

The Cloudworker, Layoffs and The Disposable American

by Venkat on January 18, 2009

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It has been bitterly cold here in the Washington, DC metro area for the last two days. Experiencing cold as ‘bitter’ is as much a cultural and emotional reaction as it is a physical one. This is my first winter in the DC area, which likes to think of itself as the ‘South,’ creating expectations for itself that nature unsympathetically shatters. An appropriate setting for trying to write a sober article on cloudworkers, their relation to layoffs and Louis Uchitelle’s 2006 book, [The Disposable American: Layoffs and Their Consequences](#). If the cold is bitter today, my attitude towards one of my pet subjects, the future of work, is bittersweet. On the one hand, I am receiving a steady trickle of news of layoffs affecting friends around the world. On the other hand, my own modest efforts at punditry on the subject of work are heading in cheerful, hopeful directions. My friends at [cloudworker.org](#), just announced the [results of their December contest](#). Here is my favorite entry, by Second Prize winner [Dave Raymond](#), a musician who chose to represent his cloudworking lifestyle with this stark picture of being on the road.



His note on the picture: “I have no desk, I have no office, I have no schedule, I have no home. I have a small family that is far away, and a few friends that I see rarely. I travel the United States all year, and collect inspiration to make the next reason to continue traveling.” Terse and unaffected romanticism worthy of the landscape that inspired Walt Whitman and Jack Kerouac, and ideally representing the paradox of cloudworking: individualism that is at once radical and socially situated. The picture is a perfect American cloudworker backdrop: Big Sky, green grass and a hint of modernity in the electric cables. Perfectly proportioned.

The Disposable American

But visions are not things you look at. They are things you look through. Dave Raymond, you and I must eventually put our personal and collective visions to use, and look through them at the realities of the world, like layoffs. Uchitelle is a veteran newsman, having worked at AP and the New York Times since the fifties, and [The Disposable American](#) is a masterful piece of investigative journalism. One that looks out at the world of work through a gloomy and dyspeptic but honest vision. His approach to understanding the phenomenon of layoffs is at once meticulously principled when it comes to facts, and unapologetically partisan when it comes to the storytelling. Here is the book's core argument in a nutshell: the layoff is an overused management lever, within a culture that has abdicated its responsibility towards maintaining the dignity of work and job security, through social checks and balances, resulting in disastrous psychological, social and economic damage to the American workforce.

If you've been reading my articles on the future of work (this cloudworker series, the companion [Organization Man](#) series, and a [bunch of one-off pieces](#)), you already know that this is pretty much the antithesis of my own thinking. So reading this book was particularly difficult for me. An endorsement on the back cover by Sylvia Nasar perfectly captures the difficulty of viewing this book through the cloudworker vision: *Uchitelle's superb book, which combines his trademark compassion with skepticism of quick fixes, is the perfect antidote to the smug Social Darwinist view — so popular with business writers in recent years — that constant change is a law of nature, that loyalty is a vestigial virtue, and that the slightest concession to job security or community roots is incompatible with economic success.*

I hope I can rise above this level of strawman baiting and do a genuinely fair-minded take of the topic and Uchitelle's book. Social Darwinists — and as a first approximation I definitely am one — can't really be smug. If you actually get what Darwinism is about, your only real options are fatalistic resignation and tragic striving. Smug individualist triumphalism is no more an option than smug collectivist utopia. What about loyalty, job security and community roots? Like most Darwinists who try to keep themselves honest, I believe these ideas must be reconstructed for 2009. I'll attempt to cloudworker reconstructions at the end of this piece.

Uchitelle's approach is to deftly present 360-degree views of a number of well-chosen case studies (Stanley Works and United Airlines among them) against a well-developed background treatment of the evolution of American labor laws, politics and management ideas over the last half century. If his canvas is missing anything, it is perspectives beyond the United States. We'll get to the meaning and consequences of that clearly deliberate omission at the end. For each of the cases, he manages to tell the stories of blue-collar workers, union leaders, white-collar workers, managers, nonprofit workers and government officials.

Among these is the story of Tim Dewey, one of the aircraft mechanics laid off by United Airlines in 2003 during the post 9/11 meltdown, when United closed a major maintenance facility in Indianapolis, outsourcing the work to cheaper non-union shops elsewhere. Dewey's response to his predicament demonstrates the sort of classic

[Micawberish](#) optimism that I held up as a model in [The Cloudworker's Creed](#). Rather than go through the depressing and draining retraining program offered by a local coalition of corporations, nonprofits and government agencies, Dewey tried to master his own destiny. He bought a water taxi business in Florida and set himself up as an independent entrepreneur. When that failed due to the inevitable uncertainties of small businesses, he gamely went back to Indianapolis to accept the retraining program and become a Microsoft-certified network technician, a profession for which he had high hopes initially, which eventually sobered down a bit. If you remember your Dickens, the optimism of Mr. Micawber in *David Copperfield* eventually prevails over adversity, and he ends up as the mayor of a town in Australia. But Uchitelle has no such hopes for Dewey; he editorializes:

“But for all his determination to be successful in a career that combined income and independence, the story he told me then was of a man losing ground and surrendering to the loss... here was a skilled and experienced aircraft mechanic who had opted to drive a launch around a bay, the sort of minimally-skilled work that students do on summer vacations... Dewey had dropped out to protect himself from the psychological damage... and in doing so, had deprived the United States of his true value as a skilled worker.”

This is interesting. I immediately read the story as a testimonial to the spirit of cloudworking. Uchitelle clearly views it rather like the famous [Monty Python Black Knight](#), who continues a ludicrous struggle after his arms and legs have been cut off. Much of the book proceeds in this vein: Uchitelle rides roughshod over any expressions of individualist optimism. He is honest in representing his subjects' views, but unapologetic and open about his contrary “only society can help” interpretations. His own views of all protagonists are very clear. There are definite good and bad guys in his storytelling, artfully portrayed through either flattering or unflattering pen portraits. In telling the tale of a gritty couple employed at Stanley Works, who tried hard to upgrade their skills in the face of layoffs inching ever closer, he reports:

“...But we would not sit there and pout,” Diane said. “We would look for something else.” And Dennis finished the thought: “You have control over your life.” They don't of course. No one ever does entirely...but until the plant finally closed and everyone was laid off, they refused to give up the *semblance* of control. [italics mine]

I am not quoting these bits of stories to present Uchitelle as devious or dishonest in his storytelling. The craft of storytelling depends on trusting in your own sense of authority and weaving a narrative based on your values, through others' experiences. It is your values that bring coherence to the confusion. I would make similar editorial choices in the opposite direction, were I to tell the story, and it is a legitimate thing to do. The reason these bits are worth pondering is that they highlight the choices you have to make in developing your opinions about the nature of work, and in particular about the limits to what individuals, corporations and the government can and should do, in the face of the uncertainties of life that we all recognize. Around these beliefs about fundamental economic limits and uncertainties, you have to develop your sense of values and ethics. Let's talk about all of these.

Talent Downcycling and its Discontents

There is one argument that Uchitelle makes cogently that nobody can disagree with. When skilled workers are laid off, they unfortunately have to get recycled in the economy. If you understand the basic physics and chemistry, all recycling is necessarily downcycling. Secondary and tertiary uses of resources, thanks to the laws of thermodynamics, are degraded uses. Recycled plastic becomes poorer quality plastic each time it is recycled. Even gold jewelry and scrap steel suffer melting losses. Downcycling is merely a longer route to the landfill. The next job an obsolete laptop can take on is the much less skilled job of “doorstop.” After that, it’s ashes to ashes, dust to dust, iron-ore to iron-ore.

And the harsh reality is that humans are much the same. All talent, training and skill is contextual. When the context goes away, the skills and talents becomes meaningless. And you don’t go back to square one, you go further back. As a tired 38-year old say, being forced out of aircraft maintenance and into lower-skilled jobs like airline baggage handling or working at a call center, you are actually worse off than the 18-year old competing with you even for *that* job. He has youth and energy and greater brain plasticity in his favor. Your experiences and talents really aren’t as portable as you think, even if you’ve risen to general management or C-suite roles. This was starkly illustrated in a [20-20 show I watched last night, bluntly titled “What are you worth.](#) The first part of the show featured college graduates burdened with debt and realizing that not all undergraduate degrees today are worthwhile economically. Back when the GI bill was passed, a generic undergraduate degree was guaranteed to pay for itself and more. Today only a few majors can claim that; a talking head on the show called the American undergraduate degree the most overpriced product out there. Nor are the mighty safe. The show featured Denver news anchor Ernie Bjorkman, who went from being paid a quarter of a million dollars a year to making less than \$30,000 as a veterinary assistant. Ernie himself displayed wonderful cloudworker serenity and optimism on the show, though his wife seemed to feel the hurt of a sharply curtailed lifestyle very deeply.

Perhaps the biggest test of your philosophy of work is how you react to these sorts of realities. In developing my views around cloudworking, I have been conscious about advocating cheer and determination *despite* this reality, not ignoring it, ostrich-like. But here is where, when it comes to values, Uchitelle and I part ways. As his editorializing in the case of Dewey shows, he believes an aircraft mechanic has an intrinsic “true value as a skilled worker.” The ideology at work is actually even stronger. Uchitelle (ironically for somebody clearly motivated by social justice concerns) clearly believes there is an absolute hierarchy of the value of work skills: water taxi driving is lower on his totem pole, not merely because it pays less under current open market conditions, but because it is “the sort of minimally-skilled work that students do on summer vacations.” Uchitelle’s totem pole of intrinsic values seems to be based on the idea that our earthly educational institutions somehow elevate humans into higher spiritual beings deserving of heavenly rewards on earth. Now the idea of education, especially a liberal one, as philosophically liberating is sound and has a distinguished history (was it John Stuart Mill who started that line of thought?). But the extrapolation that it should also be liberating in the sense of

economic self-sufficiency and financial independence is not. That extrapolation is the basis of Uchitelle's broader doctrine of the socially-determined "dignity of work." The idea that all people deserve to have their *neighbors* feel good about their work, and make enough from it to erect middle class facades to create a society where people at least *look* equal. Bill Gates' suit doesn't look that different from mine. This view demands a *relative* minimum material standard of living, hence the idea of a minimum wage as an absolute, doctrinal necessity rather than an economic luxury during predictable growth periods under conditions of labor scarcity. In this moral universe, a philosopher-janitor who dresses in rags say, and feels fulfilled by his life, is a moral impossibility, not merely a psychological improbability.

It is tempting to dismiss this viewpoint with labels like "socialist" or even "communist" but that would be unjust. Minimal levels of material well-being and feelings of self-worth for everybody, relative to Bill Gates, is a worthwhile aspiration. But it can at best inform our reactions to economic realities, not replace our understanding of them. And reality tells us that this model of relative 'dignity of labor' is no more than a sad attempt to lend moral legitimacy to an entirely unrealistic American sense of entitlement. Somewhere between abstract assertions of ethics and values, and a set of stories around specific stories, Uchitelle manages to suggest that things like home and car ownership are as natural as the law of gravity. That feeling wiser, more serene, and happier every year is not enough; you must own more and keep up with the Joneses.

The Lemons-and-Lemonades Value System

It is tough to think and talk about such things sitting comfortably here, with my own paychecks still coming in. I am opening myself up to the obvious criticism that I don't know "what its like." My job seems safe for the time being, and my few brief experiences of frictional unemployment do not compare in magnitude with having to deal with being laid off. Yet, I think, as the Dewey anecdote shows, your values around the notions of entitlement or dignity-of-work (whichever phrase you prefer) don't really change with your employment status. At one point in the story, Dewey does assert that he feels "insulted" about his coming down in the world from aircraft mechanic to failed water-taxi owner, but overall, he seems to accept reality without feeling the need to spend too much time blaming a "system."

So what are my own values? Full disclosure is clearly called for here. As should be clear from my commentary on Whyte's Organization Man, I tend towards the spartan whether I am employed or not, and am far more protestant-ethic than conspicuous-consumption in my tastes. When I was a kid in India, I read a fun book called [How to Live Cheap But Good](#), which introduced me to fascinating American DIY ideas such as the U-Haul. An idea from that book has stayed with me: all you really need to make a kitchen is one knife and one pan; everything else is a luxury that can be dispensed with if necessary. More recently, I experienced some of my happiest days working off a makeshift TV tray-table desk, while moving to DC.



In the American idiom, I guess my values are those of Tom Sawyer in his fence-painting days: when life hands you lemons, you make lemonade. I am not talking about my own values because I think they are superior. I have nothing against uninhibited Rapper-bling consumption, and I do indulge myself in some areas of life when I can afford it, with something of an easy-come-easy-go attitude towards my spending. I suspect what bothers me is that often in America, once you get used to a level of consumption, you begin to view it as a moral right. Possibly because it is consumption levels that dictate your class level in America. The Tom Sawyer spirit is forgotten.

I suspect I'd be very unhappy and depressed if I were laid off and got downcycled all the way through impoverished free agency to "homeless," but I doubt my fundamental values would change. I doubt I could convince myself that I somehow fundamentally *deserve* a certain standard of living as a moral right. I *especially* doubt that I could ever feel entitled to non-homelessness merely because I have a PhD. Some flawed human institution (sorry University of Michigan!) just handed me a piece of paper saying I worked for a few years to learn some stuff that happens to be temporarily relevant in 21st century America. One symptom of this attitude, I suppose, is that I am as likely to be bored or interested by members of any economic class. Some CEOs and New York fashionistas with ridiculously expensive purses are interesting, others are terminal bores. I've had fascinating conversations with some of my barbers (like the Eritrian immigrant who last gave me a haircut), while others have bored me to tears. Some of the most bleeding-heart liberals I've met are precisely the ones who cannot seem to relate outside their economic class as mere humans. They must wear the masks of helpers, play the role of social workers, and paint entire less-fortunate classes a uniform shade of "nice" before they are able to engage.

This does not mean oppressive work cultures are not real, or that we should not attempt to hold people accountable for their contributions to it. It merely means that values concerning arbitrary relative notions of 'dignity of work' aren't particularly useful.

Which brings me to the big-picture part of the book — Uchitelle’s take on the relative roles of governments and corporations in real (as opposed to textbook) market economies.

From Values to CEO Salaries

I hope the last section helped you clarify where you (and Uchitelle and I) stand on the question of values, entitlement and the dignity of work. So where do you stand on the litmus-test issue of CEO salaries?

Uchitelle’s book does a pretty good job at this big picture level as well. In the story of Stanley Works (makers of tools, measuring tapes, automatic doors and the like) in particular, he describes how three generations of CEOs of the company eventually moved the corporate culture away from viewing loyalty to employees as a fundamental value. The CEO who began the process in the early 80s, Don Davis, seems to have been a tormented soul, who found his personal loyalty to the town of New Britain, where Stanley was situated when the Japanese onslaught began, sorely tested. He did his best to resist globalization. His efforts included dramatic grandstanding, like steamrolling over the Japanese competition’s products in a San Francisco shipyard as a publicity stunt, and using “Made in America” exhortations to slow down the defection in the ranks of his retailers. He was replaced by the humane but more pragmatic Richard Ayers, who accelerated the process. Finally, John Trani, a GE alum of the Jack Welch era, took over at a vastly greater salary than either Ayers or Davis, and did what he was hired to do: outsource, offshore, consolidate, shut down factories and drive up shareholder value in cold, calculated ways (Uchitelle would say, brutal and heartless). The only difference between him and his predecessors seems to have been in his personal values: his tenure saw no doubt or vacillation. What Davis and Ayers started reluctantly, he accelerated and finished without a tear.

And this upsets Uchitelle. His portraits of Davis and Ayers are compassionate and understanding. Trani is painted in an almost cartoonishly villainous way. Relating one particularly hard-headed move Trani tried (moving corporate headquarters to the Bahamas), Uchitelle notes that Trani acted as if he “... wanted to burnish his image as a rootless executive.” Trani backed down in that particular case, and in his conversation with Uchitelle, did not sugarcoat his annoyance at the political leaders and media in New Britain who forced him to do so. The anecdote ends on a pensive note, with Uchitelle remarking that Don Davis would never have bad-mouthed the town’s mayor.

In a way, our current perception of disinterested and detached senior executives with no stake or concern in the historical communities associated with (indeed, in most cases, created by) their companies is not new. Jack Welch, the darling of CEO hagiographers, started it all, with his relentless focus on global competitiveness, core competencies and unsentimental exiting of businesses without market leadership potential. That led to the era of unchecked mergers and acquisitions, when real people and communities become no more than numbers in global games of corporate structural optimization. The corporate M&A raider became the Robber Baron reincarnated. The villains in the current

mess, the finance industry bigwigs, represent the extremely evolved form of this breed of executive.

And again, your fundamental values informs your reaction to all this. There are three interesting and substantive positions you can take. The first, dumb one is based on an idea that there is an absolute sense of what constitutes a “decent” living and what counts as “obscene” and that CEOs should police themselves to this standard. The public outcry that brought down Richard Grasso, CEO of the NYSE, was based on such a position. I have no patience for this particular position, especially given its hypocrisy (American middle-class consumption and salary levels, based on our old friend, the “dignity of labor” used to seem obscene to me growing up in pre-liberalization India, and yet, aspirational).

The second position, equally unjustified, is that the market is doing its job and paying CEOs according to their true market value. There are just too many externalities, including the big one — absolute power corrupting absolutely, in a system where the regulators are in bed with the regulated.

Which leaves the third one: that an effective set of checks and balances is needed in corporate governance. Shareholder activism in the 80s created the “overpaid” executive, so clearly parties other than shareholders must have access to levers of influence. Unions constitute an obsolete model for one other interested constituency: employees, while the government still operates in the interests of the broader community using legislative machinery that seems to be perennially a decade out of date.

The actual calculus is clearly a side issue. The actual dollar amounts involved are clearly too low in the bigger financial picture to make a difference. Cutting back CEO salaries wouldn't really help very much to save jobs in the lower rungs. The stuff would be spread too thin. What is at issue is a bigger question: how should a civic society go about deciding what's fair, given that the decline of unionism and independent governmental intervention has left only one breed of player at the big table: the executives themselves. And remember, the question of fairness applies to both pie-growing and pie-dividing at the level of individual companies, that classic conundrum of incentivizing growth vs. redistribution of wealth. We've been at this debate for long enough that we all know the question isn't which you need (both), or how much of each (to be determined situation by situation), but *who gets to decide*. The question of CEO salaries is really the question of democratizing corporate governance with adequate representation of employees, customers and the broader community, the way it used to be in 60s, rather than shareholder-sanctioned executives exercising dictatorial powers. The moral outrage is really about feelings of disenfranchisement in decisions where we feel we ought to participate. Notice that we don't begrudge founders like Bill Gates their wealth.

As I said in the beginning, what we need is a reconstruction of the fundamental pieces in this picture: loyalty, community and job security.

The New New New Deal

One interesting learning for me in the book was that Roosevelt's New Deal did not originally start with the ideas we associate with it today: big public works projects and the federal government playing the role of employer of last resort. The original New Deal involved government pressure on corporations through levers like interventions in production levels and pricing. Apparently even things like refrigerators — definitely a first-world-luxury in the 30s — were objects of such micro-level meddling.

This gave way to the later New Deal, the one about dams, roads and bridges. Roosevelt never really finished that, since WW II suddenly changed the whole game. But that's where Obama seems poised to pick up the game, with a New New New Deal.

Uchitelle's portrayal of the role of government is again a well-chosen mix of anecdote and doctrine. One issue in particular, serves as a microcosm of the complexities involved. This is the system of states engaging in bidding wars to get corporations to set up shop within their borders. In the United Airlines case, Indianapolis won the right to host the large maintenance facility through a mix of land grants and direct cost support that amounted to \$320 million, more than half the \$600 million cost of the facility. When the sordid tale wound through its course, United essentially skipped town and stuck the city and state with a big building and a big mortgage bill. Eventually, contract outsourcers leased part of the facility with a weak promise to supply jobs to the area at decidedly anemic levels of pay, compared to the high pay of the unionized United jobs that were lost.

What do we learn from this story? Uchitelle is unambiguous in his view: having cities and states court fickle corporations is silly. He suggests two alternatives: one is a centralized view of the economy that suggests United would have had to build the plant *somewhere* in the US, and just letting them go wherever would have not changed national employment levels. The states could spend the courtship money better elsewhere, like employing schoolteachers. But he clearly is alive to the perils of this view — the hollowing out of middle America is proof. So his other alternative is to suggest government owned, FAA-supervised aircraft maintenance shops.

This just makes me sad. As Ronald Coase recognized nearly a century ago, this is simply a case of the grass looking greener on the other side. Yes, getting states to participate in market-like bidding models led to a mess. Nothing justifies the leap of faith that the more interventionist models would not cause their own unforeseen consequences. Indeed, there are many stories of the dangers of *those* paths.

Uchitelle provides zoomed-in and zoomed-out views of the role of government in influencing labor markets, through stories like these. We get a detailed view of how a \$7 billion federal grant in the United case fueled a local consortium called the Indianapolis Private Industry Council, which in turn awarded funds to outfits like Goodwill, which run retraining programs. These programs, operating with too-small budgets and overambitious targets ("a majority of laid off workers getting rehired at 90% of their

original salary”) invariably fail. In the United case, the program required participants to fill out applications, go through resume and interview workshops, and make best-faith efforts to find jobs before being granted retraining assistance at educational institutions. And this while juggling families, babies, and tortuous processes of keeping unemployment benefits coming in. It is no wonder that this was too little to resist the logic of human downcycling.

Zooming out, the book also weaves a century-level view of the sorts of legislation that created worker retraining and job-creation programs. There is a mind-numbing list of acronyms and dates: the [Norris-LaGuardia Act](#) (1932), the [Wagner Act](#) (1935), the [Employment Act](#) (1946), the , the [Taft Hartley Act](#) (1947), the [Comprehensive Employment and Training Act](#) (1972), the [Humphrey Hawkins Act](#) (1978), the [Job Training Partnership Act](#) (1982), [Workforce Investment Act](#) (1998). Most of us ignore this stuff, but it is important. The big story that emerges from the nitty-gritty of these finely-tuned pieces of legislation is that the US federal government, starting during the Great Depression, first went down a bold and optimistic path towards guaranteed employment and job security, and then backed away, slowly at first, and then with unseemly haste. Protections offered to workers increased steadily and then were just as surely dismantled, until, by the turn of our century, the political environment of labor markets is not very distinguishable from the age of Robber Barons. From coming within inches of officially making the federal government the employer of last resort, and direct job creation central to strategy, the US backed away to just supporting retraining models.

And again, how you react to this story depends on your values. I am relieved that the US government recognized economic realities, even if it took it decades to do so, and reversed course on a hopeless Utopian quest. Uchitelle is dismayed that it apparently abandoned a courageous and feasible moral quest. Obama seems set to march down that doomed path again, but somehow I suspect his answers will be far more pragmatically hedged than his bridges-and-roads rhetoric suggests.

So Uchitelle views labor legislation as a moral enterprise of synthesis. My own view is the exact opposite: legislative sanction rarely creates economic realities, it merely reflects, acknowledges and codifies emerging knowledge of economic laws within (hopefully) successive sadder and wiser systems, building in moral codes when it becomes feasible. Yes, there are times and issues, such as slavery and civil rights, where the government can and should play a normative role that creates new realities (and even there, it took centuries to turn around the momentum of the default economic model predicated on slavery), but these imperatives do not magically suspend existing economic realities. One current example: I believe [factory farming and the cruelties of the meat industry](#) are an even greater moral outrage than slavery, since the victims cannot speak and are routinely tortured to death everyday. Yet, could I call the failure of an ambitious bill to outlaw it absolutely tomorrow a case of political cowardice? I don’t think so. This war, like the one on slavery, could take centuries. More to the point: there are some wars that may be economically unwinnable, no matter how attractive the moral consequences. Perhaps one-laptop-per-child is one of them. Perhaps American standards of living from

the 60s are simply impossible in a globalized world of 6 billion, the bottom billion of which is fighting a war to get out of slums and find clean drinking water and bathrooms.

Reconstructing Loyalty, Community and Job Security

Recall that Sylvia Nasar endorsement of the book: *Uchitelle's superb book, which combines his trademark compassion with skepticism of quick fixes, is the perfect antidote to the smug Social Darwinist view — so popular with business writers in recent years — that constant change is a law of nature, that loyalty is a vestigial virtue, and that the slightest concession to job security or community roots is incompatible with economic success.*

Ignoring the bait, Nasar poses a genuine challenge here. Most of the issues that Uchitelle raises will remain unsolvable unless you redefine a few critical terms: loyalty, community and job security. Loyalty as a human value can no longer mean loyalty of a company to an employee or vice versa, or between citizens and their countries. It can only mean what it has always meant in history, barring the exceptional twentieth century: loyalty of individuals to other individuals who share their values. Everything else is derivative. The sort of patriotic loyalty that gets people to join armies is merely a heuristic that says *I agree with the values of the people of this country, on average*. The same holds for other broad loyalties between individuals and collectives of any sort.

And this is where *cloudworker* loyalty becomes a new construct: the unprecedented visibility and accessibility of the global social graph today means we can increasingly define our loyalties with respect to our own networks, which ideally, we ought to be growing and nurturing in ways that represent our values. Today, the one sort of trust I cannot violate is the one I might have earned from regular readers of this blog.

What about community? Again here, Uchitelle, like Putnam in *Bowling Alone*, conflates the historical meaning of the word with its twentieth century manifestation, the city. Community has always meant a collection of people networked by a shared sense of values. Cloudworker networks are merely a logical consequence of the notion of cloudworker loyalty. The town of New Britain, abandoned by Stanley Works, may be dying, but the network of Ruby programmers, spanning the globe, is accumulating a more robust form of global social capital.

And finally, job security must again be reconstructed using its more fundamental predecessor, economic security. Before the twentieth century, very few, outside of the standing armies of emperors, had regular paychecks. A volatile income derived from a portfolio of multiple unreliable sources has been the rule, not the exception. Success was measured in terms of the overall accumulation of both economic and non-economic wealth between birth and death, not in the steadiness of income month to month.

These reconstructions anchor a harsher view of reality than Uchitelle will admit is necessary. We haven't yet understood nature deeply enough to guarantee steady and growing paychecks for the three billion strong workforce of the planet. The subtitle of

the book, *layoffs and their consequences*, highlights Uchitelle's main concern: psychological damage to individuals, and sociological damage to the collective psyche of twentieth-century communities. The harsh answer all of our great-great grandfathers around the world would have offered: *get over it, this is life, we just got lucky for a few decades in the twentieth century because we found some oil*. The psychological damage Uchitelle is concerned about is very real, but it isn't the damage that should concern us, it is the unrealistic culture and expectations of entitlement that made us vulnerable to such damage. To put it in tough-guy language, we get hurt because the twentieth century made us weaklings. The definition of economic weakness expanded from a genuine base in the disabled, sick, elderly and young, and somehow began applying to all.

Compassion and Shared Fates

I allowed myself to slip into a few days of deliberate depression last week, something I do periodically by letting my email pile up and my workflows go unmanaged. It is one of my habits that is somewhere between an artistic affectation ("must experience the despair end of being human to be a better writer") and a genuine streak of fatalism. Fear of raw, bottom-of-the-Maslow-pyramid needs is part of the territory that comes with holding individualist values. All of us smug Darwinists find ways to periodically inoculate ourselves.

Even if you choose to play the distracting game of feeling oppressed and seeking justice and assigning blame for a while, you must face up to the worst that can happen to you: being out homeless, in rags, on cold winter nights such as last night in the DC area. The news tells me that one such homeless man actually died of hypothermia. And that's where the great irony of life is apparent. That CEO with the big paycheck, that guy who was *not* laid off, that politician who perhaps made an immoral decision where none was necessary. Each of them will eventually share the fate of the homeless man. We all die. Everything else seems to appear in perspective, in the right proportions, if you periodically remind yourself of that thought. We are all headed for the landfill at slower or faster downcycling rates. Some of us might upcycle for a while, but eventually, it's the landfill for all of us. To people like Uchitelle, this seems to be a thought to be avoided. Fortunately, most people, including his own subjects, seem to derive a sense of never-say-die power and sense of control through acknowledging this reality.

Let's return to Tim Dewey, about whom Uchitelle said, "... the story he told me then was of a man losing ground and surrendering to the loss..." What happened to Tim? We left him training to be a Microsoft certified network guy. We hear the rest of the story towards the end of the book: he found a job at Bell Tech, a computer services company, through a cloudworker tool: careerbuilder.com. Then, nine months later, feeling stagnated, he moved on to a temp agency that got him work again as an aircraft mechanic at the contractor that replaced United in the big Indianapolis facility. He then set his sights on NetJets, the shared corporate jet outfit (another classic cloudworker economics idea, shape-shifting jets that acquire different corporate identities depending on who owns them that week). He made it there, making \$50,000 a year, much closer to his

original United salary of just over \$60,000. He's still restless, with sights on FedEx. A true-life never-say-die Micawber.

Compassion is one value that has stayed the same even through the upheavals of the last century. We still view it as a human-to-human virtue. We never really bought into the idea of compassionate states and corporations. It isn't about doing good or helping really, though I guess we all try to do that to some extent. Compassion is about being interested in the stories of others, about viewing all stories, from that of the homeless tramp to that of the CEO, as potentially equally interesting. It is about remaining interested while acknowledging the limits to our ability to help alleviate the pain of others. Limits that arise from our very human prioritization of our own comforts and pains.

And this is where Uchitelle's book has a fatal, crippling flaw. It is not a compassionate book because it is much too scared of looking out beyond the boundaries of the United States, at the conditions of the lives lived by others. It is a book that is afraid to be global because it is afraid of being unable to help. That is the cardinal sin of the twenty-first century: not looking at the biggest community of all, the global community, because you are afraid you will not be able to help with the pain that exists at that scale. Because you are afraid you may have to adopt a more tragic and individualist view as a result.