

FIVE

Risk

Until it closed, the Trout Bar was one of my favorite places to unwind in New York. Located in an old factory building in Soho, the Trout was not inviting; you walked down into a half-basement, and the view out the windows provided a democratic prospect of unidentifiable shoes and ankles. The Trout was Rose's kingdom.

She had, when barely out of high school, married well to a middle-aged felt manufacturer in the days when men wore hats. As was the way thirty years ago, she promptly had two babies. The felt manufacturer nearly as promptly died; the proceeds from his business she used to buy the Trout. Apparently you make your way in the bar business in New York either by becoming hot or remaining lukewarm; the first means snagging the floating population of models, bored rich, and media honchos who pass for "style" in our city, the second requires drawing in a sedentary local clientele. Rose chose the latter route as more certain and the Trout filled up.

Food at the Trout was only for the foolhardy. The cooks, Ernesto and Manolo, lacked any understanding of the function of heat in the cooking process, so that a rare cheeseburger usually arrived as a dry, leathery object requiring a sharp knife. But Ernesto and Manolo were Rose's "boys"; she joked with them, yelled at them, and they made rude comments back to her in Spanish. Out front, social life was different; peo-

ple came there to be left alone. I suppose all big cities have oases like this. I saw the same regulars for an entire generation, and made endless conversation with them, without ever making friends.

Though in fact a solid, no-nonsense New Yorker, Rose looked and sounded like the “character” that people in New York Bohemia prefer. Her eyes were magnified by huge square glasses which only seemed to emphasize her voice, a nasal trumpet from which issued frequent cutting comments. Her actual character lay hidden behind this facade. She would have snorted had I ever told her she was sensitive and intelligent. But her problem was that she wasn’t making anything of herself by serving coffee and drinks to the neighborhood’s unemployed actors, tired writers, and beefy businessmen. She had the required midlife crisis.

A few years ago she decided to get out of the cozy, profitable realm she had constructed at the Trout. It was a logical moment to change; one of her daughters had married, the other had finally graduated from college. At various times, Rose had been canvassed for information by researchers for an advertising agency which specialized in beverages, merchandising booze in slick magazines. Now they told her about a two-year contract open in the agency for someone to work on revitalizing the sale of hard liquor, since the market share of scotch and bourbon was falling. Rose seized the opportunity, applied, and was accepted.

New York is the international home to the advertising trade, and people employed in the image business are easily spotted by other New Yorkers. Media men cultivate the look less of the staid official than of the prosperous artist: black silk shirts, black suits—a lot of expensive black. Both men and women in the trade flourish in a network of lunches and drinks dates, parties at galleries, club-hopping. A publicity agent in the city once told me there are only five hundred people who really matter in the media businesses of New York, because they are out and about and visible; the thousands of others who toil in

offices inhabit a kind of Siberia. The elite network operates by “buzz,” that high-voltage current of rumor flowing day and night in the city.

It didn't seem a good milieu for Rose to spread her wings. On the other hand, you can reach the point when it seems as though if you don't do something new then your life, like a well-worn suit, will become ever shabbier. Rose seized her opportunity with the wisdom of a small business owner; she leased rather than sold the Trout in case things didn't pan out.

The Trout, in the view of all regulars, suffered a subtle but profound decline when Rose left. The new manager was relentlessly friendly. She filled the windows with houseplants; salsa and other healthy snacks replaced the greasy peanuts long favored by the clientele. She possessed that combination of human indifference and bodily cleanliness I associate with Californian culture.

After only a year, though, Rose was back. The unobstructed sight of walking feet almost immediately replaced the houseplants, the greasy nuts returned. For a week the woman from California hung on, and then she too disappeared. We were immensely relieved, of course, but we wondered. At first Rose would only explain that “you can't make any real money in a corporation,” a statement apparently logical to the unemployed actors. To me Rose was uncharacteristically evasive. Every once in a while during the first few weeks she'd let slip a bitter comment about “slick uptown kids.” Finally, she said, apropos of nothing, “I lost my nerve.”

The simplest reason I supposed Rose returned early was culture shock. In stark contrast to the daily reckonings of success and failure, profit and loss, she used in running a small business, the advertising firm operated mysteriously—though in this business the puzzles have to do with human success and failure rather than the operation of machines. One day back at the Trout, she remarked to me an “odd thing” about the people who make it in the image business. The successful people in advertising are not necessarily the most ambitious, since everyone is driven. The really successful ones seem the most adept at walk-

ing away from disaster, leaving others to hold the bag; success consists in avoiding the reckonings of the accountant's bottom line. "The trick is, let nothing stick to you." To be sure, there is in every enterprise in the end a bottom line. What struck Rose was that even after such a reckoning, a person's past record of failures counted for less to employers than contacts and networking skills.

That discounting of actual performance applied to her as well. Though she had a formal two-year contract, "they made clear that they could buy me out and let me go at any time." Since she had leased the bar, this didn't prove a mortal threat. What got under her skin was more subtle: she felt constantly on trial, yet she never knew exactly where she stood. There were no objective measures which applied to doing a good job, apart from buzzing and whatever skill is required to "let nothing stick to you." And this was particularly disturbing because Rose was making a personal experiment. She hadn't entered this world to make it big financially, only to do something more interesting with her life. Yet after a year, she told me, "I didn't feel I was getting anywhere; I just didn't know."

In fluid situations like this, people tend to focus on the minutiae of daily events, seeking in details some portent of meaning—rather like ancient priests studying the entrails of slaughtered animals. How the boss says hello in the morning, who got invited just to drinks at the lemon vodka launch and who got invited to the dinner after: these are the portents of what is really happening in the office. Rose could deal practically with anxiety of this trivial, daily sort; she was one of the most sturdy human beings I've known. But the feeling that she had no anchor in the glittery seas of the image business wore her down inside.

Moreover, in the advertising agency she learned a bitter truth about the past experience she brought to her gamble on a different life: middle-aged people like her are treated like deadwood, their accumulated experience taken to be of little value. Everything in the office focused on the immediate moment, on what was just about to break, on getting ahead of the

curve; eyes glaze over in the image business when someone begins a sentence “One thing I’ve learned is that . . .”

It takes courage for a middle-aged person like Rose to risk something new, but uncertainty about where she stood combined with the denial of her lived experience sapped her nerve. “Change,” “opportunity,” “new”: all rang hollow by the time she decided to return to the Trout. Though her willingness to risk was unusual, though the media business is unusually fluid and superficial, her failure illustrates some more general confusions about orienting oneself in a flexible world.

RISK TAKING CAN BE in many different circumstances a highly charged test of character. In nineteenth-century novels, figures like Stendhal’s Julien Sorel or Balzac’s Vautrin develop themselves psychologically through taking big chances, and in their willingness to risk everything they become nearly heroic figures. When the economist Joseph Schumpeter invokes the creative destruction practiced by the entrepreneur, he writes in the spirit of those novelists: exceptional human beings develop by living constantly on the edge. The traits of character evinced at Davos, letting go of the past and dwelling in disorder, are also ways of living on the edge.

The willingness to risk, however, is no longer meant to be the province only of venture capitalists or extraordinarily adventurous individuals. Risk is to become a daily necessity shouldered by the masses. The sociologist Ulrich Beck declares that in “advance modernity the social production of wealth is systematically accompanied by the social productions of risks.”⁵⁵ In a more homely vein, the authors of *Upsizing the Individual in the Downsized Corporation* invoke the image of work being continually repotted, like a growing plant, with the worker as the gardener. The very instability of flexible organizations forces upon workers the need to “repot,” i.e., take risks with, their work. This business manual is typical of many others in making a virtue out of that necessity. The theory is that you rejuvenate your energies by taking risks, and recharge continually.⁵⁶ That “repotting” image is comfort-

ing; it domesticates the heroism of risk. Instead of the life-shaking drama of Lucien Sorel's gambles, risk becomes normal and ordinary.

The word "risk" itself descends from the Renaissance Italian word for "to dare," *risicare*. The root does indeed suggest an attitude of bravado and confidence, but this is not the whole story. Up to relatively recently, games of chance and risk-taking appeared to dare the gods. The modern phrase "tempting fate" comes from Greek tragedy, in which Ate, the force of fate, punishes men and women for the pride of daring too much, of presuming on the future. Fortuna, the Roman goddess of chance, was believed to determine every throw of the dice. In this universe governed by gods or God, there was room for daring but not much scope for chance.

A famous book on risk, Fibonacci's *Liber Abaci*, marked a milestone in asserting both the purely random character of events and the capacity of human beings to manage their risks. Fibonacci's book appeared in 1202, and drew on the practice of Arabic mathematicians in writing in numbers like 1, 2, or 804738, which permitted calculations of a sort which could not easily be made with the old Roman numerals I, II, or MCIV. Fibonacci's "rabbits" formed the most celebrated part of the book; he sought to predict how many rabbits would be born in a year from a single pair of parents. From such calculations came a whole mathematical science of predicting outcomes. Renaissance Italian mathematicians like Paccioli and Cardano took up the new science of calculating risk, as did Pascal and Fermat in France. Many of the calculative strategies used in modern computers derive in turn from the work of Jacob Bernoulli and his nephew Daniel Bernoulli at the dawn of the Enlightenment.

As late as the mid-1700s, people tried to understand risk simply through verbal discussion; the insurance company Lloyd's of London, for instance, began as a coffeehouse in which strangers chatted and exchanged information about shipping and other risky ventures, some of these talkers making investment decisions based on what they heard.⁵⁷ The rev-

olution launched by Fibonacci eventually replaced discussion with impersonal calculation, as in the projections which make possible the elaborate side bets, derivatives, and hedges of the modern financial machine.

Still, the fear of tempting fate has hung over the management of risk. "Who can pretend to have penetrated so deeply into the nature of the human mind or the wonderful structure of the body [on which] games depend," Jacob Bernoulli asked in 1710, "that he would venture to predict when this or that player would win or lose?"⁵⁸ Purely mathematical reckoning cannot displace the psychological aspects of analyzing risks; in his *Treatise on Probability* John Maynard Keynes declared that "there is little likelihood of our discovering a method of recognizing particular probabilities, without any assistance whatever from intuition or direct judgment."⁵⁹ What people focus on emotionally, the psychologist Amos Tversky has argued, is loss.

As a result of numerous laboratory experiments, Tversky came to the conclusion that in everyday life people are more concerned about losses than gains when they take risks in their careers or marriages as well as at the gaming table, that "people are much more sensitive to negative than to positive stimuli. . . . There are a few things that would make you feel better, but the numbers of things that would make you feel worse is unbounded."⁶⁰ Tversky and his colleague Daniel Kahneman have tried to uncover in particular what might be called a mathematics of fear. Their work is based on the phenomenon of regression, the fact that any one successful bet on the roll of the dice does not lead to a further successful bet, but rather regresses to an indeterminate mean; the next roll could be good or bad.⁶¹ The immediate moment is ruled by blind chance, not by God.

It's for these reasons that risk-taking is something other than a sunny reckoning of the possibilities contained in the present. The mathematics of risk offer no assurances, and the psychology of risk-taking focuses quite reasonably on what might be lost.

This is how Rose's life gambling proceeded. "I was high the first few weeks; no more Manolo, even, Richard sweetie, no more you. I was a corporation executive. Then of course I did begin to miss you all, just a bit, and of course I hated what that blond sun-bunny was doing to my business." Rose paused on this. "But what really got to me . . . it wasn't really so specific." Of course, I said, any person our age is bound to feel apprehensive; the place sounded chaotic and irrational. "No, not even that. I was depressed just by the sheer fact of doing something new." The research of Tversky and Kahnmann suggests that in talking about risk, we use the locution "being at risk"; being at risk is inherently more depressing than promising. Dwelling in a continual state of vulnerability is the proposal which, perhaps unwittingly, the authors of business manuals make when celebrating daily risk-taking in the flexible corporation. To be sure, in Rose's case she was not clinically depressed; she seems to have done her work energetically. Rather, she knew a kind of dull, continual worry, reinforced by the exaggerated ambiguity of success and failure in the advertising business.

Inherent in all risk is regression to the mean. Each particular role of the dice is random. Put another way, risk-taking lacks mathematically the quality of a narrative, in which one event leads to and conditions the next. People can of course deny the fact of regression. The gambler does so when saying he or she is in luck, is on a winning streak, is hot; the gambler talks as though the rolls of the dice are somehow connected, and the act of risking thereby takes on the qualities of a narrative.

But this is a dangerous story. In the evocative formulation of Peter Bernstein, "we pay excessive attention to low-probability events accompanied by high drama and overlook events that happen in routine fashion. . . . as a result, we forget about regression to the mean, overstay our positions, and end up in trouble."⁶² Dostoevsky's *The Gambler* could have served Bernstein, Tversky, and Kahneman as an example of how desire for a dramatic narrative of risk is deflated by knowledge of

the fictitious character of luck. In the novel, as in life, the need for things to work out combines with the gambler's knowledge that there is no necessity they should.

I asked Rose a more focused version of the question about life narrative I'd asked Rico: what is the story you'd tell about that year uptown? "Story?" How did things change over the course of the year? "Well, in that way they didn't; I was always back at square one." But that can't be true; they kept you even though they let four other new people go. "Yeah, I survived." So they must have liked your work. "Look, these gentlemen have very short memories. Like I said, you're always starting over, you have to prove yourself every day." Being continually exposed to risk can thus eat away at your sense of character. There is no narrative which can overcome regression to the mean, you are always "always starting over."

THIS ELEMENTAL STORY, however, might have a different coloring in a different society. The sociological dimension of Rose's exposure to risk lies in how institutions shape an individual's efforts to change his or her life. We have seen some of the reasons that modern institutions are not themselves rigid and clearly defined; their uncertain character arises through taking aim at routine, through emphasizing short-term activities, through creating amorphous, highly complex networks in place of military-style bureaucracies. Rose's risk-taking occurred in a society seeking to deregulate both time and space.

Risk is a matter of moving from one position to another. One of the most powerful analyses of movement in modern society has come from the sociologist Ronald Burt. The title of one of his books, *Structural Holes*, suggests the peculiarity of changing places in a loose organization; the more gaps, detours, or intermediaries between people in a network, the easier it is for individuals to move around. Uncertainty in the network abets the chances for movement; an individual can take advantage of opportunities not foreseen by others, can exploit weak controls by central authority. The "holes" in an organization are the sites of opportunity, not the clearly defined slots for promotion in a traditional bureaucratic pyramid.

Of course, sheer chaos cannot alone be the risk-taker's friend. The sociologist James Coleman notes that people must draw upon a fund of social capital—shared past experiences as well as individual achievements and endowments—to help navigate a loose network. Other sociologists of network mobility emphasize that a person who presents himself or herself to a new employer or work group has to be attractive as well as available; risk involves more than simply opportunity.⁶³

Burt's work points to an important human fact also conveyed concretely by the court at Davos: the good risk-taker has to dwell in ambiguity and uncertainty. The men of Davos have proved themselves at home in this condition. Less powerful individuals who try to exploit ambiguity wind up feeling exiles. Or, in moving, they lose their way. In flexible capitalism, the disorientation entailed in moving toward uncertainty, toward those structural holes, occurs in three specific ways: through “ambiguously lateral moves,” “retrospective losses,” and unpredictable wage outcomes.

As pyramidal hierarchies are replaced by looser networks, people who change jobs experience more often what sociologists have called “ambiguously lateral moves.” These are moves in which a person in fact moves sideways even while believing he or she is moving up in the loose network. This crablike motion occurs, the sociologist Manuel Castells argues, even though incomes are becoming more polarized and unequal; job categories are becoming more amorphous.⁶⁴ Other students of social mobility emphasize what are called “retrospective losses” in a flexible network. Since people who risk making moves in flexible organizations often have little hard information about what a new position will entail, they realize only in retrospect they've made bad decisions. They wouldn't have taken the risk if only they'd known. But organizations are so often in a state of internal flux that it's useless to attempt rational decision-making about one's future based on the current structure of one's company.⁶⁵

The most hardheaded calculation people want to make in moving is whether they will earn more money; the statistics on the wages of change in the current economy are discouraging.

Today more people lose than gain through making company job changes; 34 percent significantly lose, 28 percent significantly gain. (Please see Table 8.) A generation ago the numbers were roughly reversed; you did slightly better by moving to a new company than through promotion within. Even so, the rate of intercompany job change was lower then than today; factors like job security and company commitment held people in place.

Tracing the statistical pathways which establish these patterns, I want to emphasize, requires a complex foray into a thicket of age, parents' class background, race, education, and sheer luck. Matters are hardly made clear by making finer distinctions. It appears, for instance, that stockbrokers who have been fired "for poor performance" are twice as likely to gain by changing as stockbrokers who say they have left a firm voluntarily. Why this should be is not self-evident. Few people can do their own research.

For all three reasons, occupational mobility in contemporary societies is often an illegible process. It contrasts, for instance, to negotiations between unions representing massive blocks of workers and managers controlling equally large institutions. These made clear collective gains and losses of income, as well as determining promotion or demotion; such dealings between labor and management were entirely categorical. In the apt phrase of the business analyst Rosabeth Moss Kantor, now the old bureaucratic "elephants are learning to dance."⁶⁶ Part of that new dance is to resist categorical negotiations in large institutions, and instead to plot more fluid and individualized paths for promotion or salaries. At General Motors, wage scales and job definitions are infinitely more complicated today than in the middle of the century when Daniel Bell found a rigid, collective regime to rule.

If people don't know what's going to happen when they take the risk of moving, why gamble? The Boston bakery is an interesting case in this regard because the firm has never had to downsize its operations; on the contrary, it is constantly looking for workers. People are not forced out; instead its employ-

ees leave voluntarily, as in fact did the man who declared to me, “I won’t be doing this the rest of my life.” The top managers are defensive about these departures; they point to how safe, attractive, and up-to-date the workplace is. Rodney Everts is less defensive but equally perplexed. “When somebody tells me there’s no future here, I ask what they want. They don’t know; they tell me you shouldn’t be stuck in one place.” Fortunately, the job market in Boston for low-wage workers is strong at the moment, but there is something puzzling about the sheer impulse to get out.

When I told Everts about the sociological writing on structural holes, he responded, “Thus science shows us human beings are drawn to danger, like the moth to the flame.” (As I say, he is an attentive reader of King James prose.) Yet the impulse to risk-taking, blind, uncertain, or dangerous as it may be, speaks to a more cultural set of motivations.

If all risk-taking is a journey into the unknown, the voyager usually has in mind some destination. Odysseus wanted to find his way home; Julien Sorel wanted to find his way into the upper classes. The modern culture of risk is peculiar in that failure to move is taken as a sign of failure, stability seeming almost a living death. The destination therefore matters less than the act of departure. Immense social and economic forces shape the insistence on departure: the disordering of institutions, the system of flexible production—material realities themselves setting out to sea. To stay put is to be left out.

The decision to depart therefore seems already like a consummation; what matters is that you have decided to make a break. Numerous studies of risk-taking point out that the stimulating “high” comes for people when they first decide to make a break, to depart. This was true for Rose as well. But after this initial exhilaration the tale didn’t end. Rose was always starting over, exposed every day. The mathematics of chance, inherently depressing, were compounded for her by a corporate world in which she never knew the stakes on the table. That indeterminacy is true for others seeking more cash or a better position.

For people with weak or superficial attachments to work, like the bakers, there is little reason to remain on shore. Some material markers of the journey would be occupational or wage gains, but lateral moves, retrospective losses, and illegible wage patterns efface these markers of progress. So orienting oneself socially becomes difficult, more difficult than in the class system of the past.

It's not that inequality and social distinction have disappeared—anything but. Rather, it's as though by setting oneself in motion one suddenly suspends one's reality; one is not so much calculating, rationally choosing, but simply hoping that by making a break something will turn up. Much of the literature on risk discusses strategy and game plans, costs and benefits, in a kind of academic dreaming. Risk in real life is driven more elementally by the fear of failing to act. In a dynamic society, passive people wither.

IT MIGHT SEEM, therefore, that risk-taking would be less dispiriting if it were indeed possible to realize the academic strategist's dream, to calculate gains and losses rationally, make risk legible. But modern capitalism has organized certain kinds of risk in a fashion which makes that clarity no more inspiring. New market conditions oblige large numbers of people to take quite demanding risks even though the gamblers know the possibilities of reward are slight.

To illustrate this, I'd like to elaborate on a chance remark Rose made to me one afternoon about what happened each time one of the black suits was fired at the advertising agency. "We had people lined up outside the halls, hundreds of résumés, kids begging us just for a chance to be interviewed." The problem is all too familiar; there are large oversupplies of qualified young workers in many other pursuits, like architecture, academia, and the law.

There are, to be sure, solid material reasons to get a degree. American data (which are representative of all advanced economies) show that increases in income in the last decade were about 34 percent more for workers with a college degree

than workers with a high school diploma—that is, the college-educated, who started out earning more, increased the disparity between themselves and their less-educated peers by 34 percent in a single decade. Most Western societies have opened the doors of the institutions of higher education; it is estimated that by 2010, of people aged twenty-five, 41 percent of those in the United States will have a four-year college degree, 62 percent at least a two-year college degree; the rates for Britain and Western Europe are predicted to be about 10 percent lower.⁶⁷ Yet only a fifth of jobs in the American labor force in America require a college degree, and the percentage of these highly qualified jobs is only slowly rising. (Please see Table 9.)

Overqualification is a sign of the polarization which marks the new regime. The economist Paul Krugman explains growing inequality in terms of the value of technical skill: “We raise the wage of skilled people who produce planes [and other high-tech products],” he writes, “and lower the wage of those who are unskilled.”⁶⁸ A leading investment banker and diplomat concurs; Felix Rohatyn believes that an immense shift is occurring in society, “a huge transfer of wealth from lower-skilled, middle-class American workers to the owners of capital assets and to a new technological aristocracy.”⁶⁹ Such a technological elite, the sociologist Michael Young foresaw fifty years ago in his essay *Meritocracy*, is defined and certified by formal education.⁷⁰

Under these conditions, a kind of extreme risk-taking takes form in which large numbers of young people gamble that they will be one of the chosen few. Such risk-taking occurs in what the economists Robert Frank and Philip Cook call “winner-take-all markets.” In this competitive landscape, those who succeed sweep the board of gains, while the mass of losers have crumbs to divide up among themselves. Flexibility is a key element in allowing such a market to form. Without a bureaucratic system to channel wealth gains throughout a hierarchy, rewards gravitate to the most powerful; in an unfettered institution, those in a position to grab everything do so. Flexibility

thus accentuates inequality via the winner-take-all market.⁷¹

In the view of these economists, the “pay-off structure [of the modern economy] has led too many [individuals] to abandon productive alternatives in pursuit of the top prizes.”⁷² Of course, this is good parental advice: be realistic. But this advice is tinged with a belief which can be traced back to Adam Smith, that such risks are taken in a spirit of unrealistic self-estimation. In *The Wealth of Nations* Smith wrote of the “overweening conceit which the greater part of men have of their abilities. . . . the chance of gain is by every man more or less overvalued, and the chance of loss is by most men undervalued.”⁷³ Frank and Cook report in this regard a recent study of a million American high school seniors in which 70 percent thought they had above-average leadership ability and 2 percent thought they were below average.

But “overweening conceit” seems to me a misreading of the relation between risk and character. Not to gamble is to accept oneself in advance as a failure. Most people who enter winner-take-all markets know the likelihood of failure, but they suspend that knowledge. As with the risk-taking which occurs under less determined conditions, the immediate excitement about striking out may help blot out rational knowledge about the likelihood of success. But even if someone entering a winner-take-all market remains clear-sighted throughout, to do nothing seems passive rather than prudent.

That attitude can be traced back, as an idea, to the early celebrations of the trader in the political economics of Smith and Mill. The imperative to take risks is more widely distributed in modern culture. Risk is a test of character: the important thing is to make the effort, take the chance, even if you know *rationaly* you are doomed to fail. That attitude is reinforced by a common psychological phenomenon.

Confronted by something conflicted, a person’s attention can become riveted on its immediate circumstances rather than on a long view. Social psychology names attentiveness bred in this way “cognitive dissonance”—conflicting frames of meaning. (Work on cognitive dissonance has been done vari-

ously by Gregory Bateson, Lionel Festinger, and myself.)⁷⁴ Rose's need for some proof that she was doing a good job even though the corporation on Park Avenue didn't furnish such proof is a classic form of cognitive dissonance. Engagement with such conflicts arouses "focal attention"—which means simply that a person marks a problem as in need of focused attention right now.

When a person lacks belief that anything can be done to solve the problem, long-term thinking can be suspended as useless. However, focal attention may remain active. In this state, people will turn over and over again the immediate circumstances in which they are caught, aware that something needs to be done even though they do nothing. Suspended focal attention is a traumatic reaction found in all higher animals; the rabbit's eyes dwell on the fox's paws.

For a human being, the aftermath of an act of risk can lead to suspended focal attention of the same sort. "Never getting anywhere," "always at square one," confronted by seemingly meaningless success or the impossibility of reward for effort: in all these emotional states, time seems to grind to a halt; the person in these toils becomes prisoner of the present, fixated on its dilemmas. This immobilizing trauma held Rose in its grip for several months until she recovered from her risk uptown and returned to the Trout.

ROSE'S STATEMENT "I lost my nerve" points to a more brutal and less complicated way people can feel at risk. It comes just from living into middle age. The current conditions of corporate life are full of prejudices against middle age, disposed to deny the worth of a person's past experience. Corporate culture treats the middle-aged as risk-averse, in the gambler's sense. But these prejudices are hard to combat. In the high-pressure, shifting world of the modern corporation the middle-aged can easily come to fear that they are eroding from within.

For Rose, the initial shock she received moving uptown to the Park Avenue office hive was that she suddenly became

aware just how old she was—not only biologically but socially. “I looked around at these professional girls—and they were girls; they look good, they’ve got those Locust Valley lock-jaws”—an upper-class New York accent. Rose could never efface her nasal, lower-middle-class speech, but she tried to alter her appearance to look younger. “I paid a woman at Bloomingdale’s to buy me better clothes; I got soft contacts, which were horrible,” for some reason irritating her eyes; at the office she looked like a woman constantly on the verge of tears. The prejudices against her age were expressed to Rose in ways not necessarily meant to wound. “When I got the contact lenses the girls in the office goo-goo-ed at me, ‘Oh, you look so good.’ I didn’t know whether to believe them or not.”

Perhaps more important, her accumulated experience about how people drink and behave in bars counted for little. At one meeting, a moment came when “they were talking ‘lite’ this and ‘lite’ that, and I said, ‘Nobody goes to a bar to lose weight.’” How did the others take that? “Like I was an exhibit in a museum: the Old Bar Maid.” Rose’s barbed communications skills, it should be said, were not those taught in a business school. But she never ceased to feel the sting of age, especially when it came in the form of sympathy from younger fellow workers who felt that she was out of it; like the bosses of the firm, they acted on their prejudices by not inviting her to the clubs and after-hours bars where most of the real work of advertising occurs. Rose was genuinely perplexed that she had been taken on for her practical knowledge, but then disregarded as someone who was too old, past it, over the hill.

One statistical foundation for attitudes toward age in the modern workplace appears in the shortening time framework in which people are employed. The number of men aged fifty-five to sixty-four at work in the United States has dropped from nearly 80 percent in 1970 to 65 percent in 1990. The figures for the United Kingdom are virtually the same; in France the numbers of men at work in late middle age has dropped from nearly 75 percent to just over 40 percent, in Germany from nearly 80 percent to just over 50 percent.⁷⁵ There is a

slighter abridgment at the beginning of a working life, the age young people enter the labor force delayed a few years because of increased emphasis on education. In America and Western Europe, the sociologist Manuel Castells thus predicts that “the actual working lifetime could be shortened to about 30 years (from 24 to 54), out of a real lifetime span of about 75–80 years.”⁷⁶ That is, the productive life span is being compressed to less than half the biological life span, with older workers leaving the scene long before they are physically or mentally unfit. Many people Rose’s age (she was fifty-three when she moved uptown) are preparing for retirement.

The emphasis on youth is one consequence of the compression of working life. In the nineteenth century, the preference for youth was a matter of cheap labor; the “mill girls” of Lowell, Massachusetts, and “pit boys” of northern England worked for wages well below those of adults. In today’s capitalism that low-wage preference for youth still exists, most notably in factories and sweatshops of the less developed parts of the world. But other attributes of youth now seem to make it appealing in higher reaches of labor, and these lie more in the realm of social prejudice.

A recent issue of the *California Management Review*, for instance, sought to explain the positives of youth and the negatives of age in flexible organizations. It did so by arguing that older workers have inflexible mind-sets and are risk-averse, as well as lacking in the sheer physical energy needed to cope with the demands of life in the flexible workplace.⁷⁷ The image of organizational “deadwood” expresses these convictions. An advertising executive told the sociologist Katherine Newman, “If you’re in advertising, you’re dead after thirty. Age is a killer.” A Wall Street executive told her, “Employers think that [if you are over forty] you can’t think anymore. Over fifty and [they think] you’re burned out.”⁷⁸ Flexibility equals youth, rigidity equals age.

These prejudices serve several purposes. For instance, they target older workers as a readily available pool of candidates for dismissal during corporate reengineering. In the Anglo-

American regime, the rate of involuntary dismissal has doubled in the last twenty years for men in their forties and early fifties. The association of age with rigidity also accounts for much of the pressure corporations put today on executives to retire in their late fifties, even though mentally they may be in their prime.

Older, experienced workers tend to be more judgmental of their superiors than workers just starting out. Their accumulated knowledge endows them with what the economist Albert Hirschmann calls powers of “voice,” which means older employees are more likely to speak up against what they see as bad decision-making. They will more often do so out of loyalty to the institution than to a particular manager. Many younger workers are more tolerant of taking bad orders. If they become unhappy, they are more likely to quit, rather than fight within, and for, the organization. They are disposed, as Hirschmann puts it, to “exit.”⁷⁹ In the advertising agency, Rose found that older admen indeed more frequently spoke up against the bosses, who were often their juniors in age, than did the younger employees. One of these long-serving members of the firm was in turn taunted by his boss, “You may not like it here, but you are too old to get a job anywhere else.”

For older workers, the prejudices against age send a powerful message: as a person’s experience accumulates, it loses value. What an older worker has learned over the course of the years about a particular company or profession may get in the way of new changes dictated by superiors. From the institution’s vantage point, the flexibility of the young makes them more malleable in terms of both risk-taking and immediate submission. Yet this powerful message has a more personal meaning to workers apart from the prejudices of power.

It was Rico who made me aware of this, when he talked about the erosion of his engineering skills. At one point on the airplane, I remarked to Rico that I feel I have to start from scratch each time I write; I gain no greater confidence no matter how many books I publish. Young, solid, full of energy, he responded sympathetically that he often felt “past it” as an en-

gineer. He worried that his skills were eroding from within; though he was twenty years younger than Rose, he said that as an engineer, he was now “just an observer.”

This at first seemed patent nonsense. What Rico told me in explanation is that the science knowledge he gained in school is no longer cutting-edge; he understands what’s happening in the burgeoning field of information technology, yet says he can no longer stay one step ahead of the field. Younger engineers in their early twenties treat him, now in his late thirties, as somewhat faded. I asked Rico if he’d thought to go back to university for “retraining,” at which he eyed me sourly. “We’re not talking about learning to press a new set of buttons. I’m too old to start over.”

According to Rico, complex skills like his are no longer additive, permitting one to build ever higher on the same foundation; the development of new fields requires a fresh approach from the start, an approach most effectively taken by fresh faces.

An American or European engineer who loses a job to a peer in India working for lower wages has had the practice of skills taken away—which is one version of what sociologists call “deskilling.” No one has taken away Rico’s engineering knowledge. Rico’s fear addresses a weakness he feels occurring within him because of the sheer passage of time. Often, he said, he feels angry when he reads technical journals; “I come across things, and I say to myself, ‘I should have thought of that.’ But I didn’t.” Again, he hardly conforms to the stereotype of “deadwood,” but about his technical competence he believes equally firmly that he is “over the hill.” In this way, the emphasis on youth and his individual interpretation of aging combine. Social prejudice reinforces the internal fear of losing potency.

Rico sees the two sides combine in his office. He employs three young hotshot engineers, ten years younger than he, in his consulting firm. “My main problem is holding on to them.” Indeed, he is certain that those whose engineering is more state-of-the-art will abandon him—“The ones who can leave,

leave as soon as they can.” Light in loyalty, the young hotshots are disposed to exit even though Rico is willing to give them real voice in the company. He feels he can do little about it. “I have no authority over them, you know?” His experience does not command their respect.

In her own more modest corner, Rose’s time on Park Avenue gave her a sense that her knowledge was eroding from within. To her everlasting credit (in my view), Rose had never mixed, much less heard of, such exotic new cocktails as a Highland Landmine (one part single-malt scotch and two parts vodka over shaved ice). But it bothered her not to know, especially as she covered up by faking at a meeting a long disquisition on such youth potions. She would, of course, have done better to tell the truth, but she was afraid doing so would be yet one more sign she was past it. I doubt Rico is as used up as he thinks; I know that Rose was not, since she survived while younger employees were sacked. But for both, when they are tested, they fear past experience doesn’t count.

The new order does not consider that the sheer passage of time necessary to accumulate skill gives a person standing and rights—value in a material sense; it views such claims based on the passage of time to represent yet another face of the evil of the old bureaucratic system, in which seniority rights froze institutions. The regime focuses on immediate capability.

Flexible corporate practice, as well as current government labor policy in Britain and the United States, is based on the assumption that rapid change of skills is the norm. In fact, historically, the discarding of people with “old” skills usually has occurred slowly. Two generations were required to displace a craft skill like weaving in the late eighteenth century, for instance, and the changes at Ford’s Highland Park plant required nearly thirty years at the beginning of the twentieth century. Perhaps surprisingly, in many manufacturing and office pursuits today the pace of technological change is still relatively leisurely; as many industrial sociologists have observed, it takes institutions a long time to digest the technologies they ingest.⁸⁰ The

passage of time is also necessary to develop new skills; someone who has simply read a carpentry book is not a carpenter.

The time frame of risk offers little personal comfort, despite these long-term historical trends. Indeed, personal anxiety about time is deeply intertwined with the new capitalism. A writer for the *New York Times* recently declared that “job apprehension has intruded everywhere, diluting self-worth, splintering families, fragmenting communities, altering the chemistry of workplaces.”⁸¹ Many economists treated this as rubbish; the facts of job creation in the neoliberal order seemed to render it transparently false. Yet the author wrote precisely when he used the word “apprehension.” An apprehension is an anxiety about what might happen; apprehension is created in a climate emphasizing constant risk, and apprehension increases when past experience seems no guide to the present.

If the denial of experience were simply an imposed prejudice, we the middle-aged would be simply the victims of institutional youth cult. But the apprehension about time is more deeply etched into us. The passage of years seems to hollow us out. Our experience seems a shameful citation. Such convictions put our sense of self-worth at risk, through the inexorable passage of years rather than by deciding to gamble.

BACK AT THE TROUT, Rose recovered her nerve; she was again in control, until she died of lung cancer. “I suppose it was a mistake,” she remarked once about her time uptown as we lingered over cigarettes and drinks, “but I had to do it.”