

# EMPLOYMENT

## 5

CHAPTER

AMERICANS OF ALL POLITICAL STRIPES – LIKE PEOPLE AROUND THE WORLD – SEE JOBS AS THE ULTIMATE SELF-HELP, A WAY OUT OF POVERTY AND THE KEY TO A HEALTHY COMMUNITY WITH A STRONG TAX BASE THAT CAN FEED INVESTMENT IN BUSINESSES, INFRASTRUCTURE AND PUBLIC SERVICES.

Asked what issue he cares most about, the former chairman of Alabama’s Republican Party does not skip a beat. “Jobs, jobs, jobs, jobs, and then jobs,” Marty Connors says. “And then maybe a little bit more on jobs.” For Connors and millions of other Americans, employment is the holy grail – a cure for all of the country’s social and economic woes.

From across the political divide comes a similar answer. “We need more jobs, more employment,” says Terry Collins, second vice president of the Birmingham, Alabama, branch of the NAACP (National Association for the Advancement of Colored People), the country’s foremost civil rights organization. “Because we believe that economics is the basis for a lot of problems in the community, [because] people may not have the funds they need to take care of their living expenses and certainly having an acceptable wage would facilitate that.”

*“We need more jobs, more employment ... because we believe that economics is the basis for a lot of problems in the community.”*

———— Terry Collins

Americans of all political stripes – like people around the world – see jobs as the ultimate self-help, a way out of poverty and the key to a healthy community with a strong tax base that can feed investment in businesses, infrastructure and public services.

Given that view of work’s value to the community, many see it as the moral responsibility of those who are able to work to do so.

Attitudes about work are also rooted firmly in the notion of the “American Dream.”

“Everybody has the same opportunity. ... If they just go out and get it. The hard work is what it takes,” says Margie Diaz, a potato farmer from Alamosa, Colorado.

Blanca Gallego, who left Mexico decades ago to establish a small business in Pecos, Texas, sees herself as living proof that the American Dream is possible. “It’s not easy, but it can be possible for everybody,” she says. “That’s what I tell the ladies here in town: If I can do it, everybody else can do it. Because [I did it] with no English, no money and not many opportunities. Everybody else can do it.”



 Blanca Gallego, Pecos, Texas



*“When I was growing up, there were good-paying jobs here and those jobs seem to leave.”*

———— Stephen A. Urban

## CHANGING WORLD

Although many believe the American Dream is alive and well, changes in the job market have eliminated the types of positions that were once its foundation.

Stephen A. Urban, a Luzerne County councilman, has seen his corner of Pennsylvania change drastically over the past half-century. “When I was growing up, there were good-paying jobs here and those jobs seem to leave,” he says. Most of Urban’s family worked in dress factories when he was a child, and his grandfather worked in a coal mine. Those jobs are long gone. In their place, industries have come to the region that did not exist even a few decades ago. E-commerce companies

Amazon and Chewy.com, an online pet supply store, have opened facilities in the area, employing hundreds of locals to pack and ship orders. These companies may have brought jobs to the area, but there is limited diversity in these positions and little room for growth.

The changes have been felt across the country. In the midst of Alabama’s manufacturing boom, for instance, Mercedes-Benz and Hyundai have set up shop in the state, but the jobs they have brought are nothing like those Urban remembers from his childhood.

## FACTS AND FIGURES

- » 126 million Americans work in the service industry
- » Half the hiring in the last seven years has been in industries that pay below \$52,000 per year
- » The federal minimum wage is \$7.25 per hour, but some cities are instituting minimum wages of \$15 per hour



▲ Hilda Lockhart, Montgomery, Alabama

“Manufacturing has advanced so much. It’s not a dirty job,” says Hilda Lockhart, director of international trade for the Alabama Department of Commerce. “You go into these manufacturing facilities and they’re clean. You’re

pushing buttons. You've got to know computers and things like that. ... I think that those jobs are not the typical manufacturing as maybe my generation knew. They're gonna be very high-tech and I think we're going to all advance to that. ... All these jobs are really developing into something that takes more than a high school education even sometimes."

Agriculture is going through a similar revolution. Sandra Castillo, who recently moved to Yakima, Washington, from California, has worked on and off in warehouses, packing and sorting produce. She worries about the fate of her former colleagues at one warehouse, observing, "They're putting new machines to sort the apples and all that stuff. And all those sorters where I was working at, I guess they're going to be laid off."

Gabriel Muñoz, also of Yakima, teaches life skills at People for People, a local nonprofit. He has similar concerns for his students and for how the changing nature of agricultural work will affect the local economy:

"We have thousands of sorters ... in the Yakima County – and packers. They're not going to have a job anymore. ... Thriftway isn't going to have those customers. Walmart isn't going to have those customers. You're thinking about people who are buying homes? Well, real estate agencies aren't going to have a job because we are not going to have enough people to buy those homes and so ... they're going to be left out. So it's going to have this [domino] effect. ... We're going to have to do something about this or else we're going to be in a bad situation. We're going to have a lot more homelessness. We're going to have a lot more poverty. We're going to have a lot more crime. And that's just the reality of this new economy where it's all automated."

Though this technological change will likely leave behind low- and unskilled workers and their communities, it will give others a head start, Lockhart says. The new "quality jobs," which pay better than those in the textile mills that used to dot parts of Alabama, can change people's lives, she says:

"People who were never able to [go to] college, they're engaged in these automotive jobs, and now their children can go to universities. They can buy cars. ... Their standards of living have been raised. It's pretty evident when you start looking at the areas around where these facilities are located. It changes even the makeup of the town. You've got better restaurants, you've got more

shopping and so it improves the quality of life all around for everybody who is involved."

Although the unemployment rate has plunged since its 2010 peak, the recovery has not helped all Americans equally. The United States has seen a loss of mid-skill jobs,<sup>1</sup> and over half of the hiring in the past seven years has been in industries that pay below \$52,000 a year.<sup>2</sup> Manufacturing jobs have evaporated: the sector employs only 8 percent of the U.S. work force, compared with 24 percent in 1960 and 13 percent in 2000.<sup>3</sup> At the same time, the number of service industry jobs has grown steadily, hitting a U.S. record of more than 126 million in April 2017, according to the Bureau of Labor Statistics.<sup>4</sup>

## SENDING JOBS OVERSEAS

Adding to workers' anxieties about being displaced by new technologies has been the perception of a parade of jobs headed overseas. Statistics on offshoring jobs are slippery and elusive: a U.S. government program to collate them was shut down in 2013, and it was prone to undercounting.<sup>5</sup> Other efforts to predict offshoring numbers have been wildly inconsistent, with the high estimates likely overcounting.<sup>6</sup>

*"[Clinton] wanted to keep the jobs abroad. She didn't want to bring them here. Where Trump wanted to bring them here – and that affected our everyday life here. That affected our ability to survive and our ability to function as a family. ... So for me it was about keeping the jobs here."*

————— Renee Chambers

Warranted or not, this fear was arguably a major factor in the 2016 presidential election. Renee Chambers of Yakima, Washington, is unemployed and hoping to go back to school to change careers. She says she voted for Donald Trump because "when it came down to this last election for me was the viewpoints that

Hillary had vs. Trump had. And she wanted to keep the jobs abroad. She didn't want to bring them here. Where Trump wanted to bring them here – and that affected our everyday life here. That affected our ability to survive and our ability to function as a family. ... So for me it was about keeping the jobs here.”

Trump's supporters were thrilled by the deal he cut with Carrier, an air conditioning, heating and refrigeration company in Indiana. He claimed to save 1,100 jobs at the Indianapolis plant from being sent to Mexico,<sup>7</sup> although the real number was 800, according to local news reports.<sup>8</sup> An estimated 550 jobs in another Carrier plant in Indiana, however, are still moving to Mexico and 700 workers will lose their jobs.<sup>9</sup>

Maria L., a retired teacher's aide in Alamosa, Colorado, is also worried about jobs, though not for herself. “You know, the jobs have, over the years, have gone overseas, they've gone to different countries. And the United States is kind of hurting for jobs. The economy's not so great here,” she says. And although she blames a Democratic administration for many of the job losses – “During the Clinton administration I heard that he had sent a lot of jobs overseas” – Maria was so put off by Trump's brash manner that she pulled the lever for Hillary Clinton.

## SENDING JOBS ACROSS STATE LINES

Jobs don't just move overseas – they also head across state lines. Stephen Mullin, president of the Econsult Solutions consulting firm in Philadelphia, says “a huge chunk” of the “hundreds of thousands of manufacturing jobs” the Philadelphia area has lost over the past 50 years has gone to southern and western states.



Stephen Mullin, Philadelphia, Pennsylvania

Republican lawmakers in southern and western states tend to attribute their success in attracting jobs in part to relaxed regulations. Alabama's Marty Connors, for instance, says so-called right-to-work laws, which allow employees in unionized workplaces to opt out of union membership, have helped bring his state into the modern era:

“[Right to work law has] benefitted us tremendously. For example, Alabama, which was basically purely an agricultural state, let's say, 40 years ago, is now, I think, fourth in automobile manufacturing, and our No. 1 employer is health care. ... Agriculture is still our biggest export. But generally speaking, we've had a major transformation. The No. 1 employer in the state of Alabama is the University of Alabama Birmingham medical research. It's a long way from cottonfields.”

Right-to-work laws tend to be clustered in southern and Midwestern states. They are heavily criticized on the left for weakening unions and limiting unions' ability to bargain collectively.

## THE URBAN-RURAL DIVIDE

In Seattle, Washington, the tech sector is thriving, creating opportunities even for non-tech workers. Dale Bright, an official with a local construction workers union, says his members are busy: “We're having ... an unprecedented boom. We've attracted pretty much the largest companies in the world – we've got Amazon, we've got Microsoft, we've got Boeing, ... we've got manufacturing, we've got tech.” Bright and his union can barely keep up with the demand for labor in the construction industry, as high-rises and modern glass buildings pop up around the city. “There's over 55 cranes up in the city right now,” he proudly notes. The employment opportunities seem endless in the booming city of almost 670,000.

Just 140 miles to the east, in rural Yakima, Washington, the local economy is based primarily on agriculture, and people's prospects are bleaker. Yakima Valley is the country's largest grower of apples and hops.<sup>10</sup>

“We've got very few in-between jobs,” Yakima resident Debbie Evans says. “So you're either the low end or you're the lawyer or the doctor. [What about] all these people in the middle? Or who want to move up? Who don't want to sit there and pick apples all the time?”

For those in between, even those with skills and motivation, finding a fulfilling job can be a challenge, particularly in remote rural areas and small towns. Betty Wilkerson, also a Yakima resident, says she wants to work at least another decade before retiring, but she has few good choices:

“I’m kind of sitting there waiting for someone to retire, move up the food chain, move out, or decide to change careers so that there’s an opening for me at one of the limited organizations that has the type of positions that best fit my skill base. And do I really want to move away from here to look somewhere else? ... I’ve lived here a lot of years. Do I really want to do that? Not so much.”

*“We’ve got very few in-between jobs. ... So you’re either the low end or you’re the lawyer or the doctor. [What about] all these people in the middle? Or who want to move up?”*

————— Debbie Evans

Economic opportunities may abound elsewhere in the state, but that growth is not felt in Evans and Wilkerson’s community. Many in rural areas feel left out and that policies enacted at the state and federal level do not have their best interests at heart.

## MINIMUM WAGE

Few debates on labor are as visible and heated as the one on minimum wage, which at the federal level is \$7.25 per hour, although more than half of the 50 states have set theirs higher. At \$11, Washington and Massachusetts’ rates are the highest in the country.<sup>11</sup> Some expensive cities have gone beyond that: San Francisco, Seattle and New York all have plans to reach a \$15 minimum wage.

Many Americans, particularly Democrats, support a minimum wage. Lecia Brooks, director of the Civil Rights Memorial and Museum in Montgomery, Alabama, and outreach director at the Southern Poverty Law Center, is among them. She criticizes her state’s legislature for nullifying the city of Birmingham’s vote to raise its minimum wage – part of the emerging “Fight for 15” campaign that advocates a nationwide \$15 mini-

mum wage. “Ridiculous,” Brooks says. “What do you want? For everyone to live in poverty?”

Advocates for a higher minimum wage argue that people earning the current nationwide rate, and even higher state minimum wages, cannot afford necessities such as health care and housing. Their movement has gained support across the country, with voters supporting ballot initiatives for higher minimum wages in Colorado, Washington, Arizona and Maine in 2016.

A higher minimum wage, however, can have unintended consequences, some warn. John O’Lague, program director for the nonprofit Coastal Community Action Program in Aberdeen, Washington, says that thanks to the state’s new \$11 minimum wage, “Employers are starting to be more selective or they’re not giving full-time hours because they have to meet their profit margins. And so, when they’re not giving the full-time hours, guess what, I can’t afford my bills.”

O’Lague says he’s worried that some businesses will decamp to states such as Alabama, where the minimum wage is almost \$4 lower than Washington state’s, and he says the government needs to offer incentives, including tax breaks, to companies to come to Washington’s rural areas.



▲ Debbie Evans, Yakima, Washington

Debbie Evans has a high school education and worked for the same company for 34 years. Although she continued to advance in title at the company, her wages were frozen for a decade. She felt frustrated when new, inexperienced employees were paid the state’s \$11 an hour minimum wage. “I could see people coming in at a rate that it took me 20 years working there to get to,” she says. “And it’s like, ‘Well in about three more years you’ll be caught up to where I’ve been for the last 34 years.’”



*“To look for a job in today’s world with the minimum wage being so high, it’s so hard because employers are having to make cutbacks. ... They’re not apt to hire as many people now.”*

————— Renee Chambers

Renee Chambers acknowledges that the minimum wage can be a “blessing,” but says it also constrains employers from adding jobs:

“To look for a job in today’s world with the minimum wage being so high, it’s so hard because employers are having to make cutbacks. ... They’re not apt to hire as many people now. ... They’re leaning more toward the electronics to substitute customer service positions. And it’s made things really difficult, that I’ve seen. And people think the minimum wage is great because ... whether you’re flipping hamburgers or you’re working in a retail or you’re working in an office, ... you know, you have to make that amount. But in turn what’s happened is you don’t have the job opportunities out there because employers have cut back their hiring. A lot.”

Betty Wilkerson says the higher minimum wage is likely to make it harder for young, inexperienced workers to find jobs. “Why would you hire a youth that has not learned yet those soft skills and those basic employability skills? When you can hire somebody else who has several years of experience for the same amount of money. It doesn’t make sense. So that’s been very detrimental to our youth,” she says.

## TRAINING THE WORK FORCE

As industries transform at breakneck speed, some workers struggle to keep up. In Birmingham, for instance, about 5,300 IT jobs were posted in 2014 and 2015, a roughly 40 percent jump in demand, says Josh Carpenter, director of external affairs at the University of Alabama at Birmingham. But about 1,000 of those positions stayed unfilled at any given time, he says.



 Renee Chambers and Betty Wilkerson, Yakima, Washington

In response, Carpenter and representatives from private industry, government and academia started a local version of the work force development programs that

are springing up around the country to retrain workers. In Birmingham, they would focus on teaching young people IT skills.



 Josh Carpenter, Birmingham, Alabama

Many Americans believe high schools and community colleges are responsible for educating the work force to adapt to the changing needs to employers. Johnathan Austin, president of the Birmingham City Council, says basic technical skills should be taught in school to all young people, whether or not they attend college:

“Technology is taking over everything, so if we just give our students the basic skills when they graduate from high school, then they’ll at least be able to go into a company and learn everything else that they need to learn, like most people do anyway. ...The computer and the internet is the modern man’s version of the cave-man’s hammer and chisel. ... They’re not optional anymore. So we need to be able to provide that access and

training to those individuals so that they can be productive citizens.”

There is a growing realization that widespread pressure on students to attend college might be misplaced and that schools must do a better job of preparing those who do not attend college for the world of work.

“They’ve prepped most kids to go to college and we’ve trained a generation that’s looking to college and not to the trades,” says Dale Bright, the union official in Seattle. Unions such as Bright’s are starting to fund high school programs that teach students skills, including one that gives students the opportunity to build tiny houses, a construction trend in the area.

It’s not just students who need help, as many adults find themselves un- or underemployed as companies’ skills requirements change.

Renee Chambers, for example, found herself out of work, in part because she did not have the computer skills needed in her office. “It’s kind of sad because 20 years ago, not every industry was computer-based. ... Twenty years [ago] when we first started in the industry, we could pick industries that were not computer-based and so now ... you have to have computer skills,” she says.

Forced to adapt to a rapidly changing industry that looks nothing like it did when she started her career,



Chambers is enrolled in a computer training program for adults at People for People, a nonprofit. Many others in her situation lack either the time for or access to such programs. The rapidly changing labor market leaves many in the middle – and toward the end – of their careers in a difficult position.

*“The computer and the internet is the modern man’s version of the caveman’s hammer and chisel. ... They’re not optional anymore. So we need to be able to provide that access and training to those individuals so that they can be productive citizens.”*

————— *Johnathan Austin*

Despite government policies that encourage their hiring, veterans, too, are struggling with the shifting job market. Jerome Ford, program director at the Crawford House homeless shelter for veterans in Colorado Springs, Colorado, says one of the biggest challenges facing veterans returning to civilian life is skill translation:

“What are you going to do when you’ve been marching up and down the woods all your life killing people, defending America’s freedom? What are you going to do when you get out after two years, three years? They say you can’t re-enlist? Now they want you to come out here and find a job. ... ‘What have I done? I’ve been in the woods, I’ve been in the bush, I’ve been protecting my country. So what am I going to do?’”

## BIPARTISAN COOPERATION?

The political debate on employment is as much about messaging as about policy on the national level. Trump was extremely successful in rallying conservatives around his battle cry to save American industries, from mining to manufacturing, and protect American workers from the dangers of outsourcing and major international trade deals. Hillary Clinton, regardless of her concrete policy proposals, was less successful in presenting the Democratic Party as the voice of the working class.

Still, for a couple of reasons, the issue of work force development has not yet fallen prey to the United States’ hopelessly polarized politics: 1) it has not gained enough national attention to become a point of contention and 2) much of it is done on the state and local levels, which are traditionally less-partisan arenas. The Obama administration proposed making community college enrollment free nationwide, but some local governments are a few steps ahead. Both liberal (New York and Oregon) and conservative (Tennessee) states have proposed or are implementing free community college tuition for their residents. Even some rural, conservative regions in Virginia are providing “last dollar” scholarships that bridge the gap between financial aid and tuition costs to ensure that anyone can afford to attend.<sup>12</sup>

With the post-recession recovery having left behind many families – who worry that automation, outsourcing and even immigration are shaping a job market that no longer needs them – it is only wise and humane for politicians to take skills development seriously. Though voters tend to look to national elected officials to deal with their most pressing issues, observers of this issue might want to lower their gaze to America’s city councils and state capitals to see the future.

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