## The Brookings Institution Brookings Cafeteria Podcast Why nonworking men are unhappiest in America March 1, 2019

PARTICIPANTS:

FRED DEWS Host

CAROL GRAHAM Leo Pasvolsky Senior Fellow and Research Director Global Economy and Development

MARGARET TAYLOR
Fellow and Senior Editor and Counsel at Lawfare

(MUSIC)

DEWS: Welcome to the Brookings Cafeteria, the podcast about ideas and the experts who have them. I'm Fred Dews. New research by Carol Graham and Sergio Pinto assesses the troublesome levels of ill-being among out of work men and the challenges this poses to the future of work and the future of the middle class more generally. This ties into the work of the Future of the Middle Class Initiative at Brookings, which aims to improve the quality of life of America's middle class and to increase the number of people rising to join its ranks. To discuss this new research titled "Men Without Work, Why Are They So Unhappy In The U.S. Compared To Other Places," I'm joined today in the Brookings podcast network studio by Carol Graham, the Leo Pasvolsky Senior Fellow and Research Director in Global Economy and Development at Brookings as well as College Park Professor at the University of Maryland.

Also, in today's episode, meet Margaret Taylor, a New Fellow in Governance Studies at Brookings and Senior Editor and Counsel at Lawfare.

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And now on with the interview. Carol, welcome back to the Brookings Cafeteria.

GRAHAM: Thank you, Fred. Always a pleasure.

DEWS: So, we're talking about your new research with Sergio Pinto. What is the topline explanation of this research?

GRAHAM: Well, I've been doing a lot of work in general on desperation and despair in America and what is wrong in terms of what drove the Trump election, why is the middle class failing, and we looked at a particular group that seems to be very much a part of this, which is prime age males out of the labor force and we have a disproportionate amount of prime age men out of the labor force compared to other places compared to the past. And we looked at their well-being and ill-being as a way to understand this group and we found that they are in really desperate straits compared to prime age males out of the labor force in the EU, Latin America, and even in the Middle East, and we found that that was quite a striking finding that we needed to more about.

DEWS: So, that's the key thing, is you compared American out of the labor force prime age men against men in similar circumstances in these other major regions of the world.

GRAHAM: Exactly. And if you think about the common narrative about the Middle East, it's always about under and unemployment in the Middle East and these guys out of work that are budding terrorists. It turns out that's really not the story, but what was surprising to me was the fact that the markers of ill-being for U.S. prime age males were worse than those in the Middle East.

DEWS: Let's do a little bit of defining terms here. What is prime age?

GRAHAM: So, prime age is 25 to 54, so it's a wide band, but it's considered the working population. Obviously, people work later and start earlier, but it's unusual for people in that age band to be out of the labor force if they're able to work.

DEWS: It's not the same thing. Out of the labor force is not the same thing as

unemployed is it?

GRAHAM: No. It's quite different and one of the things that happens when we hear stories about record low unemployment rates is that this group falls out of the calculation of the unemployment rate. So, if you haven't looked for work in the past six months, you don't report that. You just fall out of the data for the calculation of the unemployment rate. So, we have these great numbers of low unemployment rates, but the denominator is shrinking because a large percent of prime age males has fallen out. So, we have at this point 15-20% of prime age males are out of the labor force in the U.S. That's a remarkable number to me and it's projected to go up. If you think about the percentages elsewhere, it's slightly smaller in the EU, maybe comparable in the Middle East and Latin America, but a lot of those men are actually working in the informal sector, multi-tasking, doing whatever and it's quite different from the picture of the men who have dropped out of the labor force here.

DEWS: And they tend to be low skilled workers as opposed to high skilled workers.

GRAHAM: Very much so.

DEWS: Can you talk about the distinction there and how you measure it?

GRAHAM: Right. So, we measure, it's basically less than college educated. So, we just look in our data sets. We work with Gallup Data. I'm an advisor to Gallup and so, therefore, get the data, both the Gallup world poll, which covers about 1,000 to 1,500 respondents per country per year in 162 countries around the world so it's pretty amazing data set. But then the Gallup-Healthways, which is a daily data set in the United States, covers between 500 and 1,000 people a day from 2008 until the present.

So, between those two data sets, we have a lot of coverage on everything from income to well-being to health and we have very clear education information, income information, and the age information so we match those things up.

DEWS: You've been on this show before to talk about your research on happiness. Can you walk through, again, for listeners how this question of happiness is measured or how you arrive at these measures of ill-being in the data?

GRAHAM: Right. And that's quite important because people often call me and say, "Oh, you know, are you a happy person or what do you tell people about how to be happy?" And I say, "Well, that's not the business I'm in so you need somebody else." I'm a boring old economist working with large end data, but what we do is we take a range of measures usually up front in the survey. People's reported life satisfaction on a set scale, their life satisfaction projected in the future, which is an optimism question—were they stressed yesterday? were they angry yesterday? were they worried yesterday?—which are markers of ill-being, and then we record a bunch of other information about their age, their gender, their income, their health, a whole range of things, their employment status, on and on. But they don't know that we're linking all these things so we can then look at things that vary.

For example, we can take their reported well-being or ill-being metrics and look at how those link up to their employment status, their age, their health status, their health behavior. Do they smoke or not, do they exercise or not, do they live in an urban area, rural area, and again, a whole range of indicators about whether they're part-time employed, unemployed, or out of the labor force.

DEWS: Take us into those data a little bit more for American men in particular. I

mean, why are American men overrepresented in the out of the labor force metrics?

GRAHAM: Right. So, it's the story of the decline of the blue-collar working class in this country and they are the people with privileged jobs, with manufacturing jobs, the stable coal mining jobs, tended to be white. They had privileged access to the American dream and minorities and immigrants were discriminated against, so they were the embodiment of the American dream. You finish high school, you work hard, you kind of do the profession your father did. This is a big generalization, but they were the auto workers, the steel mill workers, the coal mine workers, and with the decline of manufacturing so went these jobs and with the decline of these jobs, so went the stable families.

So, if you think about it, Hispanics and African-Americans have had more multitasking. They have extended communities. More flexibility in family arrangements over time, they are about the same now. But for the white working class, it was the stable job and the stable family often, not always, in the heartland where the jobs went away. So, the jobs really went away because of technology-driven growth, the rewards to high skills going up, the rewards to low skills going down. Trade was a factor, but not the only factor. There has been a lot of temptation to blame immigrants or minorities for taking those jobs. That's not ... the jobs disappeared.

But it turns out that this group in the U.S. lost not just stability, they lost status. They lost the narrative of their lives and they feel they're being caught up with. They report that they live worse than their parents do. They don't trust the government. They have lower levels of well-being. And then if you look at trends in the same places where they're concentrated, they're places where population density is going down. When the

big firm pulls out, the mom and pop shops die. So, if you stay there, it's a tough picture without a future.

DEWS: And, also, in these places you see higher levels of, say, opioid use.

GRAHAM: Absolutely.

DEWS: And other measures of ill-being. Can you talk about some of those some more?

GRAHAM: Absolutely. And it's sort of a perfect storm in that in the same places where the jobs went away, there were already excessive levels of prescription drugs in part because of what the drug companies were doing in part because drug traffickers targeted those areas. In the '80s, they targeted urban places with crack and cocaine. In the 2000s, they targeted rural places that were in decline. And if you think about the profile of this group, they were working tough manual jobs often not in good health. The group that reports the highest pain of any other group in America is rural white men. They often were prescribed opioids for injuries, disability, but that became part of a much bigger pattern of despair, the opioid crisis.

So, what we find is that these same places where you have a concentration of people who've lost hope and simply dropped out of the labor force at age 25 or something. I mean, you think about that's not a good picture, much more likely to be in the category we call deaths of despair, which are death rates driven by opioid overdose, other drug overdose, alcohol poisoning, and suicide and we've matched our metrics of ill-being with the patterns in these deaths at the level of individual, race, and place and we found very robust matches. Hispanics and blacks are really not represented in these deaths. It's literally a very strong pattern of less than college educated whites, both men

and women. So, white women are also in these deaths, but their levels are lower, dying prematurely and it's a big enough crisis that it's driving up our overall mortality rate.

So, we are the only rich country in the world where the mortality rate is going up rather than down and what's remarkable is that even though Hispanics and blacks have slightly lower life expectancy, they have been catching up and improving, they're not represented in these deaths for the most part.

So, it fits into this narrative of kind of the dying American dream. This desperation among this cohort.

DEWS: Well, to follow up on African-Americans and Hispanics, they also report levels of well-being or ill-being differently than whites who are dying these deaths of despair. Is that right?

GRAHAM: Much more optimism. If you compare, which we did before I got into the research on prime age males, I was just comparing attitudes about the future, belief in hard work, a whole range of other attitudes across poor African Americans, poor Hispanics, and poor whites and this is before we even knew about the deaths of despair. And the finding that I found quite remarkable at the time was that poor African-Americans, who obviously have faced discrimination and a lot of objective disadvantages, were three times more likely to be higher up on an optimism scale than poor whites, half as likely to report stress yesterday and we know objectively they have plenty of stress in their lives, but they are more resilient, right? So, that finding is what got me involved in trying to match what was going on with the deaths of despair and then realizing back to the point of this interview that prime age males out of the labor force are a particularly troubled group.

DEWS: That's an interesting finding about higher levels of optimism amongst certain groups that are actually more disadvantaged, and you found that in your other research on the international level where poor people worldwide sometimes are happier by many measures than richer people.

GRAHAM: Well, I think it's a question of resilience. In terms of whether they're happier, there's kind of happiness in the day and contentment, and poor people often will report to be happy because, they may have a lot of disadvantages but they try and enjoy their daily lives to the extent they can.

If you compare life satisfaction, which is more of thinking about your life as a whole, poorer people will score slightly lower. But what's remarkable in the U.S. right now is that life satisfaction differences between poor African-Americans and poor whites are not as big as the optimism differences, so there is still a difference that poor African Americans are more likely to report higher levels of life satisfaction, but the huge gap is in optimism about the future and I think that is an area of well-being we know a little less about. What we do know a lot about is that optimistic people live longer, they're more likely to invest in their future, and we found that the drops in optimism for less than college educated while males began in the '70s exactly when the decline of their lives and the manufacturing jobs started and they just lost hope for the future. Versus if you look at even attitudes about belief in education, African-Americans and Hispanics still believe in the American Dream. They still believe a college education will get you ahead. They may have a hard time getting it versus less than college educated whites [who] have seemed to have also lost faith in education.

DEWS: I'm going to call listeners' attention to a podcast interview I just did a

couple weeks ago with Mark Muro about his research on automation and artificial intelligence and how that affected the labor market and how it will affect it going forward so there's a lot of synergies there.

GRAHAM: Absolutely.

DEWS: I'm going to stay on this issue, the global issue. You've talked about in your paper with Sergio Pinto the progress paradoxes of the global economy. Can you explain what that means?

GRAHAM: Right. Well, in the U.S., we have a very large progress paradox, which is if you look at our indicators, granted there was a big drop in December due to uncertainty, but our stock markets seem to be quite healthy. Our growth rates seem to be good. We have, supposedly, record low levels of unemployment, so that's what the standard indicators are telling us. And yet our mortality rate is going up driven by prime age people killing themselves. There's something wrong with that picture and that's what I would consider a progress paradox.

I'll give you a couple of other quick examples. In China, during the very high growth boom in the late '90s, early 2000s, they were growing at record levels. Poverty rates were going down dramatically. Suicide rates, mental health reports, and unhappiness all went up dramatically. It's stabilized now, but, you know, there's still some issues.

Another example is India. So, if you look at India from 2006 until now, they've had a huge booming economy, record levels of poverty reduction. It sounds just like China. Suicide rate is up particularly for young women and older men. Slightly more nuanced story than China, but, you know, unhappiness and optimism for the future

going down. So, progress paradoxes are when you look at our standard economic indicators telling you everything is great and then you see with ill-being metrics that things aren't so great and sort of our models of economic growth and economic progress skewed are wrong. What are we missing? What is wrong with how we measure economic progress and how we actually see people experiencing, you know, living in those economies? There's something askew and it's not everywhere and all the time, but when you find what I call a progress paradox, it strikes me that's a good warning indicator that we should be reevaluating what's going on. And, if you have particular cohorts that are very unhappy or, you know, in the worst instance desperate as in the case of this group in the U.S., we should be aware of that and we should have been aware of it before. The UK, for example, tracks well-being and ill-being on a regular basis in its national statistics.

I was doing this in my Brookings office with Gallup data and the findings were compelling, but that's not in national statistics. And people listen to, you know, what comes out in national statistics in a much broader way then some random scholar finding an interesting progress paradox.

DEWS: Let's stay at the international level for a minute including Great Britain. There are out of labor force prime age males in European Union, in Middle East and North Africa, in Latin America and the Caribbean, but your research shows that the experience of males in America, white males in America in particular, is so much different from those other three regions of the world. What about those regions of the world is different from the American experience?

GRAHAM: Or it may be easier to answer the question what's different about the

American experience, but I'll try and do both. So, in terms of, particularly Latin America and the Middle East, they are developing regions. Labor markets have always been less rigid, a lot of people working in the informal sector, and working in the informal sector, self-employed, whatever else you might be doing, isn't as bad as it seems. People have flexibility. They control their schedules. It's not perfect. They don't great benefits and other things, but it's a very different labor market experience then having kind of the stable eight to five job in very structured manufacturing firms or coal mines or factories. So, they also get used to multi-tasking much more, people in the informal sector.

In the EU, labor markets are more like the U.S., but they also have much more generous social welfare benefits, unemployment benefits, leave benefits, and a little bit more just general support for people who fall behind.

In the U.S., with this very strong faith in hard work gets you ahead, the American Dream, and, you know, if you fall behind it's your fault. If you're poor, it's your fault. Not everybody thinks that way, but that is what the narrative tells us. That's what our political verbiage, at least from parts of the political spectrum, constantly drum in and this group who had the privileged access to stable jobs were incredibly skeptical of people who were on welfare. It was this drummed in thing. If you need support, you're a loser, right? And all of the sudden they've fallen behind, they need support, they don't trust the government, their narrative is gone.

And what struck me as the finding that really got me into much more research on the U.S., was looking at a very simple question, the American Dream question, which is if an individual works hard in this country, he or she can get ahead, Yes or No. Well, I found that poor respondents in the U.S. were 20 times less likely to say yes to that

question then poor respondents in Latin America, and that woke me up. And that's when I started trying to compare across races in the U.S., not expecting any particular finding on whys, I thought I'd get—this was at the time of Ferguson and the Baltimore riots—I thought I would see some distress among the African-American community. And instead that's when I got this finding that poor blacks were three times as optimistic about their futures than poor whites and realized that the belief in the American Dream had dropped the most for the people who were sort of the bulwark of believing in the American Dream. The classic, you know, if you finished high school, had a stable job, you had a stable, not luxurious, but a stable middle-class life.

DEWS: Well, let's walk back to political ramifications of these findings. You mentioned at the top of the discussion the rise of Trump, the success of Trump in the 2016 election. That seems to be one outgrowth of this larger socioeconomic trend. Can you talk about that a little bit more and what are some of the political ramifications moving forward?

GRAHAM: It's a big question. Trump is very much a part of it. Let me just take a step back. When people are losing, when they're falling behind, that seems to be one of the worst things for people's self-esteem and well-being and obviously, you want to blame somebody. So, Trump brought out the worst in that. Let's blame the immigrants, let's build a wall, let's blame minorities, whatever it might be. We've seen that in spades now since his election in a way that I think many of us find abhorrent and can't believe it's happening today in America, but it is, and he really resonated with that.

We're not unique. I think we're the most extreme case, but if you think about the Brexit vote in the UK, some of the trends are remarkably similar. The places that voted

yes for Brexit, so to leave rather than to remain in the UK, were the places with the least immigrants, largely manufacturing places, largely homogenously white, who feared immigrants and, you know, feared falling behind, feared losing their lifestyle and you've seen in the resurgence of rightwing populist in a lot of European countries. Italy is a poster child for that right now. So, obviously, nobody knows where all this is going.

Thankfully, here our midterms gave us a sense that if politicians from either side woke up a little more to the plight of the, kind of, declining middle class, the declining blue-collar worker, maybe it would make a difference. It was something that the general narrative didn't take into account prior to 2016. We didn't know about it. It's not to say minorities don't still experience serious disadvantage, but we obviously need to pay attention to another group that is in deep despair and ignoring that problem has huge consequences certainly for politics, certainly for our public health, for our social cohesion.

And the last thing on that whole set of issues, one of the things that came with the stable kind of middle class Ozzie and Harriet, stable jobs, stable family narrative was that that was kind of the social bulwark of a lot of these people, too, versus Hispanics and blacks always have had the Baptist churches, extended family, kind of these informal communities in which people who bonded together in part because they did have more obstacles to overcome. And those very rich informal safety nets and community ties have served them very well over time versus you have a group that never needed those and desperately need some now and how do you, you know, how do you construct those? That's a very big challenge.

DEWS: We addressed this issue from a policy standpoint, from a cultural

standpoint. In moving forward, what are some of the solutions?

GRAHAM: Right. And that's obviously a tough thing to do. I mean, one question I think a lot about and I'm trying to get good answers to, including working with people who worked with deprived populations, children of opioid patients, whatever, at the community level, is can resilience be learned? Right? Can people who've never had to use these tools, can they be exposed to them and take them on? That's a big open question.

There's some simpler ones. Sort of labor force kinds of solutions. For example, and Mark Muro's work points to this as well, is that there are opportunities for less than college educated young people to do programming and other things. There's a lot of outsourcing now going to particular places in the heartland from Silicon Valley. I mean, tech and programming are going to be huge drivers of the economies. There are middle scale jobs that are available, and those tools can easily be taught to younger people and maybe rethinking what we do in terms of vocational versus college educated tracks into the areas where there will be demand for labor.

The other side of the story is if you think about a 55-year-old retired coal miner or automobile worker, they're not going to reenter the labor force, and it's interesting because when you look at jobs, for example, in the health sector, which are available, minority men and women will take them, white women will take them, but white men won't. Right? That's not their narrative. It's not their identity. But some of the lessons from well-being interventions, many of which I've been involved in, some in the U.S., some in Britain, are that with a group that's socially isolated and not going back to the labor force, going to work was a form of socialization and social contact. When that's

gone, they become really isolated. We find, for example, that prime age males [out of] the labor force spend most of their time playing video games, which is not a healthy sign. So, some of the interventions are very simple ones that don't cost much, and they can be taken to scale, but providing new opportunities for volunteering in deprived communities, or opportunities for participation in the arts, or for using green space. It almost doesn't matter. The main thing is getting people out of isolation and to sort of recreate some community bonding that can make a huge difference.

Particularly, you think about the trajectory—somebody who's 55, that's a long time still to live with no purpose in life. And I'm not saying these things are magic bullets, but they've been proven to really raise individual level well-being and community level well-being, and the two things go together.

What we find in the places where there are high levels of despair and lots of markers of ill-being, stress, anger, worry, we can't say which way the causality runs, but if you're desperate and you're in a place that's losing population density and a lot of people around you are overdosing or otherwise dying, you know, it's hard to maintain your own resilience and your hope for the future. So, these individual level well-being and community level well-being interact with each other.

Some places will be more difficult than others, but I think there is a capacity to start to regenerate at least some sense of community spirit and hope in deprived populations without it being, you know, again, a magic bullet.

DEWS: Well, Carol, it's fascinating and extremely important research. I want to thank you for coming on the show today to discuss it.

GRAHAM: Thank you, Fred, for all the great questions.

DEWS: You can learn about the new research by Sergio Pinto and Carol Graham, "Men Without Work, Why Are They So Unhappy In The U.S. Compared To Other Places" on our website Brookings.edu.

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DEWS: And now it's time for another coffee break. Let's meet new expert, Margaret Taylor.

TAYLOR: My name is Margaret Taylor. I am a Fellow at Brookings and Senior Editor and Counsel and Lawfare. So, I was actually born in El Paso, Texas, when my dad was in the Army there. Shortly after I was born, he moved the family to Salisbury, Maryland, which is not far from here in Washington. It's on the eastern shore of Maryland about 30 minutes from the ocean and 30 minutes from the bay. Quite a rural area, actually.

So, I'm actually a lawyer first. I'm a practitioner so I've had about a 15-year career since I graduated from law school as a practicing lawyer working in government lawyer jobs. So, ten years as a lawyer at the State Department advising policymakers at the State Department and then five and a half years on Capitol Hill advising the Senate Foreign Relations Community on international legal issues as well as domestic legal issues. So, in actuality, my first love is as a practitioner and at some point along the way though, not so long ago, I started to have the sense that the best way for me to contribute going forward would be to kind of take those 15-years of practitioning experience and turn it into something that could be understood and used more broadly in a more scholarly way. So, I really felt like I had something to contribute from my years as a practitioner and so I thought becoming a scholar would be a good way to do that.

I thought a lot about this question of, you know, what is the most important issue that we are facing today. I think where I've landed is in the current moment, I think there is a danger in our current political environment of normalizing certain things in our political culture and in our democracy that would be very detrimental and potentially, hopefully not, but potentially contribute over the long-term to sort of an instability in our democracy.

So, I will give an example of this. Obviously, Americans have been hearing for several years now about Russia's interference in the 2016 United Stated presidential election and, you know, we've all been living with that for two years now and while I still do think that most Americans are appalled by that idea, I think just the fact of living with it for two years there does start to be a sort of normalization that can set in and I hope that's not the case; and I would just say that foreign interference in democratic elections is something that happens all around the world with a lot of frequency. It's a normal part actually. For example, some European elections and European populations, some of them sort of expect that as a part of their democratic elections. Not a welcome part, but they expect it as sort of an inevitable of their elections. My hope is that Americans don't get to that place where we just expect this type of thing as a normal part of our democracy because I think it will corrode our democracy and damage our own notion of ourselves as exceptional in the way our democracy works.

So, right now I am working on trying to do some research and writing on high profile congressional investigations. So, as a way of sort of preparing myself for the next two years, we are expecting some pretty high-profile hearings in the House of Representatives, which is now controlled by the Democrats. So, I really found myself

wanting to go back and doing a little bit of historical research on past high-profile investigations. So, actually a couple of days ago I watched the Army-McCarthy Hearings, which were actually quite fascinating. I'm in the process of re-watching the Clinton Benghazi Hearings and I'm also going to sort of watch the Iran-Contra Hearings as well as the Watergate Hearings. And my thought and my goal is to, as we're watching these high-profile hearings over the next two years, sort of be able to put them in some sort of a context in comparison with these prior high-profile congressional hearings in the United States.

So, I don't quite know where it's going yet, but I do feel like this is an important piece of what's going on right now in politics.

If I could recommend any book to our listeners, I have to say *Atlas Shrugged*. And I say that not because I think it's a particularly fabulous book that has great ideas to guide one's life. I happen to not think that, but I do think that sometimes you've got to read books to be able to identify bad ideas and avoid them and I say this because, you know, we do have leaders in our political life who actually love this book and are guided by it. So, I happen to think it's kind of a mess of philosophy encapsulated in sort of a mess of a bizarre novel, but I do think that educated citizens in America have a responsibility to understand this book because there are people that are guided by it. And, actually, I should say in its favor it's actually a highly entertaining and enjoyable kind of read. I mean, it's sort of absurd, the story, and it has these sort of science fiction elements to it, but it actually is quite a compelling book and is enjoyable to read so I recommend the book not wanting people to have a bad time reading it. It is actually fun to read. It's sort of intellectual trash I guess is how I would probably some it up.

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DEWS: The Brookings Cafeteria Podcast is the product of an amazing team of colleagues including Audio Engineer and Producer Gaston Reboredo with assistance from Mark Hoelscher. The producers are Chris McKenna and Brennan Hoban. Bill Finan, Director of the Brookings Institution Press, does the book interviews and Jessica Pavone and Eric Abalahin provide design and website support. Our intern this semester is Quinn Lucas. Finally, my thanks to Camilla Ramirez and Emily Horne for their guidance and support.

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Until next time, I'm Fred Dews.