
CHUTES

AND

LADDERS

*Navigating the Low-Wage
Labor Market*

Katherine S. Newman

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I began writing *Chutes and Ladders* during my years at Harvard University, and the insights contained here reflect the input of dozens of colleagues and students who participated in Harvard's Multidisciplinary Program on Inequality and Social Policy, also supported by NSF. It was a privilege to work with them and to see the fruits of our collective labor

blossom. The book was finally completed not long after I took a new job in the Department of Sociology and the Woodrow Wilson School at Princeton University. Princeton's generosity made it possible for me to concentrate on getting the work done, and I am grateful to my new colleagues for the warm welcome I have received. Special thanks go to Noel Hunt, who put a great deal of time into the preparation of this manuscript, just one of the many ways she has helped me since we began working together.

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Prologue



The prosperity of the late 1990s—sustained by low interest rates and low levels of unemployment—shifted the economic landscape nationwide. Roaring growth lasted for an unprecedented length of time; miraculously, inflation remained under control. Those glory years led to an expansion in home ownership, the mass movement of ordinary Americans into the stock market, and the growth of the minority middle class. True, the benefits of this expansion accrued disproportionately to those at the top of the income distribution, who pulled away from the rest in a dizzying accumulation of wealth, but the poorest among us caught the rising tide as well: “The wages of America’s worst-paid workers rose faster than prices for the first time in a generation. Real hourly wage rates among the bottom 20 percent of workers rose about 11 percent between 1995 and 2000. Mean family income among single mothers in the bottom half of the earnings distribution for all single mothers grew 16 percent during this period.”¹

What did these historic trends mean for the nation’s working poor? Did new occupational avenues open for them, and who among them was able to seize these opportunities? These are the central questions of this book. To answer them, we must examine the pathways through the low-wage labor market that blossomed into opportunity for some, while leaving others mired in poverty. This is not a story of averages but rather a tale of divergent trajectories that derived from differences in human capital, the bur-

dens of children, the willingness of kin to lend a hand, the vagaries of social networks, and the ins and outs of social policies that either made it possible for workers to gain more education or slammed that door tight. Most of all, the pathways that led to upward mobility depended on access to jobs that paid a living wage, that offered much-needed benefits, and that opened up opportunities for advancement in firms that were growing. *Chutes and Ladders* takes a close look at a group of poor workers who had none of these advantages in the early 1990s and then asks which of them moved up and out of the low-wage world and which remained mired in the nether regions of entry-level employment, episodic welfare, and a low standard of living, even as the economy around them changed for the better.

The people whose experiences are recounted here lived in segregated black neighborhoods in Harlem and in equally impoverished Puerto Rican and Dominican enclaves of Washington Heights, on the far Upper West Side of Manhattan. I came to know them in the early 1990s when I first began focusing my attention on low-wage workers. The ethnography that emerged from my first encounter with their world, *No Shame in My Game: The Working Poor in the Inner City*, described how poor job seekers in the city landed work, battled the stigma that came with a low station in life, learned new skills, and made ends meet with the help of parents, siblings, lovers, spouses, and friends. These workers came from the ranks of the fast-food labor force. Second only to the armed forces, businesses like McDonald's, Burger King, White Castle, Kentucky Fried Chicken, Arby's, and Taco Bell are the proving ground of the nation's low-skilled workforce.²

As it happened, the Harlem residents who landed those jobs flipping burgers were the lucky ones. When my research commenced in 1993–94, the labor market in central Harlem was in terrible shape. More than 18 percent of the workforce was unemployed; more than 40 percent of the households fell below the official poverty line, and 30 percent relied on welfare. The fieldwork for *No Shame in My Game* lasted for about eighteen months, long enough to chart the efforts that many of my informants made to find better jobs. The fortunate few, who had relatives to shelter them while they used their earnings to go to school, left Burger Barn behind for good. Most got nowhere. They were still working and hence had not been reduced to the unemployment line, but by 1995, when I set my fieldwork aside to write up the results in *No Shame in My Game*, their future looked like the monotonous past: poor.

The drumbeat of good news—high growth, low unemployment, negligible inflation—began sounding in the late 1990s, much to the surprise of most observers. The long-sustained boom that began during President Clinton's first term continued well into the early years of the new millennium. Though I began my research on the working poor with no intention of following my sample over a long period of time, it became clear to me that their lives represented an acid test for the theories of labor market progression at the heart of the debate over welfare reform, and, more generally, that they offered a way of learning about the new dynamics of poverty in a postwelfare world. Growing inequality was pushing millions of poorly educated Americans—native born and new immigrants alike—into low-wage work. With welfare a thing of the past, the dynamics of poverty had become most centrally a function of movement through this end of the labor market. Who got stuck in poverty and who graduated out of it would now be a matter of how they fared in the world of work.

One wouldn't want to pin all hope on extraordinarily favorable labor markets, for they come along rarely. If it turned out that only under these conditions could we hope for progress for the nation's poor workers, the policy remedies would be much harder to identify. As it turned out, moving up did get easier during the boom years of the late 1990s and early years of the new century, but it also happens even in slack labor markets, and the difference between the two contexts is not as large as I first expected. This means that there is good reason to focus on the factors that make it possible for some poor workers to grab the brass rings, as well as on the barriers that interfere with upward mobility for others.

Chutes and Ladders charts the movement of the workers and unsuccessful job seekers I first met in 1993, whom I have now followed through two waves of follow-up studies, in 1997 and 2001–2002. Rather than dwelling on averages, I ask how these people—who all began as fast-food workers or rejected applicants for those minimum-wage jobs—fanned out into “high flyers” and “low riders,” how some managed to get more education, good jobs, or both, while others struggled and floundered, weighed down by family obligations, poor training, and racial discrimination. I consider how these pathways through the labor market affected their family lives, especially the formation of the households they lived in and the movements their children made through the education system.

But as a sociological project, this book is more than an attempt to examine the labor market behavior of the inner-city working poor. It is also a study of how the paths they took shaped their understanding of how the

economy works, their sense of purpose, their beliefs about good fortune and bad luck, their attitudes toward others who succeeded more than they did or fell by the wayside. That is, it is a study of the cultural orientation of the fortunate workers who emerged from working poverty into the working or middle class and of their counterparts, who remained locked in hardship.

1

Lives, in the Long Run



Highway 101 winds its way through the redwood country of northern California. Dappled sunlight peeks through the fog that shrouds the majestic sequoias lining the road. Deep greens alternate with brilliant yellows as the leaves of oak trees move in the breeze that whips off the Pacific Ocean. When the sun sets, even the highway patrol's cars slow to a crawl, for visibility is limited here and the small country towns that beckon in the distance provide little light to guide a newcomer. We are a long, long way from Harlem, which is precisely what Jamal was after when he first ventured to his rural outpost near Hamilton, California.¹

Jamal's Journey

When I first met Jamal, he was twenty-two years old, stood six feet tall, and packed 250 pounds underneath his hooded gray sweatshirt. Round faced, with huge brown eyes and dark brown skin, he seemed a gentle giant most of the time, but he was known to erupt with rage without much warning. The object of his affection at the time, his common-law wife, Kathy, was a slender seventeen-year-old white girl who had long, shiny red fingernails, short brown hair, rings on every finger, and bangles on her wrists that rang against the table when we would sit down to talk.

In 1993, the year I began to study low-wage workers in the inner city,

Jamal was working the early morning shift in a Burger Barn restaurant in central Harlem, scrambling to get as many hours as the manager would give him.² Kathy worked the grill there for a time as well, but quit when their little girl, Tammy, was born. Jamal struggled to support the family on his own but was having a hard time making ends meet. Managers didn't really like Jamal and the feeling was often mutual, so they tended to squeeze him out by cutting his hours back until his daily take-home pay dwindled to twenty-five dollars (minus the two-dollar subway fare). Jamal would quit in disgust and move on to the next minimum-wage job; he worked for a time in a C'est Bon café and at several other Burger Barns. With only a GED to his name and sweatshirts in his wardrobe, Jamal could not find a job that paid any better. As a teenager, Jamal had made good money in the auto factories near his grandmother's house in Delaware. By the mid-1990s, though, those kinds of jobs were much harder to find, so Jamal cycled from one minimum-wage stint to another. But he was never out in the cold. Jamal always worked, never asked anyone for a handout, and took some pride in his self-reliance.

Jamal's "associates"—friends, acquaintances, and antagonists—could not figure out why he bothered. They laughed in Jamal's face when he shook himself out of bed at 5:00 AM every morning to board a cross-town bus for work, all for a meager paycheck that they swore he could double in half an hour's work as a runner for a drug dealer. His Burger Barn uniform sparked a round of smirks, eyes rolled back and heads shaking back and forth. "Trust us," they told him, "you could do better." From the stoop of Jamal's building, it was easy to spot the characters that had gone down that path. They were the ones hanging on the corner all day, smoking weed, leaning into cars to make a deal, scowling at competitors.

Jamal was having none of this. He was not above a joint or two for himself, but he steadfastly refused entreaties to jump into the trade. Too many years in close company with a drug-addicted mother had taught Jamal all he needed to know about the dangers of getting in too deep. When he was a young boy, Jacqueline, Jamal's mother, had had a good job in the post office on a military base in Florida. She was rolling in money, so much so that it almost didn't matter when Jamal's father disappeared soon after the boy was born. Jacqueline could manage on her own, thank you very much. By the time Jamal was eleven, though, Jacqueline had a serious drug habit. Snorting heroin gave way to mainlining, her concentration at work faltered, and she was fired from the post office. The more erratic Jacqueline's

behavior became, the more Jamal sought refuge with his solid, stable grandmother. He hopped busses and hitchhiked to Delaware, where he stayed as long as Grandma would have him. Eventually, though, she would tire of having a teenage boy in the house, even if he was working, and she'd ship him back down to Tallahassee.

Jamal's home life was becoming increasingly impossible. By the time he was eighteen, Jacqueline was broke, with an expensive habit to maintain. She wasn't making much of a living. Jamal himself had started working at thirteen, bagging groceries for tips, doing odd jobs, and finally landing a position on the clean-up crew at a local Burger Barn. During one particularly long stint in Delaware, he managed to find a job in an auto plant that gave him by far his best paycheck. Most of his jobs hovered around the minimum wage, which might have been enough for a teenager, but by his eighteenth birthday he was facing some serious demands for money: Jacqueline wanted a cut. What cash she couldn't score off of her son, she took in through prostitution. In a few short years, she had descended into an inescapable morass of dope, Johns, and petty crime. Along the way, she had hooked up with the man who fathered her second son, a boy who doted on Jamal—the big brother. Jamal was very fond of his brother, but he could not stick around to protect him from an increasingly desperate home life.

It was during one of his runaway stints that Jamal met Kathy, who was looking for an escape of her own. Kathy's father had died when she was ten, and her relationship with her mother had deteriorated steadily throughout her adolescence. Kathy's Supplemental Security Income (SSI) survivor benefits helped to sustain the household, although Kathy's mother also did jobs here and there. Kathy saw that government check as her property; her mother claimed it for the family. It was just one of the many sore points between them. Kathy stormed out of the house after one of their worst fights and vowed to run away from home. Not long thereafter, she met Jamal and discovered a kindred spirit in him. They hit the road together, making their way to New York City without telling anyone in their families where they were headed. Once in a while Kathy would disappear into a phone booth and call her younger brother, for whom she had a real soft spot, emerging with tears streaming down her face. She swore him to secrecy and promised to keep calling. Kathy knew her mother was looking for her, but finding a runaway girl in New York City is rarely easy.

Jamal and Kathy had a lot in common: they did not know their fathers;

both had cut their ties to their mothers; and they were hungry for affection. They also had problems managing anger. By 1994, two years after they had run away from Florida, some of the heady romance between them was starting to wear a little thin. Money was a constant headache. Between them, Jamal and Kathy pulled in about nine dollars an hour. On such a meager income, they could afford only a single room in an old building that had been subdivided into a low-rent tenement. Their rapacious landlord was bent on extracting the maximum rent for minimum service. Rats scurried across the floors at night and nibbled at their shoes. Heat was sporadic, and when the icy winter winds whipped across the Harlem River, a steady draft seeped through the broken seals around their windows. The streets surrounding the rooming house were no treat either. Jamal worried about Kathy's safety when he was away from home.

Into this unsavory situation came little Tammy, a low-birth-weight daughter who got off to a colicky start in life. Kathy quit work because they had no one to look after Tammy and applied for food stamps. Alone with a temperamental baby, staring at the four walls and cursing their loud neighbors, Kathy was not enjoying a glowing motherhood. And at seventeen, she was hardly prepared for the 24/7 obligation of caring for a newborn. Neither, it must be said, was Jamal. Cooped up in a single room, with no way to get away from his howling daughter, one day Jamal reached his limit and did something he regretted the instant it happened. The episode was so shameful to him that he would not talk about it. Social services had intervened, though, so it undoubtedly involved a serious injury. They took Tammy into foster care six months before we began our fieldwork.

Jamal and Kathy were remorseful, anxious to get their daughter back, and willing to do whatever the supervising judge in family court asked of them. They enrolled in parenting classes. The judge had insisted they find an apartment that would provide a separate bedroom for the baby. She had told Kathy that she had to stay home rather than work, so as not to be neglectful. Dutifully they visited their daughter under the strict supervision of her foster-care mother, seeing her once a week in a playroom in a city social worker's office.

As Tammy's first birthday drew close, Jamal and Kathy were increasingly desperate to satisfy the family court judge so that they could have her back. But meeting the court's conditions for reinstituting their parental rights was proving to be a challenge. How were they to find a one-bedroom apartment when Jamal earned barely enough to pay for a single

room in a slumlord's broken-down house? When we left Jamal and Kathy in the spring of 1994, they had finally made it to the top of the public-housing wait list and had located a modest apartment in the South Bronx. At \$600 a month it was a steal by local standards, but the rent swallowed all of Jamal's take-home pay. They really did not know how they were going to manage, but the apartment was the key to getting Tammy back, so they took it. The wheels of bureaucracy turn slowly, and a month later they still did not have their daughter at home, but they were hopeful she would be returned by Christmas. Four months later, when we looked them up again just to see how they were doing, the apartment was empty. Neither Jamal nor Kathy could be found. Even Jacqueline, who had also moved up to New York, had disappeared—without a trace.

In 1997 I began a formal follow-up study to find out how the workers I had originally interviewed for my research on low-wage employment in 1993 were doing in the labor market. Of all the people I had come to know in the beginning, Jamal was the one I most wanted to find. I hadn't seen or heard from him since the middle of 1994, and I was worried that his frustrations might have gotten the better of him. Kathy had blamed him for the loss of the baby. Jobs that paid a decent wage had eluded him. A chip had been building on his shoulder about the unforgiving attitudes of employers, their unwillingness to give him a chance. His grandmother was no longer interested in sheltering him; his own mother was more of a drain than a resource. It occurred to me that he might have done something foolish just to get more money into the house. None of these unpleasant fantasies could be checked against reality though, because Jamal was nowhere to be found. We used every legal database and search firm. We checked with neighbors in his last apartment house and did the same around his mother's building. Nothing. Was he in jail? Was he alive? If we could not find him, perhaps it was because he had literally disappeared. It seemed quite plausible to me in 1997.

The third and final follow-up study for this book was conducted in 2001–2002, and it turned up a man who fit Jamal's description in a tiny town in the far northern reaches of California. I very nearly failed to track down this lead—even though the person's Social Security number matched my records—since it seemed so unlikely that Jamal could have migrated to a small town way out west. But there he was. Jamal's path represents one of the least likely exit routes from working poverty. He got out of the inner city and found his way to a part of the nation where decent