-class Americans at the same time their stories contribute to our deeper understanding of what can seem quite abstract at times.

The general process Garson tries to come to terms with is in the title: “down the up escalator.” As she writes, during the century and a half from the early years of the republic until the end of the 1960s, American wages rose every single decade. This is probably unique to the history of this country, and it ended during the 1970s.

Since the seventies, American wages have been stagnant or have declined. This is due to many factors that the readers of this journal will no doubt be somewhat familiar with. The point is that at the same time wages fell, productivity continued to increase at the same pace or faster. Duane was one of the lucky few of the American working class who managed to “keep ahead” of the trends of layoffs, offshoring, and deskilling, right up till his death.

Therefore, the American working class has in general been “traveling down the up escalator.” Where formerly American workers could expect a higher standard of living than their parents, and their children could expect theirs to be even higher, this is no longer the case, and has not been for four decades now. The impact of this contrast between expectations and reality is almost impossible to overstate.

The impact has, of course, been highly contradictory across the American working class. One example Garson gives is in the second chapter, “Down by the Banks of the Ohio,” where she tells a story of class resilience across a generation.

Chuck and Michael Kenny (not their real names) are a study in contrasts as a father and son. Where Chuck has a strong work ethic and loyalty, devotion to God and solidly middle-class Republican politics, his son Michael is a liberal agnostic with dreadlocks, and has gone out of the workforce after short-term jobs as a manager at a staffing agency and an XM Radio salesman. He now designs and sells Grateful Dead T-shirts for a living. Chuck has never been out of work since he was twelve, but at the end of what should be a long and productive career with a peaceful retirement ahead, he

finds himself as lower management in a warehouse working over twelve hours a day. Despite this, his superiors are maneuvering to push him out before he can really collect well on his retirement plan and give his job to a younger employee who will merit less in pay and benefits.

One of the great strengths of Garson's journalism is that she allows a man like Chuck, whose life expresses many of the defeats dealt out to American workers in his unrewarded work ethic and right-wing politics, to give voice to the challenges affecting millions of people in his generation. When he says something like "we have not been living paycheck to paycheck since we decided to give God back a tenth of what he has given us" (on the subject of his decision to tithe to his church), we understand just to what extent his faith has given him the strength to endure the many roadblocks he has faced.

Unsurprisingly, Chuck doesn't understand many of the decisions his son Michael has made, either in his lifestyle or his career. To Chuck, someone like Michael would be well advised to take even the most miserable of the career paths available. "You go to work in McDonald's, you apply yourself, you can get into their management program," he says. "[My company] hired several fast-food managers as supervisors because they have experience where it's fast-paced, quick, and very regimented." But his son, who unlike Chuck has grown up accustomed to riding down the up escalator, has chosen not to play. One can hardly fault his choice: his father has worked all his life only to find he has to work longer and longer hours for the same paycheck, and stuck with a disloyal employer who will replace him at the soonest opportunity with someone cheaper.

There is probably a very interesting problem for economic analysis, especially the kind of analysis that seeks to change the world rather than just understanding it, in the different choices made by Chuck and Michael. In a situation in which thousands of working-class men and women like Michael are giving up on a stable occupation to scrape by in the world of temping and self-employment or dependence on family resources, what is the likely impact on class consciousness and class struggle? How do we understand and mobilize a class that is increasingly atomized and whose expectations are going steadily down rather than up?

Some have referred to this process as the "disarticulation" of the working class. The term seeks to describe a situation in which organized labor seems unable to effectively mount the most basic existential defensive struggles (in Wisconsin and Michigan), and the most radical arenas of struggle lack a coherent class base other than that of "the 99 percent." There is no doubt much to be studied here, and it is to Garson's credit that she manages to illustrate it in a work of limited journalistic scope.

Though a clear articulation of the ways forward for struggle are beyond the scope of Garson's book, the wide array of concerns, struggles, and hopes of the people she interviews are something to take into account for those of us who want to change things. Might not struggles over housing or savings become just as or more important than the arena of overt workplace struggle in constructing a radical left pole of attraction?

The stories of Michael, Chuck, Duane, as well as the others who populate her book all illustrate her central point: "how the 99 percent survives the recession." We find that this happens in many different unique ways. Some like Chuck return from work to find comfort in their families and the Church. Some struggle to maintain the little that they have; among those who are successful are Susana, a black matriarch who manages to maintain her home in Brooklyn after the death of her son and lengthy foreclosure proceedings.

Whatever ways these people find to survive are sources of ongoing nourishment and hope against an increasingly hostile world. Small victories that maintain us or set us back a little bit less

than before even are something to be grateful for.

Garson has done an excellent job showing how the 99 percent survives during the Great Recession. The question we are left with at the end of her book is how we will do better than survive.