

## TITLE

It would be hard for Michiganders to select a single era to call “the good old days.” It could be the 1940’s, when the UAW negotiated terms that would pave the road for manufacturing workers nationwide to earn middle-class wages. The 50s, after the astoundingly productive Detroit assembly lines had supplied the armies that defeated fascism. Or even the 60s, when the population of Detroit had almost doubled within the last 10 years.

Looking back, it’s difficult to say which decade of burgeoning industry and unprecedented profit margins was our golden age. But there’s one thing that’s sure — it isn’t this one.

As of the 21<sup>st</sup> century, the American auto industry is showing signs of a slow but sure collapse and the state is finding itself facing budgetary meltdown, a casualty of the much-vaunted globalized economy. Michigan is a particularly poignant example of the potential consequences of this new system, and it might just be the tip of the iceberg — vanquished are the stable, stodgy patriarchal companies like the Big Three, pervasive \$20 an hour wages<sup>1</sup> and secure lifetime employment. In their place, a flexible, more competitive business ethic has left countless workers in the dust, and in turn, has jeopardized the middle class. There are benefits to the modern work environment to be sure, just ask Japanese auto manufacturers. But, as

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<sup>1</sup> Uchitelle, Louis. "The Wage That Meant Middle Class." *The New York Times* 20 Apr. 2008.

we've seen, there are also costs. Right now, it's unclear whether or not Michigan will ever be able to make a comeback and it's even more doubtful that the state's myriad abandoned factories will ever be up and running again, and then there's the question of whether they should. Re-regulation, tax hikes and obscenely insular trade policy could conceivably take us back to the Great Lakes State's gilded days of yore, but this would require a serious reevaluation of our economic priorities— and in a sense, a break from Weber's inescapable iron cage. That is, our civic desire to reign resuscitate the money-losing Big Three conflicts with other desires, ones that Weber would deem more immediate —like the lust for increased innovation, robust stock portfolios and, well, Priuses. In America thus far, whether for good or ill, capitalism is getting the upper hand over our more labor-friendly regulatory impulses, though as the strain on working America mounts, it's anyone's guess how much longer that will last.

When it was first built, General Motors's auto manufacturing plant at Willow Run near Ypsilanti was called the "Grand Canyon" of mechanized America<sup>2</sup>, the eighth wonder of the world<sup>3</sup>, and something like the "scene of a tragedy,"<sup>4</sup>— that was the socialist's response as Richard Sennett describes it in his book *The Corrosion of Character*. A colossal symbol of the success of democratically regulated capitalism,

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<sup>2</sup> "Willow Run and the Arsenal of Democracy." *The Detroit News* 28 Jan. 1997.

<sup>3</sup> Lewis, David. "'They May Save Our Honor, Our Hopes — and Our Necks'" *Michigan History*. Sept.-Oct. 1993.

<sup>4</sup> Sennett, Richard. *The Corrosion of Character*. New York, London: Norton, 1998. 43.

Willow Run was like a culmination of the old-world order<sup>5</sup>, immensely productive, devoid of any creativity or freedom of thought, and beautifully stable. Even though Sennett's socialist observer thought the routine of the assembly line was stifling, Willow Run and plants like it were also the site of worker's empowerment. Rigid rules about exact pay set the scene for the emergence of the nation's most powerful union, in which employees knew exactly where they stood. Without being nostalgic, Sennett described the essence of life on the assembly lines. "Routine can demean, but it can also protect; routine can decompose labor, but it can also compose a life,"<sup>6</sup>. The soulless routine at Willow Run might have looked like a tragedy then, but after thousands of layoffs, it looks even more like a tragedy now.

There's a danger, of course, of over-romanticizing a flawed past. Aside from the burdensomeness of a regimented existence, there were other, larger flaws with the patriarchal system that kept Michigan afloat for so long. The dominance of the Big Three was the product of a sort of democratic capitalism that favored monolithic businesses, discouraged upstart companies and all but obliterated dramatic shifts in the market — for decades the Dow Jones Industrial Average had minor ups and downs, but stayed essentially level. That is, until around 1980, when democratic reigns on capitalism started to wear thin and the market shot skyward. Between 1973 and 2006 the gross domestic product tripled and productivity increased by an estimated 80

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<sup>5</sup> Sennett, 41.

<sup>6</sup> Sennett, 43.

percent<sup>7</sup>. The decline of the American worker also coincided with unprecedented growth and prosperity, making it difficult for Sennett to easily compare the two.

“In drawing this picture I am well aware it risks, despite all qualifications, appearing as a contrast between before, which was better, and now, which is worse. None of us could desire to return to the security of Enrico’s or the Greek baker’s generation. It was claustrophobic in outlook; its terms of self-organization were rigid. In a longer-term view, while the achievement of personal security has served a profound practical as well as psychological need in modern capitalism, that achievement carried a high price. A deadening politics of seniority and time entitlements ruled the unionized workers at Willow Run; to continue that mind-set today would be a recipe for self-destruction in today’s markets and flexible networks. The problem we confront is how to organize our life histories now, in a capitalism which disposes us to drift.”<sup>8</sup>

Sennett clearly illustrates the tensions between the middle-class mainstays like compensation for seniority and entitlements and the all-consuming capitalist ethos, and in doing so, he also highlights another, larger, struggle — democracy vs. capitalism. As tempting as it is to reminisce about the good old days, burdensome government regulation and suffocating routines dampen productivity and progress. As any Republican will tell you, a strong government is at odds with successful business; strict regulation, high taxation, careful oversight — all pitted against corporate interest. The flip side of this is that these regulations also play a critical role in protecting the typical worker. The result is what economist Robert Reich characterizes in his book *Supercapitalism* as a sort of battle between ourselves as

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<sup>7</sup> Reich, Robert B. *Supercapitalism*. New York: Alfred a. Knopf, 2007. 97.

<sup>8</sup> Sennett, 117.

consumers and ourselves as citizens. There is atension between the impulse to boycott and the impulse to buy. For example, while many of us know that buying Tropicana is a little bit like "drinking someone else's misery for breakfast,"<sup>9</sup> it's still cheap and it tastes great. Given the success of the Tropicana label (or Wal-Mart or Nike or anything labeled "made in China"), it's clear that our consumerism is drowning out our voices workers.

Those voices are still audible in America, though. Unless, that is, you live in Saipan. Without enforced labor laws or formidable government oversight, the Saipan John Bowe describes in his book *Nobodies* is the perfect example of what might happen if capitalism ever completely won the battle against government regulation. Bowe wasn't the only one to see this. As the island was developing, some business-friendly officials thought it might be the perfect opportunity to prove to the liberals that a rising tide really does lift all boats, and the way to raise the tide is to stand aside and let the corporations make money.

"(Saipan), (Congressman Tom Delay) said, was 'just what conservatives have always wanted, which is enterprise zones — tax free, regulation-free zones where with the right motivation, great industry could take place and spill out into the general communities.'"<sup>10</sup>

And spill out it did. The entire island became a "regulation-free zone," complete with strip clubs, prostitution and rampant corruption — in short, as Bowe describes it, a new-age Wild West. This seemingly perfect experiment in capitalism reveals what are perhaps the more sinister tendencies of the market. Left to their own devices,

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<sup>9</sup> Bowe, John. *Nobodies*. New York: Random House, 2007. xiv.

<sup>10</sup> Bowe, 178.

companies tend to pursue whatever business practices lend them the greatest edge over the competition and that allow them the greatest profit margin. In Saipan, that was the ultimate degradation of the worker — slavery. Bowe paints this as a fundamental flaw in human nature, but instead, it might just be a fundamental characteristic of a healthy company. Now that the megalithic corporations of yesterday have largely faded into the past, human interest is in really in their repertoire of a normal business. Sennett found it dismaying that Bill Gates, the richest man in the world, couldn't spare any of his money, writing that "By all accounts he is a ruthless competitor, and the evidence of his greed is a matter of public record ... he has the ability to let go, but not give."<sup>11</sup> Of course, Sennett wrote that before the Bill and Melinda Gates foundation became one of the world's foremost charities. But perhaps it's significant that only after Gates had mostly given up the day to day running of Microsoft — the epitome of a new-age upstart company — that he started giving to the needy. It might be an indication that it's not the baseness of human nature, as Bowe suggested, that keeps companies from being benevolent. In retirement, Gates turns out to be a pretty good guy. So instead, maybe it's an indication that, without regulation, the nature of capitalism itself is disposed toward ruthless competition and greed, no matter how nice the business leaders are outside the office.

So then the question is, can a system that is dependent on but also at odds with the working population survive? Neither Sennett nor Bowe think so. Sennett foresees

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<sup>11</sup> Sennett, 62.

that the “regime which provides human beings no deep reasons to care about one another cannot long preserve its legitimacy.”<sup>12</sup> And Bowe takes that prediction to its logical conclusion: “The issue will then become one of self-preservation more than justice. Never mind the question ‘Are you fine with your comfort relying on the misery of billions?’ The question would be ‘Do you want them to come kill you?’”<sup>13</sup> Despite Bowe’s ringing warning, no one espouses the idea that an abusive system will naturally fall quite as fervently as Marx. In a world that looks like it has the potential to become more and more like Saipan, for Marx it’s actually inching closer toward a proletariat revolution.

“The development of Modern Industry, therefore, cuts from under its feet the very foundation on which the bourgeoisie produces and appropriates products. What the bourgeoisie therefore produces, above all, are its own gravediggers. Its fall and the victory of the proletariat are equally inevitable,” (Marx).<sup>14</sup>

The “fall” of the proletariat, perhaps already apparent labor in conditions like the ones in developing countries or even in the American places Bowe describes, is only the first step toward the eventual victory of the proletariat. Whether they actually consider themselves Marxist or not, both Bowe and Sennett use his logic: Eventually class struggle will get so bad that it has to get better. It seems that as the upper 10 percent of the population gradually ends up owning a greater and greater percentage of the wealth, we’re truly creating a system that isn’t sustainable. There are other

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<sup>12</sup> Sennett, 148.

<sup>13</sup> Bowe, 276.

<sup>14</sup> Engels, Karl Marx and Friedrich. *The Communist Manifesto*.  
<<http://www.anu.edu.au/polsci/marx/classics/manifesto.html>>.

ways out that revolution though. As Bowe points out, the last time income disparity had grown to such monumental proportions there was a Depression. Though there was never a revolution, heavy-handed government regulation finally managed to revolutionize the existing system to protect workers and the poor. Will it take a depression or a revolution before that happens again?

Let's hope not. The recipe for revolution might actually be more complicated in America today than Marx, Bowe and even Sennett think it is. In his book *Status Anxiety*, Alain de Botton gives a compelling account of how decreased government regulation increases anxiety for workers, which is in many cases just as painful as relative poverty. But this anxiety is manifest in other ways than rebellion against the bourgeoisie. Instead, de Botton is in favor of putting one's status into perspective by looking at great art, or reading Jane Austin.<sup>15</sup> In other words, as he put it in a Op-Ed in The New York Times, "Workers of the World, Relax."<sup>16</sup> Though this might seem like ludicrous proposal in light of the huge changes that would be necessary to enact meaningful change for the working class, de Botton does give real reasons why a large-scale revolution in today's flexible work world is unlikely to carry the moral punch that it did in Marx's time. He describes the three stories that gave the poor the moral high ground, including Marx's victimization narrative, and then three more stories that seem unfortunately familiar today — all with the message that low status was not "merely regrettable, but also deserved."<sup>17</sup> These stories, praising a gung-ho

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<sup>15</sup> De Botton, Alain. *Status Anxiety*. New York: Pantheon, 2004. 103.

<sup>16</sup> De Botton, Alain. "Workers of the World, Relax." *The New York Times* 6 Sept. 2004.

<sup>17</sup> De Botton, 67.



American up-by-the-bootstraps mentality, have served to undermine the moral authority of the people whose bootstraps proved defective. The result is that “to the injury of poverty, a meritocratic system now added the insult of shame.”<sup>18</sup> This is especially important because “shame” is a very bad word to associate with a military movement, especially a revolution. As long as the working classes remain convinced that they really are living in meritocracy, and are therefore willing to accept the idea that they’re responsible for their own misfortune, uprising seems unlikely. Instead, we can expect self-help books to continue selling well.

Revolution isn’t the only path to reform, of course. Bowe proposes another alternative — boycotts and consumer-driven actions against offending companies. For Bowe, it’s hard to fathom why, in light of such terrible offenses as slavery on American soil, people seem content to sit back and do nothing. Here Bowe falls into the dangerous position of laying a good chunk of blame on the consumer, but what he fails to realize is that the consumers are doing exactly what they’re supposed to do in the current system — buy the cheapest, high quality products. It’s unrealistic to blame the average American, with limited information about the products he’s buying and rent to pay, he’s only playing his required role in a capitalist system. Capitalism is functioning exactly as it’s supposed to, the real fault lies with government, whose responsibility it is to keep corporate interest in check. In the struggle between democracy and capitalism identified by Reich, the burden falls on democracy to ensure scales of the balance of power aren’t tipped too far in either direction. So while

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<sup>18</sup> De Botton, 71.

doesn't make sense to blame the consumer, but might make sense to blame the citizen. Calling for capitalism to reign in its capitalist tendencies is untenable, democracy should be doing that for us. As citizens of a democracy, that's what we should be doing that on our own.

That said, what is it exactly that we as citizens should be calling for? Do we want a return to the "not quite golden age"<sup>19</sup> of democratic capitalism? The "deadening politics of seniority and time entitlements" Sennett described? De Botton's comforting world of patriarchal rigidity? Bowe seems to think so.

"When free-trade enthusiasts mention that  $x$  million Chinese and  $y$  million Indians and anyone else from poor countries have been "lifted" out of poverty, what is seldom addressed is that they have been forced to join the world economy against their will. No one ever asked them if they wanted to sign up. ... Prior to their joining the modern world and the global economy, most had lived on small subsistence farms, growing the bulk of the food they needed, earning precious little hard cash but staying alive and self-sufficient."<sup>20</sup>

This argument, that poor people were probably happier while subsistence farming, is fallacious. In his romanticizing about the pre-capitalist system (the same one Max Weber seems slightly nostalgic for) Bowe fails to realize that there's a reason that people are voluntarily leaving these not-so idyllic farms and giving away all their money for the chance to go to the United States and work. Bowe is underestimating the benefits of the booming global economy. Scoffing that  $x$  million people were lifted out of poverty, he ignores how terribly important that is. "Go live in their huts," he bids the elitist American consumers. "Sniff some glue and pray with them. ... And then come back and let's talk

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<sup>19</sup> Reich, 15.

<sup>20</sup> Bowe, 272.

about freedom.”<sup>21</sup> When I spent 5 weeks in India a few years ago, I did stay in a hut with a poor family for a while. I prayed with them (glue was not their drug of choice). I talked with the children about their dreams to become engineers, Bollywood stars and cartoonists. Not one of them dreamed of a life of subsistence farming. In wishing for a return to the pre-globalized economy, Bowe is falling into his own kind of out-of-touch elitism — the kind that thinks farming is more romantic, and therefore more desirable than a job in a textile mill. But as terrible as the word “sweatshop” might seem, in lots of developing countries, they call it something else “the best job in town.” There’s a reason people in poor countries are anxious to get work in factories. Industrial jobs are providing people with a stepping-stone out of a dead-end existence, and giving their children a shot to acquire a lifestyle that was unimaginable before. As flawed as this new developing economy is, lifting millions of people out of poverty really is a pretty good thing.

Saying that the new economy is great, however, obviously glosses over its serious problems. But instead of talking about thwarting it or reversing it, we should instead talk about regulating it. As consumers, our pocket books do a good job of communicating what we want out of capitalism, now, as citizens we have to do a better job communicating what we want out of democracy. In a state like Michigan, it’s impossible not to perceive the plight of the American worker, but the answer probably isn’t sabotaging Toyota, or even the forces of globalization that brought it to a dealership near you. A better solution would be to call for increased government regulation, here and abroad, aimed at helping the worker as much as possible without destroying the company. While it’s easy enough to say, it would mean making a break from the iron

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<sup>21</sup> Bowe, 278.

cage in the interest of worker's rights, and putting our civic interests above our economic ones — clearly a difficult feat. Still, as the strain on working America mounts, even if there's not a revolution, the concerns of and about the working classes will become more pressing. Eventually, when public officials owe their seats to entirely the votes of the disgruntled working class, perhaps worker-friendly regulation will finally become a priority.

Too bad Michigan's delegates won't be seated.