

# America. The Working Class Versus the Middle Class

Solidarity or Competition in the Face of Crisis?

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*"I don't think you realize how hard it is for the oppressed to become united. Their misery unites them (...) But otherwise their misery is liable to cut them off from one another, for they are forced to snatch the wretched crumbs from each other's mouth". Bertolt Brecht Collected Plays Vol. 9, (Pantheon Books New York 1972) p. 379*

## Introduction

There are two uncontested facts about the United States : the economy and the working class are experiencing a prolonged economic crisis which has lasted over three years and shows no signs of ending; there has been no major revolt, mass national resistance or even large scale protests of any consequence. Few writers have attempted to address this seeming paradox and those who do, have provided partial answers which in fact raise more questions than they answer.

## Lines of Inquiry

Essentially most writers emphasize one of the two sides of the "paradox". The 'crises' analysts focus on the extent, duration and enduring nature of the economic breakdown, outlining its harsh impact on the working and middle class in terms of losses of employment, benefits, wages, mortgages etc. Others, mostly left progressive, emphasize the local protests, critical responses registered in opinion polls, occasional complaints of trade union bureaucrats and the hopes and intimations of academics and pundits that a 'revolt' is on its way some time in the near future.

Among the minority of less sanguine critical analysts, there is despair, or at least a more pessimist view of the 'paradox'. They point to several deep-seated psychological, organizational and political obstacles which prevent any revolt or mass unrest from taking hold among the United States ' public.

On the whole these critics see the working and middle class as 'victims' of the system, acted upon by false leaders, media manipulation, corporate capitalism and the two party system which prevent them from pursuing their class interests.

In this essay, I will pursue an alternative line of analysis which will argue that the "external enemies" blocking working and middle class resistance are aided and abetted by the behavior and perceived interest within the classes. In pursuit of this line of inquiry, I will argue that both the nature and scope of 'the crises' has been misunderstood in its impact on the working and middle class and as a consequence the degree of internal contradictions

within those classes has not been adequately understood.

### **Key Concepts: Clarifying 'Crises' and its Impact**

Economic crises, even severe, prolonged ones, such as is affecting the US today, do not have a uniform impact on all sectors of the working and middle class. The uneven impact has segmented the working and middle class, between those who are adversely affected and those not, or who in certain circumstances have benefited. This segmentation is one key factor accounting for the lack of class solidarity and has resulted in 'contradictions' within and between the working and middle class.

Secondly the uneven development of social organization - especially trade unionization - between public and private sector workers, has led to the former securing and retaining greater social benefits and increases and wages, while the former has lost ground. The public sector workers draw on public financing to fund their 'corporate interests' while private sector workers are forced to pay increased taxes, because of regressive fiscal legislation. The result is an apparent or real conflict of interest between well-organized public workers organized around a narrow set of (self) interests and the mass of unorganized private sector workers who, unable to increase their wages via class struggle, side with "fiscal conservatives" (funded by big business) to demand cutbacks from public sector workers.

Political partisanship, especially among middle and working class Democrats, undercuts class solidarity and weakens unified social resistance. This is evident in relation to issues of war and peace, the economic crises and cutbacks in social programs. When the Democrats hold office, as they do today ad the wars and war spending multiply, the bulk of the peace movement has disappeared, labor protests against budget cutbacks focus on Republican governors, not Democrats, even as the working and middle class (including public sector employees) are adversely affected.

The millionaire top trade union officials (average annual salary over \$300,000 plus perks) further the division by prioritizing the security of their position via million dollar contributions to the Democrats, thus buying insurance on income flows from dues payments. Security of officialdom via alignment with Party legislators and governors, mayors and executive leaders contributes to a further division within the working class between 'secure functionaries' and their followers on the one hand, and the rest of the middle and working class.

Operating with these key concepts we will now turn to describing the 'objective conditions of crises', a critical survey of some explanations for the 'paradox', and follow with a detailed examination of the 'internal contradictions' and conclude by outlining some points of departure for resolving the paradox.

### **Economic Crisis is Real, Deep and Sustained**

The symptoms and structures of a deep economic crisis are readily visible to any but the most obtuse government apologist or prestigious economist: un- and under-employment has reached between 18 to 20 percent. One out of three US families are directly affected by loss of employment. One out of ten American family homeowners are either behind in the mortgage payments or face foreclosure. Over half of the current unemployed (9.1 percent) have been out of work at least six months. Massive cutbacks in public expenditures and

investments have led to the end of health, educational and welfare programs for tens of millions of low income families, children, the disabled, the elderly pensioners. Private firms have eliminated or reduced payments for health insurance, leaving over 50 million working Americans without health insurance and another 30 million with inadequate medical coverage. Tax exemptions, reduced and regressive taxation have increased tax payments by wage and salaried workers, reducing their net income. Increases in pension and health payments forced on middle and working class employees have further reduced net income. Increased spending for at least four wars (Iraq, Afghanistan, Pakistan, Libya) preparation for a fifth (Iran) and support for the world's most militarist state (Israel) and a greatly expanded and costly domestic police state apparatus (Homeland Security alone costs \$180 billion) has greatly deteriorated environmental, workplace and leisure space living standards.

Corporate political power and absolute tyrannical control over the workplace has increased fear, insecurity and virtual terror among employees facing increased speed-ups and arbitrary elimination of any say in health and workplace safety, work schedules, over and under time workloads. Low pay service jobs proliferate, high pay jobs are outsourced out of the country; manufacturing plants are relocated abroad; lower paid immigrant professionals and laborers are imported increasing pressure on US workers to compete for lower pay and lesser benefits. The 'economic crises' is embedded in the deep structure of US capitalism and is not a 'cyclical phenomenon' subject to a dynamic recovery, restoring lost jobs, homes, living standards and working conditions.

### **Middle and Working Class Responses to the Economic Crises**

The profound, deep seated and pervasive economic crises has not elicited any commensurate revolts, rebellion or even sustained national protest movement. At best local protests by specific segments of the working and middle class have sought to defend narrow organizational and economic interests. The public employees in Wisconsin's protest movement were as exceptional in its militancy as it was isolated and limited in its overall national impact. As California Republican and New York Democratic governors eliminate tens of billions of dollars in wages, pension and health benefits for hundreds of thousands of unionized public employees, union officials squawk impotently on the sidelines, incapable of mounting any serious protests let alone popular movements. Though public opinion polls register high levels of individual concern about the economic crises and dissatisfaction with both political parties the response to the crises has not led to practical activity, nor has any mass 'movement' emerged - it remains private inconsequential discontent.

As much as millions of middle and working classes are deeply preoccupied with the ongoing economic crises there are no significant social or political repercussions past, present or in the foreseeable future.

All the inflated hopes and 'ominous prognostications' by liberals and leftists, socialists and progressives, who wrote and predicted a coming 'revolt of the masses' have been flat wrong. The crisis continues and the highly dissatisfied middle and working class remain privately suffering, muttering their grievances in isolation, unwilling to engage in any mass collective action.

Even as the mass media, even as the internet, Facebook and Tweeter, present millions demonstrating and striking and even toppling oppressive regimes in the Middle East and

North Africa; even as news reports filter out of repeated general strikes and mass occupations of public plazas by employees and workers and unemployed in Greece, Spain, Portugal, Italy and France, the United States workers stand numb, indifferent and impotent to 'learn the lessons' and 'take collective action' even where the issues of employment and cutbacks are similar.

### **Explanations for Social Immobility in the Face of the Economic Crises**

There is no lack of 'recognition' that 'something is wrong' in these United States. There is no lack of pundits attempting to grapple with the paradox of economic crises and social immobility.

Several explanatory forays are floating through the media and the internet. Some writers resort to psychological explanations of social passivity pointing to widespread 'fear' of employer retaliation, state repression, or a sense of 'futility' in the face of political party indifference and hostility. The psychological arguments have some merit as they point to some of the immediate causes of non-involvement but fail to explain what causes 'fear' and futility.

In response many critical progressive cite the absence or weakness of social organizations in particular they point to the decline of trade union organizations, leaving 93 percent of the private sector unorganized and the state sector unionized workers with limited bargaining powers. While these critics are right to emphasize the unwillingness of millionaire trade union officials to break new political ground and initiate new organizing efforts, one needs to explain why the unorganized middle and working class have not themselves launched any new initiatives? Union officials have a long history of "give backs" going back at least two decades and yet those who are directly adversely affected and those who have lost their jobs have not organized an alternative network of solidarity.

Political analysts emphasize the oligarchic and restrictive nature of the electoral system as pre-empting the emergence of new political initiatives. The multi-million dollar cost of running for office, the near monopoly dominance of the mass media by the corporate two-party elite and the legal obstacle to securing a place on the ballot, discourage disenchanted voters from supporting new political party initiatives. But the deeper question is why mass movements, outside of the party-electoral framework, have not emerged that might eventually challenge the political oligarchy, the corporate monopoly of media and change the legal constraints on effective entry into the electoral arena. Why do mass movements emerge in other even more repressive countries, facing similar constraints on legal access and confronted by entrenched oligarchies?

If similar 'external constraints' as those found in the US led to divergent behavioral responses, it raises the question of whether the differences within the middle and working class can be the source of passivity and immobility?

A few writers, principally on the Left, cite the divorce or distance between intellectuals/academics and the downwardly mobile middle and working class. In the United States there are few intellectuals - politically engaged writers and political lecturers.

What passes for the educated classes, are full-time professional academics who differ little in their social and everyday life, regardless of their stated ideological philosophies. The vast majority of leftist academics conceive of their 'activism' as reading papers to each other at

'left' or 'social forums', which differ little in format and consequences from mainstream professional meetings.

Even those left academics who take a political role, it is mostly in relation with the multi-millionaire senior trade union officials and their loyalist apparatus. As a result the progressive academics have ended up with little entrée into the vast majority of workers who are outside of the trade unions and those dissident union factions challenging the trade union - Democratic Party - corporate nexus.

### **An Alternate Explanation for the 'Paradox'**

One of the key problems inhibiting an understanding of the paradox is the treatment of the key concept - "crises". Many writers conceive of the 'crises' in a 'holistic' way, presuming what is 'general' or 'systemic' has a homogenous effect on the middle and working class. In fact the vast majority, say three-quarters have not been seriously impacted by the "crises". Assuming that the unemployed and under-employed comprise about twenty percent and adding those who have suffered serious downward mobility, we still have at least 70 percent whose main preoccupation is to retain their 'privileged' position and to disengage from those who have fallen out of their class-social orbit. In the US, more than any other country, the sharp internal differences, between employed and un-employed, has led to 'competition' not solidarity. In most countries of the world 'unemployed' and underemployed workers can expect backing, active support from unionized workers; in the US once middle class employees and workers lose their job and cannot pay dues they are dropped. Even in terms of social, family and neighborhood life, they are seen as a 'cost', a potential drain on the resources of those who are employed. The employed see the unemployed and poorly paid as a welfare cost, hence an added tax burden instead of as an ally in a struggle to make the corporate elite pay higher taxes and reduce war spending. Among employed workers higher taxes, means capital flight; lesser military expenditures mean few war industry jobs.

Segmentation within the middle and working class operates at many levels. The most striking is between the pay scale of top union officials which runs over \$300,000 plus perks and the unemployed/underemployed living on less than \$30,000. These economic differences are played out politically and socially. The trade union apparatus buys 'job security' by contributing tens of millions to mostly Democrats, to ensure that unions retain their formal legality and collective bargaining rights. In other words the 'organized' unions, all of 12% of the labor force, is a 'captive force' of the 'crises ridden' state, which excludes any new socio-political initiatives which would reflect the demands and interest of the under-unemployed and low paid non-unionized workers.

Middle and working class are differentially, impacted by the crises: those with jobs and ties to the Democratic Party place their partisan loyalties above any notion of class solidarity. Job holders don't support the jobless - they see them as competitors over a shrinking income pie.

If we examine these two groups in detail we find that the poorly paid and un and underemployed tend to be young people under 30 years, blacks, Hispanics and single parents; the better paid employed middle and working class tend to be older, white educated and of Anglo-Jewish background. The generational, racial, ethnic divisions play a far bigger role in the US than anywhere else, because of the obliteration of class identity and outlooks, which has diluted any notion of class solidarity.

The segmentation of the middle and working class is deepened in the US because those with stable employment in many cases benefit from the adverse consequences affecting downwardly mobile (unemployed) employees and workers.

Mortgage foreclosures affect over 10 million American families unable to meet their payments. Banks eager to recover some part of their loan, offer to sell houses at sharply reduced prices. Employed middle and working class home buyers are elated to purchase homes, even as their class members are evicted to the street or trailer camp. There is no movement to block or protest evictions from neighbors, workmates and/or relatives; instead discreet inquiries are made about the auction date.

Better paid workers look to secure cheaper consumer goods in super-stores that employ minimum wage workers. The 'interests' of workers are defined by immediate individual-consumer interests not in terms of the improvement of strategic interests resulting from the potential social and political power of an organized class.

Employed middle and working class homeowners see themselves as 'tax payers' allied with corporate and real estate moguls fighting to lower taxes by cutting welfare and social services for the low paid working class and unemployed. The growth of upper and middle/working class tax revolts against the welfare state is in effect a war of one segment of the class against another. Clearly one segment fights to grab the crumbs from the mouth of another segment.

Even among the organized working class, there is segmentation. Pockets of better paid unionized public sector workers secured pay raises and pension and health plans via collective struggle, ignoring the interests, demands and needs of the sea of non-unionized workers, who were in the process of downward mobility while paying higher taxes. Hence their socio-economic differences were politicized and exploited by the Right - and the public-private sectors of the middle and working class competed over the crumbs of a shrinking budget.

As public facilities for health and education declined, the middle and working class divided between those who turned to private clinics and schools and those who remained dependent on public facilities, based on state expenditures. Those segments tied to the 'private' rejected taxes to fund the 'public'; undercutting any class solidarity to improve the financing and quality of public health and education.

## **Conclusion**

It is clear that the crisis of capitalism has evoked contradictory responses among different segments of the middle and working class based on its differential impact. Pre-existing non-class identities, internal economic division between leaders and followers and generational divisions and party partisan loyalties have undermined class solidarity and led to inconsequential complaints and diffuse hostility.

Competition- not solidarity- within and among the middle and working class is the reason for the profound immobility of Americans in the face of a prolonged and deepening economic crises.

That is now and in the past. Are there any prospects for a different future? Is there any possibility for uniting middle and working class segments in any sustained struggle? Are



there alternative roads to class solidarity and popular mobilizations?

The most promising direction is to start at the local and regional level and involve local community organizations and dissident rank and file trade unions and progressive professionals (lawyer, doctors, etc.) in struggles, which resonate with the most adversely affected groups facing unemployment, foreclosures, no health plans, etc. All polls show a deep divergence between the vast majority of Americans and the political elite of both parties on issues of bank bailouts, tax exemptions for the rich, “reforms” (privatizations and cut backs), Medicare, Medicaid, and Social Security. Divergences exist over the loss of life and expenditures in America’s multiple and longest wars ( Afghanistan ). Referendums proposing (1) to end the cap on social security taxes for the rich would end the so-called “social security crises”. (2) A sales tax on financial transactions would fund the Medicare deficit. Public investments in our deteriorating infrastructure based on the transfer of war funds (\$790 billion) would create jobs, increase demand in the domestic economy and augment the productivity and competitiveness of the US economy. Support for public health is an issue that unites most segments of the middle and working class, unionized health workers and community organizations in a potential confrontation with Big Pharma and the private corporate health industries.

A higher minimum wage – starting at \$12 an hour – could mobilize most middle and working class segments, and initiatives at the local level could bring in the immigrant and domestic low paid workers.

The interview data demonstrate that most Americans have apparently ‘contradictory’ attitudes: supporting progressive and regressive policies. For example many support Medicare and ‘small government’; federal job creation and deficit reduction; import tariffs and cheap consumer imports. An comprehensive activist political educational program, that demonstrates that progressive social reforms are feasible and fundable, based on a sustained fiscal struggle against corporate and financial capital, can be converted into organization and direct action. We start with an objective reality, demonstrating that the sustained crisis of capitalism does not and cannot deliver the most elementary demands: jobs, housing, security, peace and growth. That is a big advantage over the advocates of the system who argue for prolonged and deeper regressive measures for the foreseeable future.

Secondly, we start with the advantage of knowing that the country has the potential wealth, skills and resources to overcome the crises. Thirdly, we can argue from relatively successful popular programs which have vast support – social security, Medicare, Medicaid – as ‘examples’ to extend and deepen social coverage.

For most Americans, the fight today, to the extent that it exists is defensive – efforts to preserve the last vestiges of independent organization, to defend social security, health programs, affordable public education, pensions. The corporate offensive is increasingly ‘homogenizing’ the organized middle and working class with the lowest paid unorganized segments. There are fewer ‘privileged workers’ even as they are still in self-denial.

The near extinction of private sector unionism and the moribund millionaire leadership provides an opportunity to start anew with a horizontal leadership, accountable to the membership and integrated with community based co-op, ecologist, immigrant, consumer based organizations. What is absolutely clear is that ‘crises’ alone will not result in any mass upheaval; nor do ‘enlightened’ progressive academics holed up in their micro-world

offer any leadership.

The road forward starts with local leaders emerging from local coalitions, building organizations on the bases of independent political and social initiatives which resonate with their neighbors, fellow workers and the organized and unorganized downwardly mobile Americans. I see no easy or quick solutions to the 'paradox' but I do see the objective conditions, for building a movement. I hear a multitude of angry and discordant voices. Above all, I hope the oppressed will stop "snatching the crumbs from each other".

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