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A Little Respect: Can We Restore Relational Equality?

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Summary

- 1) I distinguish between three kinds of equality, each with a different moral basis: i) Basic equality, which is *granted* to all in the form of legal and political *rights*; ii) Material equality, measured principally in terms of economic and other *resources*, which is *determined*, through policy and politics; and iii) Relational equality, which is *earned*, through *respect*, of oneself and of others.
- 2) The respect necessary for relational equality, the main focus of this paper, is generated through productive endeavor i.e. work. This is especially true in the U.S. The labor market has also operated as a satisfactory means of distributing national income. Work has then provided a mechanism for both resource and relational equality.
- 3) But this mechanism is in disrepair. First, many more people are now out of work. Second, for many the resources generated from paid work are stagnant or declining: wage gaps are widening. Third, there has for many been an erosion in the quality of work, especially with regard to autonomy, voice, status, and security.
- 4) As a result, the U.S. is becoming more unequal, both in resource and relational terms. Economic gaps are widening, of course. But perhaps less obvious, I argue that relational inequality is also increasing, at least across class lines. Mutual respect between those in different economic positions is waning, in part because the extent of resource inequality has created a “respect gap” between classes, as well as bred a sense of powerlessness among the losers.
- 5) What is to be done? Option 1 is to try and fix the mechanism, and restore paid work to its central cultural and economic position. This likely requires a combination of a sustained, expansionary macroeconomic stance, including heavy direct state investment; significantly lower taxes on labor; and strong incentives for greater profit sharing and support for trade unions.
- 6) Option 2 is to find new ways to generate respect and relational equality, given that the traditional engine for generating respect and distributing resources - the labor market - can no longer deliver. In this case, the goal must be to search for new institutions to provide for both resources and respect. Tony Atkinson’s idea for a “Participation Income” provides one model.

Three Kinds of Equality: Basic, Material, Relational

Amartya Sen famously observed that everybody is in favor of some kind of equality—the real question is, “Equality of What?”¹ The same can be said for inequality. It’s easy to be against “inequality” in the abstract; the real task is to determine specifically what forms of inequality are harmful and morally suspect. This means identifying what forms of *equality* matter to us, and why. Some philosophers and economists draw distinctions, for example, between “equality of opportunity” and “equality of result.” Others argue about whether inequality is primarily significant as a proxy for poverty, or whether social disparities themselves are intrinsically unjust.

Prudence Carter and Sean Reardon, in a paper for the William T. Grant Foundation, consider inequality in four ‘key interacting social domains’: socio-economic, health, political, and sociocultural.² They also point to the important distinction between outcomes and opportunities, lamenting the lack of research on the latter. Philosopher Jeremy Waldron highlights “basic equality” (sometimes referred to as “deep” or “moral” equality), which is based on a universal ideal of equal worth.³ Sarah K. Bruch draws another important distinction between *distributional* and *relational* inequality: “Distributional inequality concerns how resources, opportunities, and outcomes are divided among people. Relational inequality, on the other hand, has to do with how people are positioned in relation to one another and the nature of their interactions.”⁴

I define three broad kinds of equality: basic equality, material equality, and relational equality. I spend most time on relational equality since it is central to my argument here.

Basic equality

The idea of basic (sometimes labeled “deep” or “moral”) equality is that all humans are of the same essential sort (i.e. not differentiated by gender, race, or age or similar). As a result of this fundamental sameness, we are entitled to equal treatment, for example in terms of legal and political institutions. Drawing on an Anglican prayer for “all sorts and conditions of men,” NYU philosopher Jeremy Waldron distinguishes between *sortal* status and *conditional* status. Basic equality means, Waldron writes, that “we believe there is just one sortal status - one kind of human being,” even if they exist under different conditions. To treat a person differently because they are a woman, or have darker skin, negates this principle. At this level of basic equality, we are a “single status society,” in Gregory Vlastovs’s phrase. The ideal of basic equality underpins human rights, which are, as a matter of principle, universal and unconditional.

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¹Amartya Sen, “Equality of What?” Lecture, The Tanner Lecture on Human Values at Stanford University, Stanford, CA, May 22, 1979.

²Prudence L. Carter and Sean F. Reardon, *Inequality Matters*, New York: William T. Grant Foundation, September 2014.

³Jeremy Waldron, *One Another’s Equals* (Cambridge, MA: Harvard University Press, 2017).

⁴Sarah K. Bruch, *Investing in Knowledge: Insights on the Funding Landscape for Research on Inequality Among Young People in the United States*, New York: WT Grant Foundation, October 2015.

Material equality

There may be only one sort of human being, but they are many different conditions in which they live. Inequalities in material conditions, mostly obviously of resources such as income or wealth, result from a combination of individual attributes (including luck), market and institutional arrangements, and above all, from political choices. While economic inequality has fallen on a global scale, it has risen sharply within many nations, notably in the U.S. The main driver of inequality has been a pulling away at top of the distribution, by the top 20 percent or so, and particularly the top one percent. These trends have generated calls from some for greater redistribution of resources in the service of more material equality. Others argue that the rich are entitled to their riches, since they result from their own talents and efforts - from their “merit,” in a meritocracy.

Arguments for greater material equality (or against certain levels kinds of material *inequality*), typically rely on ideas about what a person deserves, and what they can be held responsible for. Modern egalitarian philosophers work hard to build individual responsibility into their approaches. People who make responsible choices, for example to get educated or work hard, deserve the extra resources that follow. Inequality is only acceptable to the extent that it reflects the choices and actions of responsible individuals, rather than luck (including the good luck of being born smart).

The main debate among egalitarians is over the location of the line between luck and choice. If I am born to parents who teach me to work hard, should the rewards resulting from my hard work be seen as the result of responsible choice, or from the good fortune of having parents who instilled that work ethic? Fortunately, I do not need to enter these debates here. For my purposes the key point is that even though responsibility-sensitive egalitarians incorporate some elements of individual agency into their models, they do so in order to decide how to allocate resources. They are arguing about how much material equality there should be, and why. Questions of relationships and respect do not really enter into the equation.

Relational Equality

Being treated equally by the law, or receiving equal resources are not the same as being *treated* equally by our fellows. By contrast to both basic equality and material equality, relational equality is created people. Relational equality is based necessarily on *respect*, both for oneself and in the eyes of others. Healthy relationships are reliant on this respect. This is why being “disrespected” is socially painful. Relationally equal societies are those in which people have access to the basic goods required for “self-respect”, to use Rawls’s term, and in which there is mutual respect - a society, as Philip Pettit puts it—quoting an original republican, John Milton—where every individual can “speak their minds, walk tall among their fellows, and look each other squarely in the eye.”⁵ Relational equality is about status, in the literal sense of “where we stand” with regard to each other.

The tradition of civic republicanism in philosophy restores a pre-liberal conception of freedom as a status of independence.⁶ That independence requires that individuals be free from the arbitrary will of their superiors.

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⁵“Two Concepts of Republican Law, Liberty, and Politics”, in Andreas Niederberger and Philipp Schink (eds.), *Republican Democracy: Liberty, Law and Politics*, Edinburgh University Press, 2013.

⁶ See especially Quentin Skinner’s influential *Liberty Before Liberalism*, Cambridge University Press, 2012.

Respect both for others and for oneself are necessary ingredients of relational equality. Self-respect requires a degree of independence, and relatedly of self-worth. Citizens must not feel dependent on the arbitrary whims of others. At the same time, none of us is an island. The respect of others is necessary too. I cannot stand in relationship of equality with you unless we respect each other. Of course there is an important connection here: Self-respect and mutual respect tend to reinforce each other. If others do not respect me, it is hard to respect myself; and *vice versa*. On the other hand they may sometimes be in tension. Generating self-respect as a person of color in a racist society, in which I am not respected by many of my fellows, is hard but essential.

Relational equality requires, then, a combination of independence (for self-respect) and inclusion (for mutual respect).

Connections between equalities

The three kinds of equality differ in important ways, not least in the ways they are achieved. Basic equality is *granted* to all in the form of legal and political rights. Material equality is *determined*, through policy and politics. Relational equality is *earned*, through respect of oneself and of others. But it is obvious that the three kinds of equality, and the means by which they are each pursued, can influence each other.

Basic equality provides, for example, some of the ingredients needed for the mutual respect underlying relational equality. Our fundamental sameness as human beings may generate not only egalitarian legal and political frameworks, but more egalitarian relations. On the other hand, relational equality is often necessary for the successful *implementation* of laws that are founded on basic equality. The treatment of black Americans, up to the present day, is perhaps the most salient example, as work by scholars like Dayna Bowen Matthews shows. The lack of respect accorded by whites to blacks — the lack of relational equality — has tangible and harmful consequences in the operation of our systems of criminal justice, education, health care, and so on.

There are also important potential connections between material equality and relational equality, in both directions. Intuitively, we may think that each will bolster the other, they may also weaken or undermine the other.

i) Material equality may weaken relational equality. The redistribution necessary to achieve greater material equality may undermine respect between citizens, and in particular between the funders of social assistance, who may be resentful, and the recipients, who may feel stigma or shame. This risk may be heightened by the way in which resources are delivered, and the cultural messages conveyed along with them. The philosophers Jonathan Wolff and Avner de-Shalit, for instance, explore the role of policy in promoting goods such as affiliation, in a way that respects the agency and autonomy of beneficiaries. The operation of policies aimed at reducing material inequality is important for relational inequality. A policy might lessen income poverty, but increase stigma or alienation. Philosopher Elizabeth Anderson provides an extreme example in the form of a letter sent by an imagined State Equality Agency, along with a check:

“How sad that you are so repulsive to people around you that no one wants to be your friend or lifetime companion. We won’t make it up to you by being your friend or your marriage partner—we have our own freedom of association to exercise—but you can console yourself in your miserable loneliness by consuming these material goods which we, the beautiful and charming ones, will

provide. And who knows? Maybe you won't be such a loser once potential dates see how rich you are."⁷

Anderson does not think such letters will be sent anytime soon. But the warning is clear: Policies designed to lessen resource inequality have been designed and implemented in ways that are sensitive to their potential impact on respect, and therefore on relational equality. At a certain point, the equalization of resources necessary for greater material equality may undermine the spirit of enterprise and independence that garners self-respect and the respect of others.

- ii) *Material equality may bolster relational equality.* On the other hand, the respect needed for relational equality may be harder to generate if there are glaring material inequalities that distort social relations. In his *Inquiry into the Nature And Causes of the Wealth of Nations*, Adam Smith pointed to the need for a linen shirt in 18th century Europe:

“A linen shirt ... is, strictly speaking, not a necessary of life. The Greeks and Romans lived, I suppose, very comfortably though they had no linen. But in the present times, through the greater part of Europe, a creditable day-labourer would be ashamed to appear in public without a linen shirt, the want of which would be supposed to denote that disgraceful degree of poverty which, it is presumed, nobody can well fall into without extreme bad conduct.”

Ensuring a degree of material equality may help to create an environment in which mutual respect and self-respect can be more readily achieved.

- iii) *Relational equality may weaken material equality.* It is possible that conditions of high relational equality could worsen resource inequality. One example: People may end up poorer than they need to be because pride, or self-respect, prevents them from taking resources from others. A society which sees all members as strong and independent may be more resistant to redistribution.

- iv) *Relational equality may bolster resource equality.* More likely, societies with high levels of mutual respect, and perhaps by extension trust and social capital, may be more supportive of policies and practices that result in greater equality of resources, in social democratic welfare states, for example.

Doubtless some of these connections between resource and relational equality are stronger than others, although people may not agree which.

Relational egalitarianism as a conservative value

A common feature of basic and material equality is that they can be satisfactorily pursued using the instruments of state power: legal reforms, or tax and transfer policies. Egalitarian policies tend then to be more

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⁷ Elizabeth S. Anderson, "What Is the Point of Equality?," *Ethics* 109, no. 2 (January 1999): 287-337.

satisfactory to social engineers than social conservatives: Basic equality or material equality can be achieved by technocrats from afar (at least in theory).

By contrast, relational equality is produced not through policy virtuosity but, to borrow a phrase from Gerald Cohen, “in the thick of everyday life.” It cannot be seen in a constitution, or measured by the Gini coefficient. Policy matters for the pursuit of relational equality, but largely through creating the conditions under which it is most likely to flourish, and by designing and implementing policy in ways that do not undermine respect. An egalitarian focused on resources alone will be indifferent to the means by which an income distribution is produced: All that matters is its shape. By contrast, an egalitarian focused on relational equality is likely to care a great deal not only about the resources people have, but how they came by them, and specifically whether mechanisms of resource distribution create or destroy mutual and self-respect. I do not mean to suggest that liberals and progressives ought not to care about relational equality; simply that they should not be alone in doing so.

Respect is earned through work

“Happiness lies not in the mere possession of money” declared Franklin Delano Roosevelt in his first inaugural address,⁸ it lies in the joy of achievement, in the thrill of creative effort. The joy and moral stimulation of work no longer must be forgotten in the mad chase of evanescent profits.” A culture of work, Roosevelt insisted, was not merely a matter of economic stability. It was instead dependent “on honesty, on honor, on the sacredness of obligations, on faithful protection, [and] on unselfish performance.”⁸

Work has played a central role in American identity. One reason the U.S. does not have a strong working class identity is that *everyone* works, or is supposed to. (To confuse matters, we all label ourselves “middle class,” but that’s another story.) Here I outline the salience of work in U.S. culture, imagination, and history, before describing the importance of work as a foundation of relational equality. The respect (both of oneself and for others) necessary for relational equality is earned through productive participation in society.

Working class nation

During his 1831 journey, Alexis de Tocqueville observed a peculiarly American attitude towards work. His home country of France, though in the midst of economic industrialization, remained deeply attached to an older, aristocratic attitude toward labor. Men worked for the sake of leisure. Social success and status were inversely related to the amount of time spent in toil. In America, the exact opposite was true. Here, Tocqueville observed, our commitment to social equality “not only rehabilitates the idea of work, it exalts the idea of work for money.”⁹ This country was unique in conferring respect and honor to any man, so long as he made an honest living. For generations of settlers and immigrants, work provided a foundation of dignity

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⁸ Franklin D. Roosevelt, “First Inaugural Address” (speech, Washington, DC, March 4, 1933), Bartleby, <http://www.bartleby.com/124/pres49.html>.

⁹ Alexis de Tocqueville, *Democracy in America*: A new translation by Arthur Goldhammer (New York: Library of America, 2004), p 642.

and social respect. Today's fevered debates over labor force participation show that on this front at least, little has changed.

Judith Shklar even identifies the right to work as one of the two defining features of American citizenship, along with the right to vote. Labor, long scorned in European societies as a sign of low status, was here a sign of being a full member of the political community, regardless of how wealthy they were. A broad cultural recognition of the dignity of work meant that all (free) men could become full American citizens. As Shklar puts it: "It is in the marketplace, in production and commerce, in the world of work in all its forms, and in voluntary associations that the American citizen finds his social place, his standing, the approbation of his fellows, and possibly some of his self-respect."¹⁰

This is why the ideal of an "honest day's work" commands special moral power in the American imagination. Work is associated with the quintessentially American demand that man "make something of himself." The language of production is not incidental: To be a full part of this political community is to *make* and to *contribute*. That cultural ethic has long been the currency of American equality. As the other President Roosevelt, Theodore, said in his famous 1899 speech on "The Strenuous Life," "A life of ignoble ease, a life of that peace which springs merely from lack either of desire or of power to strive after great things, is as little worthy of a nation as of an individual." The dignity and independence associated with work is contrasted both with idle aristocracy and with the subjection of slavery. American history then exhibits the moral value of self-determined work on the one hand, and the immoral practice of forced labor on the other.

Work provides structure, purpose, and identity—and by extension, community, and inclusion. In the industrial era, the factory was the locus of employment and correspondingly the locus of the community. Today, many of us make our friends and find our spouses through the workplace. For individuals, working lives also provide a "social script" to follow. The capacity of work to produce a psychologist state of "flow" has been shown by Mihaly Csikszentmihalyi, and to bring important personal satisfaction by philosopher Russ Muirhead in his book *Just Work*.

Work = respect = equality

Especially in the American context, work has been a vital provider of both self-respect and mutual respect, as well as of income. The labor market has thus supported both relational equality, and, especially when wages were more equal, for some measure of material equality. In this specific sense, work has 'killed two birds with one stone.'

As Shklar notes, the centrality of paid work also influences attitudes towards the way to provide welfare or allocate resources more generally: "Workfare has nothing to do with economics. It is about citizenship, and whether able-bodied adults who do not earn anything actively can be regarded as full citizens."¹¹

Work provides a concrete example of how social institutions can promote a culture of relational equality and respect. It is also a reminder that the *way* resources are acquired matters for the generation of the necessary respect for relational equality. For relational equality, unlike resource equality, it matters not only how much someone has, but also how they got it.

Other institutions or activities can also generate respect and relational equality, of course: parenting, volunteering, studying. Indeed these may become—and need to become—more important; suffice to say for now that even if unpaid, these do involve labor of one kind or another. (There's a reason even the act of

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¹⁰ Judith N. Shklar, *American Citizenship: The Quest for Inclusion*, (Cambridge, MA: Harvard University Press, 1998), p 63.

¹¹ Judith N. Shklar, *American Citizenship: The Quest for Inclusion*, (Cambridge, MA: Harvard University Press, 1998), p 98.

giving birth is described as “labor”, let alone the next two decades of parenting). I should also point out how certain groups of people have been excluded from opportunities for paid work, either through legal or non-legal discrimination: most obviously women and black Americans. The pain of such exclusion is proof of the value—both economic and social—of participation in the labor market.

It is hard then to overstate the importance of work for ideas of American equality. Not only are wages the principal means for distributing resources (which means wage equality and resource equality are tightly linked), but also paid work is a critical generator of relational equality. The problem is, work isn’t working as well anymore.

Work no longer provides as secure basis for respect and relational equality

As well as providing resources, paid work has generated respect. But this is less true today, at least for many Americans. This is because of three main trends. First, more people are now out of work (especially men). Second, the resources generated from paid work are stagnant or declining: Wage gaps are widening. Third, there has been an erosion in the quality of work for many, especially with regard to autonomy, voice, status, and security. All three of these are underpinned by deep and widening inequalities of power in the labor market.

I will outline these trends only briefly here, since they are well documented in a host of books and research papers.

Rise of the non-working class

The share of working age adults who are in paid work has been declining in the 21st century. According to the Bureau of Labor Statistics, before 2000, the fall in labor force participation rates of working-age men was balanced by growing rates of participation among women.¹² But the rise in female labor force participation rates has stalled and may even be going into reverse. The result is a new phenomenon in the U.S.: a decline in participation in paid work.

These trends in themselves may be a cause for concern, not least because of the implications for economic growth. But most alarming are the differences in work rates between different groups. The so-called “retreat from work” is highly uneven. Men and women with lower levels of education have seen much steeper declines in labor force participation.¹³

Since there is a strong and probably growing element of “assortative mating” in family formation patterns—i.e. people partnering with others at similar educational or economic levels—these trends mean that the rise in the number of jobless *households* is concentrated among the less educated.

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¹² Bureau of Labor Statistics, “Labor Force Statistics from the Current Population Survey,” March CPS Samples 1962-Present

¹³ Eleanor Krause and Isabel Sawhill, “What we know and don’t know about declining labor force participation: a review,” *Brookings*, May 2017. https://www.brookings.edu/wp-content/uploads/2017/05/ccf_20170517_declining_labor_force_participation_sawhill1.pdf

As sociologist Andrew Cherlin puts it, the U.S. now has a “would-be working class—the individuals who would have taken the industrial jobs we used to have.”¹⁴

Stagnant wages

One reason for the decline in work is a decline in wages. As Isabel Sawhill describes it: “There has been no growth in wages for those in the bottom half of the wage distribution for three decades while wages at the top have continued to rise. The result has been a precipitous decline in the relative wages of the less educated.”¹⁵ While wages at the top of the distribution have continued to rise healthily, earnings growth has been tepid in the middle and non-existent at the bottom.

Again, the connection to education is strong. Almost four in five of the workers in the top wage quintile have a four-year college degree; half of those in the quintile below do.¹⁶

The result of these trends has been to increase inequality for cumulative (or career) earnings. The median male born in 1958 actually earned 10 percent less during his career (defined here as ages 25 to 55), compared with the median male born in 1942.¹⁷

Growing wage inequality leads, almost inevitably, to growing income inequality. Redistribution can blunt the effects, but trying to limit income inequality against a backdrop of increasingly unequal earnings means running harder just to stand still.

A couple of caveats: Few Americans in the bottom two-thirds are experiencing wages that are actually *falling* in real terms; but they are falling further and further behind those at the top. Also, even the modest gains in real median wages in the last couple of years have been a reflection of low inflation as well of some nominal (cash) increases. While economists correctly care most about real wages, ordinary people tend to notice the nominal.

The labor market is becoming a less effective generator of resource equality. It may also be weakening as a generator of relational equality, too: in large part because of lower participation rates, but also because of lower relative rewards; and possibly because of declining job quality.

Job quality

I have argued that work is an important source of respect, both mutual and for oneself, and especially in America. A lack of paid work is likely then to corrode respect; so, to perhaps a lesser extent, is being in work with limited economic rewards. Work can also bolster respect more directly, through the status and rela-

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¹⁴ Andrew J. Cherlin, “Labor’s Love Lost: The Rise and Fall of the Working-Class Family in America,” Russell Sage Foundation, 2014. JSTOR, www.jstor.org/stable/10.7758/9781610448444.

¹⁵ Isabel Sawhill, *The Forgotten Americans and the Dignity of Work* (New Haven, CT: Yale University Press, Forthcoming 2018).

¹⁶ Jay Chambaugh, Ryan Nunn, Patrick Liu, and Greg Nantz, *Thirteen Facts about Wage Growth*, Washington, DC: The Hamilton Project, September 2017, http://www.hamiltonproject.org/papers/thirteen_facts_about_wage_growth.

¹⁷ Gary Burtless, “New analysis turns up surprise on long-term wage trends,” Brookings, May 2017. <https://www.brookings.edu/opinions/new-analysis-turns-up-surprise-on-long-term-wage-trends/>

tions that come along with it. But this depends however on how you are actually treated. The idea of relational equality, of being able “to look each other squarely in the eye,” is an important lens for examining the quality of work. If a person is treated poorly, even bullied or harassed in the workplace; not consulted or kept informed about major changes; offered few chances to influence their environment; heavily regulated in terms of time (e.g. strict rules about bathroom breaks, and so on), then they will correctly feel disrespected, as a mere cog in a machine. The rise of the so-called “gig economy”, with workers increasingly contracting and working alone, also alters the relationship between work and worker. I will not examine these questions at length here. But it should be obvious that the exercise and distribution of power in the workplace—and implications for relational equality—is an important subject in its own right.¹⁸

I will give just one example: unpredictable scheduling and “zero-hours” contracts. Half of the workers aged 26 to 32 who are paid by the hour have no control over their schedules, according to work by Susan Lambert and colleagues at the University of Chicago.¹⁹ Four in ten learn their schedules less than a week in advance. Among the three in four who report weekly fluctuations in hours, average hours varied by 50% of their “usual” weekly hours.²⁰

Unpredictability of working hours is much higher among black and Hispanic workers and for those in certain sectors, such as food services. Especially for those juggling family responsibilities and work (half of Lambert’s sample were parents), the mere fact of not knowing when the work will come, and in what quantity, can be stressful and disruptive. This may be just one of many examples where the dictates of strict economic efficiency and the demands of relational equality, and the respect that it implies, are in conflict.

Taken together, these three trends—less employment, stagnant wages, and poor quality jobs—undermine the salience and effectiveness of paid work as the basis of respect and therefore relational equality in America. As Brink Lindsey puts in in a landmark essay, “The End of the Working Class”: “For today’s post-working-class “precariat” the anchor is gone, and people drift aimlessly from one dead-end job to the next. Being ill-used gave industrial workers the opportunity to find dignity in fighting back. But how does one fight back against being discarded and ignored? Where is the dignity in obsolescence?”²¹

Relational inequality is getting worse

The U.S. is becoming more unequal in terms of material resources; economic gaps are widening. Perhaps less obviously, I argue here that relational inequality is also increasing, especially across class lines. In terms of race and gender, there has arguably been a narrowing of relational inequality, as women and people from

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¹⁸ I recommend here Elizabeth Anderson’s *Private Government: How Employers Rule Our Lives (and Why We Don’t Talk About It)* and Russell Muirhead’s *Just Work*.

¹⁹ Susan J. Lambert, Peter J. Fugiel, and Julia R. Henly, “Precarious Work Schedules among Early-Career Employees in the US: A National Snapshot,” *EINet*, August 27, 2014, https://ssa.uchicago.edu/sites/default/files/uploads/lambert.fugiel.henly_precarious_work_schedules.august2014_0.pdf

²⁰ Richard V. Reeves and Edward Rodrigue, “Do unpredictable hours undermine upward mobility?” Washington DC: Brookings, December 2014. <https://www.brookings.edu/blog/social-mobility-memos/2014/12/11/do-unpredictable-hours-undermine-upward-mobility/>

²¹ Brink Lindsey, “The End of the Working Class,” *The American Interest*, August 30, 2017, <https://www.the-american-interest.com/2017/08/30/end-working-class/>.

racial minorities being treated with more respect. Needless to say, there is still a very long way to go, as events of recent months and years, from the #MeToo movement to the growing salience of alt-right political groups, makes clear.

But there is some evidence that mutual respect between those in different economic positions is waning (in future work, I hope to be able to bring a more empirical approach to this question). In part, this is because the extent of material inequality has created a “respect gap” between classes, as well as breeding a sense of powerlessness among the losers. The idea of meritocracy can make matters worse.

The dark side of meritocracy

The purpose of Michael Young’s 1958 dystopian novel *The Rise of the Meritocracy* was to warn of the dark side of meritocracy. Young’s book depicts a future society in which a social revolution has swept away power structures based on inheritance and replaced them with a society based entirely on “merit”: IQ and effort, in which there is “rule not so much by the people as by the cleverest people; not an aristocracy of birth, not a plutocracy of wealth, but a true meritocracy.” The meritocratic society described by Young develops some fatal flaws. One, anticipated by Kurt Vonnegut in *Player Piano*, is by now all too familiar: the clever people make machines that put the less clever people out of work.²² In an attempt to keep people busy, the government enrolls unskilled workers into the “Home Help Corps,” to work as servants—cleaners, cooks, gardeners—to the cognitively gifted. Again, there is some resonance here with current labor market trends. Among the occupations expected by the U.S. Bureau of Labor Statistics to grow fastest over the next decade are home health aides, fast food workers, cooks, and construction laborers. Although the impact of automation is, as yet, unclear there is no doubt that many existing jobs will go. The question is what replaces them. The danger is of the kind of “hollowing out” described in Young’s dystopia, with an affluent elite, service class and not too much between them.

But the deeper problem in Young’s meritocracy is that the gap between rich and poor widens, and is seen by those in power to be wholly justified on moral grounds. As the novel’s narrator explains: “Now that people are classified by ability, the gap between the classes has inevitably grown wider. The upper classes are no longer weakened by self-doubt and self-criticism. Today the eminent know that success is just reward for their own capacity, for their own efforts, and for their own undeniable achievements.”

Meritocracy thus justifies and potentially amplifies inequality, by weakening the foundation of mutual respect needed for the funding of public goods and/or support for redistribution. In this sense, the ideology of meritocracy is the connective tissue between material inequality and relational inequality.

A “Respect Gap”

Another problem in Young’s imagined meritocracy is a loss of self-respect among the poor. These are the people who have had a chance to show their skills, but have been found to simply lack them. This has predictable psychological effects, as the narrator explains:

“If they have been labeled ‘dunce’ repeatedly they cannot any longer pretend; their image of themselves is more nearly a true, unflattering, reflection. Are they not bound to recognize that they have an inferior

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²²I draw here from my own book *Dream Hoarders* (Brookings Press, 2017)

status - not as in the past because they were denied opportunity; but because they are inferior? For the first time in history the inferior man has no buttress for his self-regard.”

Life in a meritocracy is psychologically comfortable for those who possess whatever particular kind of merit is valued. But it is hard for those who do not. In an explicitly non-meritocratic hierarchy, these pains are less; the pauper knows he can never be a prince. But when everyone can, at least in theory, be a CEO, or a President, or rich, your failure to do so can only be your own fault.

Little surprise perhaps that there is a creeping epidemic of stress and fatalism about some groups of Americans, especially less-educated, low-income whites, which scholar Carol Graham attributes in part to the psychological damage of being less successful in a meritocratic, success-oriented society.

The loss of self-respect among some of meritocracy’s losers is accompanied and amplified by a loss of respect between classes—the winners and losers—too. Those who are economically productive and successful often do not see a broken labor market, which, after all, continues to work for them. They see broken people, making bad choices, who are less worthy of respect. Or they may simply be unable to imagine themselves in their shoes. The economic gap becomes an empathy gap, which becomes a respect gap. As Waldron observes:

“Holding on to a conviction about equal dignity may be harder for us as the population grows into ‘two nations’—rich and poor—and as people’s ways of life become not just unfamiliar but unintelligible to each other (‘Who knows how these people live?’)”²³

When inequality becomes separation—by neighborhood, school, workplace, lifestyle, culture—the seeds of destruction for relational inequality are planted. Rather than looking the less fortunate “squarely in the eye,” the elite may come instead to look at them down their nose: as “deplorables,” “clinging to their guns and bibles,” an “underclass” characterized by fecklessness, irresponsibility and idleness - not worthy, in fact, of our respect. They become “the other.”

Researchers from Kansas State and Rice Universities used word association tests to gauge how Americans view the poor. The average respondent described poor people as 39 percent more “unpleasant,” 95 percent more “unmotivated,” and twice as “dirty” as middle class Americans.²⁴ As John A. Powell, President of the Haas Institute, and Arthur Brooks, President and AEI, write: “[I]t is reasonable to conclude that middle-class and wealthy Americans’ social distance from people in poverty exists in a mutually-reinforcing cycle with the contempt they feel towards them.”²⁵

Most (61 percent) of those who are not poor themselves think that welfare benefits “make poor people dependent and encourage them to stay poor,” rather than giving “poor people a chance to stand on their own two feet and get started again” (31 percent). Meanwhile those in poverty themselves were divided equally on the question (41 percent and 41 percent). Most poor Americans (71 percent) think it is “very hard for poor people to find work” compared to just 25 percent who think “there are plenty of jobs available for poor people/anyone who is willing to work?”²⁶

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²³Jeremy Waldron, *One Another's Equals* (Cambridge, MA: Harvard University Press, 2017), p 39.

²⁴Catherine Cozzarelli, Anna V. Wilkinson, and Michael J. Tagler, “Attitudes Toward the Poor and Attributions for Poverty,” *Journal of Social Issues*, Vol. 57 no. 2 (2001): 207-227. doi: 10.1111/0022-4537.00209

²⁵ John A. Powell and Arthur Brooks, “America Can’t Fix Poverty Until It Stops Hating Poor People,” CityLab, October 10, 2017. <https://www.citylab.com/equity/2017/10/america-cant-fix-poverty-until-it-stops-hating-poor-people/542397/>

²⁶ Thomas Suh Lauder and David Lauter, “Views on poverty: 1985 and today,” Los Angeles Times, August 14, 2016. <http://www.latimes.com/projects/la-na-pol-poverty-poll-interactive/>

Meanwhile there are strong signs that less affluent Americans are returning the favor. Respect for “the elite” among ordinary Americans has declined sharply in recent decades, as work by scholars such as Joan Williams and Arlie Hochschild demonstrates, with potentially profound political consequences, including the outcome of the 2016 election. If Williams is right, one of the reasons Donald Trump won is that working class Americans felt that he was on their side, and was not condescending to them: in short, that he showed them respect. In a 2017 Pew survey, 58 percent of self-identified Republicans—a majority for the first time—said that “colleges and universities have a negative effect on the way things are going in the country.”²⁷

The loss of status among lower-income and less-educated Americans, especially whites and men, contributes to and reflects the loss of self-respect than can accompany powerlessness. J.D. Vance writes in his bestselling memoir *Hillbilly Elegy* of poor Appalachia: “There is a lack of agency here—a feeling that you have little control over your life and a willingness to blame everyone but yourself.” Drug use, as so often, is a vivid symptom, an external marker of internal malaise. It is striking that opioids are the kind of drugs that cause addicts to retreat into themselves, to withdraw. In 2015, 52,000 people died of drug overdoses, more, as Andrew Sullivan points out, than of AIDS at its height in 1995. But for many of us the costs are distant: “For many of us in the elite, it’s quite possible to live our daily lives and have no connection to this devastation.”²⁸ The epidemic is visible on the pages of our Sunday newspaper, but not in our neighborhoods.

“Me” not “Us”

America is an individualistic nation; and, as a general principle, is mostly better for it. This is a place where people “make something of themselves”; one where they take their place rather than knowing their place; and one in which differences are celebrated rather than feared. At any rate, this is what American individualism looks like in its best light.

But like all good things, we can also have too much of it. Individualism has to be balanced with a recognition of a collective responsibility to care for those who fall on hard times, and to provide all with the ingredients necessary to build a good life. There are signs that Americans are becoming less empathetic and more narcissistic,²⁹ moving from what Robert Putnam calls a culture of “us” to a culture of “me”. This is of course a difficult balance to strike. The entire American experiment has been one of balancing individualism and solidarity, to celebrate and allow for great diversity without descending into tribalism. The danger now is of what Yuwan Levin labels a “fractured society.” If the fractures become too deep, and the distance between Americans of different conditions and backgrounds too great, it will become hard to sustain the mutual respect necessary for relational equality.

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²⁷ Pew Research Center, “Sharp Partisan Divisions in Views of National Institutions”, July 2017. <http://assets.pewresearch.org/wp-content/uploads/sites/5/2017/07/11101505/07-10-17-Institutions-release.pdf>

²⁸ Andrew Sullivan, “The Opioid Epidemic Is This Generation’s AIDS Crisis,” New York Magazine, March 16, 2017. <http://nymag.com/daily/intelligencer/2017/03/the-opioid-epidemic-is-this-generations-aids-crisis.html>

²⁹ Jamil Zaki, “What, Me Care? Young Are Less Empathetic,” *Scientific American*, January 1, 2011. <https://www.scientificamerican.com/article/what-me-care/>.

What is to be done?

Option 1: Restore work as basis of status and respect

I have argued that work has historically provided the necessary glue for relational equality in America, but is becoming less so today. “Working class” Americans are working in fewer numbers, and for modest rewards, while the upper middle class work more, and earn more - sowing the seeds of a dangerous class fracture.

What is to be done, given the breakdown of the work-respect-equality machine? Bluntly, there are two options: fix it, or replace it. I’ll briefly tackle each option in turn.

Fixing the engine means restoring paid work to its central cultural and economic position. This will likely require a combination of a sustained, expansionary macroeconomic stance, including heavy direct state investment; significantly lower taxes on labor; strong incentives for greater profit sharing and support for trade unions; and direct job creation. It will also require some significant cultural shifts, including a greater willingness on the part of men to take “women’s jobs” in what Isabel Sawhill and I label HEAL professions (health, education, administration, literacy), which are the ones growing fastest. The labor market is feminizing faster than the men.

The measures of success in pursuing the “fix work” option will be a narrowing of the gaps in both labor market participation and wage growth, an increase in the sense of agency and autonomy among workers, and a growth in mutual and self-respect.

What does this mean for policy, above and beyond the traditional pro-work policies mentioned above? In her forthcoming book *The Forgotten Americans and the Dignity of Work* Isabel Sawhill outlines what she labels a “GI Bill for America’s Workers” built on four cornerstones:

- i) Ensuring full employment through macroeconomic policy;
- ii) investing in “active labor market policies”, including training and job search assistance;
- iii) introducing national service (including not only military activities but broader social and community work); and
- iv) providing job subsidies to draw the harder-to-employ into the labor force.

There are of course many other ideas, including a guaranteed job for all through a new public works program, expansion of apprenticeship programs, promotion of greater employee involvement within firms, making more welfare benefits (such as SNAP) conditional on work, and so on. What unites these approaches is a central focus on paid work as the way to heal America’s economic and social divisions.

But all of these ideas may amount to little more than spitting in the wind. The combination of skill-biased technological change, global competition, and growing automation—including, soon, through the application of AI and machine learning—may mean that the labor market will be simply unable to deliver the resources, structure, and sources of respect as in the past. What then? What will replace it?

Option 2: Replace work as basis of status and respect

The labor market in most advanced market economies perform three important roles: matching labor to capital, distributing national income, and providing a social basis for mutual and self-respect.³⁰ But structural changes in the economy, in particular skills-biased technological change, mean that the wages of less-productive workers are dropping. At the same time, the share of national income going to labor rather than capital is dropping. This decoupling of the economic and social functions of the labor market poses a stark policy challenge. Well-intentioned attempts to improve the social performance of the labor market, even those as bold as those mentioned above, may not be enough; band-aids over a growing wound. This is why the idea of a universal basic income is capturing the imagination and attention of policy intellectuals, across the globe and across the political spectrum. If the labor market is no longer going to cut it in terms of distribution, it might be time for more radical solutions. As Michael Howard, coordinator of the U.S. Basic Income Guarantee Network, told *Newsweek* magazine: “We may find ourselves going into the future with fewer jobs for everybody. So as a society, we need to think about partially decoupling income from employment.”

The idea of a basic income, mostly scorned in mainstream academic and policy-making circles, is gaining traction among U.S. libertarians from the Cato Institute, led by Matt Zwolinski, social conservatives like Charles Murray from the American Enterprise Institute, and left-wingers like Matt Bruenig and Elizabeth Stoker. The former President of the SEIU union, Andy Stern, argues for a basic income in his book, *Raising the Floor*. After five years of study and conversations about the impact of new technology on work, Stern has decided that “this time is different.” Cost is a major barrier. In fact, many basic income proponents believe it could actually improve work incentives, by removing the need to remove means-tested payments as wages increase.

The arguments against any kind of basic income are strong, however, both on economic and political grounds. Economically, funding a basic income at a high enough level to replace existing welfare payments would be extremely expensive. It may require higher taxes, which could blunt incentives. (However, the rise in income inequality, driven in part by the widening wage gap, may mean that more of the cost of a basic income could be funded by higher-earners).³¹

Politically, the idea that working taxpayers should support the lifestyle of a full-time surfer remains challenging. The moral arguments against basic income are similar to some of the arguments for the mutual respect necessary for civic republicanism, respect that is generated by people earning their place, rather than simply taking it. But thoughtful proponents of a basic income point out that bad work and intrusive means-testing can also undermine respect. For them, the freedom from obligation is what makes basic income an instrument of freedom. As Philippe Van Parijs and Yannick Vanderborght argue, welfare systems based on conditionality and means-testing, “have an intrinsic tendency to turn their recipients into a class of permanent welfare dependents.”³² People are entitled to continuing handouts on the condition that they

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³⁰I draw in this section on some previous work, summarized in “Time to Take Basic Income Seriously”, Brookings, 23 February 2016.

³¹ Richard V. Reeves, “Time to take Basic Income seriously”, Brookings Institution, February, 2016. <https://www.brookings.edu/opinions/time-to-take-basic-income-seriously/>

³²Philippe Van Parijs and Yannick Vanderborght, *Basic Income: A Radical Proposal for a free Society and a Sane Economy* (Cambridge, MA: Harvard University Press, 2017).

remain destitute, and can prove it is involuntary. They are also subjected to more or less intrusive and humiliating procedures.” For these authors, a basic income is foundational to self-respect, rather than antithetical to it.

The objections to a wholly unconditional, obligation-free basic income have led some scholars to propose a modified, partially-conditional version. A long-standing proposal from Tony Atkinson for a ‘participation income’ is perhaps the leading example.³³ Atkinson agrees with Rawls that “those who surf all day off Malibu must find a way to support themselves and would not be entitled to public funds.” He believes that both morally and politically, “reciprocity” is important. But Atkinson’s definition of participation, of “making a social contribution” is broad, being fulfilled “[f]or those of working age, by full- or part-time waged employment or self-employment, by education, training or an active job search, by home care for infant children or frail elderly people, or by regular voluntary work in a recognised association”³⁴. As Atkinson admits, “in reality, very few people would be excluded”.

If we are to move away from paid work as the primary mechanism for the distribution of income and generation of mutual respect, the idea of participation may nonetheless be important. Not only in terms of political viability, but also, and crucially for my purposes, in the capacity for cash transfers to bolster rather than undermine respect, for ourselves and for others.

So, which is to be? Are we to fix work, or replace it? I don’t know. To a large extent, the answer will depend on a long-range view of labor market prospects. But as Niels Bohr said, “it is very hard to predict, especially the future.” One way to hedge our bets would be to aggressively promote work in some of ways described above, but at the same time, to put in place an infrastructure that could ease the transition to a participation or basic income in the future—perhaps by introducing a universal child benefit, for example.

One thing is for sure: Increasing relational equality is inseparable from tackling resource inequalities of various kinds; reducing the degree of segregation between social classes; and learning once again to treat each other as equals, not only as a matter of law and theory, but in the thick of daily life.

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³³See for example, Chapter 8 in Atkinson’s *Inequality: What Can Be Done?* Harvard University Press, 2015

³⁴ Anthony Atkinson, *Inequality: What Can Be Done?* (Cambridge, MA: Harvard University Press, 2015), p 219.

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