

THE ASPEN INSTITUTE

ASPEN IDEAS FESTIVAL 2012

ARE WE REALLY COMING APART?

Greenwald Pavilion
1000 N, Third Street
Aspen, Colorado

Saturday, June 30, 2012

LIST OF PARTICIPANTS

CHARLES MURRAY

Author

ROBERT PUTNAM

Peter and Isabel Malkin Professor of Public Policy at Harvard University's John F. Kennedy School of Government. Visiting Professor at University of Manchester (UK).

DAVID GERGEN

Professor of Public Service and Director of the Center for Public Leadership at Harvard Kennedy School. Senior Political Analyst for CNN and Contributor to Parade Magazine

* * * * *

P R O C E E D I N G S

(9:00 a.m.)

MR. MURRAY: The book *Coming Apart*, is a long book and I'm basically going to give you quick notes for about 12 minutes. And just cover the highlights and then after Bob makes his statement, we can get into a lot more of the details.

There are two broad aspects to the book one is about the formation of a new lower class, the other is about the formation of a new upper class and the proposition is that we have seen the formation of classes that are different in kind from anything we've known before, not talking about the 1 percent versus the 99 percent, I'm talking about cultural divergences that have profound implications for the way the country runs.

Let me start with the formation of the new lower class. Here is the one statistic that I guess in a really brief overview will capture what scares me. As of 1960, among whites ages 30 to 49 -- why do I use data on whites,

it concentrates our attention. You don't have to say to yourself, well, is Murray really talking about a problem focused in the black community or the Hispanic community; these non-Latino Whites, ages 30 to 49, 1960.

And the upper middle class defined as people with college degrees and working in managerial or professional jobs about 94 percent were married. And about 84 percent of the white working class were married. Working class meaning high-school educated or less and working in a blue collar service or low level white collar job; 84 percent were married. So there was a difference, but it was not a difference in norms; the overwhelming norm is marriage.

You then move to 2010, all right, 84 percent of the upper middle class are still married. Marriage is actually alive and well in the upper middle class, divorce is down, good news. In the white working class, 2010, 48 percent, 30 to 49, are married. That is not a statistically interesting trend that is a fundamental huge

divergence in a social institution that has ramifications for all kinds of things.

Social capital being among them, social capital is generated in very large part by married families trying to create environments for their kids that they want. I have other indicators involving work.

Hi David, welcome.

MR. GERGEN: Sure.

MR. MURRAY: It's good to see.

MR. GERGEN: Yes, some parts of the working class got their message, it was at 9:15 -- was that correct?

(Laughter)

MR. MURRAY: So I had indicators on industriousness and on honesty and on religiosity, which I will not go into here except to say once again when you see a huge divergence and reduction in the working class of religiosity you are talking about another institution that has profound implications for the white community's

work.

Let me turn and spend most of my time in this brief overview about the formation of the new upper class, because let's face it, we're currently in the belly of the beast, we are it. And the new upper class is not the same as the upper middle class; I'm talking about the people who run the country. It's a small percentage, people who have positions of influence in the way that the culture and the economy and the politics of the country runs.

Now we've always had an upper class, but here is the difference, again I'm just using one number to capture a whole bunch of others that I could talk about. I assembled data at the census tract level for 14 neighborhoods that were considered elite even in 1960.

Places like the North Shore of Chicago, Upper East Side of New York, Northwest, Washington and the rest. Even then this where the elite lived. The median family income in 1960; expressed in 2010 dollars, was \$84,000 in those communities; 26 percent had college degrees and

that's actually the more important statistic, because what that means is at that time not only was there a whole lot of economic divergence that goes way below our wealth and even below affluence. You also had great cultural diversity in the way people had been socialized. So most of the couples in those elite neighborhoods had at least one member who had only a high-school diploma and a lot of times both of them did not.

You go to the same 14 neighborhoods into the 2000 census median family income is up to \$163,000, so you are talking about a much larger group that is generally affluent.

But the main thing is that percentage of adults with BAs is up to 67 percent, there is a whole lot of those that include advanced degrees, a whole lot of those coming from elite colleges. That represents a kind of homogeneity, increased homogeneity of taste. And preferences and as everybody in this audience is aware, the socialization process of college is really important.

The result of this is a new group that David Brooks chronicled so brilliantly in *Bobos in Paradise* but essentially it says that in the new upper class you have a different culture than in mainstream America. It involves everything from the age at which we get married and the age at which we have children, to the foods we eat, to how good care we take of ourselves. Yet the new upper class is really irritatingly skinny, I mean look around this room.

(Laughter)

I consider my own weight an act of cultural rebellion.

(Laughter)

There are a lot of things this new upper class does that are great, women in the new upper class, as soon as they know a whiff of pregnancy, not the slightest molecule of second hand smoke, nor the slightest drop of alcohol shall cross their lips, and they take terrific care of themselves, and they are terrific in terms of nurturing their children. A lot of other things are not good versus

bad, they are simply different.

Whether it's the TV shows we watch or don't watch, the average TV in an American household is on for about 35 hours a week, whereas you guys watch *Mad Men* maybe if you are feeling really, you know, loose, but otherwise it's mostly *Masterpiece Theater*. And you do watch NPR and when I use the phrase all the children above average you all know what the reference is for that.

But this is not true in mainstream America. Again, it's not good versus bad, it is -- here's the problem, remember those 14 neighborhoods I talked about well in fact we now have enclaves of zip codes, that constitute not just neighborhoods, but sort of quasi cities. Example, Northwest, Washington in -- and McLean and Chevy Chase, and -- the places where everybody who is anybody in Washington lives.

There are 13 such zip codes. I created an index that combined education and income to rank all the zip codes in the country, on this index. Of those 13 all of

them were on the top four centiles of the nation's zip codes, 11 of them are in the 99th centile, 10 of those in 11 are in the top half of the top 1 percent. Well I can tell you the same stories about the Upper East Side of New York about the suburbs of New York City about, you know, the suburb surrounding Palo Alto -- a lot of you come from these places. And they are contiguous, and so you can live your lives within a community that basically is composed overwhelmingly of people just like you.

This is not such a huge problem in terms of the cultural effects that worry me. If you grew up in Queens and then you became a wealthy hedge fund manager and now you live in Fifth Avenue because you bring your memories with you. You can still go back to Queens and you'll be completely familiar with the street life around you. If you grew up in a small town and now live in San Francisco, same thing.

The problem is the generation after that with the kids who have always grown up in that bubble and then

they go to colleges, which are completely another bubble completely consistent culture with that one then they go to graduate school and then they go into their jobs which are also in the bubble and they do not have a clue about what life in the rest of America is about.

And the problem is they make the rules or they will as time goes for the rest of America. And there are all sorts of ways that we can get into as the conversation progresses about why this is a bad thing, but I will just simply summarize it this way.

It's not such a big problem, if a truck driver does not understand the priorities and the sensibility and so forth of a Yale law professor or of a cabinet officials or rest of it. It is a real problem if law professors or news anchors or cabinet officials don't have any way of empathizing with the priorities of truck drivers.

If you have grown to adulthood and you have never held a job that caused a body part to hurt at the end of the day you fundamentally do not understand what

work is like for a great proportion of the population.

And I could go on with those examples. But I will skip to the question -- I will anticipate the question that I'm sure I will get; what's your solution? I'm a libertarian I do not do solutions.

(Laughter)

But, you know, the solution -- I will tell you this is a good news about the reception of the book. I'm directing it at you -- and by the way it is written in a way that all of you who are in the left, in this room, which I suspect is maybe a small majority -- you can read this book without throwing it against the wall. There are no shots at the left in the entire book until the last chapter, but that's okay you can -- where I do talk about my own perspective on a lot of this.

But what I'm really asking you is to think about your own self interest, for you and your children, about living a satisfying life. I don't want you to go out and do good, I don't want you to go out and mingle with the

rest of America, to help them out, I want you to consider the extent to which we have gotten very good at constructing glossy lives for ourselves, but ones that have lost a lot of texture; ones where if you think of the sources of satisfaction in your life as drawing from vocation, from your family, from your faith perhaps or from your community, think of the degree to which you may have lost a dimension known as community either defined locally or defined nationally in ways that are diluting the quality of your own life.

And I want you to think about the ways in which you can change aspects of your life that don't involve revolutionary changes, but can bring you back in touch again with the rest of the country in ways that will resurrect a phrase that was still in common use in 1960 and has since faded, which is a resurrection of the American way of life. Thank you.

MR. GERGEN: Thank you Charles, and thank you for Bob, for coming today this was a panel that Kitty and

I talked about some time ago, will be an ideal panel for Aspen, because it really addresses some very serious trends that are underway in the country that don't get a lot of conversation.

And, you know, the day-to-day news is all focused on the, who is up and who is down without a sense of what's going on underneath the surface. And the -- I was reminded as we prepared for this of a report that was written some -- almost half a century ago by Daniel Patrick Moynihan, whoever -- when he worked for Lyndon Johnson, he wrote a report for -- called *The Negro Family* and it was a call for national action.

And in that report he described it as, deterioration in the family structure of Negro families all across the country, especially the disappearance of fathers. And what that was doing to Negro life. And it was enormously controversial, he took a lot of flak for it. But what he warned and what we now see is he warned this is not a racial issue it's a class issue and it could

become a -- he warned that this same trend, these same ways of living could easily spread and would likely spread into the white culture.

And now what Charles Murray has come along and said, you know it's here. And that's -- and it is very serious, we do have a group of those -- many of us in this town who are elite, who don't understand it, and don't sympathize it, we don't talk about it, we've got our world separated out, as Charles said. And yet we have to understand both the dimensions of it and the causes.

And we asked Robert Putnam to come, because he has been thinking about a lot of these issues for a long time on the issues of civic engagement. He wrote the classic book *Bowling Alone*, that many of you I hope have read and understand and he has been concerned about the aspects of coming apart for a long time.

So what we asked Bob to do is come and give us a fairly long -- unusual for this kind of forum -- response to add, as to what he sees. And I think what we're going

to -- my sense is what we're going to see is that these two fellows have some -- had parallel lives; both grew up in the Midwest, both went East to school, got Ph.D.s in elite universities and now have -- you know, are coming full circle and thinking about the lives of people who grew up in communities like theirs. And they -- but they have parallel views of what's happening, but very different views of why, and maybe what needs to be done about it.

So with that Bob Putnam, thank you.

MR. PUTNAM: Thanks very much David, and thank you all for coming. Charles Murray's portrait, which he has just outlined, at least he has outlined parts of it, of America's coming apart is -- or coming apart along lines of social and economic class, not race, is in my view largely accurate, as far as it goes.

And to emphasize this, this split is about class and not about race. In his book he focuses almost exclusively on white folks. And I'm going to follow his

example here although we both recognize that troubling racial gaps persist. And my argument is going to be that Charles's picture of America has been inadvertently cropped in some crucial ways and that if we widen the scope of the -- of our view of what's been happening in America we get a somewhat different understanding what's happening in our country and of white matters.

And I want to begin by asking I guess I'm going to focus mostly on this -- what about the kids? Murray, devotes very few of his 400 pages in the book to exploring what difference this America's coming apart will make for the next generation of Americans.

And if we widen our focus to look not only at his two archetypal places Fish Town, which is his label helpful label for white working class America and Belmont, which is his useful label for upper class America. I want to focus not so much on the adults in Fish Town and Belmont, but on the kids in Fish Town and Belmont that's which redirects our attention from equality of outcome or

inequality of outcome in the current generation to inequality of opportunity in the next generation.

This is an important distinction this distinction between inequality of outcome and inequality of opportunity is an important distinction, which I think has been too much ignored in our discussions in America over the last year or so about equality or inequality.

It's fundamentally a distinction between two different generations yesterday's generation that's me and tomorrow's generation. And so I wanted to describe tomorrow's generation in two -- in a real place that represents in itself today both Fish Town and Belmont, but that a generation ago represented a very different America.

And the place that I'm going to talk about, a real place, is my hometown, which is Port Clinton, Ohio. And I graduated from Portland High School in 1959, this town of 5,000 people on the shores of Lake Erie roughly between Toledo and Cleveland, it was a kind of Wobegone on the lake, life was pleasant, not idyllic, not affluent, no

very rich folks in Portland, and very few very poor folks in Portland.

And the -- Portland was and remains overwhelmingly white just like Belmont and Fish Town. Unemployment in Portland in the 50s and 60s averaged under 4 percent. The dads of my classmates worked on the -- in local factories, which were suppliers to the automobile industry. It's part of that Midwestern automobile industry. Or they owned modest farms, or they ran small businesses. My dad was one of the people who ran a small business. And like many small businessmen he had his ups and downs. But like most parents in town my mom and dad were solid, supportive parents and the local schools were good.

One of the -- as I was about to go off to college that happened to coincide with one of the rougher times in my dad's business career. But I was fortunate, because the corporate parent of one of the local factories gave me a scholarship to go to college. And I -- off I

went to Swarthmore and then to Oxford and to Yale and a little later ended up teaching at Harvard. And my wife Rose Mary and I had two kids who graduated both of them from Harvard and they launched successful families and successful careers, both of them.

And we ended up with seven terrific grandchildren; I'd love to show you the pictures actually of all the grandchildren.

(Laughter)

But I want to talk very briefly about one of -- the eldest of our grandchildren, Merriam. Merriam lived with her two supportive parents in Pittsburg and went to the Pittsburg public school, but she wasn't doing as well there as she or they liked. And so she -- they enrolled her in a outstanding private school, we helped out a little bit with the finances and at her new school, unlike the public school in Pittsburg, Merriam studied microbiology and medieval history. She went off to summer one -- went off to Italy one summer to study cooking, she

made a lot of good friends in drama and in other extracurricular activities and in the fall she will enter one of the best liberal arts colleges in the country.

Merriam, like her siblings and her cousins all of our grandchildren is hard working, self assured, surrounded and supported by a strong family, by good friends, and by caring mentors. Now that story will sound benign to almost everyone in the room, because I could easily have been describing your kids or your grandchildren that's the kind of life our children and grandchildren live.

But I now want to tell you the story about the granddaughter of another Portland knight. A young woman that I will call Mary Sue, that's a fictitious name, but Mary Sue is sadly a very real person. In the half century since I left Portland, the town like many others in America, has been devastated by hard times. Beginning a decade or two ago when all those local factories closed and all the jobs fled. Unemployment today in Portland is

about 14 percent, almost the highest in all of Ohio, which is the center of the Rust Belt, most of the shops that I remember going to as a youth are out of business and their premises are derelict. So if you walk downtown in Portland mostly you are seeing broken windows and empty shops.

On the other hand the beautiful shoreline because it is right on Lake Erie has drawn well-to-do Ohioans from Cleveland and Columbus and so on and they have built up along the shoreline wonderful second homes. And so that strip, right along Lake Erie is in great shape and the local real estate people and local developers who have been there for -- been in Portland all their lives have done very well.

Portland, remains statistically among the most egalitarian places in America, compared to other parts of America today, but just like the rest of America inequality inside Portland has grown dramatically over this period. There are a lot of statistics that show

this, but the best example that I found of that was in a newspaper, a local Portland newspaper, a week or two ago, you could read an ad for a \$900,000 mansion on Lake Erie right next to an ad for an \$11,000 double wide. That's Portland today.

And in one of those doublewides about 18, 20 years ago Mary Sue grew up. Mary Sue, who my research team met in Portland last month is almost the same age as my Merriam. Her grandfather might have been one of my classmates, but when I went off to Swarthmore he chose to forego college in favor of a decently paid job, an honorable job, as a local fire fighter. He got married just like I did and raised a couple of kids just like Rose Mary and me who also graduated from high-school confident that they would lead a similarly comfortable future just as their dad had.

But when the factories closed and the good well paying blue collar jobs fled their future changed dramatically. So while my kids went off to Harvard and

successful careers, his kids never found a steady job, got involved in crack cocaine. I'm describing a real family by the way here -- got involved in crack cocaine and went through a string of impermanent relationships.

And Mary Sue is the product of one of those impermanent relationships. Let me just let you hear from Mary Sue about her own life. I'm going to be quoting from the field notes of my colleague, Jan Silver (phonetic), who was in Portland a couple of weeks ago. Mary Sue was very candid about her life, wrote my colleague, opening with her parent's divorce when she was little, which turned her life upside down, because her mother started stripping and leaving her alone for days. Her dad remarried a woman who would hit her and put up baby gates to keep Mary Sue in one room.

When Mary Sue was little she recalled her only friend was a yellow mouse who lived in her apartment -- in her trailer. At that point, said my aide, I abandoned the interview guide since asking about piano lessons seemed a

little absurd.

Instead I heard a harrowing tale of abuse, her step mother later went to jail for 7 years for child neglect, trouble with the law, Mary Sue herself was put in juvenile detention for a while, because she was caught selling pot and then she finished high-school online. So she actually never graduated Portland high school as she was living there. And she, Mary Sue, was left with a deep, deep distrust of anyone and everyone. Thrown into hard -- thrown into sharp belief by the burn scars on her arms where a man she hooked up with a few months ago burnt her in the middle of the night.

Mary Sue wistfully recalled that 4 years ago this month she had a still born baby, since breaking up with her baby's dad, who left her for someone else, and breaking up with a second fiancé who cheated on her after he got out of prison Mary Sue is currently in a relationship that feels stable, although her boyfriend has two infants with other women born 2 months apart.

Now the contrast between the lives of Merriam, and Mary Sue -- you can't hear that contrast I hope without just feeling sick to your stomach. But wait, you'll say, come on, haven't there always been great disparities of outcomes in American life? Aren't I just cherry picking a particularly tragic example to get your sympathy? To be sure Mary Sue's tragic experiences are not typical of every working class white kid in America and Merriam's life has been more fortunate than many upper middle class kids today.

But over the last 6 years my research team has conducted exhaustive quantitative analyses of young people nationwide that confirm a shocking truth. Merriam and Mary Sue, personify a sharply growing class divide among America's next generation that's grown rapidly over the last 2 decades. I am normally a numbers man. I spoke yesterday afternoon about the numbers that lie behind -- that underlay my claim about this sharply growing class divergence among our young people.

So I am not getting into the numbers now, but I'm going to just try to summarize very quickly what our research has shown. Over the last several decades, test scores of white kids from affluent homes like Merriam, have risen, whereas test scores from -- of white kids from less well-off homes, that is kids like Mary Sue, have not risen; as Professor Sean Reardon of Stanford has shown. Over the last several decades college educated parents like Merriam's parents have spent -- have more than quadrupled their Goodnight Moon time with their kids and their soccer sideline time, whereas kids like Mary Sue have had a much smaller increase in time with their parents. Because in part because as Charles has shown, more and more of the kids like Mary Sue only have one parent.

And that -- and by now across America the average the difference in the amount of time that Mary Sue's parents and Merriam's parents spend with them is an hour a day. The Merriam's of America are getting an hour

a day more of their parent's time than the Mary Sue's.

And worst yet the time -- this time difference is concentrated in the first three or four years of life precisely when time with mom and dad makes the most difference. Affluent parents are also investing more financially in their kids, not just investing time over the last year -- over the last 40 years income -- lower income parents of all races have increased -- lower income people have increased their spending on enrichment for their kids by \$400 -- by a little less than \$500 a year in constant dollars. Whereas upper middle class families have increased their spending on enrichment for their kids by \$5,300 a year a ratio of more than 10 to 1.

So it's not just investing money, it's also investing time, a generation to go there were no class differences in religious observance in America, but now attending church among the Mary Sue's in America has collapsed, working class participation in class has -- in religion has declined among working class kids; whereas

among the Merriam's of America church involvement --
religious involvement has not changed much.

A generation ago there were only modest, very
modest class differences in extracurricular activities in
high-school but over the last several decades
participation in band and French club and debate and
varsity sports have risen sharply among the Merriam's of
America and has fallen sharply among the Mary Sue's of
America.

Over the last several decades involvement in
community activities like scouts and volunteering have
risen sharply among the Merriam's of America and have
fallen among the Mary Sue's of America. Over the last
several decade social support from peers and mentors has
risen among the Merriam's of America and fallen among the
Mary Sue's of America.

And in short it is not surprising measures of
how much they trust other people, how much they trust the
people around them among the Merriam's of the world have

gone up over this last 30 or 40 years; and among the Mary Sue's of the world have collapsed in America.

Well, no wonder virtually every social institution in America has failed Mary Sue, family, church, school, community, or institutions, friends no mentors anymore in the lives of these kids. Mary Sue's reliance on that yellow mouse for friendship accurately symbolizes the social isolation of many white working class kids in America and it didn't use to be that way.

In short, the contrasting lives of Merriam and Mary Sue are depressingly typical of America that we live in now and it didn't use to be that way in Portland or in America half a century ago. All the -- and here is the most important part of what I'm saying all of those things that I just described time with parents, going to church, being involved with community activities, getting higher test scores. All of those things predict success in life.

And therefore they point directly at what we could call an opportunity gap, an opportunity gap that is

already on us in America though it hasn't yet shown up in the national statistics on social mobility.

Merriam, my Merriam, is talented and hard working and deserves her bright future. But Mary Sue, doesn't deserve her bleak future her parents made mistakes, but her -- she already made one mistake, she chose the wrong parents.

(Laughter)

And that's fundamentally unfair and it's fundamentally a -- it signals the collapse of the American dream that kids from all sorts of backgrounds, if they work hard and play by the rules, can have a chance at upward mobility.

Why did it happen? Well there are a number of parts of it, part of the explanation is the trend that Charles Murray has' highlighted, the collapse of the white working class family. But where did that come from? How come that white working class family collapsed? Charles is a little agnostic on that question, but he's kind of

preferred explanation for this collapse of the white working class family in the last quarter century is the social welfare reforms of the great society. But in Portland that story just doesn't sound nearly as plausible as the much more obvious story; three decades of vanishing jobs and economic insecurity for the bottom half of the U.S. labor force.

Given Mary Sue's story it's hard not to demonize her parents, but we have to ask why they, unlike their parents, unlike the people the less-educated people, the college educated, high-school educated people that I went to school with they weren't monsters, why did their kids become monsters.

And the answer I think -- all the serious scholarship and I'm -- there is a long footnote here to the dozens of articles that looked at this question -- all the serious scholarship says the collapse of the white working class family is above all traceable to the collapse of the working opportunities and the economic --

the growing economic insecurity for that group, the family structure that Charles talks about is only part of the story.

In order to become a talented -- a tenured Harvard professor you have to pass a test in name dropping. And I'm now about to try to prove to you that I'm a legitimate Harvard professor. Four or 5 years ago I was talking with George W. Bush and Laura Bush and Karl Rove and a few other people in a White House about our emerging results and they were quite taken by them. To his credit the president was very much engaged in this question.

And his first question was exactly the right first question, and it was one that Charles would approve of; how much, said the president of this is attributable to family structure? That was the right first question, as I said, and the answer is a little less than half of this total change is attributable to the change -- to the total change of the kid's experience I mean is

attributable to the change in family structure.

Well what else could it be, he said. And I was kind of stumbling around talking about the growth in income inequality in America. But Laura Bush stepped in and saved me, she interrupted me, and interrupted her husband and turned to her husband and said, "George, if you don't know how long you are going to keep your job and you don't know how long you're going to keep your house you just have less energy to invest in the kids. And I think that's probably right on target.

I think that -- in my research we call that the Laura Bush hypothesis -- and it's a story about how growing economic insecurity among the working class is feeding through into the next generation. There are other explanations that are part of the story here, one is the collapse of working class -- of the social fabric of working class neighborhoods so all the sociological safety nets that used to exist in the Fish Towns of America and in Port Clinton, the churches, and you know the Knights of

Columbus, and the Parks and Rec guy who paid attention to the kids on the playground all of that in working class towns across America is gone now.

The Knights of Columbus has shut down, Parks and Rec was one of the first things to get hit by budget cuts, and the -- you know, all the neighbor ladies who used to work -- who used to look out for kids who weren't doing very well are no longer there in the neighborhood. And what that means is that if a chick falls out of a nest there, because something goes wrong at home, there is no net -- there used to be a net to catch those chicks in working class neighborhoods -- that net is all gone.

Solving this problem will be costly; not solving it will be even costlier. If success in life comes to depend upon how well you choose your parents our country will pay a massive economic price for writing off about a third of our workforce. And morally, such a system is simply unfair.

My parent's generation thought of all the kids in Portland as our kids. But in the ensuing half century the meaning of our kids has shriveled, we now think of Merriam as our kid, but Mary Sue is somebody' else's kid. That's not how America thrived in the past and it can't be our future. Thank you.

(Applause)

MR. GERGEN: Charles, it's remarkable to me to what extent the two of you agree on your description of what's emerging and clearly you have disagreements about the causes. Can you now address that issue of -- to what extent is the loss of jobs in a Rust Belt area versus cultural factors?

MR. MURRAY: Yeah I explicitly do not talk about causes in the book for the new lower class for a very specific reason, because I wanted you to be able to read the book. If I had rehearsed the arguments that I wrote in *Losing Ground* you would have never gotten past of prologue. And the reason that I thought it's okay not to

deal with that is because to a great degree what the original causes were are irrelevant to what we do now.

Let me give a quick example of this in *Losing Ground* I talk about the increase in out of wedlock births. And I argued that social policy had a lot to do with that. Particularly it made decisions of young people that made sense in the short-term that didn't make sense in the long-term.

But suppose I was right the fact is that once you have growth of out of wedlock births for whatever reasons you also start to lose the stigma, once you start to lose the stigma, then the behavior, the dynamics of that behavior, which is increased -- we are now looking in Fish Town at about half of all births out of wedlock, a white community, remember.

You know the reason that it continues to increase is no longer what I would argue is the original cause and a lot of the same thing applies I think to economic explanations. Let me suppose, let's say okay I

agree with all of Bob's description of what's happened in Portland and generally in the working class. And so I say, okay, I have a program, even though I'm a libertarian, which is going to produce a really hot job market. It is going to be a job market where you see help wanted signs hanging out everywhere, and not just for minimum wage jobs. I would be talking about an environment in which the average wage for working class jobs is about \$18 an hour okay.

If I can do that, jobs everywhere, pretty good wages, surely we'll see some resuscitation in Fish Town of what we've seen in this kind of collapse. Well, I'll tell you what, I'm describing the late 1990s that's what we had. During that same period white male labor force participation in the working class didn't budge, it had been rising and so I guess the good news it stopped rising, but it did not go down.

The work hours did not go up as you can work as many hours as you want to do work in the late 1990s, work

hours didn't go up. And here as -- I'm really happy to hear Bob describe the field work these people are doing, because in those field notes in so far as you've engaged in extensive conversation is a reality that we have to come to grips with.

If you go down to Fish Town and you talk with guys in Fish Town about why they aren't working, you are not going to hear them tell you stories about, went out looking for jobs you know for two or three months and I finally got discouraged and I didn't do it. When you talk to women about why they didn't marry the father of their child they are not saying you know, Joe, is a great guy, but he just doesn't feel it's right for us to get married when he doesn't have a job that can support the family.

What they are going to tell you over and over and over again is, why would I want to marry that bozo. he can't hold onto a job, he gets jobs occasionally and then he doesn't show up for work, or he shows up work drunk, or he doesn't work when he is there and he gets

fired. And that's happened over and over again bringing him into the house would be like bringing a new child into the house.

Paul Solman, who does the NewsHour segment on the economy, yeah PBS, he did an interview with me, a segment last January -- February, but he asked us before he came up for the interview to also bring a couple of employers of local labor around. So we had one guy who does general contracting and another guy who has one of these things that does tree work.

And it turned out the reason he wanted to talk to them was to talk to them about their problems in getting guys to work for them, because he said to me when we got out and do stories on unemployment from the traditional PBS point of view, we keep getting this even though we aren't looking for it again and again in places, which have high unemployment, and employers are saying, I know the unemployment rate in this area is X but I'm also telling you I can't get people to fill these jobs.

So there is my solution, a really hard economy, good paying blue collar jobs and I'm telling you we've been there done that and it does not address the cultural changes that have happened for whatever original causes. And so I think we have to initially focus on a common description of the problem and the fact that Bob and I can do that so completely I think it's a step forward.

MR. GERGEN: Yeah Bob, let me ask -- follow that up, because I wondered to what extent the changes that have come have now imbued into the younger members of the workforce, or the potential younger members of the workforce this attitude that work is sort of beneath me in some fashion or I don't want to do long hard work. I have been startled in three different occasions in the last 2 years to be with a group of CEOs from around the country who didn't know each other, but were just having a conversation about what they faced while in their company.

And this theme has come up every time among the CEOs that when they hire -- that when they provide jobs

and hire a young white guy in his 20s or early 30s frequently the guy is much more interested in what's going on his iPhone, he does not want to work overtime hours and he does not regard it as a long-term job. It is something he does on the side, he will do temporarily, and there is a very high turnover rate. And there is something that's infecting the way people approach jobs even if they are there that I have heard about again and again. I'm curious how you see that and how that fits into sort of what we should be doing?

MR. PUTNAM: Well first of all David, this is not an audience in which I want to impugn CEOs as --

(Laughter)

As witness -- as tests -- as witnesses on the question of the outlooks of working class guys. This -- and I'm not at all trying to say that this is only a problem caused by joblessness, I think it was originally caused by joblessness, I think that it's now seeped into the white working class culture. But not the -- actually

not all David, what you said about work is beneath me. These are people, for the most part, who have tried so hard and know other people who've tried so hard that they've just given up on the whole society. Not -- it's not they -- what they think they can relax on welfare or unemployment and work is beneath them that's not their outlook at all.

From talking to them not talking to CEOs, but talking to the people who would -- you know the people we're talking to. But this is -- I don't want to get too deeply involved in a debate about the relative importance of economics and the relative importance of culture, because this is why, this is quintessentially a purple problem.

The problem we're talking about here if you see it only through red conservative lenses, as I would argue Charles does, you see --

(Laughter)

MR. MURRAY: Even if you only see it through blue lenses.

(Laughter)

MR. PUTNAM: No, but that's -- but wait a minute Charles, let me finish my sentence, let me finish my sentence at least -- if you see it only through red conservative lenses you see correctly some parts of the problem. That was what I was going to go on to say.

MR. MURRAY: Okay.

MR. PUTNAM: Can I finish the rest of the sentence?

MR. GERGEN: Yeah, sure.

MR. PUTNAM: And if you see it through blue progressive lenses you see correctly other parts of the problem, but if we -- I desperately hope we don't have a -- don't have a debate about -- this is what the structure makes it --

MR. MURRAY: Yeah.

MR. PUTNAM: Like we're supposed to have debate about is it' really a red problem, really blue problem. It's really a purple problem but it's really a problem.

MR. MURRAY: I agree absolutely.

(Applause)

MR. GERGEN: Yeah you agree with that.

MR. MURRAY: Absolutely.

MR. GERGEN: Okay. That's important that's fundamentally important, but before we go and I want to open this to the audience, but I've got a question about the group the large proportion of population is left out of this conversation and that is the minority population.

If you look at the Hispanic population, the black population are they more like Fish Town or are they more like Belmont or how -- what sort of proportions, because I think that describes or puts this in a bigger context. I might say, among the CEOs recently I talked to, they said the young Hispanic guys who come in want to work harder and longer and are willing to bust their tails

to get it done and it was quite striking to me?

MR. MURRAY: Well the way I dealt with that in the book is in the penultimate chapter, I say, okay I have been showing you all these graphs limited to non-Latino whites. I'm now going to replicate those graphs for the entire population. And I was kind of surprised actually the degree to which the lines just were incredibly close together, because what happens is even if you have from one indicator, let's say a different problem in the black community -- the Latino community may very well be on the other side of that and it all averages out.

And so there are, as Bob said, still important racial and ethnic disparities no question about that. But if you take a look at the profile of the problem we're both describing and you extent it to the country as a whole, the whole picture is really in the aggregate quite similar.

MR. PUTNAM: I agree with that, but let me just add one more think if I can David.

MR. GERGEN: Yeah.

MR. PUTNAM: On a number of measures including out of wedlock births, but also other all the other things that we've talked about, there is an interesting pattern you can look at race and class are correlated in America. But what you want to know is how important is the race part of that controlling for class and how important is the class part controlling for race? And if you do that analysis it turns out that racial differences controlling for class are declining in America and class differences in America controlling for race are increasing. What does that mean if I stop this statistical explanation? What it means is that college educated non-whites in America are looking more and more like college educated whites.

And high-school graduates or high-school dropouts who are white are looking more and more like high-school dropouts or high-school graduates who are non-white. For most of my life we in America we've talked about racial differences and we should have been, but if

you impose a racial framework on this problem now it's increasingly distorted, because both for blacks and for whites and for other races too is the class differences and not the skin color differences that are increasingly most important in accounting for the pathologies we're talking about.

MR. GERGEN: Well that actually can be helpful in terms of thinking about responses.

MR. PUTNAM: Yes.

MR. MURRAY: Yeah. It frees up the conversation enormously.

MR. GERGEN: Yeah.

MR. PUTNAM: You always have to add, and it's important to add, neither of us -- I'm certainly not saying that racial differences have disappeared, period. Racial differences still exist, it's important we pay attention to those. But if we focus only on that we're missing this larger story.

MR. MURRAY: Right.

MR. GERGEN: Let's open this up, yes, Dana
(phonetic) --

DANA: Yeah I --

MR. GERGEN: Please stand, if you would, so I
think everybody can -- and here is a mike.

DANA: I think this mainly to you, Mr. Putnam,
but it is the issue of education and we talk about the
disappearance of the Park Recs people and all the other
civic institutions that have been a kind of social safety
net for the kids that fall out of the net -- out of the
nest.

But in all of this aren't our schools really
failing these kids, I mean, if we had such a strong
emphasis on public education and so schools could catch
the Mary Sue's of the world in a way that was more
generous and helpful. But this seems to be at least one
institution across the country that could be much more
helpful if we really thought that public schools and
public school teaching were the most important thing that

the United States should be investing in?

MR. PUTNAM: I didn't -- yesterday in my talk I went through a list of six things we might do about the problem I skipped that here, because I was running out of time. High on that list is education that's right I want to be careful about the language we use, because I don't think the problem is the schools have started failing I think it is that a lot more social problems are now being dumped into schools because kids are coming with much less.

(Applause)

So I think, you know, you live with the problem you have been given and I think that requires us to do a lot more stuff in school that in earlier years -- or for my kids, my grandchildren is being done at home. And that means we're going to have to think more and more about schools not just as places where you learn to read and write, but it's where you'll learn a lot of the kinds of human social skills that in other settings would be -- would have been handled by families.

You might say well that's letting Mary Sue's family off the hook. But how about Mary Sue, it's Mary Sue we've got to worry about and if we are going to ask her first grade teacher to solve this problem we got to be thinking lot more about the training and motivation of teachers and that's going to be costly this is not cheap.

Just think it's going to be more costly if we don't help Mary Sue. The second thing is a lot of these differences that I'm talking about you can see in the data occur very early, way -- these class differences are visible in the data long before kids go to school, they are not getting this divergence because of school, they arrive in school with that. And what does that mean we've got to focus a lot more energy on high-quality early childhood education.

Our grandchildren, my grandchildren, your grandchildren get that right, because we pay for that. But Mary Sue, can you imagine her going to her mom, the mom -- or her step mom the mom who beat her up and saying -

- I know the 3-year old saying, "Please, I'd like to have a little money so I can get pre-school education." It's not going to happen. Over the long run we've got to also worry about how to fix that family. I agree that that's true but in the short run it's Mary Sue I'm worried about I'm much less worried about the Fish Town adults. I'm worried about the kids in Fish Town.

So education both pre-school and in school are important parts of the problem, there are other things we need to do, we do need to lift up the importance of a family, I agree with a lot of that from Charles. We do need to think about providing decent more decent -- decent jobs for working class kids -- for working class adults that is part of the solution here.

There are other things we could do too, but I have gone on too long.

MR. GERGEN: If you have the microphone -- where do you have the microphone back -- there -- because there is one, two hands back here, three.

MS. ALLEN: Judy Allen, from Houston, Texas. I just want to share with you briefly that we are probably, our Houston independent school district is perhaps the second largest in America and it's highly ethnic, because the whites have gone somewhere else and we discovered in Houston the Mary Sue's were in school and there would be the little boy that would come that would have the same shirt on day after day after day and by the end of the week of course it was dirty and he showed up on Monday in the same shirt.

So the community got together and founded something called communities in school and privately funded and every -- hopefully every one of the independent schools starting elementary and middle school, high-school now has a counselor in that school.

So that when the teachers see little Johnny in the same shirt the teacher tells the community in schools counselor and the community in school counselor begins to get to know Johnny, Johnny where do you live? Well on

Monday's I live with my grandmother and on Tuesday's I'll sometimes I live with my dad.

And so that we can begin to wrap ourselves around that kid's life and it has been a successful, expensive program. But successful I just wanted to share that.

MR. GERGEN: Thank you. This -- Communities in schools is a rapidly growing national program now. There is another hand back there behind on the left and there's a hand way down on the right.

MS. JOYNER: Hello, I'm Candace Joyner, and I'm a Bezos scholar and my question is what is the first step that must be done to break the generational cycle that we see so many people falling into like Mary Sue, because this isn't just the purple problem it's a global problem?

MR. GERGEN: Okay.

MR. MURRAY: I don't know I don't have good answer for it.

MR. PUTNAM: Well, I'm not trying to monopolize the discussion of solutions here; I'm trying to get my partner here to come up with some positive ideas.

(Laughter)

MR. MURRAY: Okay, let me --. I evaluated the predecessor of community schools called citizen schools then back in the late 1970s. The people were -- and this is when I was working for a non-partisan research organization that did this work on contract for the government. Called citizen schools it was run by absolutely dedicated people, loved them, and we were trying to find evidence of positive impact and we could not find it in any of the numbers, even though they said we know we are making differences in the lives of our kids. And I said look I can't, you know, come up with anything in the numbers, but why don't you just tell us your success stories, qualitatively.

And we will put those in report, go to your files. And so they would do that and they gave us the

success stories where such and such a child had dropped out and then came back and so forth. But then of course we had to look at what happened to the success story, a year later, there was not a single solitary one of the success stories they told us that had not gone back to baseline by the next year, not one.

And they were devastated by this and I was devastated by this. It actually was one of the major incentives to write *Losing Ground*. The reason I'm telling this story relates to the question that was just asked, what's the first step? And here is where I'm going to, I'm afraid fulfill a lot stereotypes.

I spent my professional life before I became a right wing ideologue evaluating social programs done by the government, it is not that we found only a minority of them were successes, the evidence for important impact on the lives of children was incredibly hard to find.

And so the answer of the question is what is the first step? The first step in my view is that we start

talking openly and honestly about the importance of bringing a child into the world as a moral act the most important moral act we do. And it is wrong not just a mistake it is wrong to bring a child into the world that you are not prepared to care for. We have to say that out loud.

(Applause)

And one of the problems of this of course is you are demonizing single mothers. And I understand why people don't want to do that. But I'll tell you what is there any reason we can't demonize the guys? To impregnate a woman knowing that you are not going to play a role in the life of that child that you're not going to take on your responsibility, I don't see any reason at all not to start speaking openly about that and this goes to the new upper class.

Because you know what is one of our major problems, we do not preach what we practice, we get married before we have kids, we invest a lot of stuff that

has nothing to do with money and a lot to do with time. But what we won't say is this is not just our individual lifestyle choice this is absolutely essential if we're going to come to grips with this problem and it's essential across class so that's your first step. Thanks for prompting me to give an answer to that.

MR. GERGEN: Yeah.

MR. PUTNAM: Sorry, can I --

MR. GERGEN: Yeah, please but then move the microphone here while Bob's speaking.

MR. PUTNAM: There is a little bit of a double standard, this is we are -- I'm trying to have this be a friendly let's figure out how to get ourselves (inaudible) together. But there is a little bit of a double standard, because Charles, asking for hard nosed evidence that communities in schools for example works. So there is some evidence despite what Charles said that -- the programs like that actually do make a difference. But Charles didn't offer any evidence, not a scintilla of

evidence, the preaching of the sort he wants makes any difference at all.

And in fact the studies that have been done of programs that involve preaching are completely clear that preaching alone does not have a scintilla of impact on this. I'm in favor of doing this is a purple problem, but let's not say that the sort of the blue solutions have got to pass some statistic rule stringency test and that the red solutions don't have --

MR. MURRAY: Okay let me clarify what I meant by preaching. I don't mean taking a blow horn and going down in the street corner. I do mean changing the nature of conversations and that's, it has to be done on an individual conversational basis.

MR. GERGEN: Let me just add to that Bob, I have this experience with this about Sawhill, who I think is respected in her sense of things and she had a purple answer on something very similar to this. Because I was very involved in the teen pregnancy effort some years ago.

And we had a national committee to reduce teen pregnancy and it actually came down by half.

And Isabel told me you know the reason I think it came down by half was that both sides had something to contribute to this debate that this distributions of condoms made a big difference, but so did Just Say No that the Just Say No campaign was in her view as equally important as the condoms. And I'm wondering whether that in fact suggests there may be purple solutions as well as purple ways to diagnose?

MR. PUTNAM: Actually, I agree that it is important that we not stigmatize the single moms, but I do think that part of the culture that's involved here is that among a significant number of white working class guys, it's now okay to walk away from the results of your sexual activity didn't use to be and we've got -- we have to address that, but doing that only from a preaching point of view is not going to so -- we've also got to provide a positive option for those guys.

MR. WISE: Hi I am -- hello, I'm Jeff Wise and I am from Connecticut. The data is what the data is. We've heard a lot this year from both the aisle about class, can you give your opinions on the communication and policy that's come out of the White House over the past year or so?

MR. MURRAY: I don't have an answer for that one.

MR. PUTNAM: Well I don't have any -- for better or worse I don't have any connection with White House. I think that there was the -- so I don't have any connection with the White House, but this is my reading from outside. I think there was some discussion -- the White House clearly understands the difference between the equality of outcome and equality of opportunity. And I think there was a time last winter when they were thinking maybe we should frame this issue as about equality of opportunity rather than about equality of outcome.

I think that got swamped in the politics of this by a focus more on the current distribution of income.

And Mr. Romney, is talking about opportunity that's great and -- but he is not talking about equality of opportunities, he is just talking about opportunity, which -- who knows what that means exactly.

And I kind of have a hope that if they got talking about these issues, one of them talking about equality and the other talking about equality of opportunity and somebody said how about the intersection of those if we might have a -- and this is a little optimistic, but we might actually have an enlightening discussion of the kinds of problems that we're talking about here.

I mean the downside of that is -- and this why is I am ambivalent about the question -- I desperately where my single biggest worry is it this problem will get turned in -- we'll get so caught up in the polarized politics of America that we end up having an argument that.

MR. MURRAY: Yeah.

MR. PUTNAM: You and I are trying to avoid here.

MR. MURRAY: Right.

MR. PUTNAM: About whether it's really a purple -
- a red problem or a blue problem.

MR. MURRAY: Can I just interject something
since we are about at the end of the time?

MR. GERGEN: Yes.

MR. MURRAY: Isn't it interesting that we've had
no questions about the new upper class.

MR. GERGEN: Right.

MR. MURRAY: Because we're pretty problematic on
our own.

(Laughter)

MR. MURRAY: But it's fascinating the rate at
which we focus on the most disadvantaged and I can
understand some of the reasons for that, but it is still I
think something I hope that people walk away from here
saying you know what, we got to start thinking deeply
about the new upper class and the implications of it's
isolation for the future of the country, which is not a

political statement either.

MR. PUTNAM: We've got to think of those kids as our kids.

MR. MURRAY: Yeah.

MR. GERGEN: Right. Let me ask -- and we promised the sponsors we'd (inaudible) and I'm sorry we can't get to all the hands, because this has been a very rich discussion. Charles, you've written about the fact that the upper class now has to choose about whether it's going to get engaged with the rest of America or be isolated from it.

And I think this civic engagement is exactly what Bob Putnam has been writing about it for a long time. There is this movement afoot now, as we all know, among young people especially going to good universities to become social entrepreneurs as they call it and we've had this astonishing volunteer effort, I am on the board of Teach For America and, you know, we have where -- we have an avalanche of kids who want to now go out and teach in

tough schools and you know at Harvard 9 percent, 3 years ago 9 percent of the seniors applied for Teach For America. This last year was 18 percent.

So one out of five kids at a lot of major university say I want to go work in tough urban places for at least 2 years and 60 percent stay engaged in public education reform. They have started charter schools, the KIPP schools, what's going on in Houston with KIPP schools and going on elsewhere. It's a pretty remarkable change.

Should that be something that should national service, volunteer national service be something that we push hard I happen to believe in it, or do you think it's just trimming where do you --

MR. MURRAY: Well if you say volunteer I have no problem with it. I guess I would just interject this it's fine kids Teach for America go work for Habitat for Humanity or for -- but you know what we tend to do, we -- again talking about the new upper class, we tend to make certain that our kids leave their private school one night

a week and go work at the soup kitchen or we send them off to Habitat for Humanity for a month. We give them some contact as kind of tourists into the most disadvantaged parts of America.

But they have no idea of what life is like in an ordinary working, you know, solid working class, middle class community where people are holding their lives together, running their communities, they have no idea what that kind of life is like.

MR. GERGEN: Have you been out in this in Harlem in some of these schools where, you know, these charter schools, the KIPP schools, have you seen what's going on there?

MR. MURRAY: I'm not --

MR. GERGEN: You know this is not tourism.

MR. MURRAY: No, no I'm making -- okay I'll withdraw that.

MR. GERGEN: Yeah.

MR. MURRAY: I will say I do know of some upper middle class wealthy people who have their kids be tourists.

MR. GERGEN: Yeah, I've heard that.

MR. MURRAY: I'm making a different point, I'm all in favor of community service to the most disadvantaged parts of America. I'm really worried about the extent to which the new upper class hasn't a clue what ordinary Americans are like.

MR. GERGEN: Fair enough. That's fair enough. Bob, your final word.

MR. PUTNAM: About 100 years ago America faced a somewhat similar kind of set of problems. And one of the pundits of that era made a distinction, I think, it's relevant in this context between doing for and doing with. Doing for is maybe a nice thing to do it makes you feel good, but it doesn't change your sense of what the reality in that other world is like. Doing with does, and so that test I have of these schools of these volunteer programs

is do they actually involve our kids or our grandchildren doing with people from another background not just a kind of maybe bountiful --

MR. MURRAY: Amen.

MR. PUTNAM: Doing for.

MR. MURRAY: Amen.

MR. GERGEN: But isn't this where your granddaughter gets a chance to work with the Mary Sue?

MR. MURRAY: Yeah I -- David I --

MR. GERGEN: Yeah.

MR. MURRAY: You are preaching to the choir.

MR. GERGEN: Yeah.

MR. MURRAY: Yes I agree very much with them.

MR. GERGEN: Yeah. Well, listen I -- what interested me coming out of this -- somewhat inspired me coming out of this -- these two fellows are coming from different places as you can tell actually come out in much the same place on the fundamentals here. And I think, unlike some of the other arguments that are going on in

this country, which are so split and so acerbic and so stupid.

(Laughter)

This is actually very, very fruitful, I promise this. We thank you both being here.

(Applause)

* * * * *