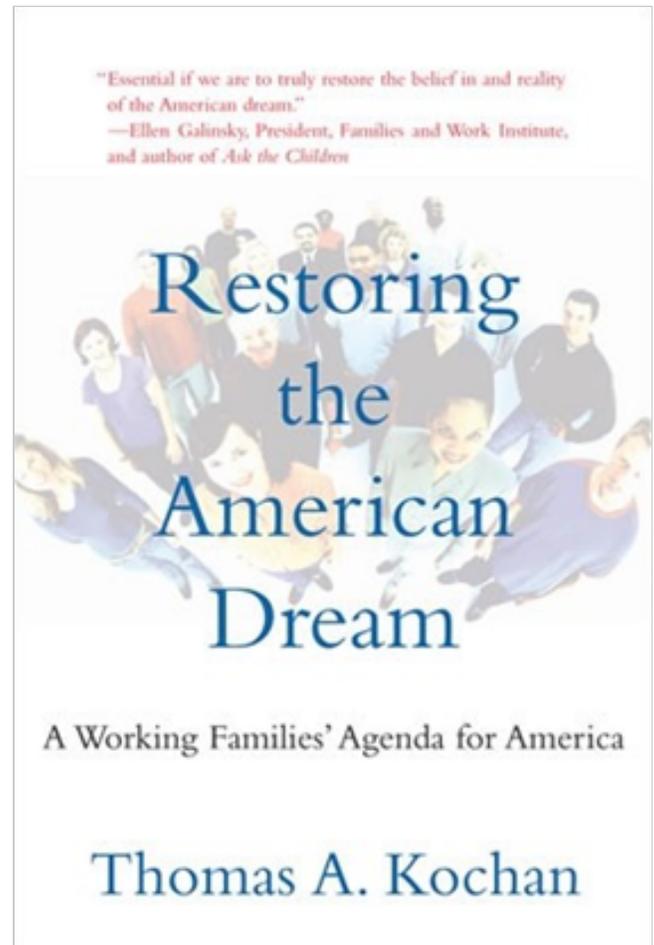


## Balancing work and family life

*Restoring the American Dream: A Working Families' Agenda for America.* By Thomas A. Kochan. Massachusetts and London: The MIT Press, 2005, 247 pp., \$13.56 hardback.

So what is the American Dream? Wikipedia defines it as the national character of the United States, the set of ideals (democracy, rights, liberty, opportunity, and equality) that promote prosperity, success, and upward social mobility for everyone. The American Dream is rooted in the Declaration of Independence, which proclaims that “all men are created equal,” with the right to “life, liberty, and the pursuit of happiness.” Now, if you were to ask 10 people today, “What is the American Dream?” you would probably come away with 10 different answers. But whatever your own answer might be, I believe that Thomas A. Kochan’s *Restoring the American Dream: A Working Families' Agenda for America* will help you gain insight into how to claim, reclaim, or maintain your version of the American Dream.

The book begins by assessing the fundamental social and economic problems facing working families and then provides a forward-looking agenda for reclaiming the American Dream. Kochan outlines ways in which Americans can earn a good living, while working fulfilling jobs and maintaining a healthy work–life balance. And for this to happen, he says, working families should take control of their own destinies. In commenting on the book, Andrew L. Stern (President, Service Employees International Union) shares the following reflection: “The biggest story of the new millennium isn’t the Internet or the IPOD. It’s the disappearance of good jobs. This book confronts that harsh reality but also shows that there’s no need to sit and watch as the American Dream disappears. Kochan offers real, practical solutions for helping ensure that the 21st-century economy rewards and values the work of everyone, not just CEOs.”



**Sidney W. Samuel**

[samuel.sidney@bls.gov](mailto:samuel.sidney@bls.gov)

Sidney W. Samuel is an economist in the Office of Compensation and Working Conditions, U.S. Bureau of Labor Statistics.

In the book's opening chapter, Kochan states that America is divided by the conditions that many people face in trying to earn a good living, have satisfying careers, care for their families, and participate in community life. When we listen to the cries of working families, we often hear their complaints of having to work longer and harder, only to fall further and further behind.

With income inequality steadily growing through most of the 1990s and early 2000s, working families depended heavily on unions for achieving fairness and equality. However, Kochan notes that the labor movement has seen a decline, with unionization facing strong headwinds. The author also observes that every generation appears to be "living to work" a little more and "working to live" a little less. He points out that less than a quarter of two-parent American households have one parent who is a "breadwinner" and another who is a "homemaker." On a more positive note, he highlights the achievements of states such as Wisconsin, New York, Massachusetts, and California, which created the models for unemployment insurance, industrial safety regulations, workers' compensation, welfare reform, and child labor protections, all of which are now part of federal law. Other states have joined these efforts since the book's publication.

Early in the book, Kochan also highlights that, in 1998, women's average annual wages were about 72 percent of men's. He suggests that working families should demand that elected officials make efforts in two directions. First, paid leave should be universal, covering all workers, not just highly paid professionals and salaried employees. Second, workers should have the flexibility to tailor their paid leave in ways that dovetail with vacation, sick leave, and other leave policies already in place. Working families should think of work and family time as inseparable components of their lives.

Kochan goes on to raise a big question, "Will there be enough good jobs available for all those who want to work?" While he has no definitive answer, he observes that, given the nation's dismal job growth in the first half of the 2000s, the issue has moved to the top of the policymaking agenda. And working families, he adds, should keep it there.

The author also emphasizes the concept of the "working poor," which refers to people who work for less pay than they can live on, as would be the case, for example, when they go hungry so that their families can put enough food on the table. Kochan cautions that this condition is unsustainable. All jobs should pay a living wage.

Later in the book, the author points out that, when workers come to work, they want a positive social environment in which they can develop friendships, engage others constructively, and perhaps even escape some of the problems in their personal lives. He suggests that, for an organization to create such an environment, it should follow certain design principles. These include (1) establishing cross-functional core processes, (2) making teams the cornerstone of organizational design, (3) empowering people by giving them the tools, skills, and motivation necessary to make decisions, (4) using information technology to boost performance, (5) promoting multiskilling, and (6) measuring for end-of-process performance objectives.

This guidance looks good on paper, but can employees really trust their employers? For such trust to exist, employees must believe that their voices are being heard and that their opinions matter. In the U.S. Bureau of Labor Statistics (BLS), for example, one of the ways in which employees voice their opinions is by filling out the Federal Employee Viewpoint Survey. BLS leaders then review the survey's results and, if necessary, make changes to BLS policy. Meetings with employees are another avenue that allows workers to voice their concerns.

In the book's second part, Kochan reminds us why we need to restore the American Dream. The lesson is clear—working families have to reassert their voice in the workplace and beyond. Union representation has risen and fallen in long cycles in the United States. Kochan reports that less than 9 percent of private sector workers are represented by unions, and nearly 50 percent of the workforce would join a union if given the chance (compared with 30 percent in 1976).

The author also presents data showing that all workers want competitive base pay and affordable healthcare, regardless of age. They seek a direct voice rather than an indirect representation by a bureaucratic union or association. What is needed is a forum for making hard decisions over how to balance worker and employer interests—and both parties need to be at the table.

Kochan argues that working families should not wait for others to decide their fate. He suggests that they should start initiatives such as organizing forward-looking labor organizations; promoting labor–management partnerships; rekindling the dialogue at the community, state, and national levels; and expanding the range of options used to promote change at work by taking collective action.

One of the books concluding chapters presents survey data showing that employees want access to information about their jobs and enterprises. In addition, they want a stake in decisions critical to their future, such as those related to funding and delivering paid family leave and increasing the minimum wage and the Earned Income Tax Credit. According to Kochan, creating and sustaining well-paying, high-quality jobs has to be a top, ongoing priority for policymakers and working families. To this end, some policymakers have proposed tax penalties for companies moving jobs offshore.

Kochan also raises the pertinent question about the proper role of the U.S. Department of Labor (DOL) in promoting workers' well-being. The congressional act that created DOL on March 4, 1913, states that the Department's purpose "shall be to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment." DOL Secretary Frances Perkins laid out clear agenda for President Franklin Roosevelt, proposing immediate federal aid to states in need of direct unemployment relief; an extensive program of public works; the establishment by federal law of minimum wages, maximum work hours, and true-unemployment and old-age insurance; the abolition of child labor; and the creation of a federal employment service. Over the years, the number of employment standards and other regulations governing the workplace has increased substantially. However, challenges still remain in finding ways to allow more flexibility for employees both at work and outside of work.

In summary, Kochan provides great advice on how the American Dream can be restored. He suggests that working families, employers, and policymakers should strive to achieve the following:

- (1) Enact flexible paid family leave
- (2) Design, fund, and implement coordinated programs for job creation and human capital investment
- (3) Push for working families to earn income that moves them out of poverty
- (4) Restore workers' voice at work through collective bargaining and engagement and inclusion
- (5) Update overtime rules and other government regulations

(6) Ensure that DOL maintains its stature of professionalism and influence

Kochan's key message is that, as workers, we must always be mindful of our most important sources of power: knowledge, skills, and readiness to work. There also must be an urgency in ensuring that we have the flexibility to balance work and life. We must work together to restore trust and confidence in the American Dream. A great agenda has been set before us, and all we need to do is to be committed and active. Kochan presents a compelling argument that we are not quite at the mark, inviting the reader to rethink the meaning of the American Dream. I highly recommend his book.