



Robert B. Carson

## Marginal work is on the rise as traditional jobs evaporate

The pundit who observed that the next worse thing to being out of work in the U.S. was to have a job was right. Bad as unemployment is, the day to day problem of most American workers is work itself. The trouble is not just that labor is increasingly tedious and dull or (as we used to say a few years ago when we worried over the quality rather than the quantity of jobs) "not fulfilling." Despite the hold of the work ethic in American life, work for the vast majority has rarely been "fulfilling." For most, it has always been brute and tiresome. In the past, though, there was often a sense of security and the hope of monetary or status advancement to blunt the day to day drudgery. In recent years, these aspects of work in the U.S. have been receding.

The work force has almost doubled since World War II and real GNP has grown by about 120 percent. But this expansion has been accompanied by the shift of a growing percentage of workers into marginal industries and marginal occupations that provide little sense of economic security and practically no hope of upward movement. Understanding this change in the structure of labor puts the magnitude of America's unemployment problem in clearer perspective.

### ►A statistical picture of labor changes.

Between the recession year of 1958 and the recession year of 1975, nonagricultural employment grew by 53 percent. But jobs in industries that comprise the industrial base to the economy—mining, construction, manufacturing, and transportation—increased by only 25 percent. This slow job growth reflected increased use of automation and "labor-saving" machinery as well as the internationalization of production in these industries. Meanwhile, among the new "growth" industries like retail trade, finance, service and government, employment increased from more than 100 percent in service to 63 percent in finance. By 1975, about two-thirds of

working Americans were employed in these labor-intensive sectors.

Even more striking than these industrial category shifts, however, were the changes in occupational status. In brief, the movement was toward less skilled types of labor. The employment of craftsmen and semi-skilled labor grew by 35 and 22 percent respectively. Meanwhile, largely unskilled or low-skilled sales, clerical and service jobs expanded by 65 percent. Quite contrary to the arguments of conventional economists, the so-called managerial or technocratic "revolution" had little effect on workers. Professional, technical and managerial shares of total employment advanced only slightly. The rooms at the top were all full.

### ►The growth of "marginalized" labor.

The significance of these shifts in the structure of employment becomes evident if we look at the relative wage differentials between the "new" and the "old" jobs. Overall, new jobs have lagged well behind direct industrial production employment—in average real wages, about 30-35 percent behind in 1958 and between 40 and 45 percent today.

And, incidentally, contrary to the arguments of some radicals, and most conservative economists, there is no evidence that the lower relative wage position of the "new" jobs or their recent slippage is the result of powerful labor unions in the "old" sectors trading off their own gains for losses to other workers. Although this point needs further clarification, it is apparent that the segmentation of employment into old and new job categories and the differential wages paid in these categories is the result of structural changes in American capitalism—not the alleged union rip-offs of ineffectively organized or unorganized workers. At any rate, practically all workers have been taking a beating recently. Real weekly earnings, which increased about 40 percent

between 1947 and 1966, now average about the same as a decade ago.

### ►What do the trends mean?

What does this data mean? What specifically are the employment trends?

First, during the past 20 years there has been very little job growth in the old industrial occupations. Second, most recent job growth has been in the largely unskilled and lower skilled, labor intensive service—government—sales sectors. Third, these new jobs have been relatively poorer paid and, whether with or without the benefits of unions, are the least secure. Thus, we can conclude that while more and more Americans are working, more workers are being pressed toward the margins of employment. For many, the transition from employment to unemployment, whatever the personal psychological jolt, is scarcely noticeable from the perspective of the economy as a whole. The "new jobs" then, contrary to conventional economists' claims, were never a sign of a vital economy but merely another measure (along with chronic unemployment) of the growing labor surplus problem of American corporate capitalism.

What is the composition of this new marginal labor? The answer should bring no surprises. It is made up of pretty much the same types of people as those we earlier identified as the chronically unemployed—women, minorities and the young. The conventional economist at this point will say these are special cases, that they are marginal workers only because of certain correctable deficiencies—lack of skills, their age, social or sexual prejudices, or even the excessive union power that holds down non-union wages and jobs. Thus, economic and hiring policies aimed at correcting the "causes" for their unemployment should both create new jobs and improve present ones. However, economists' fantasies aside, there is simply no evidence to prove this contention.

It is evident in looking at the performance of the American economy in the past quarter century that corporate capitalism is able to produce greater and greater levels of output with decreasing need for human labor. The actual labor of more and more people becomes irrelevant. Among the employed—especially those in labor intensive jobs—the vulnerability to periodic unemployment, job insecurity, relatively lower wages, and degrading work can only be expected to heighten in a production-for-profit society. Within the limits of the system of corporate capitalism, there are no "economic" answers to the problem. Growing unemployment and the increased marginalization of the labor force can only be approached as political problems.

### ►Carter's options are empty.

Getting back to the question we posed at the outset of this series—What can Jimmy Carter do about the employment problem of modern corporate capitalism?

Plainly there are no effective longrun options within the constructs of the system. Keynesian fiscal policy does not work. The political solution of public jobs is simply too expensive to have deep and lasting effects and probably only shifts unemployment around. Meanwhile, the steady growth of unemployment and marginalized work, especially among blacks, women and the young, but ultimately, among all workers, will continue. What can Jimmy Carter really do to try to change this? Aside from prayer I can't think of a thing. What people might do if they rejected the rhetoric and politics of corporate capitalism is quite another matter.

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## DIALOG

Editor:

I was very disappointed to read Carl Marzani's review of H. Smith's *The Russians* (*In These Times*, Jan. 5) because I had high hopes for *In These Times* as an independent socialist newspaper and now fear for its independence.

Mr. Marzani says that the Soviet economy's problems "are neither as crippling nor as refractory as those faced by our American economy." To compare any country's economy with the U.S.'s is to damn with faint praise, but that is not my main point. Suppose it can be demonstrated that the Russian economy (like that of Saudi Arabia and South Africa) is in relatively good shape. At whose expense and for whose benefit? A Marxist socialist does not talk only about growth of production. (Steel production, having been relatively stagnant after the Kaiser and the Ebert-Scheidemann regimes, soared under Hitler.) A Marxist also talks about who controls production and what is the distribution of wealth (viz. who benefits from production). Does anyone need ask?

Just a few words about both points. In 1932, at the 9th Trade Union Congress, 84.9 percent of the delegates were workers; at the 10th T.U.C. in 1949, 23.5 percent of the delegates were workers. In no sense do the Russian workers

control their own "unions," no less their state.

Russian workers cannot strike and are often subject to compulsory assignment to jobs. As for distribution of wealth, "available data point clearly toward an even broader dispersion in the USSR than in the West." (N. Spulber, *Soviet Economy*, New York, 1962, p. 42.) That of a physicist was, in Russia, 1:25; in the U.S., 1:5; and in Great Britain, 1:7. (K. Mendelssohn, "Russia Pays Her Physicists Well," *The Observer*, Aug. 18, 1957.) etc.

No wonder that when the West German Krupp empire and the Hoechst Chemical Corporation want to expand and build plants, they go to the Russian satellite East Germany, where labor is cheap and independent unions non-existent.

Mr. Marzani goes on to quote Stalin favorably about Russia's overcoming backwardness without mentioning the millions and millions of people uprooted, tortured, and murdered to achieve this feat. And for what purpose? Does any independent radical hope that, since the consolidation of the Stalinist bureaucracy's power in about 1927, Russia is moving toward a more equitable distribution of wealth or toward more workers' control of production? Hardly. The reverse of both is surely true.

There are two reasons why *In These Times* should strive for absolute objectivity with regard to U.S., Russia, and China, and all their satellites: first, American intellectuals and workers won't believe you otherwise; and second, more

importantly, it is your duty as a socialist newspaper to tell the truth.

—Marvin Mandell  
W. Rosbury, Mass.

Carl Marzani replies:

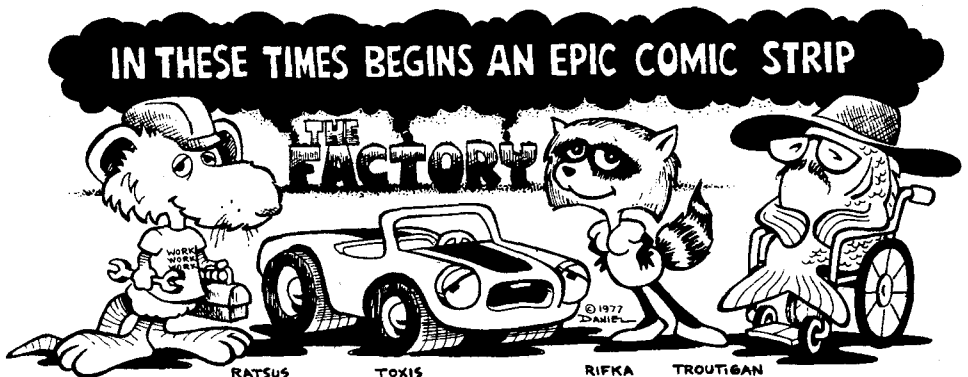
1. The views expressed are my own and not those of *In These Times*. The fact that they publish me is proof of their independence.

2. Nearly all the criticisms you make are valid and I would agree with them in whole or in part.

3. Smith did not deal at all with whether or not the USSR is a socialist state, if not, why not, if yes, what kind of socialism. Since he didn't raise the issue, I didn't either. I simply reported that he was very good on telling us about dissenters, avant gard art, privileges for ruling groups, etc., and not so good on agriculture and industry.

4. In this context I stand by the statement you find objectionable, namely that Soviet economic problems are neither "as crippling nor as refractory as those faced by our American economy," although I said that their problems are indeed serious. I would add now that in part they are because of the problems to which you point. Nevertheless, what I said does not imply approval or disapproval of the way the Soviets do things, or the way Stalin did.

5. Finally, my own political position: I consider myself an independent Marxist and socialist who believes that each nation must find its own way to socialism, shaped by its own history and traditions. In general, I find myself closer to the ideas of the Italian Communists than to the ideas of Soviet Communism or British social democracy.



THERE'S A PLACE I ALWAYS GO, A PLACE THAT OTHERS MAY NOT KNOW THAT KEEPS ME SANE AND HAVING FUN, SPARES MY BROILING IN THE SUN, ESTABLISHES ROUTINES AND GOALS, FAVORING HE THAT GOLFS OR BOWLS, SPONSORS EVERY WEEK A DANCE TO GET IN SOMEONE ELSE'S PANTS, HELPS ME PAY FOR FOOD AND DRINK AND DAILY VISITS TO MY SHRINK.





James Aronson

## Murdoch gobbles Felker. From the belly he cries "I shall return"

The staffs of publications involved in the recent newspaper/magazine cold war in New York seem strangely dismayed that publishers behave like capitalists in a capitalist world. This reaction must have saddened Rupert Murdoch who, according to the rules of the free enterprise game, behaved impeccably in acquiring the *New York Post*, *New York* magazine, the *Village Voice*, and *New West* in Los Angeles. Their dismay at this normal behavior detracts nothing from the decent instincts of the men and women who walked off the job in support of displaced publisher Clay Felker (only to watch him scurry back in as a virtual scab in order to get out an issue of *New York*); but it does suggest that a course in Marxism would be instructive. It could be sweetened by calling it Imperial Journalism A.

The chain of events began in 1970 when Ed Fancher and Dan Wolf, publishers of the *Voice*, having grown wealthy on the fat advertising and lean plantation wages paid to their editorial slaves, sold a large hunk of stock to Carter Burden (Vanderbilt money) and his friend Bartle Bull. Burden and Bull (it's impossible to invent names more appropriate to the situation) in turn hitched their portfolio to Felker's swinging *New York* in 1974, and the whole cast took off in search of the hot-test pastrami in town.

There was consternation at the *Voice*

at the Felker take-over, and photos of Felker assuring the staff, from the top of a desk, of his devotion to the indistinct principles of the *Voice*. The incipient revolt was quelled by shelling out, in a shrinking job market, relatively good wages. The *Voice* settled into a prophetic semi-Murdochian sensationalism ("I Was the Dyke at My High School Reunion") with a spruced-up format.

### ►The invasion of the body snatcher.

Enter the Man from Down Under. Murdoch was being courted by Felker for some cash to help ease the losses incurred by the publication of *New West*. In the course of things, Felker introduced the Australian to Dorothy Schiff, known to be looking for a purchaser for the *Post*. It was the beginning and the end of the affair. Rupert waltzed Dolly right out of the publisher's chair for \$31 million. Not even Matilda ever got such a quick whirl.

The doomsayers gathered in the garment district with dire predictions. But it is difficult to say that Rupert will put out a worse paper than Dolly. When her fling with sex and social democracy petered out at the newsstands, she dug into the afternoon market with a monopoly of syndicated senility. It would be a considerable accomplishment to bottom William F. Buckley's snottiness and Max Lerner's pecksniffery.

Having done with Dolly, Murdoch then moved in on Felker at *New York* and the *Voice*. There were acrimonious all-night sessions in the board rooms, flights to the slopes of Aspen (Burden & Bull again) and more desk-top oratory by Felker. All to no avail. Into the sunset went Felker, weighted down with bags of Commonwealth bullion, alternating cries of "Rape!" with "I shall return."

The singles bars are still agog with excitement over the rapid-fire events. Some staff members of *New York* have departed, muttering about alien ownership of American property. A worry indeed, but perhaps parochial in light of the increasing American stranglehold on global communications (about which more in a future commentary).

Of immediate concern should be the galloping pace of monopoly ownership of the American media by an ever-narrowing collection of native conglomerates. The Murdoch venture pales in comparison. For example, in 1974 the Knight newspapers purchased the Ridder chain for \$99 million, making a combine of 35 newspapers. Last November, S.I. Newhouse acquired eight Michigan dailies (and the Sunday supplement *Parade*) for \$305 million. For Newhouse that totals 30 daily newspapers, five magazines, six television stations, four radio stations and 20 cable television systems. He out-

bid the Times-Mirror Corporation of Los Angeles, just as Murdoch outbid Katherine Graham of the *Washington Post* for the Felker trio.

Next time you hear a mournful tale of the shrinking American newspaper industry, shed not even one crocodile tear. Profits in the industry in the first half of 1976 rode toward record highs—up 6 to 79 percent for 13 of 14 publicly-held companies (as reported by Colin, Hochstin Co.) and on average double the profit margin for American corporations generally. Six-month advertising totals were \$2.63 billion.

The automated American newspaper industry, having beaten or broken almost every union in the field, has finally entered the age of automated profits. In this situation it feels no compunction to maintain even a vestige of its barely existent adversarial role. The most constructive thing you can do to counter its influence is to get four friends a week to subscribe to *In These Times*.

*Note: In the last commentary I gave Jules Witcover back to the Los Angeles Times. He is now on the staff of the Washington Post.*

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Alan Wolfe

## The CIA comes back fighting, has Carter on the defensive

Theodore Sorensen will not head the Central Intelligence Agency in part because he let the public in on some secrets and in part because he was at one time a pacifist. Griffin Bell will head the Department of Justice, even though he has been both a racist and a mediocre judge. Therein lies a tale about standards of political morality in post-Watergate America. But there is another tale to be told first. It is a tale of the incredible resurgence of the CIA. From a point at which it looked as if the Agency might actually be broken up, the CIA has reestablished its hegemony decisively, and the offing of Sorensen is only one step in the revitalization of an agency that was recently on the rocks.

The drama of the Sorensen withdrawal was not feigned. We do not know now—and may never know—what dirty line the CIA handed to Sorensen in order to get him to back out, but it must have been stunning. In any case, their blackmail is beside the point. The important question is why the CIA resisted Sorensen, and the reason must lie in a sharp but secret battle somewhere within the nether regions of state power.

### ►Split on the CIA.

Ever since the failure of the Bay of Pigs project there has been a split in the American ruling class about how to handle espionage. One side is represented by Wall Street capital and its intellectual allies in academia. It argues that there is a danger that the CIA will become too irresponsible if its affairs are too secret. To carry out a foreign policy in the long-run interests of businessmen as a class, the machinery of state must be rationalized

and brought under the control of "responsible" leaders—i.e., the President. Vigilantism and flagrant episodes are not effective weapons of foreign policy, and besides, they only make politicians seem more illegitimate when the details find their way to the public. Beginning with Kennedy's appointment of his brother and Maxwell Taylor to examine the CIA and continuing down to Carter's appointment of Sorensen—who was Kennedy's greatest flatterer and who was recommended by Kennedy in-house intellectual Richard Neustadt—this perspective has sought to bring the agency under the control of the President, especially when the President is a Democrat.

But the CIA itself has a different view. Its self-conception is that intelligence can only be effective if spies, like businessmen of another era, are given a free hand to operate. By now firmly entrenched in the bureaucracy, CIA types have built alliances with conservatives in the Republican party and with defense industries. They have persistently refused to be "reformed" and have gone about their business protecting specific American capitalists in specific situations, irrespective of what effect these actions may have on long-range foreign policy interest. (These everyday services, which the CIA provides to specific corporations, the bulk of its activity, are illustrated in Philip Agee's *Inside the Company*). CIA operatives have indeed become, as one Kennedy aide once charged, a state-within-the-state, responsible to no one but themselves.

### ►Uneasy harmony.

For most of the postwar period these two

perspectives on the CIA coexisted in an uneasy harmony. So long as the covert operations did not blatantly contradict democratic rhetoric, liberal theoreticians and policy makers could live with them. Conversely, so long as the liberal reformers did not make a major effort to transform the agency, the spooks could live with a bit of public criticism. But the harmony, the past 10 years, has become discordant, and both the Sorensen nomination and its rejection must be understood as part of the unhinging of this tenuous coalition.

The first part to break occurred when the covert operations actually began to pose a serious problem of legitimacy. Watergate revealed that the CIA had become inextricably linked to domestic policies. Revelations by the *New York Times* began to document how extensive CIA intervention into domestic affairs had become. Vietnam indicated that the CIA was not always right, and even when it was, that policy makers could ignore its estimates. Former agents suddenly began to write books about the agency's practices. A watchdog organization was set up in Washington to monitor its affairs. Foreign organizations began to publicize the identity of local agents, with predictable consequences. The position of director had become a revolving door, indicating clearly that the agency had become politicized. In short, the cold war consensus that protected the CIA from any public examination had collapsed under the burden of its own past.

### ►The Agency strikes back.

At the same time—and on this point we

can only guess—public scrutiny began to interfere with Agency operations. At some point a decision must have been made to fight back. The counterattack came during the Church Committee investigation. Instead of monitoring the CIA, the Church Committee began to monitor the criticism of it. Statements were issued through Church's office that intelligence was basic to American security, and that only flagrant abuses would be publicized. Somehow the CIA had gotten to Church. Maybe they reminded him that an East German book called *Who's Who in the CIA* listed Church as a former spy. Maybe they convinced Northwest businessmen to curb Church, as has been widely rumored in Washington. In any case, the expected onslaught on the CIA never took place.

Carter therefore inherits an Agency outside his control. His goal will be to "manage" the CIA by bringing it as much as possible within his supervision. The appointment of a liberal like Sorensen was instrumental to this end. This the CIA understood as well as Carter and it went to work. Most likely, however, Sorensen's withdrawal does not end the struggle. Carter will likely make one more attempt to nominate a "reformer" to head the Agency and the dance will start again. And even if Carter comes up with a cleaner record on the part of his next nominee, the CIA will not stop in its attacks. We are clearly in for a major struggle over the future of the CIA. How predictable that the whole affair will take place out of our sight.

Alan Wolfe lives in Berkeley, Calif., and is the author of *The Seamy Side of Democracy* (McKay).