

Vonnegut the Economist: *Jailbird* and the Economic Crisis of the 1970s

William M. Etter
Irvine Valley College

This year marks the 40th anniversary of the publication of *Jailbird*. How was the American economy at the end of the 1970s? Dreadful! By midcentury the recession was already the worst since WW2, “Food prices [were] rising at an annual rate of [between] 10 [and 16] percent,” and the unemployment rate eventually exceeded 12% (Biven 84; Mieczkowski 151; Biven 84, 28). Meanwhile, the United States was also in the grip of the “Great Inflation, the worst peacetime inflation...in a century” (Biven 83). The Carter administration called these combined rates: “the misery index.”

Although many reviews at the time, such as Loree Rackstraw’s, identified the “economy” and capitalism as important in Vonnegut’s novel, they did not explore these themes in depth (106). As Vonnegut told an interviewer in the fall of 1979: “a lot of it involved economics” (Reilly and Vonnegut 22). *Jailbird* registers, laments, and wrestles with the economic crisis of the 1970s not only as allegory—as Rackstraw’s review concludes—but as actual operations that have a significant effect on the shape and arguments of the narrative.

“By 1980, the dollar was worth 40 percent of what it had been in 1967” (Horowitz 5), and we might note the embarrassing error Walter F. Starbuck made in 1931 at the Arapahoe Hotel when he mistook a twenty-dollar bill for a one-dollar bill, an inflationary faux-pas that appears just after Walter reflects that, at the present time, he believes no one knows what’s going on with money (109-10). Indeed, the economic crisis of the 1970s confused most Americans. Inflation and unemployment rose

simultaneously, which violated the Phillips curve (at that time conventional wisdom). But the responses to handling inflation and unemployment oppose each other, which meant no matter what anyone did about one economic problem, it seemed to conflict with, and worsen!, others, resulting in the infamous nickname “stagflation.” As historian Andreas Killen has written, “The decade served as a ‘virtual synonym for weakness, confusion, and malaise’” (Borstelmann 2). These economic conditions offer additional context for Robert Tally’s conclusion that, by the end of *Jailbird*, “nothing is to be done” and his interpretation that both Starbuck and the narrative itself end in an “abject sense of resigned indifference” (100, 107, 110). This structure in *Jailbird* can also be, at least partially, explained by pessimistic perceptions of ‘economic’ time of those individuals who had grown up during the Great Depression and were now experiencing the 1970s crisis.

In the 20th century, only twice—in the 1930s and 1970s—“did Americans end a decade poorer, on average, than they began it” (Frum 291). In *Palm Sunday*, Vonnegut writes of his generation, “It was the Great Depression which made us...edgy and watchful”; like many at the time he seemed to ‘read’ the 1970s through the lens of someone primed to be hypersensitive to rising inflation and to despair at rising unemployment (1). In the 1970s, for Vonnegut in particular, perhaps nothing seemed so clearly to indicate the severity of current economic woes as the continual class conflict and worsening conditions of the poor because he envisioned American economic history as consistently unjust and even cruel to those in the most difficult financial circumstances. Thus, in his 1979 novel he narrates the lengthy story of Sacco and Vanzetti in the 1920s, framing it largely as a tale of economic inequality and

exploitation: they immigrate when the opportunities for work exist because “American employers at the time wanted the country to be flooded with labor that was cheap and easily cowed, so that they could keep wages down” (173). (Vonnegut later presented a similar historical narrative in *A Man Without a Country*.)

However, Vonnegut’s sympathetic view of America from the poor and working-class perspective, was not the one gaining prominence in the midst of the 1970s economic problems. Instead, at the time there was a rising tendency to blame the working class and the poor for current economic woes because the so-called “entitlements” they received—such as Social Security benefits, health care through union negotiations, and welfare programs—were seen as exacerbating inflation, putting severe pressure on government budgets, and restricting economic growth. Thus, in an article in *Newsweek* in 1976, economist Milton Freedman claimed there is “a widespread public sentiment...that throwing away increasing amounts of taxpayer’s money at very real social and economic problems had made them worse” (qtd. in Mieczkowski 109). Even Vice-President Mondale proclaimed that the nation must “adjust the liberal values of social justice and compassion to a new age of limited resources” (qtd. in Patterson 74). To many, the economic problems of the 1970s were not only directly attributable to unmanageable social welfare programs of the 1960s but even constituted ‘evidence’ that such New Deal programs did not work.

New York City—the setting for much of *Jailbird* and for the burned-out landscape of the 1976 novel *Slapstick*—became the symbol par excellence of economic shock as the city experienced near bankruptcy (one thinks of the fall from grace of the Arapahoe Hotel as well as how *Slapstick* refers to “people fleeing...

economic declines” and scavengers “around the ruins of the New York Stock Exchange.”). In this decade the number of urban poor in the city more than tripled (Frum 335). Moreover, the city could not cover its expenses because—so many people claimed—it had a large number of retiree pension payouts and the “welfare rolls contained more than a million people” making it seem, as one commentator depicted it, “a local version of a [failed] welfare state” (Berkowitz 100).

In *Jailbird* Vonnegut seems attentive enough to such views to satirize them in his fictional Cuyahoga Massacre where the callous company owners “suggested that [the employees] had mistaken the business for a charitable organization” (xxiv). Moreover, Walter repeatedly considers arguments in favor of “entitlements,” such as when he reflects on the belief that “each person...should be rewarded, sick or well, young or old...talented or imbecilic, according to his or her simple needs” (13-14), a statement that responds to the economic problems of the 1970s in a manner akin to the way the liberal economist John Kenneth Galbraith did at the time when he claimed inflation stole from “the old, weak, and small” (qtd. in Mieczkowski 106). Walter echoes this sentiment when he considers Mary’s life as a homeless woman: she “wasn’t the only shopping-bag lady in the United States of America....Ragged regiments of them had been produced accidentally, and to no imaginable purpose, by the great engine of the economy” (140). (Incidentally, when Walter holds his going-away party from RAMJAC at the end of the novel, he receives a telegram from John Kenneth Galbraith who had attended Walter’s other parties.)

In an interview conducted a few months after *Jailbird*’s publication Vonnegut confessed “I don’t know why I’ve been so interested in labor history” (Reilly

and Vonnegut 19), but I think the context of the 1970s economic crisis gives us strong clues! Labor and labor unions were under constant attack at the time. As historian Jefferson Cowie argues, labor became the “scapegoat of the seventies....working people simply made too much money...and were so demanding as to destabilize the entire economy” (221). In his October 1978 national address on inflation, Jimmy Carter specifically took aim at any “selfish group of employees...using its power to demand excessive wages” because such unreasonable demands “victimize the rest of us” (“Anti-Inflation”). We should recall that Vonnegut describes the Cuyahoga Massacre as “a mosaic composed of bits taken from tales of many such riots in not such olden times” (xxi). Indeed, the 1970s were a period characterized by what historians have called “an epidemic of strikes,” and often violent ones. In 1974, over 6,000 “work stoppages and lockouts took place, more than during any previous year in the postwar era” (Mieczkowski 106). The longest strike in the history of the UMWA ran from late 1977 into 1978, (incidentally, the UMWA is one of the only real unions explicitly identified in *Jailbird*), and in the violent Newport News Shipyards strike police clubbed dozens of union members (Cowie 258).

Yet, running against the grain of popular views at the time opposing labor and labor unions, in *Jailbird* Vonnegut chooses to depict labor history on a continuum with the present to critique present-day views. Referring to the period just after World War II, Vonnegut says “Unions were admirable instruments for extorting something like economic justice from employers then,” and comments that “in these days. In public schools and in the homes of nice people it...[is] pretty much taboo to tell tales of labor’s sufferings and derring-do” (xii, xviii-xix). In a 1979 interview Vonnegut

commented on his invention of the Cuyahoga Massacre: “my orchestration of the event was consistent with the way riots had gone in the late nineteenth century, and with the way they continue to go” (Reilly and Vonnegut 21). His historical vision of labor is consistent with the way one member of the Machinists union complained about businesses’ attempts to break unions in the late 1970s: “Their goals were not different from those 19th century industrialists who espoused the Gospel of Wealth....This...is a war” (qtd. in Cowie 234).

With the benefit of hindsight, Vonnegut’s support of the working classes against business interests in the 1970s was arguably justified. John Kenneth Galbraith later rejected the claim that “entitlements” and unions were “responsible” for inflation and price increases and suggested actions like large businesses’ resistance to voluntary price controls were far more harmful; historian Lane Windham agrees (505-6). Moreover, even though industries like the steel industry were commonly labeled “sick” industries at the time, such that “By the spring of 1975 almost 100,000 steel workers had lost their jobs,” starting in 1977 steel producers actually raised their prices and made a \$1.3 billion profit the next year (Biven 230-2). Near the end of *Jailbird*, Walter ironically reports that one division of RAMJAC (during some of the worst years of the economic crisis) “never failed to show a return on capital of less than 23 percent” (227).

All of these problems made the economic situation of the 1970s frustrating, uncertain, and absurd. One economic anthropologist claims this era made the world seem “ever more determined by markets outside the control of any state, or, indeed, any human agents at all...wizard worlds at once abstract, distant and mesmerizing” (Maurer 18). This was a situation Kurt Vonnegut was well-qualified to

register! When Walter takes Sarah Wyatt to dinner during the Great Depression, she says, “‘Money is so strange...Does it make any sense to you?’ ‘Some people must [understand it],’ I said,” and then Walter concludes that, in 1977, “I no longer believe that” (106). He’s right. Economic experts wildly and publicly disagreed about the Great Stagflation. One government official claimed that if, in 1972 “we had predicted what actually happened in the 1970s we would have been practicing in an asylum” (qtd. in Berkowitz 58). In a national address on the economic crisis, President Carter said: “I do not have...the answers. Nobody does” (“Anti-Inflation Program”). Fortunately, Vonnegut was neither afraid of disorder, nor afraid that tomorrow showed little promise of being better than today, and therefore accounted for this chaos directly. In *Jailbird* the chauffeur Cleveland Lawes suggests “the President of the United States ought to be given” a toy steering wheel “at his inauguration, to remind him and everybody else that all he could do was pretend to steer” (89). These economic problems were so complex they eluded theory, plotting, or prediction, or, as Walter aptly describes it near the end of the novel, “The economy is a thoughtless weather system—and nothing more” (231).

In *Jailbird* Vonnegut does not offer an answer to the economic crisis—if he had attempted to provide one it would have undercut his (quite accurate) reflection of the uncertainty and despair of the period. In fact, he goes even further and undercuts virtually all of the proposed solutions offered at the time. He undercuts government or public-sector-oriented solutions when he writes that when the federal government takes charge of RAMJAC money to redistribute it to the American people, the plan fails because “Mary Kathleen’s legacy to the people was being converted to mountains of

rapidly deteriorating currency, which were being squandered in turn on a huge new bureaucracy" (238). Indeed, public-service employment plans only increased inflation at the time. He undercuts monetary solutions amidst what one economic historian terms "a new international monetary regime vulnerable to volatile foreign exchange markets" when he writes that "an acre of bales that looked like cotton" at a Brooklyn dock "were actually bales of American currency from Saudi Arabia...for the McDonald's Hamburgers Division of RAMJAC" (Biven xi; 230). Indeed, most economists today believe that "The rapid expansion of [the] money" supply internationally—called "world liquidity"—was one of the major causes of the Great Inflation (Biven 249-250). (So, as a novelist, Vonnegut proves a surprisingly astute economist!). He undercuts views which suggest the free-enterprise system will self-correct (sometimes called the Austrian School of Economics). At the time, many advisors counseled government and business leaders "to hold fast until [the] money supply" yielded to capitalism's "self-adjusting mechanisms" (qtd. in Mieczkowski 149; qtd. in Carroll 172). Yet referring to economic problems with respect to the indigent in 1977 Walter can only report that "Unspecified repairs were to be made at some future time," and notice the pathetic vagueness and passive construction of this sentence (140)! Vonnegut even undercuts his own pro-union stance late in the novel when he describes how the International Brotherhood of Abrasives and Adhesives Workers "is run by gangsters now" while its "lifetime president" is serving a prison sentence (163). Thus, the novel's overall assessment largely aligns with that of the major economist of the "Great Stagflation"—Alan Blinder—who has essentially determined that everyone at

the time did everything wrong and there was no satisfactory cure for this particular form of stagflation anyway.

So, if *Jailbird* might help us reflect on the economic crisis of the 1970s, how might the economic crisis of the 1970s help us better understand Vonnegut? Looking backward over his career, useful comparison might be made of economically oriented texts like *God Bless You, Mr. Rosewater* (where economics seem to be approached from the angle of personal and psychological factors inhibiting productive wealth redistribution) and *Jailbird* (where economics seem to be approached from the angle of larger historical trends and systemic effects). Looking forward, we can note that some of Vonnegut's later expressed beliefs seem directly influenced by the 1970s economic crisis. For instance, in a late chapter of *Timequake*, he refers to "labor history [and] strikes" and his proposed new Constitutional amendment to deal with unemployment ("Every adult who needs it shall be given meaningful work to do, at a living wage") but then concludes the chapter with the melancholy reflection such reform would be preempted by an unjust inflationary economy: "mountains of paper wealth so enormous" with "a handful of people in charge of them" (603).

In many ways, the principle 'action' of *Jailbird* begins when Walter leaves prison in 1977, proclaiming: "So here I was going out into the Free Enterprise System," a system, as Vonnegut so eloquently described it in 1979, "which does nothing but dream in its own self-interest" (68; "Special" 794). Among the cultural productions of the 1970s, Vonnegut's novel presented this system's disorder as well as any, and arguably, better than most.

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