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Middle class feels shaky; Wage slowdown puts pressure on finances.; Shifting economy is producing far fewer mid-skill jobs.

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If the American middle class once offered dependable shelter, that haven now is shaky, leaky and uncertain.

Experts disagree on why --- and what happens next. But the old assumptions --- that being middle class would mean a decent paycheck, job security, hope for owning a home, the far-off glow of a comfortable retirement --- no longer hold.

"One day we came in and they told us we were no longer needed," said Omar Melton, a 37-year-old engineer from Atlanta who was laid off in October. "Blah, blah, blah --- they gave us some movie tickets and let us go."

For decades, the middle class was seen as the foundation of America's economy and democracy --- a bridge out of poverty, a source of innovation and stability. So as the middle class is threatened, so is a peaceful, prosperous future.

"From an economic point of view, an important reason we are in the mess we're in is precisely because the slowdown in wage and income growth these last 30 years has put a lot of pressure on family finances," said John Schmitt, senior economist at the Center for Economic and Policy Research.

More than one in five Americans, an all-time high, has contended with a loss of more than a quarter of his or her income in the past year, according to a report for the Rockefeller Institute.

But doubts about the American middle started rising long before the Great Recession.

Between 1947 and 1979, the median family income --- adjusted for inflation --- averaged yearly growth of 2.4 percent. Since then, the median is up just 0.4 percent annually.

And now it takes more than one paycheck to keep families from falling behind. In 1973, working women accounted for 21 percent of a family's income. By 2008, that number was 36 percent.

There are just fewer jobs that deliver the once-secure middle-class lifestyle.

Jennifer Martz, from Roswell, had a nearly six-figure paycheck with a large company. Her position in human resources was eliminated in June. She has money saved, but time is not her ally.

"I feel safe so long as I watch my budget and only spend when I absolutely need to for survival," she said. "My credit card debt isn't too bad, but it's mounting. I'm hoping I can land something after the first of the year."

Some sectors in metro Atlanta have seen some particularly harsh losses.

The tech bubble's burst in 2001 --- along with the slide of the traditional phone companies like BellSouth --- took tens of thousands of good-paying jobs here. Implosion of the housing market six years later crushed solidly middle-class work for contractors, real estate agents, accountants and lawyers.

But the labor market is always churning: At the start of the 20th century, agriculture accounted for nearly half the work force. Now, it is less than 2 percent.

Yet the economy has usually compensated --- adding jobs to make up for those lost.

Explanations for the change are many: technology, globalization, off-shoring jobs, outsourcing, structural changes, deregulation and the decline of unions. But no one reason paints the whole picture.

About a decade ago, Ron Welch of Marietta was on the wrong side of outsourcing, losing his job after a quarter-century with a multinational company.

Bounced out of the middle class, he clawed his way back. Welch, 60, started his own company, sold it, then started another one: Research and Analytics, an engineering and management consulting firm.

"If you are making \$90,000, \$100,000, \$110,000 a year with health insurance benefits, and you lose that, all you are trying to do is make a house payment, get food on the table and keep the clothes on your back," he said.

While Americans traditionally celebrate the middle class, there is no precise definition. A White House report earlier this year concluded that middle class is more about aspirations than income: the desire for homeownership, a car, college education for children, health and retirement security and family vacations.

"How to define it is controversial," said Betsey Stevenson, chief economist for the U.S. Department of Labor. "One reason is that everybody considers themselves to be middle class."

The median family income last year was about \$60,000, according to the Census Bureau. But drawing bright lines is hard. A paycheck that provides a comfortable lifestyle in Macon won't go as far in Manhattan. Income that supports two adults has a tougher time carrying a family of six.

However it is defined, the middle class is standing on shaky ground.

Layoffs used to be mostly about factories. But in the past three decades companies also have cut millions of white-collar jobs in banking, information technology, office support and real estate.

Recessions dampen demand --- and this past downturn was intense. But even before the housing market dragged the economy into the ditch, some jobs were vanishing.

Automatic tellers replaced the human kind. Software replaced typesetters. The point-and-click of the Internet replaced travel agents.

So the labor market is shifting. Yet it's always shifting.

There's growth for those better jobs --- say, executives in financial services --- but competition is fierce. At the same time, there is also growth of some low-skill, low-wage jobs that cannot be done from Asia and cannot be replaced by technology.

"In the last three decades, there has been disproportionate growth for low-skill jobs," said MIT economist David Autor, in a recent talk at the Federal Reserve Bank of Atlanta. "There has been growth in high-skill, high-education jobs, and there has been a decline in mid-skill, mid-wage jobs."

For instance, demand for landscaping and groundskeep-ing workers --- with a median pay of \$11.29 an hour --- has grown about 16 percent in the past decade, according to the Bureau of Labor Statistics. The number of hairdressers, stylists and cosmetologists is up 11 percent. The number of amusement park attendants climbed 35 percent.

The reshaping of the labor market should not be troubling, Stevenson said. "It's important not to be frightened by long-run changes in the economy. We are better off as a nation if we have more high-skilled, higher-paying jobs."

Yet those who want to stay in the middle class do need to match up with the skills the economy needs, said Michael Tanner, senior fellow at the Cato Institute.

Workers without college degrees are increasingly unlikely to be middle class, he said. "Education is the real divider, and people with only a high school education --- their wages are definitely falling behind."

The jobless rate for workers with less than a high school diploma is 15.3 percent, compared to 10.1 percent for high school graduates and 8.5 percent for those with some college.

The jobless rate for Americans with at least a bachelor's degree is just 4.7 percent.

Vance Hendley, 34, of McDonough, was manager of an information technology group when he lost his job two years ago. Much of the work was sent to India.

Yet the field support --- which required site visits --- was outsourced to a company here. And he ended up getting hired to service many of the same systems as before, he said. "It is basically the same job. But it's odd how differently you are treated when you are not an employee. And not in a good way."

Now, he is taking courses part-time toward an MBA.

"I am hoping to position myself to get above a level where they would outsource," he said. "But each level has its dangers."

Which means that safety and shelter are relative.

Meanwhile, none of the hazards hammering the middle class seem likely to abate soon, leaving an embattled middle fighting just to hold its ground.

Charlie Brown, 53, of Woodstock, left a job in the spring of 2009 and has been looking since for another one in software maintenance.

"Since 1977, I had never before been unemployed for more than a day," he said. "Something has changed."

His wife has been out of work too. Fortunately, they had started dramatically cutting their debts in the years before. But with a mortgage and two teenage sons, it wasn't long before they were digging into their 401(k) accounts.

Brown spends most of his time in the job search, but also volunteers at several organizations and is a regular participant in the networking group at Roswell's United Methodist Church.

He accepts that the markers of his middle-class security are trembling in the wind.

"I had to let go of that fear," he said. "If I lose everything, I will start over. I will do something to keep my family fed --- whatever I have to do to make a living."

The right attitude is crucial, he said. "I may not be able to pay off the mortgage. I can't let that paralyze me. You let fear, uncertainty and doubt into your life, they'll be your friends forever."

Productivity doesn't lift incomes

Family incomes used to rise along with productivity. But since the late 1970s, that link has been broken: The economy has grown more efficient, but gains in household income have been anemic.

Many categories shrink

Technology has replaced some jobs, and in some industries lower-level management jobs have been eliminated. But some sectors, like health care, have continued to grow.

Service station attendants

2009: 79,480 1999: 109,050

Ticket and reservation agents

2009: 142,500 1999: 222,340

Manufacturing workers, vehicles and parts

2009: 686,900 1999: 1,318,600

Cutting, punching, and press machine operators

2009: 209,730 1999: 353,300

Switchboard operators

2009: 146,980 1999: 248,570

Travel agents

2009: 76,990 1999: 111,130

Meter readers

2009: 42,330 1999: 46,090

File clerks

2009: 188,510 1999: 266,890

Supervisors, managers of housekeeping/ janitorial workers

2009: 177,730 1999: 202,460

Cardiovascular technologists and technicians

2009: 48,070 1999: 41,490

Landscaping and groundskeeping workers

2009: 859,960 1999: 739,460

American labor force

2009: 154.1 million 1999: 139.3 million