

Holloway and George: Why Socialism has Failed in the U.S.

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Psychology 335

Summarize H&G Chapter

- (1) In 1972 constant dollars (NBER study), per capita disposable income up through 1984
- (2) Poverty down until 1980, then started going up
- (3) Just small number of rich, huge middle class, 10% poor
- (4) H&G: “contented population” 52-68% “pretty happy”
- (5) Workers: high job satisfaction
- (6) 1976 Veroff study: happy with lives, marriages, etc.

H&G Conclusions

- Public believes in free enterprise
- Decline in class consciousness
- Conservative agenda
- “In short, Americans tend to see their nation as without classes and as a system in which everyone has a chance to get ahead. Michael Harrington thought much of this rhetoric was ‘sincere verbiage which concealed an ugly reality,’ but even as myth it is significant.” (p. 127)

What’s wrong with this picture?

- (1) NBER study: (per capita disposable income):
- National income (including capital income—stock dividends, etc)
- Divided by (# of people in U.S.)
- Bluestone and Harrison
 - Great U-turn
 - Manufacturing→Service economy
 - Increase in two/multiple workers in the family

Great U-turn

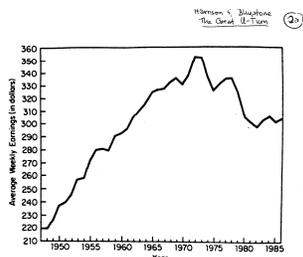


FIGURE 1.1
Real Average Weekly Earnings, 1947-85
(in 1986 dollars)

Source: Council of Economic Advisors, *Economic Report of the President, 1987* (Washington, DC: Government Printing Office, 1987).

Inequality/pressure on middle class has continued

- 1992 Joint Economic Committee Report—
increase in family income during 1980s—
all went to top 20%
- 1996 NPR reports—increasing inequality in
income distribution—now higher than in
past decades
- 2007—NPR recent series on income
inequality

Average Hourly Earnings--2002

- Statistical Abstract of the U.S. 2002 (Table 684)
- 1980— \$6.66
- 1990— \$10.01
- 1999— \$13.24

Average Hourly Earnings--2002

- Statistical Abstract of the U.S. 2002 (Table 684) 2002 constant \$
- 1980— \$6.66 \$14.57
- 1990— \$10.01 \$13.81
- 1999— \$13.24 \$14.33

<http://www.theageadvantage.com/news10-00.html>

Workplace Dissatisfaction on the rise

The Conference Board's Consumer Research Center has found that only half of American workers are satisfied with their jobs and baby boomers are the most unhappy. As reports the Northern New Jersey Record (10/22/00), 5,000 households were polled earlier this year to learn that workers are unhappy about their organization's bonus plans, promotion policies, salary and wage levels, and educational and training programs. However, 59 percent of the workers did say that they enjoy the people they work with, and rank their co-workers as the most favorable aspect of the job. Despite a sustained economic boon, workers do not feel they are getting a fair share of the good economic times, and though they feel more secure in their jobs, [they are less satisfied with their jobs than they were five years ago.](#)

The happiest group of workers are those between ages 25 and 34 -- 55.6% of them expressed job satisfaction. The most unhappy are the baby boomers age 45 to 54, with only 46.5 of them reporting they are happy on the job. 50% of those workers under age 25 are happy, while 51.2% of those age 35 to 44 express job satisfaction.

H&G Chapter--recap

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In fact

- (1)—NBER study shows inaccurate picture; Bluestone salaries and wages show U-turn
- (2) Increase in poverty wage jobs
- (3) Increasing concentration of wealth
- (4) Burnham—increasing alienation from political process
- (5) Worker dissatisfaction increasing
- (6) 50% divorce rate

Conclusion

- If H&G explanation is worthless—how do you explain the failure of socialism in the U.S.?
- The power of the term "communism" in U.S. political discourse—1988 opinion question
- Ideological hegemony of liberal capitalism
- "Even as myth, it is significant"—H&G