Demolishing an American Ghetto: How Neoliberalism is Reinventing Life and Labor in Nashville, Tennessee

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University of Tennessee

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I am submitting herewith a thesis written by Charles Dean Walton entitled "Demolishing an American Ghetto: How Neoliberalism is Reinventing Life and Labor in Nashville, Tennessee." I have examined the final electronic copy of this thesis for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Master of Arts, with a major in Sociology.

Jon D. Shefner, Major Professor

We have read this thesis and recommend its acceptance:

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Demolishing an American Ghetto: How Neoliberalism is Reinventing Life and Labor in Nashville, Tennessee

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Abstract

The purpose of this project is to examine the adverse effects of neoliberal economic development in Nashville, Tennessee. For several years, the city has been widely praised for its rapidly growing economy, especially in industries such as healthcare and entertainment. There is, however, a contradiction built into this growth that is often left out of discussion. National trends related to deindustrialization, offshoring, and automation have left sectors of the population without work, oftentimes forcing them into the informal or underground economy. Tennessee especially fits into the neoliberal paradigm as the state promotes its emphasis on deregulation in its growing medical and manufacturing industries all while having a regressive tax system in place. In addition, wide-scale gentrification in Nashville and cuts to governmental social expenditures have left this population even more vulnerable, fracturing communities and leaving people economically discarded. This project draws on eight months of fieldwork, primarily in East and Northeast Nashville. It provides a framework for explaining the role of the urban poor in a postindustrial economy defined by urban displacement and destitution as a byproduct of neoliberal policies that aim to manage and punish the poor (Piven and Cloward, 1993; Wacquant, 2009). In addition, it works to make sense of how the urban poor situate themselves in a changing social reality defined by displacement and state repression, perpetual surveillance via the dismantling of the welfare state, their declining relevance to the productive economy, and finally the fracturing of physical market spaces and exchange relations by means of the decentralization in the informal economy.
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Chapter I
Introduction

Beside the cathedral, knotted to the wall, they dragged their feet, their nondescript shapes, their Black stares, their livid gargoyle growths, their tattered tins of food, and from there, from the hard sanctity of stone, they became street flora, vagrant flowers of legal pestilences.

—Pablo Neruda, *The Beggars*

For several years, the story of Nashville, Tennessee has been one of rapid economic growth and progress in a state characterized by governmental deregulation and regressive taxation. For example, *Forbes* recently called it one of the ten fastest growing cities in 2014 (Chrisitie). Employment and income have consistently increased yearly as the population also continues to climb. This development has transformed the entire infrastructure of the city into one that would be unrecognizable to the early-2000s Nashvillian. This progress, however, cannot be fully understood without making sense of its inherent contradiction as segments of the city’s population have been pushed further into the margins.

In Nashville, a surplus of employment opportunities exist in highly skilled and educated sectors of the economy, such as healthcare, finance, entertainment, as well as in the start-up industry. Meanwhile, like in other urban areas of the United States, Nashville has seen decades-long deindustrialization, market liberalization and cuts into social expenditures that have negatively impacted working-class portions of the population, thus creating a large pool of
precarious workers unable to keep up with the exploding cost of living in the city.\(^1\) Job growth in working class sectors of the economy has been limited to either precarious service work or factory work in the newly developed and non-unionized auto factories located about thirty miles southeast of Nashville. Thus, formal work for the poor and working classes, especially in urban areas, is often temporary and part-time, with little to no benefits (Newman 2000 [1999]; Srnicek and Alex Williams 2015; Wacquant 2008, 2009).

Almost twenty percent of the city’s residents live below the poverty line according to the most recent census data, although this number is likely outdated due to the number of impoverished people being pushed beyond the city limits.\(^2\) Despite the ongoing gentrification, approximately thirty percent of people in the East Nashville community that this study examines live below the poverty line (U.S. Bureau of the Census 2015).\(^3\) As the city’s population continues to rise, affordable housing becomes nonexistent. The waitlist for public housing is currently over 3,000 people while the waitlist for Section 8 housing has reached 10,000 and is no longer accepting applicants (Plazas 2017b). According to the U.S. Department of Housing and Urban Development (2016), the city only has 5,524 public housing units and 7,091 eligible Section 8 units. 781 of the former, part of the James A. Cayce Homes, are scheduled to be demolished in the immediate future and because of the increasingly competitive housing

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\(^1\) Although this work details neoliberal development in Nashville, particularly in the twenty-first century, several books in recent years, provide a historical analysis of these economic changes at the national level. For a historical overview of neoliberalism in the United States, see Piketty 2014; Wacquant 2009; Harvey 2005; Piven and Cloward 1993; Postone 1996.

\(^2\) Poverty levels in some of the most impoverished communities, including some of the ones used in this study, are between 30-80%, as will be discussed in later chapters.

\(^3\) Poverty in these Metro Council Districts, 6 and 7, will likely decrease in forthcoming census data as many participants in this study have already left, moving to a variety of different areas of the city or elsewhere in middle Tennessee.
market due to population growth, landlords are continually rejecting the latter. The inability to access public housing, however, is national and not just limited to Nashville as declining state expenditures result in fewer opportunities for low-income housing. But in addition to cuts in social expenditures, Nashville’s rapid population growth and resulting gentrification has led to a more competitive housing market, leaving landlords more reluctant to accept applicants using Section 8 aid. Recipients of government aid are thus pushed into the private housing market in a city that has seen its average rent prices increase sixty percent in the past six years, from a little over $800 per month in 2011 to over $1400 per month in 2017 (Plazas 2017b). As a result, many are relocating further away from the city center and, because their new locales are usually far from work, often forced into the informal economy.

This contradiction results in several elements of conflict. Gentrification, on the one hand, has pushed marginalized people further away from the city center— as housing projects are being demolished—and sometimes all the way to the edges of Davidson County or even deeper into middle Tennessee. The new group of precarious workers that are a byproduct of these changes in the economy have essentially been rendered disposable in relation to production. According to the past fifteen years of crime reports from the Tennessee Bureau of Investigation (TBI, 2006-2016), drug related crime rates have continued to increase significantly and the city has one of the largest incarcerated populations per-capita in the nation according to the Prison Policy Initiative (Wagner and Sakala 2014). As access to the productive economy becomes more difficult for the marginalized, gentrification has simultaneously decentralized realms of the informal economy such as drug distribution. In chapters four and five of this work, I detail how the latter creates a fragile market for consumers and distributors, thus leading to
even higher levels of incarceration. Using interview and crime data, chapter five demonstrates how all elements of life become intertwined with the surveillance system and society and prison life become indistinguishable for many of its residents. Wacquant (2001) summarizes this by arguing that the ghetto and the prison both look the same and have the same function.

This work relies primarily on fieldwork conducted in 2016 to analyze the dark side of neoliberal growth and development using Nashville, Tennessee as the field site. This method allows for broader understanding of the economy and society, analyzing data that stretches beyond what employment and crime data aim to explain. This study also details the death of a community and how it is perceived by those pushed furthest to the margins. Using Piven and Cloward (1993 [1971]) and Wacquant (2009) as guidance and reference points, this work extends beyond an analysis of “regulating the poor” and “punishing the poor” and explains how rapid economic growth, coupled with market liberalization—economic deregulation—and gentrification, impacts the urban poor in ways that resemble disposal rather than regulation or punishment.

After a brief discussion of my methods, existing literature and relevant theoretical works, I explain how neoliberalism and gentrification disrupts the lives of the poor in ways beyond physical displacement and community demolition. I demonstrate how they directly lead to financial hardship, both formally and informally, as well as increased chance of incarceration. Next, I go beyond the effects of gentrification itself and discuss the effects of neoliberalism on impoverished people from the perspective of labor. Existing literature (Bourgois 2003 [1996]; Venkatesh 2006; Wacquant 2009) on post-Fordism explains how decreased access to meaningful work and wages often pushes people into the informal economy. This work seeks to
go beyond that by analyzing the thin line between precarious to informal labor and what I label

*urban destitution*, an expendable existence when it comes to one’s relation to the labor market.
Chapter II
City Selection and Methodology

I chose Nashville, Tennessee—East Nashville specifically—as my field site for two reasons. The first has already been mentioned—the city’s ongoing gentrification and its relation to neoliberal development. The second reason is more personal. I grew up in East Nashville, raised in Section 8 housing similar to most of the participants in this project, and thus the changes to people and place that I document are important to me. For their privacy, I have changed everyone’s names and done my best to disguise all street names, neighborhoods, and housing complexes.

My fieldwork consisted primarily of semi-structured interviews that often evolved into casual conversation about the state of the community, employment, and speculation about the future. Overall, I conducted nineteen interviews, with three follow-ups. The majority of interview participants were young adult males between the ages of eighteen and thirty. Four participants were women, with only one being over the age of thirty. All three of the follow-up interviews were with males between the ages of eighteen and thirty. All nineteen participants self-identified as black or African-American and all but one self-identified as low income. In addition, I completed dozens of hours of field observation in community centers, housing complex courtyards, and a variety of other spaces.

Field research is especially important when it comes to advancing “our knowledge and understanding of the ground-level social dynamics and lived experiences of urban marginality...” (Wacquant 2002: 1469). Like Wacquant (2002), Bourgois (2003[1996]), Bourdieu and Wacquant (1992), Gellert and Shefner (2009: 211) explain that ethnographic fieldwork helps us understand the processes of power. Using field methods, I illuminate the dark side of
Nashville’s rapid economic growth and development. In other words, the extraction of these perspectives from those farthest on the margins help explain the reality of urban existence under the forces of neoliberal power while arguably even foreshadowing the future for others.

My approach to this research, methodologically, and my past are largely intertwined. I argue that genuine sociological inquiry begins with one’s own life experiences relative to perceived understandings of the way society functions. These same experiences enclose one into a set of acquired dispositions relative to one’s own reality. Once internalized, they spread outside of one’s own reality into every part of the world one encounters. From visiting one’s childhood home to sitting in an academic seminar, these dispositions shape, sometimes unconsciously, the self and one’s actions and reactions to the environment⁴, including approaches to social research. It is possible to study the social via statistical analysis and other popular methods of inquiry, but only by supplementing them with self-reflexivity and by confronting the harshness of the most troubling aspects of modern society, which I do with this project via field methods, can we begin to illuminate what lies beneath the surface.

My journey as a researcher to probe the depths of urban marginality begins with my field site. My childhood and teenage years were spent in low-income housing during the final decades of East Nashville’s prevalence as the do-not-enter segment of the city. My life was shaped by my experiences and often involvement with violence, gangs, drug distribution, extreme economic inequality, and perpetual state surveillance. These are the realities that shape my dispositions and are inescapable, even via my social research. My perspective allows

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⁴ This perspective is largely shaped by my understanding of Bourdieu’s (1977) concept of *habitus*. 
me access into some of the most vulnerable realms of modern society, places that are often studied by social researchers, but hardly ever lived by them.

Normally, these field sites are off limits to many researches because of issues related to access. Race, gender, and class are often contributing factors regarding access to these communities. My own family history, despite being white, largely resembles that of the residents I grew up with in Woodglen Apartments, a predominately black community that houses approximately two hundred low income families in East Nashville. Elizabeth, my grandmother, moved to Nashville in the late 1950s, during the height of the US welfare state. By the time she was eighteen, she was married with four children. Her husband abruptly started another family, leaving Elizabeth to fend for herself in the city, where she eventually found herself and her kids as the only white family in one of East Nashville’s housing projects.

She spent much of her young adult working life in the low-paying manufacturing industry near the downtown area. In the 1970s, like many other poor families, she decided to take advantage of Section 8 housing, thinking that moving out of the projects would be a means to escape a community stereotypically characterized by gangs, drugs, and crime. Thus, she moved herself and her teenage children to Woodglen Apartments, where she would spend the rest of her life and where I lived until leaving for university. As the nation and the city deindustrialized, she, like many others in these types of communities (Venkatesh 2006) resorted to the informal economy for subsistence. Beginning in the 1980s, she started her own daycare, watching after the children of women in the community, most of whom could not
afford to pay on a consistent basis.\textsuperscript{5} Her community involvement in this capacity made her a beloved figure in the neighborhood, especially among the children she watched as they grew older, some of whom agreed to be participants in this study.

Constructed in the early 1970s, Woodglen was one of the first private apartment complexes built to house impoverished residents in East Nashville via public assistance housing subsidies.\textsuperscript{6} With over two hundred predominately black families, Woodglen is one of the few remaining complexes within East Nashville that still caters to poor people.\textsuperscript{7} Current and former residents of this apartment complex and the surrounding four to eight blocks make up the majority of participants in this research. Before the State transitioned to its “New Urbanism” experiment via the HOPE VI plan, private complexes like Woodglen began accepting state funding to house the poor, arguably the first governmental effort to privatize low income housing.

As the welfare state began to decline, the global economy started to undergo reconstruction based on neoliberal economic and political transformation. The United States in

\textsuperscript{5} I refer to this as “starting her own daycare” because she often referred to it in this entrepreneurial sort of way. In reality, very little money was made in this venture as most families—usually single mothers—could not afford to pay. Thus, her daycare ended up being more communal in nature instead of profitable.

\textsuperscript{6} Section 8 is a type of social expenditure program that is managed by the U.S. Department of Housing and Urban Development. The government subsidizes payments toward privately owned units, guaranteeing landlords particular levels of income. As Nashville continues to grow, many landlords in traditionally low-income communities are beginning to lease properties to new residents with higher incomes while rejecting Section 8 applicants. Woodglen, however, is a “project-based” rental area, meaning the complex has a contract with the government that ensures all the units maintain Section 8 status for x number of years.

\textsuperscript{7} Housing projects still exist in East Nashville, but they are currently scheduled for demolition. Although some participants in this study come from these housing projects, the vast majority are current or former residents living in the portion of East Nashville located about three miles from the traditional public housing projects.
particular faced deindustrialization and a rise in unemployment, particularly in low-wage sectors of manufacturing and production. Meanwhile, political policy shifted toward market liberalization while government expenditures on social welfare diminished. Simultaneously, emphasis on incarceration and the criminalization of poverty increased. Thus, in many ways, complexes like Woodglen can be seen as a market approach to resolving issues of poverty, crime, and drug prevalence. In reality, these issues are byproducts of the transition from the welfare state to the neoliberal state, as will be discussed later in this paper.

The community that surrounds Woodglen is rapidly changing. Ten years ago, the vast majority of residents in these homes would be considered impoverished, even a significant number of the homeowners living there as most homes pre-gentrification were small, single-story dwellings. Today, the majority of those properties have been bought by individuals and investors looking to demolish and rebuild. According to The Tennessean (Plazas 2017a), the average home price in Nashville from 2011—not just this East Nashville community—was $167,500. In December 2016, the average price had reached $266,408. Despite this increase in property values and rents, pockets of poverty still exist in the area surrounding Woodglen. The participants in this study come from these historically black communities, along with former residents who have gone on to move to areas such as Madison, Antioch, Hendersonville, Smyrna, and other distant parts of the city or, in some cases, beyond. Although census data has not quite caught up to the rapidly changing demographics, the poverty level in these neighborhoods are still close to thirty percent (U.S. Bureau of the Census 2015).
Chapter III
Existing Literature

This project builds on prior works related to urban marginality in the neoliberal era (Auyero 2015, 2016; Bourgois 2003 [1996], 2009; Desmond 2016; Goffman 2015; Wacquant 2008, 2009). An important element of my work provides the framework for a new understanding of the urban poor. Piven (1993) described the poor’s relation to capital during the period of the welfare state as “regulating the poor,” referencing the State’s usage of social expenditures as a means of regulating impoverished communities while disciplining labor. Wacquant (2009) updated the concept for the neoliberal post-welfare state in his description of “punishing the poor,” referencing the government’s new approach to redirecting social expenditures to the penal arm of the State. I propose that neoliberalism, largely through the mechanisms of market liberalization, displacement, mass incarceration, and job loss, has created a new relation to capital for the poor that can be more accurately characterized by the discarding of the poor. There are few entrances into the productive economy for the urban poor, and the destabilization of the informal market and perpetual state surveillance has rendered the underground economies almost useless as a means of meaningful subsistence. This further contributes to the discarding of the poor in relation to capital, especially as the State continues to oversee this transition via liberalization and corporate and business subsidies in place of social expenditures. Increasing levels of incarceration for the poor are supplemented with endless surveillance by local police. Much of the existing literature highlights the changing conditions of the poor, but empirical research must also work to incorporate the perspectives
of those currently experiencing these transformations in order to better comprehend the
effects of urban displacement.

To put this in better historical context, the conditions and existence of the urban poor,
especially in the United States, have always been directly linked to economic and social utility.
After World War II, the United States existed largely as a welfare state, allowing capital to
utilize the urban poor as part of a low-wage labor force in the commodity production realms of
the economy while the State simultaneously ensured a certain level of minimal existence
enhanced by a social safety net in the form of monetary welfare supplements and low-income
government housing projects.

Piven and Cloward (1993 [1971]) describe this welfare state period of United States
history as one cloaked in progress, but in actuality it works to “regulate the poor.” Essentially,
Piven and Cloward argue that the welfare state works to pacify the urban poor, providing them
with means of economic subsistence while preventing a rejection of the contradictory and
exploitative elements of capitalist society. Welfare, from this perspective, is used as a means of
disciplining labor from rejection or rebellion, when times are good, continues to push the poor
to work in the productive sectors of the economy (1993 [1971]: 29). The origins of the welfare
state, during the New Deal Era of United States history, in many ways, worked to combat a
growing sympathy toward communism (1993[1971]: 81). Thus, establishing modes of welfare,
without major work requirements, would strengthen the “gimme” syndrome associated with
growing sympathy toward communism, according to many economic and political elites. The
establishment of this early welfare state pacified the bulk of the working class even if leaving
members of the most marginalized out of the equation.
Decades later, in the 1960s, the welfare state expanded further. Piven and Cloward’s primary thesis for this expansion, counter to common assumptions associated with poverty and suffering relief, was the response to “civil disorder caused by rapid economic change—in this case, the modernization of Southern agriculture” (1993 [1971]: 196-197). Lack of employment opportunities in the South created an atmosphere, especially among black workers, of calls for empowerment. Expanding the welfare state to incorporate growing numbers of black recipients was much more convenient than actual political concessions related to the demands of political struggle. According to Piven and Cloward, welfare expenditures began to explode during this time as a means to pacify these political struggles (1993 [1971]: 243). Thus, existence for the urban poor, in the early decades of the second half of the twentieth century can be described as a combination of relative access into the productive economy often for meager wages with relative ease when it comes to access to the State’s welfare expenditures as a means of stifling the poor from rejecting the current mode of capitalism. Subsistence, via an expansion of state expenditures during economic downturns, was largely ensured as a means to protect the capitalist economic system. This simultaneously forced the poor to remain in the productive economy while stifling dissent, just as the economic system drastically needed. Alternatively, during times of growth, state expenditures, particularly for the poor, were contracted as a means of disciplining labor. The coupling of economic relief with stigmatization of those accepting helped diminish the possibility of basic income being defined as an economic right, even among poor households.

As detailed in the following two chapters, the neoliberal approach to confronting poverty runs counter to that of the welfare state described in Piven and Cloward’s work.
Growth in Nashville has been, for the most part, limited to highly specialized sectors of the economy, disproportionately benefiting workers well above the poverty line. Instead of increasing social expenditures for those living in poverty, the neoliberal state has responded with further cuts and expanding the penal state for those most affected by automation, deregulation, and offshoring.

Beginning in the 1970s, the global economy began to undergo reconstruction based on neoliberal economic and political transformation. The United States underwent an era of deindustrialization that resulted in a rise in unemployment, particularly in manufacturing and production and political policy shifted toward market liberalization all while government expenditures on social welfare diminished. These expenditures were redistributed into the penal and surveillance realms of the United States budget. As an update to Piven and Cloward’s notions of “regulating the poor,” Wacquant (2009 [2004]) proposed his thesis on urban marginality and rendered the neoliberal period one that emphasizes “punishing the poor.” The urban poor’s ties to the economy shifted from production to the service sector of the economy and, to a certain degree, the informal economy.

Wacquant’s thesis provides both an expansion to Piven and Cloward as well as Wilson’s (2012 [1987]) theory of the urban underclass. According to Wacquant, we must also be cautious when using Wilson’s concept of the underclass as it can potentially replicate the notion of the urban poor, especially the black urban poor, as a problematic population. Using a critical lens, it is important to think of the ghetto not only in its socio-historical existence in time and space, but also its relation to the political and economic realms. The latter perspectives
help explain the contradictory transformations of the ghetto and the urban poor during the second half of the twentieth century.

Wacquant’s (2009 [2004]) notion of “punishing the poor” is one that critiques the shift toward a neoliberal globalized economy characterized by harsh criminal penalties for the poor coupled with the redistribution of public expenditures away from social welfare policies. Urban marginality, according to Wacquant, is highlighted by the State and the masses’ conception or perception of the “deserving poor.” Those who are “deserving” and who “merit being salvaged” are “‘inserted’ into the circuit of unstable wage labor” while the “undeserving” are “durably blacklisted [from the productive economy and welfare and inserted into the informal or underground economy] and banished [regulated to the prison system]” (2009 [2004]: xvii).

Government expenditures have not disappeared, instead they have been redistributed to regulate the urban poor. In other words, expenditures have gone from casting a safety net in order to ensure labor discipline to prison expansion in order to house those no longer needed by the economy. For example, in the matter of ten years, between the years 1980 and 1990, expenditures on government housing and corrections completely reversed. In 1980, $6.9 billion was spent on corrections while $27.4 billion was allocated to government housing. Over the next decade, the two began to slowly reverse course and within ten years, in 1990, $26.1 billion was being spent on corrections annually while only $10.6 billion on public housing. As Wacquant illustrates through the dramatic increase in the prison population, as well as these expenditure examples, “the construction of prisons has effectively become the country’s main public housing program” (2009 [2004]: 160).
As the United States moved beyond the Keynesian model, its policies reflected harsh punitive measures aimed at disciplining the poor. Not due to increasing crime rates, but instead for previously being rewarded for being undeserving in the 1960s. To maintain these high levels of incarceration and surveillance, the penal system has become the third largest employer in the United States (Wacquant 2009 [2004]: xv). The system serves to warehouse those no longer needed by the productive economy in any other configuration other than precarious work, usually in low paying service sector positions. It demonstrates to the rest of the ghetto that citizens must live up to the unobtainable “deserving” code while unable to find a place in the economy and undeserving of past social expenditures. Those outside of the warehousing system of regulating the poor are still being punished as the concept of the hyperghetto is one in which surveillance constantly persists. As Wacquant’s data demonstrates, there are more people on parole and probation than actually being warehoused in a corrections facility (2009 [2004]: 134).

In relation to labor, using Marx as a reference point, the class he categorized as the *lumpenproletariat* has responded in a variety of ways to late twentieth century neoliberalism. In the United States, many work in the service industry, despite a lack of benefits or livable wage for most (Newman 2000). To supplement this income, many resort to an underground economy working “off the books,” which can—but does not necessarily involve—the distribution of illicit products (Venkatesh 2006). A significant portion of the poor, however, are pushed into the illicit economy. As labor moved from one part of the globe to another, more people have found themselves marginalized without a strong social safety net in the form of low-cost housing or welfare benefits. This was met with a simultaneous decline in Mafia-
oriented organized crime as drug producers in Latin America flooded US markets with cocaine and, later, in the 1980s, crack, a cheaper and highly profitable freebase version of the more expensive drug (Bourgois 2003: 75).

Since the 1980s, many of the marginalized in the US have found themselves in and out of an entrepreneurial version of the drug trade that resembles the liberalized markets of the formal economy. This relatively new version of distribution, which I will later argue has evolved into one that is even less profitable for distributors, can be attributed to the lack of job availability and inadequate access to social expenditures in poor urban communities. The division of labor here is like any other business, but the risks are more extreme given that the State has cracked down on distribution in the illicit economy, but not the formal sector. Activity on behalf of the Latin American cartels, particularly in Mexico, demonstrate how the lines between informal and formal can be blurred as government, military, and police forces are often coconspirators in drug distribution, making State involvement in drug regulation an interesting realm of inquiry (Hernández 2013).

Entrepreneurial-inspired drug markets in the US and dominating Latin American cartels have been demonized by the masses outside of their respective local territories despite their uncanny resemblances to neoliberal corporatization. The former is often composed of low wage laborers much like the burgeoning service industry while the latter mirrors corporate monopolies with political influence. The service industry, however, restricts the crowded labor market by weeding out undesirable applicants and perpetually automates its workforce. For now, it is unforeseen how the illicit sector of the economy can automate or outsource labor because of the locality of the markets. Gentrification has, as I argue in the next chapter, further
destabilized opportunities for subsistence, particularly for laborers in the informal economy, especially the illicit sector.

Despite the liberalization of the formal markets, the state constantly intervenes in many aspects of the everyday life of the marginalized. Wacquant (2001) refers to this process as “the prisonization of the ghetto,” which turns the ghetto into a space consistently over monitored by state power relative to the non-poor. According to Wacquant (2009) the state has, through deregulation and deindustrialization, ensured that residents of the ghetto are stuck in a perpetual state of precarious economic existence and often forced into the informal economy while under permanent surveillance via invasive policing and mass incarceration. I expand this notion a step further and argue that displacement of the poor complicates the existence of those already pushed into the informal economy. Thus, we have gone beyond “punishing the poor” and have begun “dicarding [of] the poor.” The ghetto itself is transforming, no longer existing in a centralized location. Thus during this displacement process, those in Wacquant’s hyperghetto move from disregarded and punished to disposed of in terms of their relation to capital. The drug market itself, formally centralized within these communities, is reconfigured and opportunities within it become more elusive as networks are disbanded and geographic buying and selling locations disappear. To put this more simply, people no longer have a centralized place to sell drugs nor a consistent consumer base. This decentralization, increased police presence, and lack of meaningful employment opportunities then lead to more laborers resorting to illicit activity, higher incarceration rates, and decreased levels of income. So now

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8 In chapter five, I elaborate further on this argument using drug-related crime data and interviews from people working in the illicit sector of the informal economy.
this sector of the population is doubly ignored by both the productive economy as well as what was formally one of their only alternatives, the informal economy. This, as detailed later in this paper, fuels incarceration. But not just annual incarceration rates, but long term sentences for would-be displaced people as well. Media reports are constantly advertising high-profile arrests, which ignores both the labor vacuum created by market decentralization and the countless individuals affected by drug-related mass incarceration.
Chapter IV
The Ghetto, Labor, and Capitalism in the Twenty-First Century

Theory and Alienation in the Ghetto

Urban marginality and one’s relation to labor cannot be understood without reconstituting a conceptualization of one’s existence within modern society, thus modern capitalist society. This notion, at its core, must account for Marx’s theory of alienation and commodity fetishism. Marx’s notion of alienation begins with The Economic and Philosophic Manuscripts of 1844 and extended through the 1850s as he developed his critique of political economy. Eventually, in 1867, Marx capped his theory with his critique of commodity fetishism. The reality of alienation has grown exponentially since his death, so much that it would be almost unrecognizable to the nineteenth century theorist. Alienation has advanced so far and rapidly that, in many ways, it is nearly impossible to deconstruct given the amount of necessary reflexivity. Its effects, however, are much easier to observe. As Marx (1867) predicted, the further capital expanded, the less likely humans would be able to contain it. Commodity fetishism, as Marx warned, has been internalized at a global level across political, economic, and individual realms. In order to grasp the consequences of this, humanity requires a reinterpretation of Marx and understanding of the logic of capital.9

In The Economic and Philosophic Manuscripts of 1844, Marx’s lays out his theory of alienation. Workers in capitalist society are alienated in four realms: the product of their labor,

9 For further elaboration on the notion of the logic of capital, see Dahms’s (2016) as he explains the historical trajectory of capitalist transformations and their effects on political, social, and cultural life in modern society. In addition, he explains the ways in which, today, artiface, and its relation to Marx’s notion of alienation, is the driving force of socio-historical change.
their actual labor, their species-being—their own humanity, and their own species—other humans. Once this alienation is internalized, humans advance into a state of commodity fetishism. The latter is one that begins defining self-worth with commodity possessions and numerical values. Marx saw alienation as something that could be overcome, but it would be evermore unlikely as society advanced into a state of commodity fetishism.

Marx was, however, grounded in the idea that society could be changed if certain conditions were met. Outcomes, to Marx, were not predetermined nor were they guaranteed. Expanding on the dialectics and materialism of Hegel and Feuerbach, Marx solidified himself as a historical materialist. This means that he believed society must be able to understand and critique the capitalist mode of production in order to change it. If certain conditions exist, society, with the right tools for reflexivity, can progress beyond alienated labor and capitalism.\footnote{10} Regarding the urban poor today, many of whom have been regulated to the informal or underground economy, labor in the illicit sector is just as alienated as that in the productive economy. Hence, there is little difference between the two as far as labor and exploitation go; it is just that one has been deemed illegal by the State. As Marx predicted, the outcome of society is not predetermined and the future is characterized by potential and possibilities. The State’s repressive response to an ever-growing disposable population created by capital can only be altered with a reinterpretation of Marx.

\footnote{10}{The necessary conditions in this situation is a highly advanced capitalist society as seen in places like England. But even with the right circumstances, revolution was not guaranteed, hence some of the differences between Engels and Marx. Engels was more interested in bringing about revolution under any circumstances, which is why the Russians and other Marxist-Leninists were more in line with dialectical materialism compared to historical materialism.}
Alienation among those at the urban margins, however, has been internalized to such a degree that the majority of the participants in this study are unable to recognize that their precarious positions are intertwined with and often the result of structural forces related to the neoliberal development of the past several decades. Using interview responses as a rough guideline, I have divided participants in this study into three groups in terms of their relation to labor. Alienation, although never a topic explicitly addressed by participants, plays an important role in understanding their responses and of their roles in the economy. Although many do not fit cleanly into one of the three categories I have created, as there is usually a degree of overlap, I have labeled four participants “working class.” In this study, I define working class as someone who, at least at some point, made a wage in which they self-identified as “livable.” Two of these four people were recently laid off from work with their new jobs being ones they do not consider paying a living wage. One of the remaining two is retired and the other makes what he considers a livable wage at approximately seventeen dollars an hour. I have labeled six of the nineteen participants as “precarious service class.” All six of these individuals, four men and two women, claim to work only in the formal economy, with five of the six making between $8 and $13 an hour and all them working temporary hours—under forty per week—with little to no benefits. The remaining ten participants compose the “subproletariat class.” This group is made up of individuals that self-identify as someone that engages in making money “off the books,” whether it be licitly or illicitly. Six of the nine members of the subproletariat class are also still either employed or seeking employment in the formal sector of the economy whereas the other three are committed to the underground economy full-time. Two of the three follow-
up interviews were with those fully committed to the underground economy and the final follow-up interview was with a member of the precarious service class.\footnote{I have grouped my participants into three groups: Working Class (four participants, one woman and three men), Precarious Service Class (six participants, two women and four men), and the Subproletariat Class (nine participants, one woman and eight men).}

Inquiring about participants’ notions of self-awareness in terms of one’s relation to the economy was an important part of each interview. Going into this project, I assumed that most members of the community would have a negative outlook on Nashville’s economic growth, especially in terms of its impact on breaking up the community via gentrification. This, however, was not the response given to me by everyone interviewed. From my working class participants, only the retiree and the man working a job with a living wage had negative outlooks on Nashville’s recent growth. Frances, widow to a former factory worker, acknowledged that, “Today’s Nashville is much different than when we moved into town. It seems that regular people can’t get good jobs anymore.” Mark, a commercial driver for a local food distributor making about seventeen dollars an hour, explained his outlook on Nashville’s developments by saying, “You know, I’ve only been doing this [working his current job] a couple years, but I can see that I’m luckier than most, you know what I’m saying? I don’t make enough to live in these fancy condos being put up, but I’m able to pay my bills.” When asked if his friends or family are in similar situations as him, he responded, “oh hell no, man. Like I said, I’m lucky. Hell, hardly none of them, not even my moms, live out East anymore. Most of them so desperate for work, they begging me to try to get them put on at my job. I’m like, these folks [his employers] probably not even gonna keep me around long with as desperate as people are for work.”
I expected many of the responses to be similar to those of Frances and Mark. Instead, I was surprised to hear that many people do not share those same views on the city’s growth. The other two members of the working class participants, five of the six precarious service class workers, and a few of those relegated to the subproletariat class all remain optimistic about potential work opportunities. Deonte, a twenty-one-year-old part-time employee working at two different local retail store best describes their outlooks when he says, “It’s sad seein’ everybody go and have to move out the hood. But just think about it man, we got real opportunity here, but we just aint working it right. They making it look real good out here with these new buildings and houses. One day I’m gone buy me one of ‘em once I get up out of working here.” Deonte currently rents a two-bedroom apartment in Madison, Tennessee with two of his siblings after their landlord sold the home their mother had rented for almost ten years.

The notion of simply needing to work harder was a prevalent response among those working in precarious conditions. Understanding these types of responses must be interpreted parallel to Marx’s theory of alienation. This growth and visual progress of the city has been internalized by many, particularly those fully committed to remaining in the formal labor market. Neoliberal ideology has consumed the everyday life of the worker, making one believe that simply changing one’s job is the only thing standing between them and the same progress the city has experienced. But as seen elsewhere in urban America, the Neoliberal City is one defined by a deregulated labor market with fewer benefits for the poor, deindustrialization, automation, and declining social expenditures (Auyero 2015; Bourgois 2003 [1996]; Wacquant 2009). This means that for those fortunate enough to obtain employment, particularly in the
service sector, labor is often non-unionized and wages are low with little to no benefits such as paid time off, health insurance, etc.

Another common theme in responses from those committed to working solely in the formal labor market is one that is intertwined with a desire to promote elements of black capitalism. Many acknowledge that white and middle and upper middle class people disproportionately benefit from Nashville’s newfound growth, but are simultaneously convinced they can find ways to improve their conditions as well. Jerica, a twenty-six-year-old fast food employee sums up this idea when she says:

White people got it. They’ve been doing it forever so I don’t know why people pretending it’s new. They come in, got all these businesses and have everything to show for it. What do we [black people in the community] do? Just sit around here talking about what we want to do or walk around killing each other. We need to buy up all these same properties that these white folk buying and open our own businesses. Everybody complaining about having to move out to Madison or Antioch, why don’t they just save they money and open a business like those across the street [referring to a newly opened vintage trinket shop]? I mean, that shit ain’t nothing but junk anyway, so how hard can it be having a business like that? And that restaurant across from the church by Woodglen? It ain’t even good [we both laugh]. Why am I working at [fast food restaurant] when I could have my own restaurant that taste better than those yuppie ones poppin’ up on every corner.

This, again, is an example of the internalization of neoliberalism that highlights the degree of alienation community members often feel. This type of black capitalism does not resolve any of the problems of neoliberalism. Black-owned business is not inherently any better for laborers than typical corporations. Alienation has had such an impact on the notion of the self in relation to society that the detrimental effects of neoliberalism have been naturalized by those furthest on the economic margins. Structural and societal problems were mostly neglected in responses from younger precarious service class participants in my study.
From Precarious to Destitute

James, also a fast food worker, brought up some of the structural issues related to urban marginality as he described his experiences with the local “fight for 15” group, activists that are currently organizing to raise the working conditions and wages of fast food workers. “We just can’t live on it [low pay],” he said. “They constantly tell us to improve ourselves if we want to have a better life, but we can’t do that if we aren’t making enough money for things like school, proper housing, or job training. I feel like if we get paid more, we would be able to contribute more to our communities.” This approach is comparable to the current progressive ideology that, although would be hugely beneficial to workers in the short-term, I argue is also incompatible with resolving the problems of neoliberalism when it comes to poverty, particularly those already pushed into the subproletariat class. Exclusively focusing on workers’ rights and wages neglects, and to a certain degree ignores, the bigger crisis of labor—its growing disposable existence.

This ideology in its current manifestation does not fully take into account all of the historical developments of the past several decades. The welfare state of the mid-twentieth century was created, in part, due to the strength of labor during that period. I argue that labor’s power is related to its economic utility, which is unique depending on the historical moment. During the middle of the twentieth century, the urban poor had a particular function in the economy (Piven and Cloward 1993 [1971]; Venkatesh 2002 [2000]; Wacquant 2009 [2004]). That function led to an interdependent relationship between the State and the market as the former maintained high enough social expenditures to ensure that the latter could thrive and maintain profitability. For example, housing projects, a State expenditure, being constructed in
close proximity to manufacturing centers, highlights this relationship well. Because labor and commodity production in the West was imperative to capital expansion over the course of the twentieth century, labor continued to use its leverage to increase wages.

As technology, communications, and transportation continued to improve throughout the century, labor began losing its power as corporations began advocating for deregulation, which accelerated the offshoring and automation processes (Srnicek and Williams 2015). In turn, as labor became more expendable in the West, state governments began cutting social expenditures across the board, particularly those aimed at the poor.\(^{12}\) That money, instead, was redirected toward prisons and policing (Wacquant 2009 [2004]). Reverting back to a welfare state-era ideology, particularly the demanding of higher wages, is not going to fundamentally improve the lives of the urban poor when labor power and meaningful employment rates for the poor are low. As transportation, technology, and communications continue to improve, more of these jobs will be lost, regardless of hourly wages.

For the most part, the outlook on labor from my participants from the subproletariat class, whether they are working in the illicit or licit sector of the underground economy, was very different and much more self-reflective than those from the precarious class. Seven of them, whether they are still actively seeking work in the formal economy in addition to their informal activity or not, expressed frustration with their current role in the labor force. As Antonio, a part-time retail store employee and part-time drug dealer explains, “Nobody wants to do something illegal. With the way they portray us [drug dealers], you’d think we go to bed

\(^{12}\) The next section of this paper will highlight how these national trends affect Tennessee more specifically.
at night thinking about ways to fuck the world over. Nah, I know I shouldn’t be doing what I do, but I got two kids and a job that doesn’t pay shit.” When asked about other career opportunities, given the economic growth of the city, Antonio responded:

Come on man. We from the streets. You can pretend like you not. Change ya accent and all that. But I can’t [points to several of his gang related tattoos]. I been in this shit [in a gang] since I was in the sixth grade... Hell, the job I do got barely want me since they get mad at me for every time I come out of the back stockroom. Guess they think I’m going to scare away all these white customers.

Antonio also expressed concern about what a future without his job in the formal economy would like like. “You know, back in the day, you could make real money moving work [selling drugs]. Look at Anthony, nigga made more money than he could spend. Shit, now I’m out here barely making what I make stocking them shelves at the store. If I get fired, then I’m really out here on my own.” In my participants’ responses, like with Antonio, those walking the thin line between the formal and informal economies often express paranoia about being forced into the latter full time. Their fears, unlike those in the working class or those laboring in the precarious service class full-time, are less about working conditions and wages than they are about immediate subsistence. Crossing over into the latter full-time, especially after experiencing gentrification—being physically removed from the ghetto—is what I label as urban destitution, an existence defined by a lack of economic utility.

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13 Antonio’s interview was much more relaxed than many of the others as I’ve known him for about fifteen years. We had very similar childhoods, particularly when it comes to exposure to gangs, drugs, etc.

14 Prior to Nashville’s experiences with heavy gentrification, the most impoverished areas on this side of town were spread across a few different areas of East Nashville. Gangs, especially in the 1980s and 1990s, became inescapable, especially for local youth.

15 Anthony was Antonio’s older cousin, a prominent drug dealer in the late 1990s and early 2000s. Anthony is currently serving an extended prison sentence for gang related violence.
Urban marginality reaches its critical stage when even the most precarious of work becomes unobtainable or insecure, like in Antonio’s case. Based on these interviews, this type of destitution has a subtle beginning. Those in the precarious service sector hardly identified it as a permanent risk unless they had already been forced into the underground economy, whether it be licitly or illicitly.16

One of my earliest childhood friends, Brandon, agreed to talk to me about his experiences with being pushed into the informal economy and what it is like not being able to obtain meaningful legal employment. After about asking how he manages to earn an income, he explained:

**Brandon:** Well, you know, none of that really changed. I get a job when I can if I need to look good on paper [referencing his encounters with police], but with this shit, living in Madison now [his mother still lives in housing projects, but he is unable to get his own apartment there so he lives with a girlfriend], you can’t even really do that. McDonalds ain’t gonna hire everybody that step foot in there wantin’ a job and I ain’t got a license to drive there anyways.

**Me:** What do you mean? What does a license have to do with it?

**Brandon:** You know, the bus stop ain’t right outside my door the way it was in the projects.

**Me:** So you can’t really work legally much anymore. What do you do?

**Brandon:** Same shit I’ve always done, slang [sell drugs]. But even that shit is all fucked up now living out here.

**Me:** How?

**Brandon:** In the ‘hood, you know everybody. You sell to the same junkies [drug abuser] you saw fiendin when you was little. You don’t question them niggas cuz you know they just junkies. Here, you don’t know shit. You live around a bunch of niggas you’ve never met in ya life, not knowin if they gone get you caught up the next day [meaning somehow connected to the police, or perhaps even being undercover police]. Ain’t nobody even here to really sell to. Just a bunch of strangers and shit and you can’t just walk up to some random nigga on the street and say some shit like, “you want some dope?” That ain’t how it works.

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16 This isn’t to say that people working precarious jobs didn’t express worry about their economic positions nor does it mean they were happy with their current type of jobs. Instead, there was very little concern about things getting worse—being permanently pushed into the subproletariat class. Instead, most expressed optimism about things improving.
Me: So is it just a new type of fear, or has something happened to make you say that?
Brandon: To me, nah. You know I’m good with the shit [he smiles, implying that he can’t get caught]. But nah, I ain’t gone lie, I do get scared sometimes, especially seeing everybody else getting locked up.
Me: But jail has always been a part of it. How is it any different?
Brandon: Cuz, you not listening. It’s like I said. You never know who these niggas is you sellin’ to. And that’s if you lucky enough to have somebody to sell to. Honestly, I ain’t even made shit lately. My white folk [likely a reference to college students or middle class whites looking for drugs] can’t even come around no more, junkies are spread out all over the place now, but none of ‘em seem to be around me.

To put this into context regarding urban marginality, Brandon’s existence and others like him, in relation to the economy, undergoes a progression from simply a low wage laborer in neoliberal society to working in perpetual states of precarity, hence the McDonalds reference. Once labor in the service sector becomes inadequate or inaccessible, one is pushed further into the realm of the informal economy. Transportation concerns and the dismantling of the ghetto, permanent state surveillance, and complete economic insecurity lead to this state of subtle hopelessness. The next section of this paper will explain how the neoliberal state has contributed to the maintenance of this class of informal laborers.

Neoliberal Government and the Displacement of Poverty

Nashville’s rapidly developing economy can be seen in two ways. First, it is undeniable that the economy, including the job market is growing at a tremendous rate. Alternatively, this growth comes at the expense of the most marginalized residents of the city. Lack of governmental regulation and regressive taxation are just two examples of the ways in which this growth negatively affects inequality. Although this section is dedicated to the State’s involvement in the displacement of poverty, it must be understood that in the Neoliberal era,
the separation of the State and the market is difficult to distinguish. When it comes to policing, punishment, and incarceration, the relationship between the two are even more inseparable. This is especially telling in the ways in which private prison corporations, as well as local police forces and government officials, respond to growing public awareness to the injustices many poor people face.

In 2016, Corrections Corporation of America, a private prison corporation headquartered in Nashville, rebranded itself and changed its name to CoreCivic. The corporation currently employs over 16,000 people, has assets worth over $3 billion, and has over $1.7 billion—most of which comes from governmental contracts—in revenue according to the company’s annual reports located on its website. These figures are excellent representations of Wacquant’s argument related to declining welfare expenditures being reallocated to incarceration and social control of poor people.

According to a press release from the company last year (Davis 2016), the corporation responded to the Obama administration’s plans to transition away from private prisons with a quintessential neoliberal response. In addition to changing its name, removing the words “corrections” and “corporation,” to something that sounds more beneficial to society, CoreCivic announced:

Under the CoreCivic brand, the Company will provide three distinct business offerings: CoreCivic Safety, a national leader in high quality corrections and detention management; CoreCivic Properties, a wide range of innovative, cost-saving government real estate solutions; and CoreCivic Community, a growing network of residential reentry centers to help tackle America’s recidivism crisis. “Rebranding as CoreCivic is the culmination of a multi-year strategy to transform our business from largely corrections and detention services to a wider range of government solutions,” said Damon T.

17 Like the healthcare industries that are on the rise in Tennessee, specifically Nashville, other corporations such as this one benefit from the state’s commitment to deregulation.
Hininger, the Company’s President and Chief Executive Officer. “The CoreCivic name speaks to our ability to solve the tough challenges facing government at all levels and to the deep sense of service that we feel every day to help people.”

This type of blended relationship between the state and for-profit corporations perfectly depicts the completed transition from welfare state to the neoliberal state. ¹⁸ “Better for the public good” is CoreCivic’s new motto, implying private profitable enterprise is best for society in terms of rehabilitation. Instead, the neoliberal model of incarceration increases profitability via ensuring incarceration rates continue to climb. The origins of these types of for-profit prisons originated in the 1980s, the same decade deindustrialization and declining governmental regulations led to extreme job loss in areas that later became profitable for prisons, the urban ghetto.

State expenditures in the penal wing of government, however, extends beyond privately owned facilities. In late 2016, it was announced that the cost of Nashville’s new jail will approach $200 million, after initially advertising the expenses to be between $113-$120 million (Lathon 1016). New Democratic Mayor Megan Barry and officials from her office recently released the preliminary designs for the 1000-bed jail, claiming the desire to “get it right” with the community (Garrison 2016). This, again, validates the notion of “getting it right” by combining it with the penal arm of the state in order to resolve societal issues—a byproduct of neoliberal policy. In addition, in terms of expenditures on infrastructure for the poor, money is withheld from improving low-income housing and redirected to penal housing. This is also reflected directly in the city’s most recent spending plan.

¹⁸ CoreCivic was founded by former Tennessee Republican Party chairman, Thomas W. Beasley. In addition, he also previously served on the Tennessee Board of Regents,
In Barry’s $475 million budget proposal, very little money is dedicated to resolving issues of growing inequality, particularly in terms of infrastructure, outside of a significant pool of money set aside for school renovations in traditionally low-income areas.\(^{19}\) It is also important to note that this plan is $45 million less than her pro-business predecessor’s final spending plan. According to the most recent spending plan, only a small amount of the expenditures, $7 million, will be allocated to public housing and none to combat the large amount of displacement and job loss for the poor (Barry 2016). Alternatively, $12 million dollars will be used to upgrade the city’s “Fairgrounds,” a location used primarily for trade shows and meetings. Since 2017 (WKRN web staff), the mayor has also proposed using the location to build a $225-million-dollar stadium to house a Major League Soccer (MLS) team. If this proposal comes to fruition, the city will invest close to a billion dollars in the demolition of East Nashville’s last remaining housing project, investment in a new jail, and an athletic stadium, all within five miles of districts that range between 30-80% of residents below the poverty line.

Thus, Barry’s policies have not yet lived up to her rhetoric aimed tackling inequality. In her most recent State of Metro address, she talked at length about putting forward policies that make the city inclusive, including to poor people (Plazas 2017c). It is yet to be seen, however, what exactly Mayor Barry intends to do about the increased incarceration rates of poor and unemployed people, the most impoverished of the city being pushed out of their communities,

\(^{19}\) Although several of these schools scheduled for renovations exist in traditionally low-income areas, many of them are undergoing similar levels of gentrification as the area of East Nashville participants of this study come from. The high school that I and many others from this study attended recently received renovation money as well in previous spending plans.
and the growing levels of inequality. The lack of social expenditures targeted to the poor, however, is not a new phenomenon.

Another element of neoliberalism that cannot be ignored is the implementation of austerity. The historical development of neoliberalism created fundamentally different manifestations of austerity in different regions in the world. For example, almost all of Latin America, much of Africa, and large swaths of Southeast Asia have, as a result of imposed austerity, been further relegated into a perpetual state of neo-colonialism as international financial institutions, largely to the benefit of corporations based in wealthier Western European countries and the United States. Alternatively, Western nation states have experienced qualitatively different versions of austerity. For example, in the United States, austerity has not been foreign-imposed. Instead, it has become a tool by both political parties to fuel the expansion of capital. In these cases, governmental expenditures have not stopped in order to repay debt. Instead, expenditures previously spent on social welfare policies have been redirected to things such as corporate investment, weapons development and purchasing, and incarceration. These effects have national, state and, local implications.

One of the primary consequences of austerity in the United States has been the marginalization of poor people—those who have been pushed out of the working class—by means of profit accumulation for the rich. The latter has always been a foundational component for capitalism, but as society entered into a new epoch, the State played a pivotal role in the transition from a welfare state to a neoliberal state all while working to ensure the mechanics of the market remain free.
The New York Times (2016) has constructed a database illuminating how much in subsidies corporations now receive. Every year, on average, $80.4 billion in subsidies are given to corporate entities, demonstrating how much money has been repurposed from the social welfare state to corporations. States that have historically been known for manufacturing, specifically the Midwest and Northeast, are some of the largest recipients of this money, particularly Ohio, Michigan, and Pennsylvania.

This type of redistribution of public funds demonstrates how neoliberalism cannot be described as the freeing of the market as this restructuring is facilitated and preserved by the State. Thinking in terms of federal expenditures and using Michigan as one of the most extreme examples, after the decline of the welfare state and increasing levels of unemployment as a result of deindustrialization and automation, 30% of all state expenditures go toward corporate subsidies. Every year, $1.56 billion is dedicated to tax incentives for the manufacturing industry—not counting the hundreds of millions dedicated to other industries—within the state, with the United States’ automotive manufacturers being the biggest recipients. Much of this is allocated via tax rebates or reductions, tax credits, cash grants and low interest loans, free use of public property and services, and property tax abatement. Republican Governor Rick Snyder has spearheaded these harsh austerity measures by “increasing taxes on worker’s pensions, reducing the state’s Earned-Income Tax Credit for the working poor, and [the] removal or reduction of other tax exemptions and reductions” (Williams 2012). Furthermore, in 2015, Michigan collected $27.2 billion in taxes, with only 3.3% coming from business or corporations. Alternatively, 35.5% came from personal incomes and 26.7 came from sales tax,
which both have disproportionate negative impacts on the poor and working classes (Henderson and Tanner 2014).

To put this into perspective, during recent decades, Michigan has continued to cut into social expenditures to pay for these incentives while also redirecting other funds to the penal wing of the state. In 1991, John Engler ran and won an anti-welfare campaign to become Governor of the state. Prior to his election, the state had already cut social expenditures from $342 million in 1985 to $217 million the year he took office. Within one year, he further cut social expenditures to only $37 million in 1992. That same year, the state spent $1.32 billion on incarceration (Wacquant 2009 [2004]:51). Thus, an analysis of austerity in the United States must consider how states have consciously redistributed money from the social in order to increase profits for the rich, despite declining living conditions for working people and increasing incarceration rates for the disposed urban poor described in the previous section of this paper.

Michigan is not alone in the quest to cut social expenditures in the pursuit of corporate profit. Politicians often use rhetoric and construct campaigns that are designed to target the most alienated realms of society. They morph individuals’ internalized alienation into self-blame, while emphasizing personal economic troubles are the result of lack of effort or immigration. Never do United States politicians, no matter the political affiliation, target neoliberalism, austerity, or the pursuit of profit as the root of the problem. For example, continuing with the Michigan trends, state lawmakers have began forcing community service on the few remaining welfare recipients. Given the current state of the economy, most are unable to find work, thus the politicians have required community services as a requirement for
public aid. Senator Jon Hune even goes as far to say, “There is absolutely nothing wrong with requiring folks to have a little skin in the game. All they have to do is a little community service to get their benefits” (Gray 2013).

Although the austerity measures in Tennessee are not as extreme as those in Michigan, they speak further to the same point about corporate profit being prioritized over a social safety net for the poor. According to the The New York Times, the state of Tennessee spends at least $1.58 billion per year on corporate incentive programs. This is almost 15% of the entire state budget. The bulk of these incentives are spent on tax refunds and exemptions, tax credits or reductions, and cash grants or loan guarantees. The manufacturing and agriculture industries receive the most from these incentives. One of the stated intentions of these policies, dating back to the Reagan era, is to allow corporations to use these savings to improve the conditions of their employees. But with extreme levels of labor deregulation, the benefits never materialize. Instead, workers are left with precarious conditions, mimicking the low wages and hours and minimal benefits of the service sector. The Nissan automotive factory in Smyrna, located about thirty minutes south of East Nashville is a prime example of this. In 1998 and 2001, UAW attempted to unionize in Smyrna, just as they have in other Tennessee automotive factories in recent years. Each time they have failed to gain enough support (Snavely 2017).

In addition to redirecting state expenditures away from the maintenance of a social safety net, austerity in the neoliberal era has also functioned as an additional level of discipline for labor via ensuring deregulation and state refusal to update decades old legislation originally designed to, at least to a degree, protect labor. This has been one of the pillars in the creation of the precarious service class. During the height of the welfare state, as Piven and Cloward
(1993 [1971]) argue, the maintenance of welfare expenditures was used as a means of disciplining labor. This was largely due to the state of the nation’s economy in the middle of the century, one that was largely dependent on domestic commodity production. Strong labor could also collectively demand higher wages. But after the neoliberal turn, production was either automated or displaced. Some manufacturers chose hire labor abroad after the implementation of different pieces of free trade legislation. Others, including foreign-owned manufacturers, especially in the auto industry, chose to move production to the Southern region of the United States with the Nissan factory in Smyrna being an example of this process. This neoliberal shift away from welfare state maintenance has created new ways of disciplining labor, namely by weakening labor to the point of precarity.

Although several participants in this study can be classified as members of the precarious class, one’s situation in particular demonstrates this historical shift in the way in which the state, and capital, discipline labor. Quinton, a 29-year-old mixed-race male working for Nissan, is a temporary employ of a staffing agency that supplies labor for the factory. Before our interview, he asked me to not mention his staffing company’s name as he is afraid of any repercussions. During our conversation, we talked mostly about his working conditions at the factory and thoughts on unionizing.

**Me:** How long have you worked for Nissan and can you tell me a little about your day-to-day experiences?

**Quinton:** It’s funny you ask because I’ve actually been working here for years now. Probably two or three years, off and on. But I just work in the Nissan factory. I’m really just a temporary employee of [a staffing agency]. On everyday work, it just often changes depending on what position I have. I mean, I’ve expressed a desire to be hired on full time and they always tell me it’s a possibility, but it just never happens. I usually just get moved around or end up having to apply through a different agency. Or I don’t even know if they’re different agencies or maybe it’s really just Nissan by a different
name. I don’t know. But I’ve had my current position for about six months now and I am basically just a mover. Making sure things get from point A to point B.

**Me:** Can you tell me a little bit about the differences between being an actual full-time employee versus being a temporary one? What percentage of your coworkers would you say are also temps?

**Quinton:** I don’t really know [how many people are temps opposed to full-time]. I’d say a good number of them, but we don’t really talk about that kind of stuff. In some ways, they encourage us not to. My recruiter just tells me over and over I’ll get hired on full time soon, but I’ve just really stopped buying into it. I believed it for a while, but I just pretty much accepted that it ain’t gonna happen. For all I know, everybody I work with could be a temp. Some of the guys I work with do open up about it, but it’s mostly just to sort of vent frustrations if you know what I mean. But there are no differences, really. I mean, other than how much better the benefits and stuff are. We are both in the factory doing the same job, they just get better pay, better hours, and retirement and healthcare and stuff.

**Me:** Ah, that makes sense. So you’ve been there a while, have your working conditions and benefits changed at all?

**Quinton:** No, not really. Well, no, let me take that back. It depends on the position. I’ve had a handful of different jobs while here and sometimes they pay differently. But right now, I’m just making $12 an hour, which is pretty much the base pay, I think. But I’ve had a $15 an hour gig here before, but I knew it would only last a few months. And after it ended, I guess they replaced me, I went about five months without a job. But other than that, nothing really changes. Sometimes you might get a better shift or something, but that’s about it.

**Me:** Why the factory? How did you find your way here?

**Quinton:** Well, it’s a long story really, but I basically had to do something to make money because my girlfriend at the time got pregnant. I was working at the mall and going to school at the time. But I couldn’t really get good hours with school and the pay at that job was basically just minimum wage [$7.25 an hour in Tennessee]. I have an uncle who works here and he hooked me up with a recruiter, but he actually works for the company. So he’s in a pretty good place. You know, way higher pay and nice benefits. He encouraged me to work here, but I have just never really landed in the same kind of reliable spot as him. But basically I came here and left school because I thought I’d be able to live on it. And, don’t get me wrong, I can, but it’s just nothing special when it comes to what they pay. That and the work is pretty hard. Definitely have to go home to a beer or two and some video games after most days.

**Me:** You mentioned going a while without work. Can you tell me a little bit about that?

**Quinton:** Yea, it just comes with the territory. You know it might happen because before you even start, you gotta accept with the agency that you understand this is just a temporary position. The nice young white lady or guy helping you through the process always goes out of her way to tell you how you should work hard and Nissan will pick you up full-time, but after a while you just nod and agree while in the back of your mind, you’re just like whatever. But at the same time, you just go into the job and work hard like they tell you to because you don’t want to start over with a new position because
you know that might take a while to start. So for people like me, it kind of just becomes this funny cruel joke. They tell you work hard so good things will come to you. But really, you just know you’re working hard so you can keep collecting this $12 or $14 an hour and that ain’t really gonna change.

Me: There is often talk, especially in the media, about organizing and unionizing. Is that ever something that’s really discussed, especially among temp workers?

Quinton: Wow [lets out a somewhat disappointing sigh before pausing] .... It really just sort of depends on who you ask and when you ask them. I personally don’t think about it all that much. I mean, I get both sides of it. I see how it could benefit me. But I just sort of want to go about my business and work without all the drama. Because at the end of the day, my ass is going to be the first one let go.

Me: Because of your temp status?

Quinton: Yea. But to be honest people have all kinds of opinions on it. My uncle, for example, he’s always going on about it being a bad thing. About how nobody is going to take his money for a union. I’m just like, whatever man. You have a house and a nice car and stuff. My ass is wondering if I’m going to have enough money to maybe take my family out to Olive Garden once or twice a month or if I’m going to have to be eating fried bologna and crackers for dinner for a month.

Me: Do you think your views are most common for temp workers?

Quinton: If I had to guess, probably. Most people here have families and stuff. So we mostly just focus on that. We don’t talk to much about politics with each other. But again, it’s like I said, I don’t always know who the temp workers are. I mean, usually you do, like in the back of your mind, you know. But on the job, it’s not something we always get into too much. And then, you always got your real political characters on the job. But usually they just want to talk about some Democrat and Republican stuff. You know, you got your Make-America-Great-Again white folks who think Trump is going to come in and make Nissan pay us more and then you also got your people who think Trump is just an idiot. Heavy union people exist too, don’t get me wrong. Usually some old guy or something like that. But this is a big ass factory so not everybody is really as dedicated. The way I see it, at the end of the day, you just kinda have to look out for yourself. Every once in a while the union talks heat back up around here. And if it felt right, I’d definitely be in favor for it. But if I feel like being open about it makes it more likely I’m going to be eating those bologna and crackers I was telling you about, I’m just going to keep my mouth shut.

Quinton’s experiences reflect neoliberalism’s method of disciplining labor. During the Welfare State era of United States history, given the necessity of commodity production, laborers in precarious conditions such as Quinton’s would have received a higher degree of social expenditures from the State in order to prevent political unrest. Today, however,
commodity production can be managed in a variety of other ways including automation, offshoring, etc. Quinton’s situation thus devolves into one of desperation as, at least in his mind, his options are to either accept the working conditions as they are or go without work and sustenance. This type of labor discipline, however, is not the final stage in neoliberal development. As will be discussed in the next chapter, many have already been pushed beyond the type of precarious work Quinton endures.
Chapter V
The Subproletariat in the Twenty-First Century United States

The Cost of Losing Welfare and the Lack of Alternatives

Since the decline of the welfare state, beginning in the 1970s, social expenditures began to decrease dramatically. By the Clinton presidency, the Personal Responsibility and Work Opportunity Act had transformed the way in which the State allocated resources for the poor. By the 2000s, social expenditures for the poor had evaporated to such a degree that they were hardly recognizable. Not only have expenditures decreased over time, access has become even more limited as criminal records, lack of work, and time spent on welfare can render one ineligible for need-based aid. The newest iteration of welfare for the poor is arguably the most callous.

The Temporary Assistance for Needy Families (TANF) program is one of the biggest welfare programs in the country. As mentioned previously, access is limited due to the five-year limit on benefits, work requirements in an era of declining access to labor in the formal economy, and restrictions on convicted felons in an age of mass incarceration. TANF was created as a way to implement work requirements on people living in poverty, making it a type of workfare. And because of the decentralized nature of TANF, states are allowed to restructure the way funds are allocated. According to the think tank, Center on Budget and Policy Priorities, this results in very low benefits for recipients. In Tennessee, families that qualify for and receive TANF benefits are still not lifted out of extreme poverty (Floyd, Pavetti, and Schott 2017). To put this into perspective, over the course of the twenty-first century, the number of families in need of receiving aid has increased, but the number actually granted the benefits has
decreased. In addition, during the same time period, Tennessee has decreased social
expenditures for aid with child care, basic assistance, and work activities, etc. (Floyd, Pavetti,
and Schott 2017).

During interviews with the participants of this study, experience with welfare was a
topic that often presented itself. In addition to the level of difficulty acquiring benefits, Ashley,
a nineteen-year-old single mother working at a clothing store in the shopping mall, explained to
me how she feels employers can exploit workers, holding welfare expenditures hostage. She
explains:

Ashley: I hate my job. I really do [Shakes her head out of frustration]. But I’m trying to
work as hard as I can so I can move up. But at the same time, it’s like they won’t let me
win. These managers just walk around seeing who can be the biggest asshole at all
times. For real.
Me: [I nod in agreement as I take notes, hoping she decides to continue explaining. I feel
there’s nothing appropriate I can really say at this point since I’m not entirely sure
where she’s going with her story].
Ashley: You probably think I’m crazy, but I just work so hard and I feel they keep like,
subtly threatening me and stuff.
Me: What do you mean?
Ashley: Well, everybody there know I got a two-year old and that I recently moved out
of my mom’s house. I’ve been getting some help from the government with my kid, you
know food stamps and welfare and all that. You know you gotta work when you get that
stuff right? I feel like I got certain obligations I have to deal with because of my kid, but
the managers just never want to hear it or never want to help out.
Me: Giving you time off work to let you take care of things and stuff like that, yea?
Ashley: Basically. But it ain’t even really about having time off really. It’s more like
having a little bit of a similar schedule each week or having a little bit of notice about
what days and times I’m going to work. These folks be having me open some days, close
the next, and it aint never the same each week.
Me: Ahh, I see. So it’s hard figuring out how to make things work at home.
Ashley: Exactly. And when I tell my managers that, that it’s hard to find people to help
me watch my kid, they just shrug me off and tell me that’s how it works. They know they
could help me with an easier schedule, but they just don’t do it because they know I
can’t quit because of my welfare.
The two other members of the working class both had interesting stories that were very similar to each other. Jack is a twenty-nine-year-old who was recently hired as a maintenance man, earning approximately eleven dollars an hour with no benefits. Prior to finding a job in maintenance, Jack worked for five years as an auto mechanic making “good” money until he was fired about a year ago, deeming him ineligible for unemployment benefits. To explain his layoff, he said:

**Jack:** It was just one of those, you know [pauses for a moment before sighing] toxic places. The money was good, but the boss man just hated me. Hated pretty much everybody there. One day my wife had to make a quick trip out of town for about a week and I was left with our baby girl. She was really sick one night out of nowhere. I took her to the hospital that night and wanted to stay home with her [the next day.] Called my boss to tell him and responded something like, “oh, don’t bother coming in tomorrow either then.” Next thing I know, I can’t make rent. To be real, I can’t even make rent now. But at least I’m making a little bit of money.

**Me:** What happened during that year before you got the job you have now?

**Jack:** Man, what didn’t happen that year? Tried getting unemployment, but was told I couldn’t since I got fired. We was all straight for a little bit, but I couldn’t get a job and we was running out of money. [Wife’s mom] started buying us some food to take care of our girl, but we couldn’t make that work forever.

**Me:** What about food stamps or something? Were you able to get some help somehow?

**Jack:** Yea, I eventually went down to the DHS office. Spent all day there only for them to tell me I needed to get a job. I’m thinking to myself, look lady, do you think I’d need some help if I had a job? So I told her that I need some help because I can’t find no job. Told her I had a little girl and everything. I eventually just got pissed off staying there all day so I left. What’s the point of that, man?

**Me:** Did anyone from the office tried to contact you after that?

**Jack:** Ah, yea, I forgot about that. They said they would, but it’s been like eight months now and still no call. They’ll probably call me in another year or two [we both laugh]. I guess I could have gone back, but for what man, just for them to tell me I’m not eligible for help? I needed to be out here looking for a job. The government don’t want to help noways.

When trying to categorize my participants based on their relation to labor, it was a tough decision putting Jack into the working class as he has had a tremendously difficult year and many elements of his story made him resemble others I had placed in the precarious
category. In the end, I decided to go with the working class for a few reasons. Jack had a particular skill that is relatively marketable, especially in a growing city. Although his current job does not pay well and almost his entire work history was tarnished because of the firing, it is possible Jack can find another well paying job in the near future.

In addition to the troubles in his attempts to receive government aid, Jack’s story demonstrates how labor in neoliberal society is so expendable. In the matter of one day, Jack went from the working middle class to someone relegated to a precarious existence. It is just as likely that he never gets a job that pays him as well as his previous one did. And if something happens at his new job, such as layoffs, technology replacing workers, etc. it’s quite possible that he gets pushed down into the subproletariat class, especially since the social safety net is all but gone.

Looking back to Anthony’s fear of being pushed completely into the informal economy and Brandon’s seemingly permanent position there or incarcerated, the urban poor’s relation to labor demonstrates an alternative historical trajectory of capitalism. Because of society’s internalization of alienation and commodity fetishism, proposed solutions to this labor crisis center around similar ideas that created the relatively prosperous working class of the twentieth century in terms of higher wages and improved working conditions. This notion neglects the apparent downward progression of labor and its current lack of power. In other words, people are quickly becoming disposable in terms of economic utility no matter their current class. Thus, our entire ideology becomes one that is fixated on improving labor conditions when the future existence of the latter is entirely uncertain. Simply improving wages for the poor does not create a long-term solution to the problems of the subproletariat as their
relation to the formal labor market is effectively nonexistent. Because of the ever increasing capabilities of technology and communications, more people will continue being pushed into the subproletariat class, an apparently lifelong sentence to destitute conditions.

Housing, Surveillance, and the Subproletariat

I argue the subproletariat’s position of urban destitution has three major contributing factors. The first, which has already been discussed, is their relation to labor. It is predominately the result of one’s downward trajectory in terms of economic utility. The subproletariat is often then forced into the informal economy as a means of subsistence. Their labor in relation to the formal economy is rendered disposable. The second and third contributing factors are housing and surveillance.

In Nashville, both the State and the market have particular roles in terms of creating access to housing for the subproletariat. The later, because of the economic growth of the city, has resulted in extensive gentrification. Private developers, investors, and some members of the general public often promote what they perceive to be the benefits of gentrification. The redevelopment of dilapidated infrastructure is always cited, but the class dimensions of those investments are apparent. In the defense of gentrification, these parties argue that the demand for properties in these neighborhoods lead to inflated prices, thus, allowing impoverished people to profit significantly from the purchase of their homes. Contrary to this notion, however, is the fact that the vast majority of these residents are recipients of government housing subsidies and have nothing to gain from the transfer of these properties. Alternatively,
it is the landlords, particularly those who have for decades benefited from guaranteed income from Section 8 recipients, that benefit from the sale of many of these properties.

Frances’s story provides some perspective on what it is like for those who do actually own properties in these neighborhoods. She began by telling me about her husband who recently passed from diabetes. Frances described how he was a laborer for a factory in the 1960s and 1970s, a job that provided them with enough income to eventually purchase their East Nashville home in the late 1970s. Gardening and community building were Frances’s biggest passions. She said many people came and went over the decades, but she grew close to many of them, especially those who had lived in the community for the past several years prior to the redevelopment. For years, she was a cook at a local restaurant, but once she and her husband retired, they lived on their limited social security benefits. During the middle of our conversation, she smiled and said:

make sure you write this down—we were never rich, but we didn’t need to be. We was happy. Donald never got to see what this city is turning into. There aren’t even no houses on our street no more. Just mud lots and half-built glass houses waiting to be bought. They offered me $200,000 for my house a couple weeks ago. That’s more money than I’ve ever seen in my life, but I just don’t know what to do.

Frances went on to talk about how she does not have any family elsewhere and has nightmares about relocating her grandchildren.\(^{20}\) All of the effort Frances put into her community over the years, as she says, will disappear. I ignorantly asked her why she does not simply stay and reject the pressure to sale her home. She responded, “I’d love to, but you should hear what this man [the investor pressuring her to sell the property] told me about next

\(^{20}\) Frances is the current guardian of two of her grandchildren. It is unclear if she is the sole provider for them.
year’s property tax increases. After I told him I live on less than a thousand dollars a month, he
told me I wouldn’t even be able to live here anyway. He told me I’d better think hard because
he won’t be giving me a better offer.” East Nashville is scheduled to have historically high
property tax increases in 2017. Although at this point, given the poor’s relation to labor,
families like Frances’s are in the minority as most do not own the housing they occupy but are
still subjected to increased rents or evictions as many of them are on month-to-month leases.

The last remaining housing project in East Nashville sits a few miles to the south of the
community in which most participants in this study originate. The community of Llyod’s (2011)
study, this housing project exists in an area that is arguably the most desirable location for new
businesses as well as middle and upper middle class housing. Already undergoing demolition in
favor of building a new “mixed-income” community, this housing project was once located in
one of the most crime-filled and feared areas of the city, but is now the heart of the “yuppie or
hipster movement,” as many East Nashville natives refer to it.

Surrounded by streets and neighborhoods of middle and upper middle class white
professionals and artists, the predominately black housing projects await their $602 million
demolition and reconstruction, currently scheduled to be transformed by private investors and
developers into a “mixed-use” community with under the name “Envision Cayce.”
(Metropolitan Development and Housing Agency, 2016; Ward, 2015). This type of
transformation is not unique to Nashville as many cities have attempted to transform ghettos
into mixed-income areas. These types of redevelopments however, have not often had
desirable outcomes for the poor (Plazas 2017d). Largely a disfigured and misguided
interpretation of Wilson’s (2012 [1987]) work on “the underclass,” the new model of neoliberal
public housing has the exact opposite effect of what he and other scholars promote in the sense that the poor are left even more vulnerable, isolated, and economically discarded as incorporation into these new communities is very limited or sometimes nonexistent because of the already extreme restrictions put on those seeking government aid.

Many of those I interviewed, especially those I have characterized as the subproletariat, are convinced these redevelopment efforts are a sham in order to further push them out of their communities. Darius, a twenty-five-year-old resident of the Cayce Homes explains:

**Darius:** I mean, look, I already live here without living here, you know what I’m saying? This project is really just my grandma’s and I’m not even supposed to be living here since I have a record.

**Me:** Do you expect that, or anything else about your living arrangements to change once they finish tearing the projects down?

**Darius:** Yea, I expect we will probably be put out. You got a million people trying to get into a few buildings. Look, they puttin’ up beer breweries on the corner and shit. Yoga centers and coffee shops on the other corner. We not wanted here, man. They just gone put some old ass black folk on posters and the news talkin’ ‘bout how happy they are to get a new house.

**Me:** What do you mean by older people? You don’t think younger people will be living here anymore?

**Darius:** Young niggas lucky enough to have a momma or granny that lives there. Everybody else either already out the hood, living in Madison or some shit, or got a record. They putting all this money into the hood to give it to white people. Not for us. You think they gone spend ten million dollars on some niggas some houses? Nah bruh, this is for the white folk moving in.

The State making efforts to redevelop the community combined with the private investors and individuals buying up the surrounding area results in a dismantling of the ghetto. Many young people, like Darius, have been unable to find meaningful employment in the “New Nashville,” as many are referring to it.

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²¹ As mentioned previously, the cost of this project is $602 million, not $10 million as estimated by Darius in this interview.
In prior decades, before gentrification, many people resorted to the informal economy as a means to offset the job loss of the second half of the twentieth century. Drug distribution, for example, had the potential to be much more lucrative than service sector employment in the 1990s and 2000s. Today, however, the city’s rapid development is leading to the displacement of the urban poor and dismantling their relation to productive employment, as described earlier in this paper, and the informal economy as community ties that serve as the foundation for this type economic activity are dismantled. Previously, public housing had been located near former manufacturing or business areas that employed the urban poor. Deindustrialization, automation, and outsourcing have led to a reconfiguration of employment opportunities. Occupants of these housing complexes could, and in many cases did, turn to drug distribution as supplementary income as the physical space of the ghetto allowed the market to thrive. These same districts now employ higher wage earners in professional sectors of the economy. Rapid development has displaced the wage earners, often pushing them toward suburbs or even outside of the city itself, closer to the county lines. This detaches the urban poor from the low-wage economy as well as the physical market for the underground economy of the ghetto.

Thus, the subproletariat, a byproduct of these changes in the economy, have not only essentially been rendered disposable in relation to production, but also cut off from elements of the informal economy. The State makes little effort to ensure working-age people from the ghetto remain in the community, I argue, because their labor is no longer needed. As mentioned earlier, expenditures on social welfare for the poor are low, but spending in areas such as surveillance, incarceration, and policing, however, remain high. This results in younger
people, as Darius put it, being “put out” of the ghetto. For comparison, in 2015, Tennessee spent $255 million in combined state and federal funds on Tennessee TANF.\(^\text{22}\) During that same time period, in the 2016 fiscal year, Tennessee spent over $926 million on corrections, policing, and prisons, with almost $115 million of the expenditures going to private prisons.\(^\text{23}\)

As discussed earlier in this paper with Brandon’s experiences with drug dealing, after he was forced out of the ghetto, working in the informal economy became much more difficult. The market for illicit products obviously still exists, but the physical market for distribution has disappeared with the closure of the ghetto. Thus, the urban poor have become truly disposable in an economic sense, further feeding the carceral system as desperation for income has reached its peak. The formal options for work began to disappear in the 1970s and 1980s. As Brandon explains, the options for informal work are now beginning to vanish as well. This leads to one either becoming permanently involved in the cycle of incarceration or complete destitution. Using my nineteen participants as an example, of the ten I have grouped into the category of the subproletariat, six are working at least partially in the illicit sector of the informal economy. Of those six, four have been incarcerated at least once and one participant is regularly in and out of jail or prison. Also, as mentioned in some of the above interviews and Adrian’s in the following section, the vast majority of them know or are directly related to

\(^{22}\) According to the Center on Budget and Policy Priorities. Tables and data for FY2015 can be found here https://www.cbpp.org/sites/default/files/atoms/files/tanf_spending_tn.pdf. As mentioned in this data, federal funding for TANF has remained the same since its creation in the 1990s. Tennessee contributes little over the required amount, leaving expenditures very low.

\(^{23}\) The FY2016 Department of Corrections expenditures can be found in its most recent annual report here https://www.tn.gov/assets/entities/correction/attachments/AnnualReport02October2016.pdf
people doing lengthy sentences. Many worry that they themselves will at some point have to deal with a long-term sentence.

The decentralization of the drug market via gentrification runs parallel to predatory surveillance by the State. This surveillance is inescapable as police and the threat of incarceration occupy almost every realm of existence for the poor. On a national scale, law enforcement agencies now maintain databases detailing “criminal files” and profiles of well over 30 million individuals. This corresponds to “one-third of the nation’s adult male population” (Wacquant 2009 [2004]: 135). For a more local perspective on direct surveillance, in the same housing projects currently undergoing demolition in favor of the “mixed-income” and “mix-use” development, police recently installed one hundred and fifty security cameras (Hall 2016).

Despite an overall decrease in crime in the city, drug related crimes have dramatically increased during this time period. According to the “Crime in Tennessee” data reports from the TBI (2006-2016), drug related arrests by the Metro Nashville Police Department (MNPD) have significantly increased over the course of the past ten years. This is despite an overall decrease in arrests. In 2006, before the escalation of gentrification in Nashville, especially East Nashville, MNPD made 4,403 drug related arrests.\(^{24}\) By 2010, that number had increased to 6,367.\(^{25}\) They reached their peak in 2013 at 10,013 arrests.\(^{26}\) By 2016, that number had fallen back down to 6,536, still significantly higher than the pre-gentrification period.\(^{27}\)

\(^{24}\) In 2006, MNPD arrested 4,116 adults and 287 juveniles on drug related offenses.  
\(^{25}\) In 2010, MNPD arrested 5,818 adults and 549 juveniles on drug related offenses.  
\(^{26}\) In 2013, MNPD arrested 9,514 adults and 499 juveniles on drug related offenses.  
\(^{27}\) In 2016, MNPD arrested 6,040 adults and 496 juveniles on drug related offenses.
Antonio and Brandon were not the only subproletariat participants in this study that described this type of invasive relationship with police. Adrian, a full-time participant in the underground economy, described the relationship as one that “can’t be avoided.”

He further explains:

**Adrian:** I been doing this a long time, cuh [short for cousin, a common way to refer to a close friend]. Shit. You know I’m still in and out the hood all the time. But it ain’t like it used to be out here, cuh.

**Me:** What do you mean?

**Adrian:** Back when my momma had that house in the hood, I only got locked up one time. And it wasn’t even about moving no dope. But since we moved, I done been arrested [approximately 7-10] times.

**Me:** What do you think is causing that?

**Adrian:** Just, you know, different shit, you know what I’m sayin’? I know we be out here talkin’ about gettin’ money, but we ain’t. We ain’t the ones buyin’ up the hood and putting up new cribs [references to the new infrastructure development in East Nashville] and shit. Nah, I was making so much more money back then that it don’t even make sense, cuh. Now, I just feel like they [the police] just live to fuck with a nigga.

**Me:** What kind of stuff do they do? I know you spend a lot of time here [near the Woodglen community] and Madison. Is it the same in both places?

**Adrian:** Man, I don’t even really know to be honest. I just know I can’t make no money doing shit without the police fucking with me. Can’t get a job I done been arrested so many times. Can’t put in work cuz everybody doin’ that shit nowadays. Everywhere I go I feel like it’s a trap. I mean, it ain’t even like they [the police] can stop the shit anyway, cuh. Like it’s my fault niggas wanna get high or something. Somebody gone get them their dope, whether I’m locked up or not.

[we spend several minutes reminiscing about what East Nashville looked like in the past and eventually what it might look like in the future]

**Me:** So what’s the future look like for you, man? What’s next?

**Adrian:** What is you talkin’ ‘bout, cuh? Ain’t no future. I don’t know what’s next. A nigga can dream about bein’ able to buy one these fancy ass houses out East, sippin’ on some

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28 Adrian stressed he did not want his identity exposed and asked me to conceal his exact age, among other identifying comments, because of pending legal troubles.

29 Adrian often returns to the area surrounding the Woodglen community because of family and friends that still live there, but he has moved to Madison full-time.

30 The number of people selling drugs, according to Adrian, has increased, limiting his ability to make an income and driving prices down. In addition to these issues, he likely faces the same problems as Brandon when it comes to not being able to find potential buyers in his Madison community due to the dismantling of the ghetto—and the market for the underground economy.
ten-dollar coffee while walkin’ my dog or some shit, but that ain’t gone happen. I’m a gangsta, cuh, and it ain’t no mo’ room in this city for gangstas.

Several times throughout our conversation, Adrian expressed concern that his future might be at risk and that he envisions himself going back to prison in the future. Both his older brother and cousin have been sentenced to several years in prison for unrelated drug crimes. Adrian’s current position depicts the full transition to a state of urban destitution in neoliberal society. Unable to even position himself into the precarious service sector of the economy, Adrian has found himself incapable of subsistence even via the informal economy. His bleak outlook on the future is symbolic of the despair of the subproletariat in neoliberal society. His recognition of the other side of the class hierarchy, in reference to the new houses, expensive coffee and leisurely walks through the community, reveals how far from the realities of the middle, working, and precariat classes the subproletariat has fallen. The frustration and passion expressed in his thoughts on his role in society highlight the harshness of neoliberal surveillance and economics.
Chapter VI
Conclusion

Beginning in the second half of the twentieth century and the early decades of the twenty-first, many cities started experiencing rapid growth and development as Western societies began implementing neoliberal policies.\textsuperscript{31} On the surface, it had seemed as if these changes were a means of ushering in the new—replacing the menial and strenuous forms of labor of the past with the professional and intellectual jobs of the future. Gentrification, along with government-led and market-oriented redevelopment have given the impression that the dilapidated and crime-filled neighborhoods of the past will be replaced with mixed-income housing in which races, despite vast differences in income, will live in harmony. As this example with Nashville demonstrates, however, this is not the case. Instead, the old way was replaced with automation and outsourcing and those fortunate enough to maintain employment in these sectors of the economy now face perpetual precarity as survival is no longer guaranteed via any social safety net. In addition, access to affordable housing has been greatly restricted as governmental regulations, constant surveillance, lack of social expenditures, and the demolition of the ghetto have all led to the displacement of poverty.

But it is not just the lack of access to meaningful employment, insufficient State expenditures, physical displacement, and increased surveillance that have essentially rendered the urban poor disposable. As my participants in chapter four explained, even those most vulnerable of losing access to the formal labor market still often fetishize one’s relation to

\textsuperscript{31} This argument applies to Western cities, especially in the United States. Cities in the global south, however, are experiencing a different manifestation of twenty-first century capitalism, primarily due to people’s relation to labor.
labor. Entrenched alienation has led many of my participants to believe that if they simply continue to work hard, then they will also benefit from Nashville’s growth and development, unable to recognize the realities of displacement and relation to labor and production. But as one gets pushed further into precarity and beyond, my participants often recognized and came to terms with the notion that these changes were simply another chapter in a long history of exploitation and oppression. For those pushed permanently into the subproletariat class, life has essentially turned into an existence best described as destitute. The subproletariat has moved beyond a reality defined by exploitative capitalism that seeks to extract as much benefit from its labor as possible while providing a degree of stability to ensure its compliance. Instead, life becomes, as explained in chapter five, less about maintaining meaningful employment as people are forced into bare subsistence as they navigate their state-sanctioned downward trajectory in terms of economic utility. Once one has been pushed this far to the margins, a person’s relation to labor is replaced with one’s relation to state surveillance and destitution.

Further studies of the subproletariat should continue to analyze their changing relation to labor. Most importantly, future studies must focus on the role of the neoliberal state in creating and maintaining levels of social destitution. It is possible that the vast majority of society will eventually—with further advancements in areas of artificial intelligence and automation—find itself in situations similar to Brandon, Adrian, Darius and others from my

32 Duck’s (2015) work is an interesting parallel to this one in the sense that he seeks to demonstrate how structural forces prevent the urban poor from “getting out.” Duck’s work also uses first-hand experiences as a way to shed light on various forms of inequalities and injustices.

33 For more detail on the potential and necessity of social movement-oriented elements related to these issues, see Guinier’s and Torres’s (2003) The Miner’s Canary: Enlisting Race, Resisting Power, Transforming Democracy.
study opposed to those of the middle and upper class beneficiaries of Nashville’s growth and development.

Sociological research, particularly in urban sociology, must also evolve beyond prescribing welfare state-oriented solutions to problems of poverty and inequality. Although scholars often provide well-intentioned policy recommendations, they fail to offer realistic critiques of neoliberal capitalism. Simply advocating for higher wages, equal opportunity to housing, etc. fail to account for all of the transformations within capitalism of the past half century. Because these solutions are reflective of prior iterations of capitalism, they, paradoxically, contribute to the reproduction and maintenance of neoliberalism. Alternatively, it is imperative that scholars begin to understand repressive state policies and cuts in social expenditures as responses to obsolete labor. Thus, simply improving labor conditions and compensation is not a long-term solution. Thus, labor, in these terms, has little power and the state has no incentive to provide any standard of living beyond the realm of market allowance. In order to maintain social stability, repression has replaced welfare as the response to obsolete labor and there is little reason to assume that this will not continue.

These aspects of the social are lost in traditional urban sociology as poverty is often reduced to individual agency versus the direct or immediate structural barriers such as unemployment, discrimination etc. that can be overcome via minor progressive shifts in policy. Social research should instead focus more on understanding the inner-workings of urban poverty, globalization, and capitalism as they relate to their successors--displaced labor, carceral expansion and state repression, and social destitution. Rethinking the approach to
social research will allow scholars to more accurately illuminate alternatives based on a notion of social transformation.

My proposal to change the way we think about poverty and policy recommendations also sheds light on some of the limitations of this study. In order to best understand the realities of those furthest on the margins, it would be imperative to spend extended amounts of time doing field research. Although I spent my childhood and early adult years in this very low-income community, I have since moved on to a university setting. This research could have been improved had I been exposed to the same long-term vulnerabilities as my participants beyond my early and teenage years. Most importantly, due to time constraints, I was unable to interview people with long prison sentences. Although the biggest victims of twenty-first century capitalism, their voices were largely left unheard in this work.

Race has also been an important factor in this research. Although not always on the surface of every element of analysis in this paper, it is foundational and inescapable when trying to understand inequality, poverty, and capitalism. In addition to making sense of race’s impact on structural issues in modern society, it is also important for academics to be consciousness of how their own race impacts social research, especially while employing any form of field methods. Although I am a white male, I was fortunate enough to have long relationships with several of my participants and was personally introduced to many of those I did not previously know. Despite many of my participants openly downplaying my whiteness, whether it be on or off the record, it is undeniable that it still played a role in the ways in which some or all responses were constructed, even if it was unconscious. Most importantly, I, as a white male academic, would have certainly not had these same benefits had I gone into a
similar community elsewhere in the United States. Race, however, is not the only important factor when developing relationships in the field, as there are a variety of other factors to consider, including class, culture, gender, and sexuality. Simply blending in via one’s race is not enough to warrant a study without being reflexive of these issues. Thus, even with extended time in the field and making tremendous efforts to develop and maintain relationships with participants, it can be a complex procedure that is not successful simply due to overlap in one particular type of identity.

Additionally, this study could have benefited from expanding my field site beyond the urban poor with interviews of city and state officials, business and financial leaders, and police or corrections officials. In other words, future studies on this topic should embrace a participant population from a larger portion of society. Expanding on these perspectives, using a variety of different research methods, is imperative if we seek to confront the economic and social challenges of this century.


Vita

Charles D. Walton was born in Nashville, Tennessee. He attended Stratford High School in East Nashville. In 2013, he completed a Bachelor of Art degree in History at the University of Tennessee, Knoxville where he specialized in 20th century United States, Latin American, and global history. After nearly two years away from the academy, he enrolled in the Sociology graduate program at the University of Tennessee, Knoxville.