Nickel and Dimed
On (Not) Getting By In America

By
Barbara Ehrenreich
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The Big Idea
Having a job and working hard do not guarantee a better life even for low-level workers in America. What is needed are fair, living wages and a government sincere in promoting sustainable development by providing generous subsidies in public services like housing, healthcare, transportation and child care.

Reality Check
In the land of much-touted milk and honey, where opportunities are believed to be a-plenty and never scarce for the hardworking comes a bubble-burst, wake-up call, personal retelling by Dr. Barbara Ehrenreich. This book is an unflinching, courageous eyewitness account of America’s social and economic paradox.

Not content with secondary research, noted author and academic biologist, Dr. Ehrenreich, at a time of America’s unprecedented prosperity from 1998 to 2000, lived the down-under life of a working class minimum wage earner. She moved from Florida to Maine to Minnesota to take on low-wage blue-collar work as waitress, hotel maid, house cleaner, nursing home aide and Walmart salesperson while chronicling the economic and social struggles of America’s underprivileged.

This book stirs the reader from what seems a simple read of the author’s life experience and personal struggles to an intensely electrifying discovery and self-reflection of how America’s privileged and ruling class have paid lip service and rhetoric to welfare reforms; how profit-driven corporations enjoy an economic boon while its unskilled labor content themselves with scrap, poverty-level salaries instead of fair, living wages; and how a widely perceived, democratic government resort to substantial dole-outs of food stubs and big boxes while turning blind eyes and deaf ears to more sustainable human development programs that can compensate for inadequate wages and could have included more generous subsidized public services in health insurance, housing, child care and public transportation.

Dr. Ehrenreich reveals how despite, serious and countless adversities, the same workforce have found a hundred and one creative ways to survive through sheer grit, determination, family and peer group support, humor, modest dreams and aspirations and even resignation to fate.

In this book, Dr. Ehrenreich brings across the real-life struggles of America’s lowly workers to full public view when she debunks the age-old myth that simply having a job allows one to live a better life. The author makes a strong point when she states that sustainable development means having a job with fair, living wages while enjoying adequate government subsidies where it matters – in housing, healthcare, transportation and child care.
Serving In Florida

The Published Reports

• A poll conducted by Jobs For The Future, a Boston-based employment research firm reveals that 94 percent of Americans agree “people who work full time should be able to earn enough to keep their families out of poverty”. (Source: A National Survey of American Attitudes Toward Low-Wage Workers and Welfare Reform, 2000)

• The right to rest and void at work is not high on the list of social or political causes supported by professional or executive employers, who enjoy personal workplace liberties that millions of factory workers can only dream about…(Source: Void Where Prohibited by Marc Linder and Ingrid Nygaard, Cornell University Press, 1977).

• Kim Moody cites studies finding an increase in stress-related workplace injuries and illness between the mid-1980s and the early 1990s. He argues that rising stress levels reflect a new system of “management by stress” in which workers in a variety of industries are being squeezed to extract maximum productivity, to the detriment of their health. (Source: Workers In A lean World: Unions In The International Economy, 1997)

Reality Bites

Dr. Ehrenreich begins her story in Key West, Florida where she makes the following discoveries:

• Recruitment ads do not equal jobs. Want ads are not a reliable measure of the actual jobs available at any particular time. These are meant to build and maintain a supply of applicants to replace present workers who have resigned or are fired.

• Having a job is no guarantee of a better life. It is impossible to survive on a minimum wage with one job and barely still with two waitressing jobs. Even so, with two highly stress-related jobs like housekeeping and serving. The author describes how low-wage earners work very hard, take on physically demanding jobs, willingly compromise their health in the process and yet they find themselves sinking deeper into poverty and debt despite a modest lifestyle. The Economic Policy Institute made a review of what constitutes a living wage for a family with one adult and two children. This amounts to a wage of $14 an hour, more than fifty percent of the present minimum wage of $5.15 an hour

• Slackers, they are not. Despite their despondent state, many of America’s low wage earners are not slackers. They remain immensely committed to their work and take great pride and accountability for their jobs despite the
absence of adequate living wages or recognition. In contrast, Dr. Ehrenreich shares eyewitness accounts of cold, calculating, often heartless management policies and practices that deprive workers of self-esteem and dignity that include the absence of break periods (except to pee), security and surveillance checks, managers perpetual harassment, unnecessary drug tests, etc.

- **Team spirit, shared resources.** Ironically, the underprivileged class possesses the resilience to rise above these diversities through a strong system of teamwork and cooperation that allow them to face crisis situations. It is not uncommon to cover work for others, share homes and appliances and services like babysitting and transportation.

## Scrubbing In Maine

### The Published Report

- The Cape Cod Times describes families of four living squeezed into one room, cooking in microwaves and eating on their beds (K.C. Meyers, Cape Cod Times, June 25, 2000)

- For the affluent, houses have been swelling with no apparent limit. The square footage of new homes increased by 39 percent between 1971 and 1996 to include family rooms, home entertainment rooms, home offices, bedrooms and often a bathroom for each family member. (Source: Détente in the Housework Wars, Toronto Star, 1999)

- A report issued by the U.S. Department of Health and Human Services in July 2000 found most nursing homes dangerously understaffed, especially profit making nursing homes. Among the consequences of understaffing, according to the report, are increases in preventable problems like severe bedsores, malnutrition, dehydration, congestive heart failure and infections.

### Reality Bites

While in Maine, Dr. Ehrenreich held concurrently two part time jobs as a nursing home aide and a maid for a cleaning service.

- **The Myth of the Economic Man Theory.** Dr. Ehrenreich discovers that the economic man theory does not apply to low-wage workers even if they acknowledge being underpaid for extremely grueling work. According to the theory, economic man, a great abstraction of economic science, is supposed to do whatever it takes, within certain limits, to maximize his advantage. When applied, this may mean transferring to a better paying job, forming unions, actively participating in grievance committees, etc.
Ironically, none of these happen because the economic man theory fails to recognize the social costs and structures surrounding low-wage workers. These include: one, an available network of family, friends and community that provide a system of sharing and pooling resources when it comes to basic, relevant services like transportation, day care or baby sitting, nursing care, etc. Two, a high level of emotional comfort and assurance of being with people who you know and none of the emotional upheaval associated with career and geographical shifts as well as development of new social systems and structures.

- **Carrot and stick management style.** The low-wage working class responds well to a carrot and stick management style. Recognition and the superior’s approval is far more a greater incentive while rigid rules and restrictions, almost bordering on human indignity, are management prerogatives that workers must simply accept and resign their fate to.

- **Simple pleasures and aspirations.** Low-wage earners are by and large, simple people with modest dreams and goals. In the words of one cleaner, Colleen, a single mother of two, when asked how she felt about owners of opulent homes being cleaned, she states, “I don’t mind really, because I guess I am a simple person and I don’t want what they have. I mean its nothing to me. But what I would like is to be able to take a day off now and then…if I had… and still be able to buy groceries the next day”.

- **Dichotomous society, after all.** While America likes to believe that it supports fair, equal rights across economic classes, many of its law, company rules and management policies indicate otherwise. Dr. Ehrenreich observes how low-wage earners are routinely subjected to drug tests, surveillance checks, timekeepers or time checks subtly indicating distrust and a perception of possibly being slackers, drug addicts or thieves.

### Selling In Minnesota

#### The Published Report

- The St. Paul-based Jobs New Coalition estimated that in 1977, a “living wage” for a single parent supporting a single child in the Twin Cities metro area was $11.77 an hour. This estimate was based on monthly expenses that included $266 for food (all meals cooked and eaten at home), $261 for childcare, and $550 for rent. (Source: The Cost of Living In Minnesota: A Report by the Jobs Now Coalition on the Minimum Cost of Basic Needs for Minnesota Families, 1977)

- Under the Fair Labor Standards Act it is in fact illegal not to pay time and a half for hours worked above forty hours a week. Certain categories of
workers – professionals, managers and farm workers – are not covered by the FLSA, but retail workers are not among them.

- Wal-Mart employees have sued the retail chain for unpaid overtime in four states – West Virginia, New Mexico, Oregon and Colorado. The plaintiffs allege that they were pressured to work overtime and that the company then erased the overtime hours from their time records. Two of the West Virginia plaintiffs, who had been promoted to management positions before leaving Wal-Mart, said they had participated in altering time records to conceal overtime work. (Source: Former Wal-Mart Workers File Overtime Suit In Harrison Country by Lawrence Messina, Charleston Gazette, January 24, 1999)

**Reality Bites**

Dr. Ehrenreich ends her two-year immersion as a low wage earner in Minnesota where she worked as an associate at one of America’s largest retail chain, Wal-Mart.

Her stint at Minnesota was unexpected and abruptly shortened by funds running dry due largely to failure to source a modest home rental and inability to cope with expenses with a single low-wage job. While in Minnesota, she makes the following learning:

- **Pride in the workplace.** Donning Wal-Mart's bright blue vest becomes an unceasing reminder to the low-wage worker of his fortunate acceptance as an associate in one of America’s largest private corporation and professional retail chain. This provides the low-wage employee dignity and self-respect as he wears his uniform like a badge subtly announcing his contribution to economic society.

- **Future Gain.** Low-wage workers are willing to sacrifice the present, hopeful that with time and patience, they begin to reap the reward in the future. Wal-Mart associate, Isabella, reveals that her pay has shot up to $7.75 an hour in two years. She counsels patience.

- **Inertia.** The uncertainty of a new working milieu, the inconvenience of job interviews, drug and personality test, etc. are far more burdensome than patiently waiting for a rise in pay check while presently making both ends meet.

- **Cooptive power of management.** Low-wage workers in their naiveté, unhesitatingly acknowledge the altruistic endeavors of management like pep rallies, profit sharing plans, etc., resolutely pledging loyalty never mind if they barely make meals or payments on their often overdue accounts.
The Challenge

Dr. Ehrenreich ends the book with a strong challenge to the privileged class and the ruling government to take the bull by its horn and sincerely initiate and implement economic transformation in the lives of the less-privileged low-wage earners. She describes the low-wage workers as major philanthropists who unhesitatingly take on poverty-level wages and live a substandard way of life to support the privileged and ruling class. Briefly, she raises the following challenges:

- Heed the wakeup call. Acknowledge the distress signal that indicates that nationwide, even with unprecedented prosperity, America’s food banks are experiencing a torrent of need which can not be met and that according to the survey conducted by the U.S. Conference of Mayors, sixty seven percent of the adults requesting emergency food aid are people with jobs. (Source: Hunger Persists in U.S. Despite The Good Times, Detroit News, June 15, 2000).

- Implement fair, living wages. Recognize employees labor with adequate wages. Fair wages for a fair day’s work. Ironically, owners and shareholders are more likely to put in place incentives like mothers’ hour, free breakfast, recognition awards, store discounts, etc. rather than provide living wages since these incentives may be withdrawn any moment.

- Raise a strong call for government to generously subsidize meaningful, relevant public services that include health, housing, day care and transportation. In her stint living in America’s three cities, Dr. Ehrenreich discovers that housing is extremely sensitive to market forces. Where housing is a toss between the poor and the affluent, rents are likely to increase becoming a huge burden for the less privileged.

- Acknowledge the dignity in labor of low-wage jobs. There are no unskilled jobs. Each job, even the lowest paid, requires a mastery of skills and tools from table setting to order taking to buffing ornaments and furniture to folding clothes, etc. The value of each low-paid job is in the time saved on the part of management and shareholders with every employees increased mastery and productivity.