LEFT BEHIND

Snapshots from the 21st Century Labor Market

REPORT BY
RAKEEN MABUD AND JESS FORDEN
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ROOSEVELT INSTITUTE
REIMAGINE THE RULES

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Executive Summary

In this report, we offer a narrative explanation for why the U.S. is seeing increased economic anxiety in the 21st century. Despite a seemingly robust and healthy economy, as indicated by measures like rising GDP growth and low unemployment, workers across America are struggling. Real wages are stagnant, workplaces are increasingly fissured, and workers have less bargaining power, all while the wealthy few hoard the economic gains of a high-profit economy.

To understand why so many workers are struggling to weather the changing labor market, policymakers, the media, and the public need to look beyond the headline numbers. We argue that while globalization and technological change have introduced new forms of insecurity and new tools for exploitation into work, the well-being of everyday Americans is fundamentally about power: whether workers have the power to demand better wages and working conditions from their employers; whether employers have the power to squeeze workers to cut costs; and the ways in which forces, such as globalization and technological change, shape—and are shaped by—these power dynamics. The erosion of worker voice, combined with rampant corporate and financial power, means that workers are increasingly vulnerable in today's economy.

In this report, we examine how these shifting power dynamics and skewed economic trends directly impact American workers. Looking at six different occupations—carework, food service, manufacturing, mining, nursing, and trucking—we find that precarity is the norm for workers in the 21st century labor market. To create an economy that works for all Americans, it will be crucial to address all prongs of the problem, from reining in corporate and employer power to addressing structural racism.

Introduction

Today, corporate profits and share prices are at record highs. Headline unemployment is at its lowest rate in decades, and GDP growth has surpassed what many experts predicted. Average Americans, however, are still struggling. Wages remain stagnant, and the cost of essential goods—housing, health care, and education, to name a few—consume more and more of every paycheck. These challenges are not limited to any particular subset of American society; rather, they affect everyone—regardless of gender, race, immigration status, and geography. The hallmark of 21st century work is that it is low-wage and precarious. As a result, economic insecurity around the country is widespread.

Economists, policymakers, reporters, and workers are grappling with a number of competing explanations for why economic insecurity is so prevalent today. Some argue that the status quo is simply what the future of work looks like: globalization and technological change have broken whatever link there once was between corporate profits and broadly shared prosperity. In this view, economic security cannot be guaranteed by a job—and the looming "robot revolution" is about to make things much worse. Others focus on the exclusion of women and people of color in our economy, society, and the institutions that promoted shared prosperity in previous eras. This argument suggests that by employing racial animus to dismantle the safety net, Americans have expanded the precarity long felt by workers of color to the rest of the population. Another camp focuses on the longstanding decline in worker power and unionization rates, stemming from exploitative employer practices and insufficient labor law. Others point to a raft of new research on the consolidation of market share across industries and changes to corporate governance, suggesting that workers are getting squeezed because firms have the power to squeeze them.

As with any complicated societal problem, there is no silver-bullet policy solution to ensure that the economy works for everyone and that all Americans can live a good life. Solutions to problems as vast as the future of work are contingent on our understanding of what is causing economic insecurity in the first place. In this report, we suggest that each of the arguments mentioned above has some merit.

Globalization and technological change have introduced new forms of insecurity and new tools for exploitation into work, but the well-being of everyday Americans is fundamentally about power: whether workers have the power to demand better wages and working conditions from their employers; whether employers have the power to squeeze workers to cut costs; and the ways in which forces, such as globalization and technological change, shape—and are shaped by—the power dynamics in labor markets. Our current economic system is stacked against the interests of everyday people, and as a result, workers are being left behind. The erosion of worker voice, combined with increasing corporate and financial power, means that workers are increasingly vulnerable in today's economy. Consequently, relatively "power-neutral" forces like trade and automation serve the few over the many.

As Union Representation Fell, the Share of Income Going to the Top 10 Percent Rose, 1917-2012

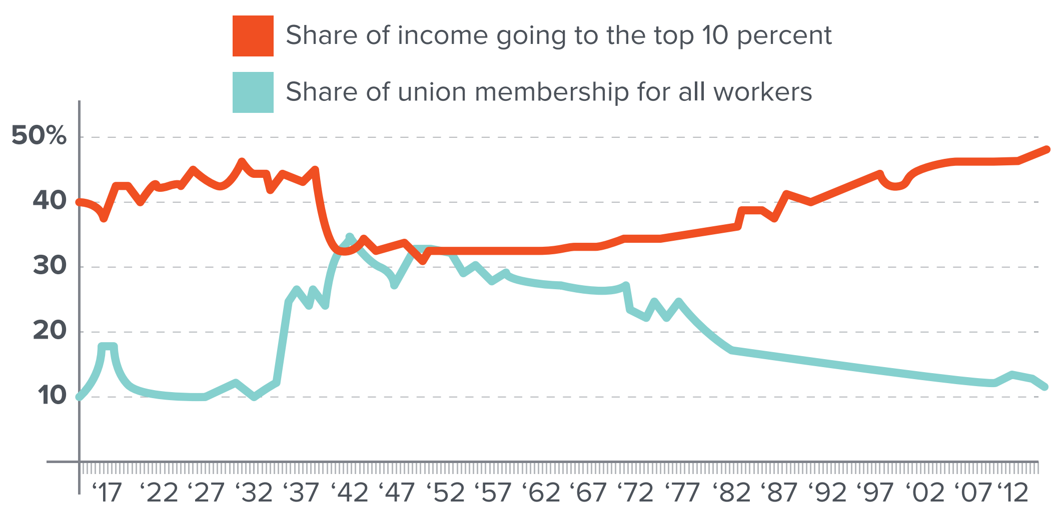

FIGURE 1 *Source: Colin Gordon's analysis of the Census Bureau, Historical Statistics of the United States, and World Incomes Database in Tableau*

Our own history helps us understand how these trends, when intertwined, can destabilize workers or can be channeled to benefit all. The shift from an agrarian society to an industrial society—a massive technological transition—decimated existing safety nets, allowed the massive consolidation of wealth, and impoverished a generation of Americans. However, a new social contract, shaped by labor struggles, financial collapse, and New Deal policy, laid the foundation for a broad, if exclusionary, distribution of wealth and power between businesses and their white, male workers, largely based on participation in the labor market.

There is no denying that people in the 21st century face markedly different labor market challenges than people did in the 20th century, especially considering that the workplace-based safety net of the 20th century is no longer working. While the economy is certainly shifting in deeply fundamental ways, we also find that precarious work—long experienced by women and people of color, and especially women of color—is not a new phenomenon. However, if history has taught us anything, it is that we can implement new institutions to create a better, more inclusive social safety net that meets today's challenges.

"Our economy is undergoing dramatic restructuring. Montana has gained thousands of new jobs, but they are not the same jobs or fields that employed our parents and grandparents. We need to ensure that these new jobs can support families and communities. We need to find ways for rural parts of the country to thrive, as well as burgeoning urban areas."

—**Margie MacDonald**, State Senator, Montana

Understanding how the rules of our economy drive labor market changes, and how these changes affect specific occupations on the ground, is important because doing so will help us build an effective social contract for the 21st century labor market. We believe that we must work toward a modern social contract that addresses not only the technological and globalized changes in our economy, but also the skewed distribution of economic power. If labor displacing robots and artificial intelligence (AI) are the future of work, as many fear, a focus on job training may be a viable policy path forward. However, if, as we argue in this report, technological change and globalization are only one part of the story—and that deeper, more fundamental issues are at play—we must rewrite the rules and laws that govern behavior in our economy to develop better policy solutions moving forward.

In this report, we set out to do exactly that. We will dive into the question of how the economy is changing and how those changes are affecting America's labor market and economic security around the country. The first part of this report will interrogate the ideas of the "changing economy" and the "future of work"—phrases that appear frequently in the news. What is actually changing in the economy? How are those changes affecting work? How are these changes connected? We suggest that work cannot and should not be the only source of security in a globalized and technologically dynamic society.

However, globalization and technological change need not spell the end of secure and dignified employment. Bolstering bargaining power in workplaces, curbing the ability of employers to exploit their power over their workers, and addressing the ways in which identity interacts with labor markets are important counterweights to the sometimes pernicious effects broader global trends have on Americans.

In the second part of the report, we chart the impacts of technological change and trade, declining worker power, increasing corporate power, and structural racism and gender discrimination on six occupations—carework, food service, manufacturing, mining, nursing, and trucking—that are facing today's economy in very different ways. Some of these industries are on the rise while others are on the decline. Some of these occupations are dominated by women workers, while others are heavily dominated by men. They span urban areas, rural areas, and everything in between. While this piece provides neither a comprehensive nor a representative picture of all of the occupations in the U.S., our hope is that digging into these key occupations will help us develop a better understanding of the broad trends that are affecting workers today, a clear picture of the challenges that have long been ignored among these professions, and a path forward to the policy solutions that we need in order to create an economy that works for all Americans.

Finally, we conclude with some principles for policy reforms that would effectively meet the challenges of the changing economy head on. We argue that the 21st century economy, and the effects that it has on the labor market, requires a new social contract—one that is inclusive and resilient. Our hope is that this report helps to both clarify and challenge the narrative around the future of work. To address both structural and superficial shifts in our economy and to ensure that everyone—workers, consumers, and communities—can live a dignified life, we need a bold, long-term vision. There is a lot of room to grow in our economy (Mason 2017), so there is a lot of room to think bigger about the future of work.

ECONOMIC SECURITY IN THE 20TH AND 21ST CENTURIES

The 21st century is not the first time that a social contract to provide economic security has been tested in the United States. In the early 20th century, the social safety net was primarily family based, but urbanization and industrialization led to the breakdown of traditional forms of economic security.[1] In the middle of the worst economic crisis in

[1] We recognized that there is an immense amount of history summed up in this one sentence. For further reading, we recommend *The Response to Industrialism, 1885-1914* (Hays 1957).

U.S. history, key policy reforms were put in place to strengthen economic stability. Implemented between 1933 and 1936, the New Deal included extensive economic programs that changed the balance of power—between workers and firms, finance and small business, and the public and private sectors—by codifying national unionization rules, reining in the banking industry, pursuing full employment policies through the Civilian Conservation Core and the Works Progress Administration, and establishing a new social safety net with the creation of Social Security.

As a result of these new systems and institutions, economic security in America became associated with a certain version of full-time, stable employment. The work- and contribution-based social safety net that was borne out of the Great Depression era significantly alleviated economic insecurity—for those covered by its protections. New Deal programs did not equalize economic power across race and gender; already at a disadvantage, Black Americans were more likely to work in the occupations excluded from these programs: the domestic and agricultural sectors. Further, opportunities like the G.I. bill—which provided a range of benefits to World War II veterans, including education benefits, and was a key factor in economic and social mobility in the period after WWII—were not extended to Black veterans. By tying benefits to work, those who were discriminated against in the labor market or who were not able to get work in the sectors that received benefits—disproportionately women and people of color, and especially women of color—were excluded from pathways to middle class opportunity and security.

In 21st century America, a job is no longer a guarantee of a secure or stable economic life. Wages, which have historically risen with productivity growth, have been largely stagnant since the 1970s (Bivens and Mishel 2015). Americans are working longer hours, getting paid less, and having a harder time finding or maintaining work. When accounting for the unemployed, underemployed, and workers who are no longer searching for a job, the *actual* unemployment rate is 7.6 percent—more than double the more commonly cited unemployment rate (which does not consider discouraged workers) (BLS 2018).

Economic insecurity in the labor market today comprises several related challenges. First, there are real concerns with transitions engendered by broad shifts in the economy as industries evolve and adapt to globalization, technological change, or other global trends like climate change. Truckers, 3 million of whom may be out of a job with the advent of self-driving cars, serve as a much-heralded example of workers destined for destabilizing technological shocks and a safety net woefully ill-prepared to address the plight (Einstein 2017). Second, there is the longstanding problem of work itself paying and providing less. The hourly real wage of the vast majority of American workers hasn't risen since the early 1970s, and workers today are much less likely to receive essential benefits, such as health care and retirement. Moreover, many employers have found ways around providing employees the labor protections that are codified in existing labor law, such as a minimum wage, overtime pay, unemployment insurance, and protection against discrimination (Andrias and Rogers 2018).

Both of these challenges—a changing economy and precarious work—are driven, in part, by the declining power of employees vis-à-vis the outsized power of managers and shareholders.

A recent Organization for Economic Co-operation and Development (OECD) report puts these conditions into perspective by comparing economic security in the U.S. with other advanced countries (OECD 2018; Van Dam 2018). America has some of the highest income inequality among OECD countries, second only to Israel. It ranks third in the countries with the highest share of the population earning less than half of the median income (at about 15 percent), coming after recession-plagued Greece and Spain.

The ever-widening income and wealth inequality we see today, combined with a weak social safety net and a long history of structural racism, makes the U.S. unique among its peer countries. It is clear that the 21st century social contract—however it's constructed—must tackle all of these factors.

I. The Changing Economy and the Future of Work

Technological Change, Trade, and Other 21st Century Economic Trends

Technological Change

Technological change, though not a new challenge, is raising particular alarm in the public debate. There is reason to be concerned about the shifting dynamics technological change can cause, in large part because of today's imbalanced economic system—one that is skewed against the interests of everyday Americans. However, automation and globalization are not inherently harmful (as Americans are often led to believe) (Paul 2018). Technology can, in fact, be a great driver of wage growth. Until the 1970s, wage growth and productivity growth tracked closely together. New technologies often increase human productivity, and as such, productivity growth is often used as a proxy for technological progress.

However, Americans are no longer seeing the benefits of technological progress in the way they have in decades past. Starting in the 1970s, wage and productivity growth began to diverge; wage growth stagnated, while productivity growth continued on its prior trajectory. In short, Figure 2 tells us that, although technological change has benefitted everyday workers historically, the past 30 years have seen those benefits go to the already wealthy and powerful, as we discuss below.

What has always been clear is that technological shocks cause economic transitions that can be painful for those undergoing them. Households and entire communities around the country suffer when a factory or industry (e.g., coal) that was the lifeblood of a community shuts down. However, this is no reason for us to become Luddites. Rather, it points to the importance of having the broader economic structures in place to help mediate these transitions. For example, in Sweden, which has an extensive social safety net, 80 percent of those surveyed expressed feeling positively about the advent of robots and AI (OECD 2017). In the U.S., only about 30 percent of survey respondents expressed enthusiasm about a future with extensive technological change (Pew Research Center 2017).

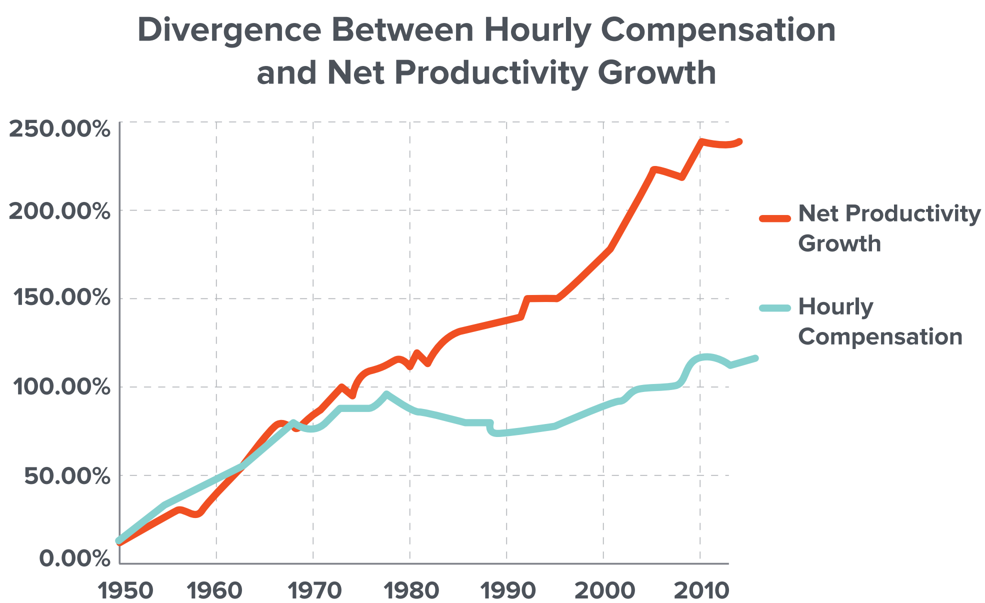

FIGURE 2 *Source: Economic Policy Institute, Understanding the Historic Divergence Between Productivity and a Typical Worker's Pay: https://www.epi.org/publication/understanding-the-historic-divergence-between-productivity-and-a-typical-workers-pay-why-it-matters-and-why-its-real/#epi-toc-11*

Note: Data are for average hourly compensation of production/nonsupervisory workers in the private sector and net productivity of the total economy.

Unchecked technological change exacerbates existing power imbalances in the economy. In our current political economy, in which workers have limited pathways to push back against employers, AI and automation can be used to further consolidate employer power. In a recent report (Ticona et al. 2018), the authors examine the relationship between workers and technology by examining the different ways that employment platforms are set up and the effects on workers. The report argues that the way that certain types of platforms are designed creates exploitative working conditions in which workers' safety, livelihood, and reputation are dictated by the terms of the platform. In other words, new "platform jobs" are subject to the same power dynamics that have long plagued our economy and labor markets—simply through different channels. As we explore below, issues like insecure scheduling are only being deepened through algorithmic management and other technologies in the workplace.

In an economy where large firms can increasingly capture immense power over their workers, new-technology firms are amplifying these trends. As of 2018, four of the top five firms by market capitalization are "new technology" companies: Apple, Alphabet (Google), Microsoft, and Amazon. As Sabeel Rahman (2018) has eloquently argued, these technology giants are becoming gatekeepers for important aspects of the economy, such as retail, search, and cloud computing. By dominating aspects of the new economy that are literally infrastructure—thus providing (and controlling) the basis and platforms for other economic activity—these firms have control over downstream outcomes. This is not unlike the dominance of railroads, finance, and oil in the late 19th century—during America's first Gilded Age.

New-technology giants are increasingly controlling the flow of information—and information is power. The fact that a small number of firms are making decisions about what to embed in their algorithms comes not only with immense power but also little oversight. For example, modern technologies, such as algorithmic photo recognition and facial analysis, work well for white men, but are less effective at identifying everyone else. This is problematic enough in today's society, but it is especially concerning that these technologies are being used in important decision-making that already entrenches racial biases: hiring decisions, law enforcement (Wingfield 2018), and border control (Rudolph et al. 2017).

Trade and Globalization

Similar to how public discourse focuses on the threat of automation, policymakers and advocates often describe trade as the driver of job loss and rising economic insecurity. Globalization conjures the image of a shuttered factory and the end of highly paid manufacturing jobs, and there is no question that American trade policies have devastated some industries. Trade will always create winners and losers, but the loss or restructuring of an entire industry need not result in extensive hardship.

The existing social contract has been insufficient in sharing the gains from trade with the workers who bear the brunt of international trade deals. The primary policy to support those who are harmed by trade, Trade Adjustment Assistance, is woefully inadequate. With strict eligibility requirements, trade assistance has failed to cover many disadvantaged families, and it has provided paltry sums for minimal retraining to those it does cover (Meyer and Sitaraman 2018; Muro and Parilla 2017). Ultimately, a large share of individuals eligible end up on Social Security, as they are unable to find adequate work (Autor, Dorn, and Hanson 2016). For those who do receive trade assistance and transition into new employment, average wages in the new jobs are often well below their previous salaries.

But the challenges around globalization are not simply a matter of redistributing the gains from trade. As with technology, globalization has been used as a tool to reinforce the existing power dynamics that leave average Americans behind. American trade negotiators, often advised by representatives of our largest corporations, have prioritized protecting capital investments abroad. The U.S. has pushed for rules that protect firms' intellectual property and direct investment abroad as well. These deals effectively export the benefits of America's legal system to less developed countries—allowing firms to benefit from lower wages and less environmental regulation without bearing the cost of increased risk—shifting the balance of power between labor and capital at home.

There is no economic reason that tax enforcement, carbon emissions reduction, or labor protections couldn't be prioritized in international deals with the same level of zeal currently reserved for intellectual property rights. There is also no economic reason that communities impacted by trade couldn't receive an injection of public investment in growing industries. Trade outcomes depend on who has power in the economy and in politics and who gets to write the rules.

Globalization and technological change have altered the contours of our political economy, presenting new challenges for policymakers, workers, small businesses, and large corporations. However, policymakers have also promoted and enacted policies that reduce the power of workers and increase the power of larger corporations and businesses—ultimately allowing globalization and automation to be used for the benefit of the wealthy and at the expense of everyday Americans.

Declining Worker Voice

The relationship between workers and employers is changing, and workers are increasingly engaged in nontraditional employment relationships—including, but not limited to, working as subcontractors and working in the so-called "gig" economy. In all of these alternative work arrangements, workers are one step (or more) removed from the company that governs their workplace conditions and experience. As a result, their ability to organize collectively and voice discontent is weakened.

"Though our state currently has a historically low unemployment rate, Kansans need more jobs that provide better wages and benefits. One opportunity to strengthen the workforce lies in the health care field. If we can pass bold initiatives like Medicaid expansion, we could better prioritize the investments workers need in hiring and infrastructure for many of our hospitals—both rural and urban. Other measures, like the expansion of broadband access, would also help Kansans across the state thrive in the 21st century economy."

—**Barbara Bollier**,
State Senator, Kansas

“Much like the states around us, Oklahoma is increasingly facing low-wage, low-quality work. Additionally, other barriers to economic security, including inadequate access to affordable housing, childcare, health care, and earned paid leave, all but guarantee that millions of Oklahomans are left behind in today’s economy.”

—**Jason Dunnington**, State Representative, Oklahoma

From ride-sharing to babysitting to home repair, there are endless apps that have created new, “flexible” jobs. The number of freelancers, contractors, and others in alternative work arrangements is expected to grow significantly in the next few years (Katz and Krueger 2016). The purported flexibility of these jobs, however, comes with a cost. Aided by technology, firms can more easily contract workers without having to provide the commitment (or benefits) of formal employment.[2] The result: Workers are increasingly powerless in today’s economy.

The 21st century labor market has not only seen the rise of platform and other “gig” work, but also in what Weil (2014) calls the “fissuring” of workplaces. In this phenomenon, businesses are increasingly shifting from directly hiring their workers to moving jobs that are deemed unimportant to the core function of the business (e.g., janitors, security guards, tech support) out of positions of direct employment and into contract work. This means that when we visit a hotel, the security guard sitting at the front door, the person greeting us at the front desk, and the person cleaning our room might all work at different companies.

Over the past 40 years, employers have been incentivized to prioritize profits for top executives and thus reduce their liabilities to workers, leaving workers greatly disempowered in the workplace. Workers in contractual and alternative work arrangements, for example, cannot sue for workplace violations, which puts them in an incredibly precarious position. And companies that hire workers under contractual arrangements are not subject to complying with workplace protections, such as minimum wage laws; paying for overtime; and providing important benefits, such as retirement and health care (Weil 2014). As a whole, employees have fewer and looser connections to their employers today, and in the case of the Uber driver or the subcontracted hotel worker, existing labor law is insufficient to offer these workers adequate workplace protection and voice.

[2] Alternative work relationships are not simply the emergence of the “gig” worker. While recent research from BLS shows that the number of full-time contract workers has remained relatively flat over the last five years, it is commonly understood that these numbers are likely an underestimation of the growth of contingent work. Annette Bernhard goes into detail on why here: http://laborcenter.berkeley.edu/making-sense-new-government-data-contingent-work/.

This situation is made worse by the fact that employers (often deliberately) misclassify workers as independent contractors or freelancers—when they are actually employees—in order to take advantage of gaps in labor protection. Prominent firms, such as FedEx (Wood 2015) and Uber, have recently settled with workers for deliberate misclassification that allowed the firms to skirt workplace protections, and extensive documentation exists of firms like Uber taking extreme measures to avoid having their workers classified as employees (Weil 2017).

Subcontracting relationships not only reduce employer liability, but they also reduce the number and type of workers that can claim a share of the firm's profits. A body of economic research documents growing inter-firm inequality, driven by the segregation of low-wage workers into low-paying firms. *The New York Times* illustrated this by contrasting a janitor who ended up becoming a technical employee of Kodak, and eventually worked her way into the company's senior management, to a janitor cleaning Apple's corporate offices today, who is not employed by the company and has no chance of rising through its ranks. Whereas once low- and middle-wage workers earned a wage premium from working for the economy's leading firms, that premium has since disappeared (Irwin 2017). One of the crucial strategies available to executives and shareholders is to restrict the set of claimants on economic surplus, keeping outsiders out and reserving the winnings for themselves.

The challenges and hardships associated with the labor market today are not limited to platform work, which is, in reality, a very small portion of freelancing and contractual work. Insecure work is a long-standing experience for too many in this country—most notably, Americans who have jobs in industries, such as carework and food service, that are unstable and disproportionately comprise women and people of color—who have long faced the absence of economic security and agency that comes from holding a "traditional" employment arrangement. Though the rise of the gig economy may be relatively new, precarious work is anything but.

Though the rise of the gig economy may be relatively new, precarious work is anything but.

Existing Labor Law Is Insufficient

Labor law in the United States has proven to be an inadequate provider of labor protections. The National Labor Relations Act (NLRA), which governs the vast majority of labor law in the U.S., is insufficient to meet the needs of workers across the gamut of 21st century employment relationships. The NLRA was enacted in 1935 and aimed to "protect workers' rights to unionize, to grant them more bargaining power against employers, and to encourage unionization and collective bargaining as a means of limiting ruinous industrial conflict" (Andrias and Rogers 2018). Between the late 1930s and the early 1960s, the NLRA worked fairly well for the sectors in which it was most applicable, but over time, the protections afforded by the act were eroded.

Labor protections today, largely based on the framework developed in the 1930s, no longer provide workers with adequate protection or power. Existing labor law excludes workers who are independent contractors, as well as sectors of the economy that are dominated by women and people of color, such as domestic and farm work. Further, current labor law creates obstacles for employees organizing outside the realm of the manufacturing shop floor. The upshot of these and other shortcomings in labor law means that "many of today's most vulnerable workers are either formally excluded from the NLRA or have no real rights under it" (Andrias and Rogers 2018).

Because workplaces are increasingly disaggregated, there are physical challenges to organizing in the existing economy. Many of the workers most vulnerable in today's labor market do not work in industrial or office settings and rarely, if ever, come into contact with other workers in their field. Disaggregated workplaces range from newer, platform-based gig jobs like driving for Uber, to historically insecure employment, such as carework. In addition, the rise of subcontracting means that the company that defines everyday job conditions for its workers is not the company that workers have any bargaining power against. However, new platforms, notably Coworker.org, are emerging to help workers organize even when they work in disaggregated workplaces.

With workers in increasingly tenuous relationships with their employers, designating an employer with which they can bargain over wages and conditions is a logistical and legal challenge. An employee of a franchise may be constrained to negotiating with the franchisee, though the franchisor is, in effect, dictating wages and conditions. The NLRA constrains workers from engaging

"The city of Everett is the proud home to the largest aerospace manufacturing cluster in the world, so we see firsthand what 21st century manufacturing requires: workers always learning and never intimidated by technology, and employers offering compensation and promotions irrespective of race and gender. As mayor, I remain keenly focused on supporting the aerospace industry, while also ensuring that our community continues to identify ways to diversify our economy, so that we strengthen and grow our resiliency into the future."

—**Cassie Franklin**, Mayor, Everett, Washington in the kinds of actions that ease unionization in the fissured workplace, including secondary action; strikes or protests undertaken in solidarity by employees of one firm, aimed at effecting change in a separate but related firm; and multiemployer bargaining, which refers to the unionization of workers across employer boundaries. While President Barack Obama's Department of Labor allowed for joint employer bargaining in the case of *Browning-Ferris Industries Inc.*, the Trump administration has attempted to roll back this progress (Weissner 2017).

Attacks on Existing Worker Protections

Attacks on unionization have eroded workers' agency over their own economic health. Between 1983 and 2015, union membership dropped by nearly 3 million, and unionization rates are approximately half what they were 30 years ago (Dunn and Walker 2016). Recent research shows that unionized workers enjoy a salary that is 10 to 20 percent larger than their non-unionized counterparts, so the decline of unions in the U.S. has very tangible pocketbook effects (Farber et al. 2018).

Importantly, unions have historically been a powerful force for lower-skilled workers and workers of color. As Roosevelt Fellow Mike Konczal (2018) writes, "In 1962, the income boost from union membership was nearly [five times] larger for workers of color than white workers." The secular decline in unionization rates means that not only are workers in general worse off, but the most vulnerable workers are especially so.

While private-sector unionization has declined since the 1970s, workplace benefits for public workers have largely held steady. However, public-sector unionization rates are likely to be significantly curtailed going forward due to the 2018 Supreme Court ruling in *Janus v. AFSCME* (Feigenbaum et al. 2018). The attacks on public-sector unions are a profound blow to workers of color—many of whom have long been deliberately excluded from traditional employer-worker relationships that offered strong labor protections. In fact, the public sector has been an important employer for Black workers, especially Black women (Laird 2017). As the National Women's Law Center (2018) finds, "women represented by public sector unions are paid 15 percent more than women in the public sector who are not represented by unions."

Outsized Power at the Top of the Economy

As outdated labor law and targeted attacks on worker voice have reduced workers' negotiation power, a series of changes in rules and enforcement has increased the power of shareholders and large corporations.

Starting in the late 1970s, the U.S. business community experienced a "shareholder revolution," wherein changes in corporate governance and government policy challenged the notion that firms served multiple stakeholders, including workers. Instead, shareholder advocates argued, the primary purpose of a public company was to maximize returns to shareholders (Abernathy et al. 2016). The idea that shareholder demands should supersede broader investments in workers, innovation, and long-term growth has driven the pursuit of outsized profits. Thirty years on, this shareholder-first ideology has promoted a concept of workers as a cost center to be squeezed—by reducing wages and benefits and shedding direct employment of workers—even at the expense of the long-term health of the firm.

In a competitive economy, where firms must prioritize investment to produce better products or high pay to attract the best employees, shareholder-first firms may not flourish. But, alongside the rise in today's shareholder economy, we have concurrently seen a remarkable rise in market concentration, which fuels greater market power for actors at the top of the economy (Steinbaum, Bernstein, and Sturm 2018). The consolidation of markets as disparate as health care, telecommunications (Mabud and Seitz-Brown 2017), and airlines (Steinbaum 2018a) has a direct effect on people all around the country—through higher prices, lower wages, and fewer options as powerful corporations squeeze workers and consumers to extract profit.

America's market power problem has ripple effects throughout the economy (Stiglitz 2017). It is associated, among other consequences, with rising consumer prices and struggling small businesses—both of which affect everyday Americans and contribute to the rise of economic insecurity. Increased market power also drives up income inequality by allowing executives and shareholders of monopolistic firms to earn a disproportionate share of the earnings. Monopolistic behavior on the side of the employer drives wages down and encourages shortsighted, self-serving behavior that harms workers.

Today's Shareholder Economy

Corporations are composed of a range of stakeholders, including workers, managers, shareholders, and suppliers. Historically, these stakeholders shared in the gains of corporate profits, but a number of rule changes in the last 40 years have crystalized and normalized the ideology of "shareholder primacy," wherein shareholders within a firm are prioritized above other stakeholders. As a result, where an additional dollar of "earnings or borrowing was associated with about a 40 cent increase in investment" toward higher productivity or better wages in the early 1970s, now less than 10 cents on every dollar is invested back into the company (Abernathy et al. 2016).

Shareholder primacy incentivizes extractive practices like stock buybacks, a behavior in which firms buy back their own stock to artificially inflate share prices in the short term (Palladino 2018). This provides shareholders the opportunity to cash out after inflating their own share prices—ultimately depriving corporations of the opportunity to engage in productive economic activity, such as corporate investment, workforce expansion, or competitive wages. This practice is widespread. Milani and Tung (2018) find that nearly 60 percent of "all non-financial, insurance and real estate companies spent over half their total profits on buybacks," and that, between 2015 and 2017, publicly traded companies spent nearly 60 percent of their profits on stock buybacks.

By examining Walmart—a prime example of a large firm with an immense earnings disparity—Palladino and Abdela (2018) demonstrate how this practice directly harms workers. "Walmart's CEO, Doug McMillon, earned 1,188 times as much as the company's median worker," they write. They also find that if Walmart ended its stock buybacks program, it could invest $10 billion back into the company. Put into the context of wages, "1 million low-wage Walmart employees would see an hourly wage increase of over $5.66." For a company where the starting salary is $11 an hour, this would represent more than a 50 percent raise for workers across the company.

In a similar analysis, Milani and Tung (2018) find that if the top five companies that spend their profits on buybacks in the restaurant industry ended this practice, the median worker at these firms could have a raise of 25 percent a year on average. They find similar results for companies in the retail and food manufacturing sectors—sectors where low-wage workers are predominantly women and people of color. Stock buybacks are just one example of how workers lose out from corporate practices that put CEOs and shareholders first.

One narrative often used to combat these findings is that most Americans are shareholders (through 401(k) plans and other vehicles). Holmberg (2018) finds, however, that widespread stockownership in the U.S. is a myth; it is primarily wealthy, white households that own the most stock. Disparities in stock ownership have entrenched racial wealth inequalities that impede communities of color, and Black Americans in particular, from getting ahead.

Employer Power in Labor Markets

Because of lax merger and antitrust enforcement, firms not only control an increasingly large share of consumer markets, but they also give companies immense power as employers in local labor markets.

Employers' power to dictate conditions in labor markets, including wages—something that economists call "labor market monopsony"—has become increasingly prevalent across the country (Azar et al. 2018). At its core, labor market monopsony means that labor markets around the country increasingly resemble the quintessential company town where there is only one employer. This concentration of power means that fewer employers set the terms, leaving workers without outside options to demand more. As a result, many Americans are forced to accept lower wages, remain in poor working conditions, and have little to no bargaining power against employers. The connection between labor market monopsony and poor outcomes for workers can be seen through several channels, including lower wages and mobility restrictions (Steinbaum 2018b).

Concentration in labor markets, and downstream in the buyer market, carries negative wage implications for workers. Recent work shows that when labor markets shift from the 25th percentile of concentration to the 75th percentile, workers see a nearly 20 percent drop in posted wages (Azar et al. 2018). As shown in Figure 3, labor market concentration is widespread—which puts immense downward pressure on wages across the country. Other research shows that when there are only a small number of buyers for a given firm's total customer base, that firm's workers are paid less (Wilmers 2018). Economist David Weil recently argued that monopsony is a key driver of fissuring in the workplace, as increased employer control over workers allows for wage discrimination (2018).

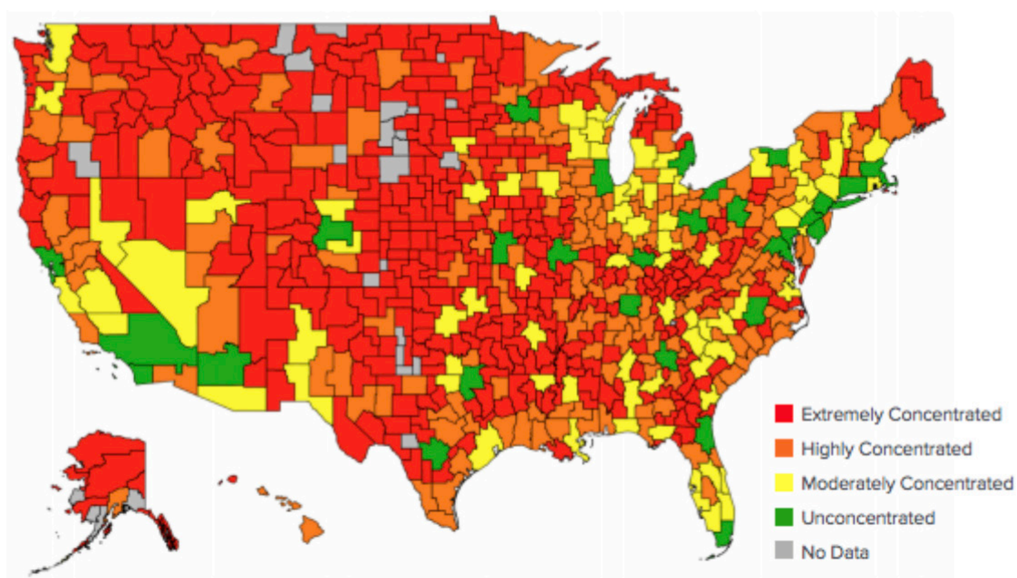

FIGURE 3: Source: Steinbaum (2018b)

Compounding the problem of monopsony power is the fact that it's hard to move between local labor markets, especially for those at the lower end of the earnings spectrum (Ganong and Shoag 2017). Even if workers had the means to move, an increasing prevalence of anticompetitive labor market practices, imposed by employers, means that workers do not have the ability to move between jobs or bargain for better working conditions or higher wages. These practices include non-compete clauses, which prevent workers from working for competing firms, and no-poaching agreements, where firms in the same industry agree not to hire each other's workers.

These anticompetitive practices are used disproportionately among low-wage workers who are particularly unlikely to possess trade secrets—the primary justification for these types of policies—yet they accomplish firms' intention to stifle wages and competition. Lower-wage workers are also more likely to be women, people of color—and in particular, women of color. As a result, these practices harm those who are most vulnerable in the labor market to begin with (Huizar and Gebreselassie 2016). Employer power directly affects people of color, immigrants, women, people with disabilities, and others who are already marginalized and disproportionately likely to be discriminated against in the labor market because such power incentivizes discrimination in hiring. Fewer jobs and more employer power over those jobs encourage increased bias in employers' hiring decisions.

II. Snapshots of the Changing Economy

In the following section, we look at the future of work through the lens of six occupations: carework, food service, manufacturing, mining, nursing, and trucking. What we present below is meant to be illustrative of the broad changes happening throughout our economy. We aimed to choose occupations that are varied in geography, gender, and race, but we recognize that these high-level assessments will never come close to capturing the ways that Americans around the country are experiencing the changing economy.

What these snapshots reveal is that each occupation faces different challenges. Some jobs are threatened by technology, while others are suffering from long-standing exclusions that are embedded in the rule of law. Some of the occupations we examine are on the rise, while others are experiencing a slow decline. We do discover unlikely connections in occupations that are very different, such as carework and trucking. Ultimately, these findings add up to the hallmarks of today's labor market: Workers are met with increasingly precarious, low-wage, and insecure work.

There is no single policy solution that will solve for this reality. Rather, a comprehensive, bold plan is necessary to meet the challenges of the future of work. Our economy and society need new rules—shaped by and for the 21st century—that mitigate the effects of technological change and globalization, curb the power of shareholders and employers in our economy, give workers more of a voice in their workplaces, and dismantle systems and institutions that crystalize structural racism and gender discrimination.

Technological Change, Trade, and Other 21st Century Economic Trends

- Technological change is far more likely to exacerbate unjust and anticompetitive labor market practices than it is to displace workers entirely. With the exception of truckers, labor-displacing technology does not seem to be an imminent threat for any of the other occupations we examined for this report.

- Far more alarming is the use of algorithmic scheduling and electronic monitoring. These are technologies that affect workers as widespread as restaurant workers and careworkers. This type of technology is currently jeopardizing worker well-being; in particular, just-in-time scheduling puts immense stress on women workers, who are often the primary caregivers in their families. Last-minute scheduling makes it difficult to find care, and research has shown that workers who endure last-minute and irregular scheduling experience negative health effects (Hong and Gu, forthcoming).

- The rise of labor market platforms affects a wide variety of occupations. Of the occupations covered in this report, carework is most affected by the rise of platforms like Care.com. The prevalence of platforms in industries that have traditionally operated through word-of-mouth drives a wedge between those who have a smartphone or know how to operate one and those who do not. This can have the effect of flooding the industry with new workers and displacing those, particularly women of color, who have traditionally held those jobs (Ticona et al. 2018).

- Technology can have positive effects on the power dynamics between workers and their employers. Innovative platforms (e.g., Coworker.org) have emerged to help workers organize in disaggregated workplaces, including retail and foodservice (Miller and Bernstein 2017; Coworker.org).

- Increased global trade capacity has greatly affected certain U.S. industries like manufacturing. Manufacturing experienced a high volume of off-shoring, leading to a drop in worker power within the labor market. When corporations can threaten to move facilities overseas, unions have less leverage for bargaining.

Declining Worker Voice

- Traditionally secure jobs, such as manufacturing and mining, have seen a precipitous decline in unionization rates. Because white men are disproportionately represented in these occupations, they have seen large reductions in the benefits and wages that unions negotiated for them. Moreover, unions have historically been a powerful force in raising standards for workers of color in these sectors. As unionization has declined, Black and brown workers have experienced steep losses in wages, benefits, and security.
- Sectors that are dominated by women of color, including carework and parts of the food service industry, have long been excluded from NLRA labor protections and the right to unionize. Traditional sources of economic insecurity, such as low wages (especially for tipped workers in the restaurant industry) and the widespread lack of benefits, continue to plague workers across the country.
- Careworkers and truckers do not occupy a traditional work environment (in an office), where it is easier to unionize and engage in collective action. As a result, these sectors experience difficulties in unionizing. In 2017, just 5.8 percent of personal care workers and 14.8 percent of goods transportation workers were union members (BLS OES 2017).
- Increased employer power has also given rise to abusive practices that further strip agency from workers. These practices include no-poaching agreements and forced arbitration clauses. As of 2018, eight fast food franchises are under scrutiny for their no-poaching and non-compete policies by the attorneys general of 11 states and the District of Columbia (Diamond 2018).

Outsized Power at the Top of the Economy

- Employers largely hold power over workers' schedules. Nurses face opaque scheduling practices and face irregular and long hours. Meanwhile, careworkers work hours that fit with employers' schedules, and they are often forced to work last-minute shifts. When workers have little say in the hours they work, it is difficult for them to manage more than one job or schedule childcare or transportation around work.

- The increased prioritization of financial activity at nonfinancial corporations forces workers to bear the brunt of massive cost-reduction efforts. Manufacturing workers have been squeezed as investors aim to cut costs by outsourcing work and reducing benefits, like employer contributions to pensions. As hospitals reduce support staff, nurses are met with short-staffed teams, which can lead to more severe and increased incidences of workplace violence against nurses. Trucking corporations have also shifted workers from employees to independent contractors, rather than maintaining positions with benefits.

- Corporate consolidation has disadvantaged workers in labor markets. For example, when hospitals consolidate, nurses are left with fewer options for employment. This gives them less power to push back on poor working conditions, including irregular or opaque scheduling practices.

Carework

	Data: Personal care aids	Data: Childcare	Source
Age	45.2	36.5	BLS CPS
Gender	83.7% Female	93.7% Female	
Race	62% White	77.3% White	
	24.8% Black/African American	15.4% Black/African American	
	9.1% Asian	4.3% Asian	
	20.7% Hispanic/Latino	22.3% Hispanic/Latino	
Employment*	1.4% of total employed	0.4% of total employed	BLS OES
Annual wage (mean)	$24,100	$23,760	
Hourly wage (median)	$11.11	$10.72	

All data are from 2017 and in 2017 dollars.
*Calculated using source data

Who Is the Careworker?

Traditionally feminized work has always been economically and socially undervalued in the United States. Careworkers—who look after children, the disabled, and the elderly—provide a vital societal service, but face low pay, employer abuses, and a changing economic landscape. With weakened labor protections and widespread technological trends, careworkers are facing new challenges to their economic security.

Carework includes both childcare workers and personal care aides, such as those who provide non-medical home care for the elderly or disabled, and the field is largely comprised of women and people of color.[3] Many careworkers are also immigrants; approximately 46 percent of domestic workers are foreign born (Burnham and Theodore 2017). Today's careworkers live all across the country and earn wages at the bottom 20 percent of the U.S. income distribution. In 2017, the average careworker earned approximately $11 in hourly wages (BLS OES 2017).[4]

Technological Change, Trade, and Other 21st Century Economic Trends

The rise of gig platforms is altering the landscape of carework today. Sites like Care.com circumvent agencies and directly connect potential employers with workers. The pervasiveness of this type of work arrangement is problematic, as it introduces personal biases and prejudices into employment and prevents those with tenuous immigration statuses from seeking jobs (Rosenblat 2018). Individual and societal attitudes set up certain demographics, namely people of color, to be prejudiced against in these labor market. Similarly, those who do not have easy access to smartphones or broadband internet—particularly Black and brown Americans and those in rural communities—are also at a disadvantage (Mabud and Seitz-Brown 2017; Ticona et al. 2018). An inclusive economy and society would ensure that automation and international policymaking don't leave workers behind.

Declining Worker Voice

Careworkers face multiple challenges to unionization and collective bargaining. Organizing is particularly difficult given the spread of worksite locations; the homesite nature of carework means that many workers do not interact with other employees in a regular manner, if at all, contributing to a sense of isolation. Even if it were easy to organize workers within the industry's structure, careworkers would still face legal challenges: Federal labor law does not extend the right to collectively organize to domestic workers, and many state laws and regulations exclude domestic workers from legal protections (Burnham and Theodore 2017).

At the same time, many careworkers face a host of employer abuses. While the industry includes agencies that employ workers in the traditional sense, many workers still find jobs through informal means, such as word-of-mouth. Informal employment is problematic, as it leaves workers vulnerable to wage theft, either from withheld or underpaid wages. With lax labor law protection, informal workers often have no recourse to retrieve stolen or withheld wages (Bivens et al. 2017). Additionally, informal work arrangements often do not include benefits and do not contribute to employees' Social Security, making retirement down the line much more difficult.

Outsized Power at the Top of the Economy

Employers have too much power over careworkers in the labor market, as evidenced by scheduling practices faced by these individuals. Many careworkers work irregular and/or last-minute shifts, which makes servicing more than one client difficult. At the same time, hours and pay for a single client are rarely enough for workers to earn a living wage. Irregular scheduling essentially becomes an informal non-compete clause.

As demand for carework increases in the coming years, especially as baby boomers age, careworkers will play a crucial role in meeting this rising demand. As such, their economic security should be prioritized.

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[3] We use Standard Occupational Classification (SOC) codes 39-9021 and 39-9011 for personal care aides and childcare workers, respectively. Our categorization of carework does not include home medical care workers, such as home health aides or nursing assistants.

[4] According to the Bureau of Labor Statistic (BLS) Occupational Employment Statistics (OES) for 2017, childcare workers made $10.72 in median hourly wages, while personal care aides made $11.11.

Food Service

	Data	Source
Age (median)	29.9	BLS CPS
Gender	53.8% Female	
Race	74.4% White 13.9% Black/African American 6.2% Asian 25.5% Hispanic/Latino	
Employment*	9.3% of total employed	BLS OES
Annual wage (mean)	$24,710	
Hourly wage (median)	$10.53	

All data are from 2017 and in 2017 dollars.
*Calculated using source data

Who Is the Food Service Worker?

Food service jobs have historically been, and continue to be, an industry where workers without higher education can find jobs. Recent forces—including economic policies and corporate behavior—however, have eroded the advantages of being employed in this sector. Increased employer power and the introduction of scheduling technology, for instance, are placing undue pressure on these workers. As such, the industry is currently experiencing a worker shortage, where the number of jobs is outpacing the number of job seekers (Steinhauer 2018).

Food service workers include servers in restaurants, cooks, and dishwashers, and the industry covers a range of establishments, from fast food restaurants to upscale fine dining.[5] Overall, the industry is fairly evenly distributed across gender and race, however large discrepancies exist across job types. Front-

[5] We use SOC occupational code 35-0000 for food preparation and service workers.

of-house restaurant workers tend to be predominantly female, except at upscale establishments where they are more often white and male. Meanwhile, back-of-house and fast food jobs are most often filled by people of color (Restaurant Opportunities Centers United 2015). Food service is one of the largest employers of the formerly incarcerated and relies heavily on the immigrant population for labor as well. Immigrants make up about 22 percent of food service workers (Desilver 2017). Today, the typical food service worker predominately lives in dense city centers and collects wages at the lower end of the income distribution. In 2017, food service workers earned approximately $11 dollars an hour (BLS OES 2017).

Technological Change, Trade, and Other 21st Century Economic Trends

Algorithmic scheduling technology is one of the biggest changes that has affected food service workers. Such scheduling practices are equipped to predict and model customer behaviors, which allows companies to staff establishments more efficiently. Unfortunately, this breakthrough comes at a high cost to the food service worker. Algorithmic scheduling brings greater uncertainty into scheduling, as well as last-minute scheduling requests. Last-minute scheduling inserts unpredictability into workers' lives, making planning for childcare and transportation difficult. It also makes holding more than one job prohibitively hard. Certain sectors of the industry, such as fast food, are hit harder by the introduction of technology.

Declining Worker Voice

The federal minimum wage exempts food service workers who are tipped, allowing employers to pay them at the subminimum wage of $2.13 per hour instead (Gould and Cooper 2018). Given the way that workers are tiered by race and gender in the industry, wages are highly variable depending on whether a worker is in the front or back of house. The tipping system also leaves workers vulnerable to employer abuses, such as wage theft of cash tips, as well as customer harassment. When workers rely on living wages from tips, an unequal power dynamic often means that they have to endure sexual harassment from customers in their day-to-day work (Einhorn and Abram 2018).

Unionization rates and collective bargaining also tend to be low in this industry, in which only 3.8 percent of food service employees are union members (BLS CPS 2017). One cause of low unionization rates may be the difficulty franchise employees have in organizing against employers. An employee of a franchise may be constrained to negotiating with the franchisee, though the franchisor is, in effect, dictating wages and working conditions.

Outsized Power at the Top of the Economy

Corporations in the food service sector have outsized power in the labor market, as evidenced by the proliferation of no-poaching and mandatory arbitration agreements as a condition of employment (Stein 2018). Fast food establishments may prohibit franchisees from competing for workers, which restrains workers' ability to bargain for better wages and working conditions (Kreuger and Ashenfelter 2018). A form of monopsony, reducing competition for workers in the labor market is one method through which employers can continue to keep wages artificially low. Meanwhile, forced arbitration clauses in employment contracts prevent employees from taking action against and seeking justice for harassment in the workplace. Customers are not the only perpetrators; management and other employees may also contribute to a hostile work environment.

While some argue that the food services sector is an inherently low-wage industry, recent research contends that fast food companies hold plenty of profit. That profit, however, is being directed to shareholders instead of being shared with workers. From 2015 to 2017, Tung and Milani (2018) find that the restaurant industry spent more on stock buybacks than it reported in profits, putting 136.5 percent of net profits toward its buybacks program. Meanwhile, 40 percent of fast food workers live in poverty.

Manufacturing

	Data	Source
Age (median)	43.1	BLS CPS
Gender	28.9% Female	
Race	76.8% White 13.3% Black/African American 6.2% Asian 22.8% Hispanic/Latino	
Employment*	6.3% of total employed	BLS OES
Annual wage (mean)	$38,070	
Hourly wage (median)	$16.34	

All data are from 2017 and in 2017 dollars.
*Calculated using source data

Who Is the Manufacturing Worker?

The manufacturing industry was a cornerstone of the 20th century American economy. Over the last 50 years, the political and public debate have been largely concerned about the rise and fall of this sector. While manufacturing has historically comprised a significant proportion of the economy in the Midwest, trends (e.g., deindustrialization and financialization) have driven wages down and production abroad. As such, jobs in the manufacturing industry have diminished significantly since the 1970s (Thompson 2012).

Manufacturing is an occupation heavily dominated by white men.[6] Black male workers have generally been "last in, first out" (i.e., the last workers to be hired, and the first to be let go when cuts to the workforce are made) (Taylor 2016). Today, the typical manufacturing worker lives in the Midwest or South and earns wages at the middle and lower ends of the income distribution. As of 2017, the typical manufacturing

[6] We use data categorized by SOC occupational code 51-0000 for production occupations, which includes employees at the factory level engaged in the production of a good.

worker makes approximately $16 dollars an hour. In 2018, the Economic Policy Institute (EPI) estimated that manufacturing workers earned approximately 13 percent more in hourly compensation than comparable private-sector workers. However, though manufacturing continues to maintain a wage premium, that premium is declining.[7]

Technological Change, Trade, and Other 21st Century Economic Trends

Much of the decline in the manufacturing sector can be attributed to trade and outsourcing. In fact, manufacturing industries that rely the most on labor have actually seen the biggest declines in the U.S. over recent years (Levinson 2017). Cheaper labor abroad makes offshoring a viable option and also reduces workers' leverage to negotiate for higher pay and better benefits. At the same time, automation has increased labor productivity in the industry, but manufacturers are not investing in worker training programs to offset its labor-displacing effects. In a more robust labor market, support for transitions, including that of policymakers, would help to alleviate the hardships of job loss on workers.

Declining Worker Voice

While unionization rates have decreased precipitously in the U.S. over the last 50 years, the manufacturing sector has been hit particularly hard. In 1977, 38 percent of manufacturing workers were unionized, but that number fell to 18 percent by 1997 (Baldwin 2003). In 2017, the BLS estimated that 12.4 percent of manufacturing workers were unionized (BLS CPS 2017). The decline of unions and the systematic weakening of labor protections have severely affected manufacturing workers' compensation. Union workers make $200 more per week on average, while also raising wages for nonunion workers (Yadoo 2018). Meanwhile, legislation like the Taft-Hartley Act of 1947 effectively confined unionized manufacturing to the states where it had already existed with the implementation of "right-to-work" laws and created incentives for manufacturing companies to move out of those states (Gordon 2017). With less negotiating power against employers and declining membership, unions have been unable to leverage their dwindling resources to demand better pay for workers. This is particularly devastating to Black workers, who experienced disproportionately higher benefits from union representation relative to their white counterparts.

Outsized Power at the Top of the Economy

The rising emphasis on financial activity within U.S. corporations has encouraged manufacturing companies to strip factories down to their core functions, leaving little room for long-term investments in job training or research and development (Collins 2015). This shareholder-based system is not compatible with long-term, sustainable strategies for shared growth. In 2013, for example, the Timken company, a steel and bearings manufacturer, was forced to split into two separate companies at the request of investors (and despite protest from the local community and chairman), the family CEO was removed, and pension contributions were reduced to almost nothing (Collins 2015).

Increased financialization also puts pressures on companies to squeeze costs in other areas like labor. The proportion of manufacturing workers who are employed through employment services firms has increased significantly over time (Levinson 2017). This increased reliance on temporary workers has affected wages, putting downward pressure on full-time employee compensation (Mishel 2018). Benefits are then also affected, as most temporary or subcontracted workers do not receive the robust benefits packages traditionally offered to full-time employees.

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[7] A Congressional Research Services report (https://fas.org/sgp/crs/misc/R41898.pdf) even suggests that the wage premium for manufacturing actually no longer exists, though a report by EPI on manufacturing wages disputes this claim (https://www.epi.org/publication/manufacturing-still-provides-a-pay-advantage-but-outsourcing-is-eroding-it/). Both, however, acknowledge that the premium has decreased.

Mining

	Data	Source
Age (median)**	42.6	BLS CPS
Gender**	12.5% Female	
Race**	87.7% White 5.6% Black/African American 2.6% Asian 18.6% Hispanic/Latino	
Employment*	0.1% of total employed	BLS OES
Annual wage (mean)	$47,480	
Hourly wage (median)	$21.19	

All data are from 2017 and in 2017 dollars.
*Calculated using source data
**Age, gender, and race composition are based on industry categorization, not occupation. The demographic data do not exist for the "extraction worker" occupation categorization. Instead, we use the composite demographic data for NAICS codes 211 gas and oil extraction, 212 mining (except oil and gas), and 213 support activities for mining.

Who Is the Miner?

Mining has always been a volatile industry, where employment has come and gone with the demands of the market. However, the most recent transition to natural gas and the demand for cheaper fuel have decimated certain mining industries, namely coal. As competition has increased due to more productive energy sources, the coal industry has sustained major setbacks—with workers taking the brunt of the loss.

Miners include site workers for drilling and mining natural resources, gas, oil, and coal.[8] In this snapshot, we primarily focus on coal miners—though miners of other resources do face some similar issues with power at the top and declining worker voice, even if they are constrained by different industry structures and future prospects. Mine workers generally are primarily white, male, and middle aged. The average miner makes about $21 in hourly wages, putting miners in the middle of the U.S. income distribution (BLS OES 2017). While wages are comparatively good, they have declined over time, and the number of coal mining jobs has dropped precipitously, as well.

Technological Change, Trade, and Other 21st Century Economic Trends

A large part of the declining coal industry has to do with increased productivity from technological gains, both in coal and in other competing industries. As coal mines became increasingly proficient with less labor, jobs became scarcer, while increased productivity in natural gas and renewable energies made competing energy sources cheaper (Kolstad 2017). These factors compounded to disadvantage workers who are used to the boom and bust cycles of coal mining employment. Better transition support would help workers move between jobs and through the cycles of demand within mining.

Declining Worker Voice

Miners are experiencing drastically reduced unionization rates. In 2016, just 2.5 percent of coal mining jobs were unionized, compared to over 40 percent two decades ago (Tabuchi 2017). Decreased unionization has meant that wages and benefits have failed to keep up with the changing economy. At the same time, work in the industry is more fissured, where workers are increasingly competing for temporary roles with low pay and few, if any, benefits, compared to the long-term, well-paying mining jobs of the past (Tabuchi 2017). Short-term contractual work does not offer job security and shifts the responsibility of absorbing the fluctuations of a highly volatile industry onto workers.

Outsized Power at the Top of the Economy

The mining industry has faced increasing pressures from competition from alternative energy sources, particularly natural gas and renewable energies. As a result, several large coal companies have faced bankruptcy in recent years. As coal companies go through bankruptcy proceedings, workers experience harms beyond job loss. By taking advantage of bankruptcy laws, coal corporations can shirk responsibilities, such as pensions to workers, or apply complicated financial maneuverings to shift funds away from worker benefits to pay for legal proceedings (Roberts 2016).

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[8] We use SOC occupational code 47-0000 for extraction workers.

Nursing

	Data	Source
Age (median)	43.5	BLS CPS
Gender	89.9% Female	
Race	76.7% White 12.3% Black/African American 8.7% Asian 6.9% Hispanic/Latino	
Employment*	2.0% of total employed	BLS OES
Annual wage (mean)	$73,550	
Hourly wage (median)	$33.65	

All data are from 2017 and in 2017 dollars.
*Calculated using source data

Who Is the Nurse?

Nurses are vitally important to hospitals and the U.S. health care system more broadly. They often have the most frequent patient interactions and provide necessary support to doctors and other medical staff. Rising health care needs from the aging U.S. population are set to increase demand for nurses in the near future. As such, it will be important to offset the effects of increased hospital consolidation, decreased unionization, and greater workplace fragmentation that nurses frequently experience on the job.

Nurses include hospital support staff who perform necessary basic medical procedures. In this snapshot, we focus primarily on registered nurses.[9] Though many of the issues discussed here are applicable more broadly to hospital support staff, nurse practitioners, and other technical staff, these occupations face their

[9] We use SOC occupational code 29-1141 for registered nurse.

own individual set of challenges that are not explored here. Nurses are primarily female; in 2017, nearly 90 percent of registered nurses were female. Nurses often earn decent wages, making an average hourly wage of just under $34, placing them in the upper-middle bracket of the U.S. income distribution. However, they often work long shifts and irregular hours.

Technological Change, Trade, and Other 21st Century Economic Trends

As the demand for nurses and other health care professionals grows with the aging population, workplaces may become even more fragmented. Shifts in the profession have focused on preventive and community care, leading to a more fractured workplace. As consumers require more location-specific care, community health nurses may be in higher demand. While the impact that these shifts will have on wages and benefits is not certain, most community or home-based workers are already paid at lower levels, which will lead to downward pressure on the rest of the profession.

Declining Worker Voice

Unionization rates among nurses are low, with only 11 to 18 percent of the 2013 workforce in a union (AFL-CIO 2013). As a result, nurses hold little leverage for negotiating wages and benefits with employers. Increased firm influence in labor markets has also occurred, with the introduction of arbitration agreements into the terms of employment for hospital workers. Arbitration agreements can prevent workers from seeking class action against employer abuses and can be particularly problematic given employers existing power over workers' schedules. Nurses' schedules often include irregular and/or long hours, and many nurses also face mandatory overtime (Colduvel 2017). Given low unionization rates and insufficient labor law protections, nurses have little control over scheduling. Irregular scheduling significantly affects workers' day-to-day lives, including the ability to secure appropriate childcare and/or transportation.

Outsized Power at the Top of the Economy

The frequency of hospital mergers has significantly increased in recent decades, as hospitals are consolidated into huge health care centers (Creswell and Abelson 2013). Consolidation not only affects the costs of health care, but it also impacts the workplace (Terhune 2018). Nurses face increasingly concentrated labor markets, as multiple employers merge into one and hospitals thus gain price-setting influence (monopsony) over compensation and benefits. Employers may also exercise increased power over shift scheduling. Many nurses work long shifts and irregular hours, and they may be subject to many last-minute scheduling changes. These changes make it difficult for workers to arrange childcare and/or transportation around their shifts.

Increased dependence on financial activity within firms is another growing issue that siphons funds away from investments in staff and directs profits to private shareholders and investors. As money moves away from the care services being provided, less is invested into hospital systems and infrastructure, including staff. This can lead to reduced staff and cause increased nurse interaction with violence, which is already disproportionately high compared to the rest of the U.S. workforce (Fernandez 2016). One recent analysis shows that the top two managed care firms—which employ home health aides—spent about $3.5 billion returning profits to shareholders through buybacks and dividends from June 2015 to June 2016, suggesting that there is plenty of money in the industry to increase compensation (Abernathy and Smith 2017).

Trucking

	Data	Source
Age (median)	46.2	BLS CPS
Gender	6.2% Female	
Race	76.3% White 16.6% Black/African American 3.2% Asian 20.8% Hispanic/Latino	
Employment*	2.1% of total employed	BLS OES
Annual wage (mean)	$39,790	
Hourly wage (median)	$18.08	

All data are from 2017 and in 2017 dollars.
*Calculated using source data

Who Is the Trucker?

Trucking is a vital component of the U.S. economy. The industry ensures that goods are transported across the country and delivered to consumers nationwide. With the massive driver shortage facing the industry, trucking has been in the news as of late, as experts express concern over the potential rising cost of consumer goods (Long 2018).[10] Corporate consolidation, low pay, and poor working conditions, however, explain much of the story behind this labor shortage.

[10] Economists at the American Trucking Association estimate that the industry was short 51,000 drivers at the end of 2017. See https://www.washingtonpost.com/news/wonk/wp/2018/05/21/america-doesnt-have-enough-truckers-and-its-starting-to-cause-prices-of-about-everything-to-rise/?noredirect=on&utm_term=.6d6bf93bf2be.

Truckers generally include both long-haul and short-haul drivers, who transport goods across the country, as well as the delivery truck drivers who ensure that your Amazon packages make it to your front step.[11] The profession has been primarily dominated by men and has employed large portions of the immigrant population. In 2012, California had the highest proportion of immigrant drivers at 46 percent, followed by New Jersey at 40 percent (Gonzalez 2016). Women may have a difficult time entering the industry, given the documented harassment they may face during training (Pilon 2016), as well as the difficulties that the lifestyle may pose for primary caregivers.[12] Drivers make under $13 in hourly wages on average.

Technological Change, Trade, and Other 21st Century Economic Trends

Truckers face new, unique challenges in the 21st century economy with the introduction of new technology into the industry. Outsized managerial oversight is available through surveillance and/or monitoring technology in trucks. This expands employers' reach in workers' day-to-day jobs.

Driverless vehicles are also gaining attention, causing some workers to worry about being replaced. However, industry experts disagree on the impacts of this new technology, and it is unclear whether this will become a near reality or an issue that extends much further into the future (Madrigal 2018).

Declining Worker Voice

Over the past few decades, unionization rates among drivers have been declining in the United States. Today, just 14.8 percent of truckers are members of a union (BLS CPS 2017). The results of this decline are an inability to negotiate for higher wages and better working conditions, as evidenced by the labor shortage. While companies claim to be raising wages, many new drivers take on loans from employers to finance the training required to obtain a commercial drivers license and/or to purchase a truck (Murphy 2017). Pay also remains fairly low, as drivers are often paid by mileage. When broken down by the hour, wages can be measly, especially as employers shift the costs of traffic, loading times, and unforeseen time shocks (e.g., if a vehicle breaks down) onto the employee. Truckers have also experienced an increasingly fissured workplace, further contributing to downward pressure on wages and benefits (Viscelli 2016).

Outsized Power at the Top of the Economy

Following major deregulation in the trucking industry during the 1980s, consolidation of shipping and transportation corporations skyrocketed. Since 1999, for example, UPS has acquired more than 40 companies, including both competitors and those in its supply chain (UPS n.d.). Such consolidation, paired with rampant corporate financialization, has encouraged corporations to revert to their core competencies, squeeze labor costs, and rely more on outsourced work. This has shifted the traditional employer-employee relationship to one of an employer and an independent contractor.

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[11] We use SOC occupational code 53-3030 driver/sales workers and truck drivers. For the purposes of this paper, we will be primarily focusing on the experiences of long-haul drivers.

[12] Drivers may work long routes, which keep them on the road up to weeks at a time. See https://www.washingtonpost.com/news/wonk/wp/2018/05/28/america-has-a-massive-truck-driver-shortage-heres-why-few-want-an-80000-job/?noredirect=on&utm_term=.b3788704485f&wpisrc=nl_most&wpmm=1.

Conclusion

Economic insecurity is not a new problem. For women and people of color, low wages, undue employer power, and minimal agency and voice in the workplace have long been a part of daily life. As the dynamics in our economy and society continue to shift in favor of wealthy individuals and powerful corporations, Americans are increasingly feeling left out and left behind. Our 21st century social contract needs to include policies that address the widespread economic insecurity that people are feeling across the country—by reshaping the rules, systems, and institutions that reinforce it.

A 21st century social contract should:

+ **Build worker power.** Workers in today's economy should not be voiceless. It is deeply important that we revisit existing labor laws to ensure that they are inclusive—of both those who have long been excluded from labor protections, as well as those who are facing new forms of employer exploitation.

+ **Curb corporate power.** The outsized power of corporations and shareholders in our economy is holding workers and their economic well-being back. Firm-level behavior and decision-making that prioritizes shareholders means that workers are no longer sharing in the benefits of economic growth, and market power means that employers can push down wages and benefits with impunity. Ensuring that workers have some power within corporations, such as by serving on corporate boards, is one way we can tame corporate influence.

+ **Redefine the role that government can play in limiting economic insecurity around the country.** The public sector is uniquely positioned to take on these power imbalances in our society, and there are a number of innovative, bold policy ideas—from a universal basic income to a renewed focus on antitrust enforcement—that can foster inclusive growth and build an economy that serves all of its stakeholders.

While these three priorities are certainly not the only levers we need to pull in order to achieve a just and inclusive 21st century social contract, we cannot foster a progressive future without addressing these issues. It is time to build an economy where workers are not left behind.

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Appendix

A. Industry vs. Occupation

In this report, we focus on occupational data, instead of industry-level data, for two primary reasons. First, the focus of these snapshots is on people as workers, not on industries. Second, industry data is much harder to parse out for certain occupations, such as nurses and careworkers, when looking by industry.

The one exception is our Gross Domestic Product (GDP) data. We gather industry-level data for GDP figures, as these statistics are recorded by industry, not occupation.

B. Codebook and Sources

Our occupational data primarily comes from the Bureau of Labor Statistics (BLS). Specifically, we pull data from the:

Current Population Survey (CPS): https://www.bls.gov/oes/.

Occupational Employment Statistics (OES): https://www.bls.gov/cps/.

GDP data comes from the U.S. Bureau of Economic Analysis (BEA): https://www.bea.gov/.

The statistics we pull from the BLS CPS include:

Age composition

- Employed persons by detailed occupation and age (2017): https://www.bls.gov/cps/cpsaat11b.htm.

Gender and race composition

- Employed persons by detailed occupation, sex, race, and Hispanic or Latino ethnicity (2017): https://www.bls.gov/cps/cpsaat11.htm.
- Employed persons by detailed occupation, sex, race, and Hispanic or Latino ethnicity (2008): https://www.bls.gov/cps/aa2008/aat11.txt.

Exceptions: CPS data for mining demographics by occupation are incomplete. We substitute the following industry demographic data instead:

- Employed persons by detailed industry and age (2017): https://www.bls.gov/cps/cpsaat18b.htm.
- Employed persons by detailed industry, sex, race, and Hispanic or Latino ethnicity (2017): https://www.bls.gov/cps/cpsaat18.htm.
- Employed persons by detailed industry, sex, race, and Hispanic or Latino ethnicity (2008): https://www.bls.gov/cps/aa2008/aat18.txt.

The statistics we pull from the BLS OES include:

Employment and wages

- National occupational employment and wage estimates (May 2017): https://www.bls.gov/oes/current/oes_nat.htm.
- National occupational employment and wage estimates (May 2008): https://www.bls.gov/oes/tables.htm.

The statistics we pulled from the BEA include:

GDP by industry (2018): https://www.bea.gov/data/gdp/gdp-industry.

We use the following categorizations of occupation and industry:

OCCUPATION	CPS AND OES OCCUPATION	GDP INDUSTRIES
Carework	39-9021 Personal care aides; 39-9011 Childcare	None
Food Service	35-0000 Food preparation and serving-related occupations	Food service and drinking places
Manufacturing	51-0000 Production occupations	Manufacturing
Mining	47-5000 Extraction workers*	Mining; oil and gas extraction; mining, except oil and gas; support activities for mining
Nursing	29-1141 Registered nurse	Health care and social assistance
Trucking	53-3030 Driver/sales workers and truck drivers	Truck transportation

**Demographic data for extraction workers in the CPS are incomplete. We substitute demographic data by industry and use composite statistics for NAICS codes 211 gas and oil extraction, 212 mining (except oil and gas), and 213 support activities for mining.*

C. Missing Data (see Appendix B)

Median Hourly Wage (2008)
Mining and trucking do not have 2008 median hourly wage data available for the broad-level categories we use (47-5000 Extraction workers and 53-3030 Driver/sales workers and truck drivers, respectively). Instead, we substitute 2008 average annual wages as a comparison point.

Racial Composition (2008)
Percentages for the category "white or Caucasian" are not listed on the BLS website for years prior to the most current year of available data. As a result, we do not include percentages for "white or

Caucasian" in our 2008 demographic data.

D. Calculations

We perform simple calculations to produce employment and GDP data.

Employment: We calculate the percent employed in each occupation as a part of total U.S. employment (number employed in each occupation/total employed).

GDP: We calculate the percent GDP of each industry as a part of total U.S. GDP (industry GDP/total GDP).

Under Appendix B tables, we include data from 2008 and perform the following calculations to adjust for inflation in dollar figures:

Inflation adjusting: 2008 hourly wage and annual mean wage data are presented in 2017 dollars. We adjust for inflation by using the CPI Inflation Calculator. See: https://www.bls.gov/data/inflation_calculator.htm.

Annual mean wage: As a substitute for missing 2008 median hourly wage data for mining and trucking, we calculate 2008 mean annual wages. However, as mean annual wages exist by detailed occupational category, we take a weighted average of the composite detailed sub-categories for each broader categorization.

E. Changes and Notes

Changes in Occupational Codes

Registered Nurses
In 2012, the code for "registered nurse" changes from "29-1111 registered nurse" to "29-1141 registered nurse." While the number of the code changes, the categorization definition is not affected and should therefore not impact our ability to compare pre- and post-change data.

Personal Care Aides
In 2008, the code for "personal care aides" changes from "39-9021 personal and home care aides" to "39-9020 personal care aides." While the code label changes, the categorization definition is not changed and does not affect our ability to compare pre- and post-change data.

Race Composition Data

Race composition data by occupation do not add up to 100 percent. In 2003, the BLS introduced the option to select more than one race category in the CPS, where before respondents were asked to select a single primary race. See: https://www.bls.gov/cps/rvcps03.pdf. Therefore, race percentages by occupation post-2003 may exceed 100 when totaled.

Appendix B: Extended Tables

In this appendix, we provide detailed tables from each occupational section. These tables have been expanded to include demographic and wage data over time, which provide a comparison point for the 2017 figures.

Carework	Data: Personal care aids	Source
2017 Age (median)	45.2	BLS CPS
2017 Gender	83.7% Female	
2008 Gender	85.4% Female	
2017 Race	62% White 24.8% Black/African American 9.1% Asian 20.7% Hispanic/Latino	
2008 Race	*****no data***** 21.8% Black/African American 6.7% Asian 17.4% Hispanic/Latino	
2017 Employment*	1.4% of total employed	BLS OES
2017 Annual wage (mean)	$24,100	
2017 Hourly wage (median)	$11.11	
2008 Hourly wages* (median)	$10.61	
2017 GDP (percentage)	***no data***	N/A

*Calculated using source data

Carework	Data: Childcare	Source
2017 Age (median)	36.5	BLS CPS
2017 Gender	93.7% Female	
2008 Gender	95.6% Female	
2017 Race	77.3% White 15.4% Black/African American 4.3% Asian 22.3% Hispanic/Latino	
2008 Race	*****no data***** 17.4% Black/African American 2.7% Asian 20.0% Hispanic/Latino	
2017 Employment*	0.4% of total employed	BLS OES
2017 Annual wage (mean)	$23,760	
2017 Hourly wage (median)	$10.72	
2008 Hourly wages* (median)	$10.49	
2017 GDP (percentage)	***no data***	N/A

*Calculated using source data

Food Service	Data	Source
2017 Age (median)	29.9	BLS CPS
2017 Gender	53.8% Female	
2008 Gender	56.0% Female	
2017 Race	74.4% White 13.9% Black/African American 6.2% Asian 25.5% Hispanic/Latino	
2008 Race	*****no data***** 12.1% Black/African American 5.4% Asian 21% Hispanic/Latino	
2017 Employment*	9.3% of total employed	BLS OES
2017 Annual wage (mean)	$24,710	
2017 Hourly wage (median)	$10.53	
2008 Hourly wages* (median)	$9.82	
2017 GDP (percentage)	2.2% of GDP	BEA

*Calculated using source data

Manufacturing	Data	Source
2017 Age (median)	43.1	BLS CPS
2017 Gender	28.9% Female	
2008 Gender	29.7% Female	
2017 Race	76.8% White 13.3% Black/African American 6.2% Asian 22.8% Hispanic/Latino	
2008 Race	*****no data***** 12.2% Black/African American 5.2% Asian 21.1% Hispanic/Latino	
2017 Employment*	6.3% of total employed	BLS OES
2017 Annual wage (mean)	$38,070	
2017 Hourly wage (median)	$16.34	
2008 Hourly wages* (median)	$16.09	
2017 GDP (percentage)	30.7% of GDP	BEA

*Calculated using source data

Mining	Data	Source
2017 Age (median)* **	42.6	BLS CPS
2017 Gender* **	12.5% Female	
2008 Gender* **	12.9% Female	
2017 Race* **	87.7% White 5.6% Black/African American 2.6% Asian 18.6% Hispanic/Latino	
2008 Race* **	*** **no data*** ** 5.5% Black/African American 1.5% Asian 15.5% Hispanic/Latino	
2017 Employment*	0.1% of total employed	BLS OES
2017 Annual wage (mean)	$47,480	
2017 Hourly wage (median)	$21.19	
2008 Hourly wages* (median)	$46,084	
2017 GDP (percentage)	1.93% of GDP	BEA

*Calculated using source data
***Age, gender, and race composition are based on industry categorization, not occupation. This demographic data do not exist for the “extraction worker” occupation categorization. Instead, we use the composite demographic data for NAICS codes 211 gas and oil extraction, 212 mining (except oil and gas), and 213 support activities for mining.

Nursing	Data	Source
2017 Age (median)	43.5	BLS CPS
2017 Gender	89.9% Female	
2008 Gender	91.7% Female	
2017 Race	76.7% White 12.3% Black/African American 8.7% Asian 6.9% Hispanic/Latino	
2008 Race	*****no data***** 10% Black/African American 7.8% Asian 4.7% Hispanic/Latino	
2017 Employment*	2.0% of total employed	BLS OES
2017 Annual wage (mean)	$73,550	
2017 Hourly wage (median)	$33.65	
2008 Hourly wages* (median)	$34.55	
2017 GDP (percentage)**	12.4% of GDP	BEA

*Calculated using source data
**GDP for health care industry (not registered nurses specifically)

Trucking	Data	Source
2017 Age (median)	46.2	BLS CPS
2017 Gender	6.2% Female	
2008 Gender	4.9% Female	
2017 Race	76.3% White 16.6% Black/African American 3.2% Asian 20.8% Hispanic/Latino	
2008 Race	*****no data***** 14.3% Black/African American 1.5% Asian 7.8% Hispanic/Latino	
2017 Employment*	2.1% of total employed	BLS OES
2017 Annual wage (mean)	$39,790	
2017 Hourly wage (median)	$18.08	
2008 Hourly wages* (median)	$39,713	
2017 GDP (percentage)**	0.81% of GDP	BEA

*Calculated using source data
**GDP for health care industry (not registered nurses specifically)

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