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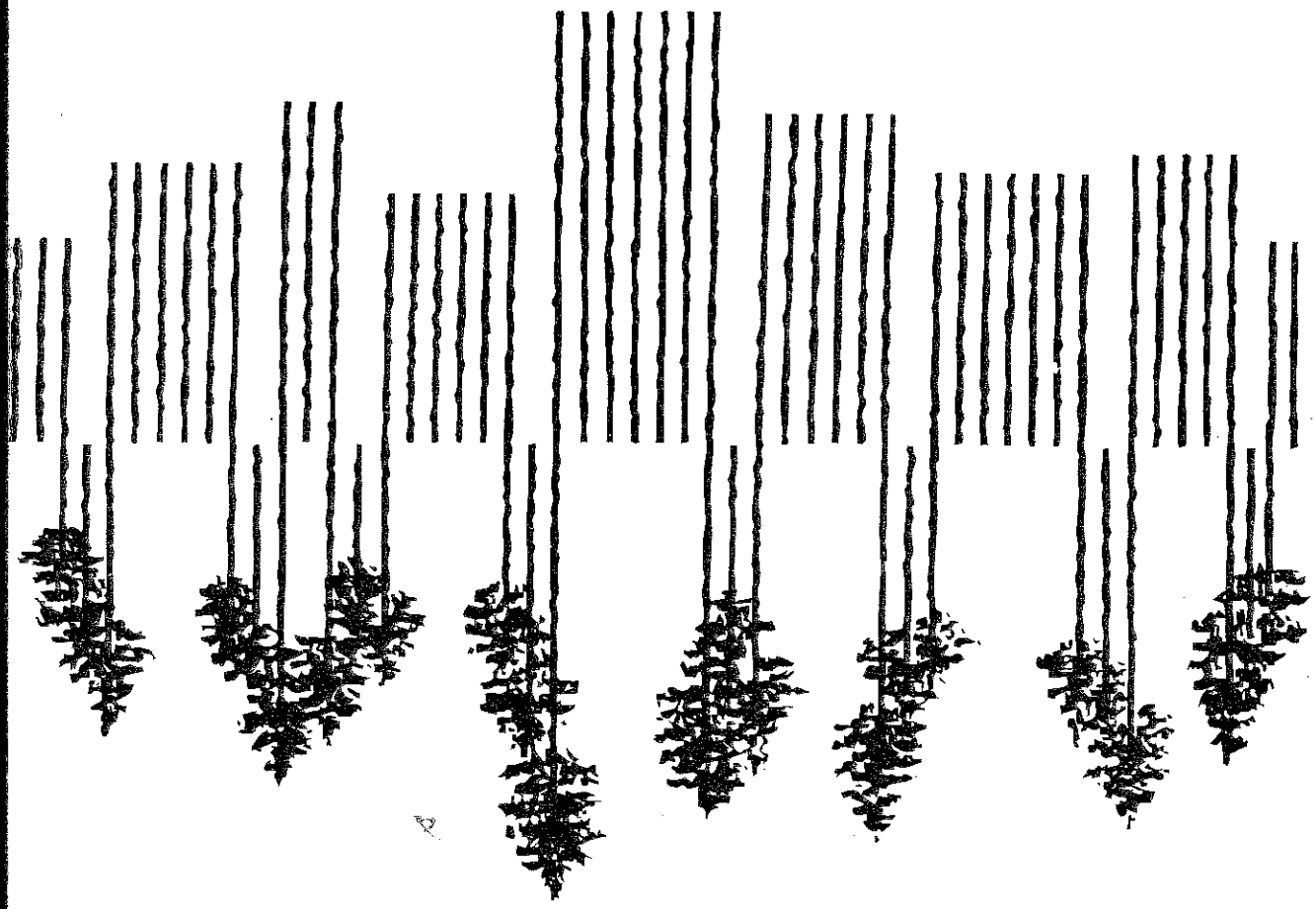

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Effects of Displacement and Outsourcing on Woods Workers and Their Families

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This study examines the effects of displacement and outsourcing on 60 woods workers and their partners in northeastern California. Following displacement, 17% retired and 76% were reemployed when interviewed. The average unemployment period was 2 mo. Eighty percent of those reemployed continued to work in the woods. Postdisplacement income declined on average 25% from predisplacement levels. As a group, retirees fared the worst, losing 30% of their predisplacement income, while those reemployed in woods work lost on average 17%. Those reemployed worked in less stable jobs and frequently worked more hours with fewer or no benefits. Thirty percent were without health insurance. Women shouldered an increased responsibility for household income, contributing on average 15% more to the postdisplacement total. Job training was ineffective because the displaced were unwilling to move into occupations requiring relocation. Commitment to kin and communities kept the displaced from moving despite limited local opportunities.

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In January 1992, Caudex Lumber Company[1] shut down its woods operations, laying off all its logging-related employees. The company decided it was no longer economical to retain the integrated woods operation that built and maintained logging roads, felled, bucked, and skidded trees, and transported them to the mill. Henceforth, all of the woods work was "outsourced" or subcontracted to independent logging companies. Company woods workers, who had grown accustomed to resuming their work in the woods as soon as the winter snows melted—many having done so for over 35 yr—no longer had a job with the company.

Despite the rhetoric devoted to displaced forest industry workers, little empirical analysis, particularly of woods workers, has been done. This study begins to bridge the gap between the rhetoric and the reality by examining the effects of displacement on one group of displaced workers. Because few studies have systematically examined a group of displaced woods workers, we begin with a literature review that draws primarily from the manufacturing sector and associated displaced workers. We then discuss the methods used to examine the effects of woods worker displacement and outsourcing of woods jobs. Unlike the more common study that focuses exclusively on displaced workers, this study focuses on both workers and their households. We describe the study group in the results and discussion section, and discuss how pre- and postlayoff incomes of the displaced and their partners change in opposite directions. Highlighting the words and stories of those interviewed, we conclude this section with a discussion of the stress associated with displacement and outsourcing; financial strategies for bridging unemployment periods; the impact of increased work hours in subsequent jobs; the effects of less stability and loss of benefits on the displaced and their families; the ineffectiveness of job training; and the commitment to communities and kin that lead most families to stay in their communities despite limited and often diminishing economic opportunities. In the conclusion of the article, we summarize the major findings, and close discussing the relationship of corporate practices to displacement, outsourcing, and the needs of labor, families, and communities.

This study takes place in three northeastern California communities of the Sierra Nevada where most of the displaced woods workers lived. This area supports some of the most productive conifer forests in the state. Over half the land is managed by the federal government, but there are also extensive tracts of private commercial timber. Despite the relative decline in importance of the wood products industry in the region over the last two decades, many local residents continue to view the area first and foremost as "timber country," and see their own lives and their communities moored to the long history of logging and milling operations.

Literature Review

Studies of displaced workers have found that, in general, unemployment causes significant economic and psychological hardship for workers and their families (Bluestone and Harrison 1982; Flaim and Seghal 1985; Jacobson et al. 1993). Given limited options and difficulties often associated with reemployment, some workers choose to retire or leave the workforce (Bluestone and Harrison 1982; Gordus et al. 1981). Older workers suffer disproportionately. Hammerman (1964) found that older workers (those over 45 yr) have significantly higher unemployment rates than

younger workers, and suffer from age discrimination and myths about their being unproductive, resistant to retraining, and requiring higher workers' compensation. In one of the few studies focused exclusively on forest product mill workers, Weeks (1990) found that workers aged 45–54 yr had an unemployment rate of 20% and the 55–64 yr group had an unemployment rate of 42%. These totals do not include those who are no longer seeking work. Older workers, as well as workers in natural resource-based industries, tend to be less willing to take jobs outside their industry and locality because of deep ties to both occupational and geographical community (Bunker 1992; Carroll 1995; Gordus et al. 1981; Hammerman 1964; Strange 1977; Sturney 1992).

Two primary impacts of job loss are workers' declining wages and occupational status (Bluestone and Harrison 1982; Flaim and Seghal 1985). Wage decline varies by occupational sector, but as Jacobson (cited in Bluestone and Harrison 1982, 56) stated that at 6 yr after job loss, the yearly earnings of workers they studied had not caught up with their cohorts who held onto their jobs. Jacobson et al. (1993), in a later study, found that 5 yr after displacement, workers' income was 25% lower than predisplacement income. Higher paying, unionized workers are likely to fare the worst, as are workers from areas of high unemployment and small labor markets (Sturney 1992).

Related to declining wages and occupational status and tied to arguments about rising deindustrialization is the replacement of full-time jobs with benefits by contracting arrangements that maintain the same job activity but without job security or benefits. The shift to a "contingent" labor strategy is described as a response to an increasingly global market characterized by fierce competition, low profit margins, rapidly shifting patterns of consumer demand and technological change, and national and international monetary instability (Belous 1989; Dillon 1987; Harrison 1994). Contingent labor (including part-time workers, temporary workers, independent/self-employed contractors, contract workers, at-home workers, and leased workers) generally results in lowered wages, loss of benefits and pension plans, reduced job security and stability, and severed bonds of solidarity between workers, firms, and communities (Dillon 1987; Fevre 1986; Harrison 1994).

Conversely, outsourcing cuts a firm's costs by reducing supervisory and administrative expenses, lowering effective wage rates, and eliminating payment for nonproductive time as well as for worker benefits such as health insurance, liability insurance, and workers' compensation (Belous 1989; Harrison 1994; Thomas 1985; Vaupel 1992). Firms that externalize the labor force have greater flexibility in determining the timing, quantity, and skill composition of their workers, critical for those in the natural resource sector, which benefit by not "carrying" an internal work force over the slow season (Marchak 1983; Wells 1984). Outsourcing also helps to discipline the labor force, as the fear of unemployment may reduce the potential for unionizing or other forms of mobilization (Fevre 1986; Friedland et al. 1981; Thomas 1985; Wells 1984, 1996). Contract labor shifts the risks of overcapitalization and unstable demand from the core firm to the contractor, ensuring a competitive labor market while buffering the core firm from market fluctuations and risks (Marchak 1983; Watts 1994).

Numerous studies have linked job loss with workers' and families' psychological and social health, but many points of debate remain regarding research methods and findings. In general, unemployment increases physical and psychological maladies of workers (Brenner 1973; Kasl et al. 1975; Kasl and Cobb 1979; Kessler et al. 1987; Liem and Liem 1989). Stability of subsequent jobs is also important to

worker health: the more unstable the subsequent job, the lower the worker's psychosocial well-being (Gordus et al. 1981; Kasl and Cobb 1979; Liem and Rayman 1982). Marchak (1983) showed that the timber industry in British Columbia was anything but stable, finding that 21.5% of loggers were employed less than 6 mo by the same employer. Echoing a broad-scale industrial trend identified by Bluestone and Harrison (1982), Marchak noted that as larger corporate firms with singular profit objectives dominate the market, job stability and job duration decline. Caudex Lumber Company has not escaped the effects of this trend, and the displacement of Caudex woods workers has had considerable impact on the three local communities within the company's area of influence (Kusel 1991).

Methodology

This study examines the effects of woods worker displacement and the outsourcing of woods jobs by focusing on the 65-member Caudex Lumber Company woods crew, which was displaced in January 1992. Caudex Lumber Company provided the researchers with a list of displaced woods workers and shared general information about workers, jobs, and wages. Researchers contacted displaced workers and their spouses or partners (hereafter partners), or utilized family members or community networks when workers could not be located or contacted, to schedule interviews. Researchers' residence in the workers' local communities facilitated interviews. After having learned of the study through local networks and encountering researchers in their communities, some displaced workers who had initially refused to participate in the study agreed to be interviewed. Of the 65 woods workers displaced by Caudex, researchers interviewed 60, in addition to 36 of their spouses or partners (out of a total of 43 displaced worker spouses or partners) between January 1993 and the fall of 1995. One displaced worker and two partners refused to be interviewed and three displaced workers could not be located. One of the eight workers who had transferred into the company mill was not interviewed. Table 1 shows the employment status at the time of interview of the displaced woods workers crew.

Interviews were most often conducted in displaced workers' and their partners' homes, occasionally in local establishments, and rarely in the researchers' office. With few exceptions, female partners were interviewed by a female researcher. Most

TABLE 1 Employment Status[a] of Caudex Woods Crew

	Number
Displaced workers	
Retired	9
Disabled	2
In retraining program	1
Reemployed	41
Unemployed	1
Other workers	
Transferred to company mill	8
No information	3
Total displaced workers	65

[a] At the time of interview.

interviews were conducted with one individual at a time, although occasionally both the displaced worker and partner were present. In these cases the interview focused on one or the other. Three workers were interviewed by phone because they either did not wish a personal meeting or had relocated from the study area.

Interviews were semistructured, guided by the interviewee and by questions (listed in Appendix I), which focused on the life history of the displaced worker, circumstances and financial coping strategies associated with displacement, current employment and employment benefits, partner work and income, and impact of displacement on family and marriage or partner relationships. Partner interviews focused less on life history than on family dynamics, employment and earnings before and after displacement, and effects of displacement on the worker, partner relations, and family. Questions, based on major themes identified in the literature review and on issues that had emerged in early interviews, were designed to draw out interviewees and assure that specific topics were covered in each interview. Interviews lasted an average of $1\frac{1}{2}$ h and ranged from 45 min to over 3 h.

Workers and their partners were asked to report both their 1991 income (the year prior to displacement) and their income from either the last full calendar year prior to the interview or, if the close of the year was near and their income and job were stable, their expected income for that year. Income included all transfer income, unemployment insurance, and other formal and informal income. Self-reported income at the time of displacement was compared to company-reported wages by occupation for verification. Where significant discrepancies appeared, workers and partners were asked for clarification. Obtaining income data using face-to-face interviews highlighted problems associated with collecting these data: A number of workers did not have a good knowledge of their personal and family incomes, and, contrary to stereotype, relied instead on their partner to manage money. Occasionally it required joint effort of worker and partner to produce income data. Only after reminders did some workers include income obtained from informal sources (e.g., wood cutting). All income data are expressed in 1991 dollars to facilitate comparison. Despite assurances of the confidentiality of the interviews, some respondents declined to provide income information.

Interviews of county social services and Job Training Program counselors, Caudex managers, other company employees, and other community residents were conducted to gain additional perspective on the effects of displacement. In addition to its facilitation of interviews, residence in the local area offered researchers the opportunity for participant observation in the local communities and increased contact with participants and other community members, many of whom freely shared their perspectives on the company and the closure of its woods operation. The advantage of drawing on these multiple sources of data is that the inherent weaknesses of any one method can be ameliorated by the other (Seiber 1978). This approach increases the complexity of the research but allows researchers to take advantage of the strengths of individual methods while reducing exposure to their weaknesses (Denzin and Lincoln 1994). All interview data were systematically reviewed and common themes identified and validated with additional review.

Results and Discussion

We begin by describing demographic characteristics of Caudex forest workers and the types of jobs workers held with the company. Some Caudex workers avoided displacement by taking a job at the company mill. It is instructive to briefly describe

this group and to identify workers' reasons for taking jobs at the mill. The reasons why most workers chose not to are also discussed. We then discuss pre- and postdisplacement incomes for workers and their households, and examine the differences between subgroups such as those reemployed in the timber industry, those reemployed outside the industry, and retirees, who fared the worst. The pre- and postdisplacement change in household incomes highlights the increased importance of partner or spouse income for displaced worker households.

Despite the short period of time between displacement and reemployment, many displaced workers had to grapple with the stress of being jobless, finding a new job (some after holding the same job for decades), devising strategies for making ends meet at a time when they were most vulnerable, and replacing lost income and benefits. We discuss strategies used to cope with unemployment and buffer income loss, and also identify drawbacks associated with new jobs such as increased hours for the same or reduced pay, reduced job stability, and the loss of benefits. We conclude this section with a discussion of the ineffectiveness of job training. Throughout much of this discussion we use the words that the displaced workers and their partners used in their conversations with us.

Caudex Woods Workers and Their Jobs

Caudex's woods workers ranged in age from 23 to 66 yr, with an average age of 45 yr. Most of them were long-time residents of the three local communities; half attended high school in the local area. All of the workers were males and most were white. Their levels of education varied: Nine workers, mostly older, never finished high school, and seven held either an associate's or a bachelor's degree. Many displaced workers were long-time company employees, with an average length of employment of 19 yr. Only two displaced workers in the study worked for Caudex for less than 5 yr, and 12 workers had been with the company for over 30 yr.

A total of 43 displaced workers were married or lived with a partner, and 11 were divorced, separated, or single. Two workers divorced or separated from their spouses within 1 yr of the Caudex displacement, and one moved in with a new partner by the time of the interview. Just under 80% of the displaced workers' partners worked full- or part-time; 12% were not working or unemployed; and 9% were retired. The status of one partner was not reported.

Prior to their displacement, Caudex woods workers were employed in a wide variety of positions including ground crew (brush disposal, stampers, choker setters), equipment operators (cat skinners, loader operators, rubber tire skidder operators), timber fallers, mechanics, crew foremen (and other supervisory positions), and log truck drivers. Upon displacement, all but the five workers who held senior supervisory positions, and therefore were not members of the union, were offered the option to transfer to jobs in the company mill. Of the 60 displaced woods workers eligible for mill jobs, 8, or 13%, moved into mill jobs with the company. Because they were not displaced from Caudex, these eight workers are not included in the analysis of pre- and postdisplacement income changes and unemployment. The three displaced workers who could not be located are also not included.

Avoiding Displacement: From the Forest to the Mill

Workers who transferred into the mill indicated that they did so because they believed that their seniority with the company would protect them in a mill job, and

also because they had few other options. To take a mill job or "bump" a mill worker out of a position, the woods worker had to be able to carry out the duties of a particular position immediately and have more seniority than the person currently holding the job. While mill work provided an option for some, interviewees who took mill jobs remained unhappy about having been forced from their jobs in the woods. A serious health problem for one worker and another for a family member forced a couple of displaced workers to the mill in order to retain company medical benefits.

The limited number of workers who transferred into the mill and their comments about mill work make it clear that most woods workers view mill work unfavorably, particularly compared to forest work. Reasons cited for not taking jobs in the mill included their desire to work outdoors and their feeling that a job in the mill was confining and repetitious compared to the freedom they felt in the woods. Echoing a theme noted previously (Carroll 1995; Haynor 1945), one displaced worker declared, "No self-respecting logger is going to work in no mill." A few displaced workers lacked the seniority necessary to bump into the mill, or the seniority to feel that they, in turn, would not be bumped out of the new position should they take it. Several of the displaced workers stated that they did not want to knock another worker out of a job. After the woods displacement, some lost faith in the security of jobs in the Caudex mill. Summing up the feelings about mill work for a number of displaced workers, one said:

> It's like a factory. You lose your mind. I like a job where you have to use your brain. . . . They've always said the door was open if I wanted to go back to them. But being in a new department was like starting over. I didn't really give it a chance. . . . Besides, you can't guarantee that Caudex will be standing for more than another four years. Most of it is rumor, but when you see all the politics around it, you gotta believe in Santa Claus and the Easter Bunny to think they'll still be there in ten years.

Postdisplacement Work and Unemployment

Excluding the 8 workers who transferred into the mill, of the remaining 54 workers whose postdisplacement status is known, 9 workers, or 17%, retired immediately after displacement. We include these workers in the discussion of income change because, though some were close to retirement age, none indicated they were planning to retire in 1992, the year workers were laid off. Displacement forced these workers into early retirement.

In contrast to studies of workers in manufacturing sectors, this study found a high percentage of workers reemployed and a limited period of unemployment following the Caudex displacement. A total of 41 out of 42, or 98% of all who were eligible and actively seeking work, [76% if those retired ($n = 9$), were disabled ($n = 2$), and were in retraining ($n = 1$) are included] were employed at the time of interview.[2] Only one worker was unemployed, having been out of work for 1 yr following completion of a retraining program. Of those working, most found a job shortly after displacement. Thirty-seven were unemployed for an average of 2 mo. (Four workers employed at the time of interview are not included in the average length of unemployment because one worker did not actively seek work after displacement, another worker was seeking an advanced degree, and two workers did not report time out of work.)

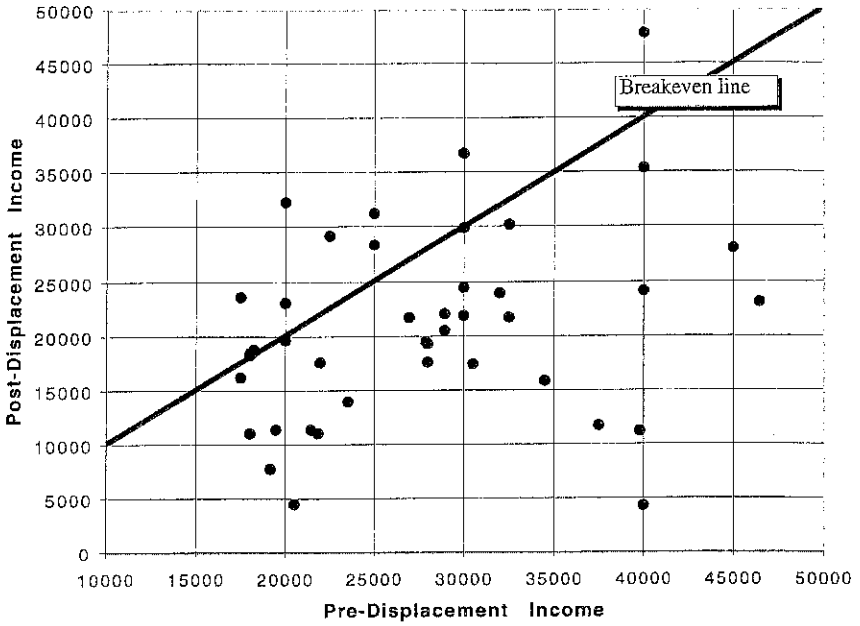

FIGURE 1 Pre- and postdisplacement incomes by workers.

Limited unemployment time and the high reemployment rate are due primarily to the outsourcing of woods work. Many of the displaced workers returned to work in the woods for independent contractors, some of whom took over the work formerly done by Caudex woods workers. At the time of interview, 41 workers were reemployed and 32, or almost 80%, were employed in woods work. Nineteen of the 32 were working in the same kind of job that they had with Caudex (e.g., timber fallers working as timber fallers; equipment operators working as equipment operators). Thirteen were working woods jobs that were different from their predisplacement job. In a few cases, some of the workers were doing the same work on Caudex land. One displaced Caudex employee working with a contract logger said, "Sometimes I kinda feel like I'm still working for Caudex. I forget. I drive the same roads and see the same people." Another worker said, "I thought about getting out of logging after the [woods operation] folded, but a contractor knocked on my door to offer me a job. . . . What are you going to say? I never had any trouble finding jobs, knock on wood. I've never even had to ask for a job. I don't know what it is, my rotten luck or my good luck."

Another reason why most displaced workers faced little time out of work is because Caudex attracted good workers and trained them well. Many Caudex workers had a good work record with proven reliability. These workers were not only more likely to seek work, but were also more likely to be hired. Four of the remaining nine reemployed workers are using the same skills they used in the woods, but in another occupation. For example, an equipment operator who operated a bulldozer to construct logging roads is running a bulldozer and building roads for a construction contractor. Only 5 of the 41 reemployed workers made occupational changes that required new skills. Their new occupations are custodian, correctional officer, cashier, real estate agent, and community water system operator.

Pre- and Postdisplacement Income

Forty-two workers reported pre- and postdisplacement income. This group included 33 of the 41 who were reemployed, 6 retirees, 2 who were disabled, and 1 who was unemployed. Figure 1 shows the pre- and postdisplacement income changes by individual workers. The line in the figure represents the income breakeven point: Those points below the line reflect workers whose postdisplacement incomes were lower than their predisplacement income, while points above the line indicate workers who fared better after displacement. The income of only 7 workers increased by $1000 or more over their predisplacement wage. The mean predisplacement annual income for the group was $27,797. The average postdisplacement wage was $20,813. Thus, the group of workers who reported pre- and postdisplacement income lost an average of $6984 in yearly income, or 25% from their predisplacement wage.

The subgroup of workers reemployed in the timber industry ($n = 21$) on average fared better than others. Their incomes declined from $29,113 before displacement to $24,136 after, a drop of $4977 or 17%. Figure 2 shows pre- and postdisplacement income changes for selected groups. Timber fallers who remained in their occupation, one of the highest paying woods jobs, fared better than all other subgroups. Their income dropped from a predisplacement average of $36,766 to $34,566, a decline of $2200 or 6% ($n = 5$). Workers who were reemployed outside the timber industry experienced a decline in income from a predisplacement total of $24,663 to $18,949, a drop of $5714 or 23% ($n = 12$). These totals do not include benefits that were lost as a result of displacement. These are discussed later. As a group, retirees fared the worst. Retiree predisplacement income of $26,856 declined to a postdisplacement average of $18,782, a fall of $8074 or 30% ($n = 6$). Those who retired were older and may not have felt the loss of income as acutely as others because, having paid for homes, they no longer had mortgages, did not have children for whom they were responsible, and could rely on Medicare. Nevertheless,

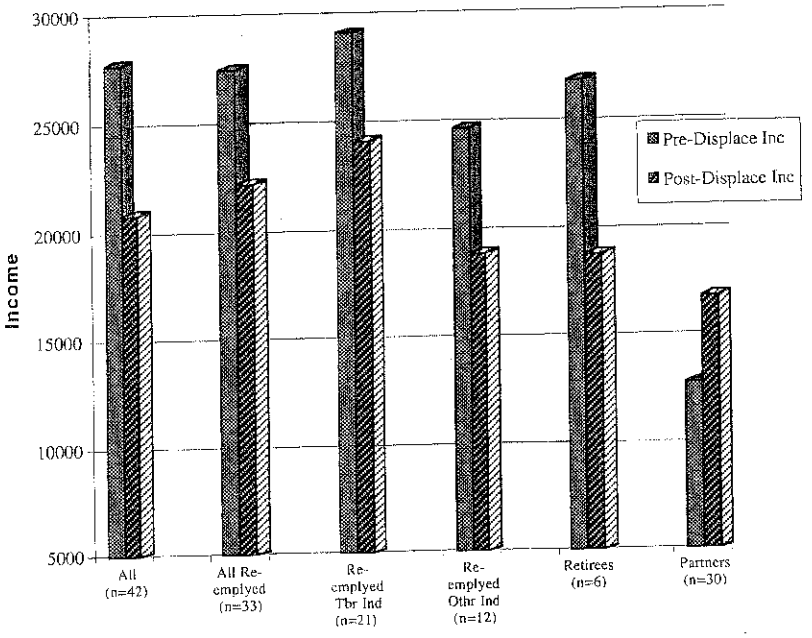

FIGURE 2 Mean pre- and postdisplacement incomes for selected subgroups.

retirees reported that the decline in income forced them to reduce expenses. Contrary to findings in other studies, age and education levels of workers did not have a significant effect on the change in pre- and postdisplacement income.

Partner Incomes

In sharp contrast to the decline in income of displaced workers, partner incomes on average rose from pre- to postdisplacement, as women shouldered an increased responsibility for household income. Partner income increased on average 32%, to $16,779 from a predisplacement total of $12,744 ($n = 30$).[3]

Partner income accounted for a greater percentage of total household income following displacement. Data from the 20 households in which displaced workers and their partners reported both pre- and postdisplacement income are used for comparison. Prior to displacement, partners contributed 27% of the mean household income of $40,480. Following displacement, partners were responsible for, on average, 41% of the mean household income of $34,690. If the 2 cases in which the partners identified themselves as unemployed are excluded, the average partner contribution to family income is higher, totaling 30% prior to displacement and 45% after.

In sum, while displaced worker incomes on average declined from predisplacement to postdisplacement, partner income on average grew, both relatively and absolutely, as women contributed 15% more to postdisplacement family income. One worker said, "We were lucky because she was working. If she wasn't, we probably wouldn't be here." Since most of the available jobs for women in the local communities are low-paying, partner incomes rose primarily because women worked more hours. Typical partner jobs include cashier, waitress, receptionist, and saleswoman, with some of the best partner jobs associated with county (including teaching positions), state, or federal government agencies or programs. One worker stated, "There's not much work in the mountains for women. Even when they do get a job, they don't want to pay 'em as much for the same job. Women really get reamed out on that one."

The Stress of Displacement

Workers and partners made it clear that displacement had implications far beyond their loss of income. Many interviewees said the "writing was on the wall" regarding displacement, but nonetheless, feelings of shock and disbelief were common after it happened. One spouse said, "It took a month to believe it really happened. . . . He was very depressed. He used to sit and just stare. . . . [He's] never done anything else since he was 15." Another spouse remarked, "It's hard for men, especially when they are 48, 50, or 52. It's a blow to their self-esteem. Especially for [him], with his whole family being in it." The struggle with displacement was at least partly due to the fact that many people felt the company provided some of the best jobs in the area. One worker said:

> I miss being a Caudex worker. It was an important thing to us. It was a comfortable job. Guys who worked for other outfits would say Caudex was a good outfit. They had good lumber and treated the guys well. . . . A lot of guys wanted to work there. They'd ask us how to get on. . . . Most of the

> guys who started there, stayed there til the layoff. . . . It was some good times we had there, real good times.

Many workers who had long believed in the company now felt abandoned. They began to question their commitments to the company and the timber industry, and even to their community. One long-time worker said:

> Psychologically you go through a whole list of self examination. You remember all the days you worked with the flu and didn't call in sick because they were counting on you. You remember the days in the hot sun and in the cold and rain, and when you got stung by insects. And you think, this is the thanks I get. I feel like I spent half my life out there. . . . Now I have nothing to show for it.

A wife of a long-time worker reflected, "If you delved deep into the psyche of loggers and their families, you would see that we lost our feeling of home and security of a big company taking care of us. When Caudex did that, we lost that feeling of community."

Financial Strategies for Bridging and Buffering Displacement

Woods workers are accustomed to an income cycle in which the majority of their annual income is received during the field season. Unemployment insurance (UI) is used to bridge work seasons, but maximum benefits[4] rarely meet total household expenditures. Worker displacement came at the end of the winter layoff period, when most workers' financial reserves were already drained. The company provided workers a severance pay of either 1 week's pay or $500 for each year worked, for up to 20 yr. Severance pay provided an important financial bridge for many workers and a buffer for those with new jobs that paid less than their jobs with Caudex. But for those who had worked less time with the company or were unable to find a job within a few months, it was not enough.

After unemployment insurance and severance pay, the three most commonly mentioned strategies that workers and their families used to bridge the unemployment period were (1) doing odd jobs, (2) reducing spending, and (3) using credit cards. Some with large mortgage payments or health care or legal bills reported taking out loans and selling personal property such as a car or boat. Six workers reported they received loans from friends or family, three took out bank loans or second mortgages, and over a dozen received unemployment insurance for many months beyond their normal winter layoff. Two workers were unable to meet their accumulated debts and declared bankruptcy. One couple in escrow on a house at the time of displacement was rejected for the loan and unable to purchase the house. The wife said, "I got very sick after he lost his job. I got very stressed out. I didn't know I was making myself sick. I worried all the time." In a statement that appeared to be mostly for the benefit of his wife, who was present during his interview, and perhaps to bolster his own self-image, the worker added, "I wasn't worried at all. Money-wise I was a little. But as far as fear . . . I don't regret not staying on there."

Although a number of displaced workers faced accumulating debts and decreased financial security, it is important to note that not one of them in the study reported using Aid to Families with Dependent Children (AFDC) or food stamps.

In the three communities where these workers live, the stigma of participating in these programs is enormous. The ex-wife of one displaced worker who was divorced shortly after the layoff reported receiving AFDC and Food Stamps for herself and her children, however. In addition to unemployment insurance, the support on which most families relied included state-sponsored health care (MediCal, Medicare, and Social Security for workers who retired at layoff).

More Drawbacks: Increased Hours, Less Job Stability, and Loss of Benefits

In addition to the stress of displacement, the struggle for some to find new work, and the decline in incomes, outsourcing had a variety of other negative effects on displaced workers and their families. A number of displaced workers had to work many more hours than they did for Caudex. Those working for independent contract loggers often work 6 days a week during the logging season and up to 10 or 12 h a day, compared to the 8 h a day, 5 days a week they worked for Caudex.[5] In addition, workers began to travel farther to job sites. When working Caudex land, forest workers traveled in company vehicles to work sites, and some were paid for transit time. Discussing the impact of the 65- to 75-h work week and the $1\frac{1}{2}$-h daily commute on his wife and family, one displaced worker stated:

> It has definitely put a strain on our relationship. We [have] a lot of bickering. The kind where you don't even remember what you're bickering about. It's just stress. That and the fact that we have no time for each other. . . . Just what has changed is our home life, because I'm never home. During the logging season they never see me. Before, we had a life.

Postdisplacement jobs are not as stable as Caudex jobs and this lack of stability also contributes to worker and family stress. Of 41 reemployed workers, only 17 or 41% are still working for their first postdisplacement employer at the time of interview. A total of 14 or 34% of the displaced workers are working for their second postdisplacement employer, and 10 or almost one quarter of the reemployed workers changed employers between 3 and 6 times after displacement. One displaced worker who sought additional education and is now working for an independent logging operation stated: "Everyone is insecure . . . I've gone through more insecurity than many of these people . . . it spilled into family life. . . . Family senses your insecurity." Discussing the insecurity of the search for jobs, another worker stated:

> Going job hunting makes you feel like a piece of garbage. . . . That's why people quit looking for work. . . . You see in the paper that people with a Ph.D. or a Master's have a problem. What's a guy like me going to do who doesn't have a college education?

The spouse of a third worker said, "Working in the woods used to be a good job. Now everything is gyppoed[6] out and they only pay minimum wage and no benefits, no nothing."

Almost all workers identified the loss of company benefits as one of the most significant drawbacks of displacement. Company benefits included health insurance, pension benefits, vacation pay, and sick pay. The health plan was described as the "best in the business" and cost workers $400 a month to replace with a comparable

one. Vacation time for displaced workers averaged 5 wk a year, with a monetary value of approximately $2500, and floating holidays and sick pay were roughly equivalent to another $500. When combined with loss of pension benefits, the monetary value of all benefits lost equals approximately 30% of the average yearly wage. If combined with the 25% mean income decline, workers experienced a monetary loss totaling 42% of their combined predisplacement income and benefits.

Another benefit associated with Caudex employment for all but the supervisors was union membership and its associated security. While no monetary value was placed on the sense of security provided by union membership, it is clear from talking to both displaced workers and their partners that work security is highly valued. The wife of a worker said, "We had lived the gyppo lifestyle for years. There were years of not knowing every spring whether he had a job. He'd say, 'Here comes spring,' and have to start working the phones and humping to find a job. At the company, we felt secure, we could relax." A worker commenting on the changes stated, "Displacement forces you back. It feels like we're going backwards. Most of us spent a lot of years here."

There are no union jobs with contract loggers, few offer health insurance, and none offer other benefits. The same is true for most nongovernmental employers in the study area. Of the reemployed workers who reported having health insurance, only 21% receive it through their new employer, 49% are covered by policies they purchased themselves (often a major medical policy only) or obtained through their spouse's work, and 30% have no medical insurance whatsoever.

The wife of one long-time worker said, "We are never going to retire. We'll have to work til the day we die. We don't have any benefits and we're too old to start over with another company to get them. . . . We lost all (our benefits)." Another wife stated:

> A lot of people wonder why I'm working two jobs. . . . They say, "You're working for life insurance?" I need a second job just to pay for that. . . . With his work, (he) could get killed any day. I love him and all, but without his income I'd be on the street. I work . . . so we can pay the bills and maybe end up owning a house again some day . . . so we can have something when we retire. . . . I'm not complaining. But [those] are things I want.

One embittered worker, realizing that Caudex displacement meant more than the loss of a stable job and benefits, declared:

> I finally realized there is nothing permanent. There's only doing what you can each day. All those things you used to believe in like the future and retirement are gone. The job part didn't bother me. I could just go and get another job. But where in the hell is the meaning of anything?

Job Training and Its Ineffectiveness

Job training, conducted under the federal Job Training Partnership Act (JTPA) and designed to enhance skills and employability of workers, did not help the displaced workers in this study. Few displaced workers retrained and even fewer derived any benefits from retraining. Only nine displaced workers entered a federally sponsored retraining program. At the time of interview, five of the nine completed retraining, three dropped out, and one was still working on a bachelor of science degree. Of the

five workers who completed federally sponsored retraining, two returned to work in the timber industry, including one who completed a bachelor of science degree; two completed short retraining courses, with one working a low-paying job unrelated to his training and the other working a job more similar to the one he had worked in the woods than the new one for which he was retrained. One worker who completed a lengthy retraining course remained unemployed 1 yr after completing the program. Two of the three workers who dropped out of retraining programs did so when they were offered local jobs, and a third dropped out because a disability prevented him from continuing. One additional worker completed a training course on his own, separate from the JTPA program. He is the only worker in the study who is currently working in the field for which he retrained.

Worker retraining failed to attract workers and also failed those who entered the program, primarily because employment options are not tailored to the needs of workers committed to staying in place. Displaced workers, particularly long-time residents, are unwilling to pull up stakes and move to the first available job. The one successful retraining effort, which was self-initiated, allowed the worker to continue to live in the local area. Other reasons for retraining failure are that workers believed themselves to be too old to retrain, felt that previous injuries would make it hard for them to get hired, had grown accustomed to their income at Caudex and could not afford to spend the time retraining, felt that retraining occupational choices were too limited, wanted to continue to work in the woods or outdoors, were intimidated with the idea of returning to a classroom, or some combination of all these. Some comments by workers about retraining follow.

> They [Job Training Partnership Administrators] were telling me I'd have to relocate. I didn't want to make my wife quit her job.
>
> I wake up a half a dozen times at night wondering what jobs I'm capable of are available up here. Nothing pays the same. I have no illusions. I can't go back to school to become a doctor or dentist. . . . How much of a market is there for 50 year-old rookies? . . . It's not that I'm too proud to do something, it's finding what to do.
>
> I just couldn't see going to school for two years. We wouldn't have been able to make it. It didn't seem to work for me. [A worker with house and car payments and a new baby.]
>
> [Retraining] was a joke. I wanted to see my options but everything I suggested she [the Job Training Counselor] said wouldn't work. She wanted me to relocate and go to college. She even suggested being a nurse. She's way out there. . . . And they said I would be disqualified if I went back to work in the woods. Someone had called me to run a cat. I said, my god, I'm on UI. I have to take that job. The other thing they were pushing was relocating. I've been here 45 years. The only time I've left was when Uncle Sam called me out. I've got some roots here.
>
> People who have grown up here, this is their way of life. They have no interest in moving to the city.

Commitment to Community and Place

The commitment to community represents a powerful force that keeps workers and families in place despite the hardships associated with the loss of work, declining

incomes, and limited employment opportunities. The reliance on family and close friends for loans and other support is evidence of a close-knit community, as is the use of friends and professional networks to secure employment. One worker stated, "When I decided to start looking for work, in five days I got a job. It was that network of friends who got me the job." Another worker remarked, "We want our kids to live in a rural area. Going to any rural area will be the same as here with the job market, but you won't know anyone. What are the chances of getting a job there? At least here I know people. . . . Knowing people definitely helps you get a job." The pull of community is corroborated by the few displaced workers in the study group who left the area and also by the language that workers and their partners used to discuss the importance of community and how their lives are bound to place and work.

> We're a bunch of diehards. Everybody to my knowledge is working in the woods, making less, trying to hang on. . . . Because this is where their home is.
>
> I like living here. I've lived here since I was seven years old. . . . I don't like the bustle of city life. I considered leaving. But . . . what would I do then? I elected to stay.
>
> In a small community people know you. You think about what you do because you care about what your neighbors and the community thinks of you. That's what keeps you here. You belong. You're not just a number. That's what keeps us here. It's the quality of life.
>
> I can't even consider leaving. I've been here so long, I'll go repair somebody's steps to be worthy.

For displaced workers in this study, community embodies a place they know and includes people, the forest, and associated work and recreational opportunities. It is a place that shapes people and helps them understand themselves and their relationship to the larger world. It is also a place that few will give up easily.

Conclusion

Displaced woods workers in this study should not be confused with displaced workers at a factory or mill, or woods worker displacements caused by reductions in tree harvesting or mill shutdowns. Following the Caudex layoff, woods work was outsourced to independent contractors, including some who hired displaced Caudex workers. Outsourcing is one of the primary reasons displaced workers in this study were quickly reemployed. Outsourcing, however, resulted in a number of older displaced workers retiring and in the reemployed working more hours in generally less stable jobs where they lost an average 25% of their predisplacement wage. If the loss of benefits are included, reemployed workers lost over 40% of their combined predisplacement wages and benefits. These findings are consistent with research in other industries and with rural workers in general (Belous 1989; Podgursky 1989). Largely ignored in research on the displaced, however, is the importance of partner incomes and the increased pressures on women. In an area where well-paying jobs with good benefits for women are few, partners brought home more income while at the same time shouldering more responsibility at home as their male partners worked more hours.

Retraining for this group of displaced, company woods workers failed because they were unwilling to move into new occupations that required relocation. In fact, workers were willing to take pay cuts and lose benefits in order to stay in home communities. The subordination of work to social considerations is not new; it was also true for workers during the Industrial Revolution in England (Bendix 1956). Additionally, many workers could not afford to lose the income they would forgo during retraining. The lack of employment networks in other occupations and locations was another barrier to retraining. Resistance to retraining was as much, if not more, about commitment to community and resistance to relocation than it was to the occupational choices and training programs themselves. The difference of these findings compared to previous studies of independent loggers who appeared more committed to occupation than to community (Carroll 1995) suggests that the commitments of woods workers may vary by group (e.g., company vs. independent loggers), geographic location, or circumstances, and perhaps are more complex than previously thought. Finally, in addition to its impact on worker and family income, benefits, and the structure of work and labor relationships, outsourcing reduces opportunities for skill acquisition, training, promotion, and the development of human capital.

In order for retraining programs to work, they must be grounded in the knowledge that communities represent not only a place where people work but also a network of relationships that themselves help displaced workers pull through hard times, find new jobs, and maintain a sense of meaning and continuity in their lives. Whenever possible, programs must be tailored to help create or utilize local opportunities that are tied to jobs similar to woods work. To best address the needs of families in rural communities, retraining should target women as well as men, even if they are not part of the "official" displaced population.

For the displaced workers of this study, the problems caused by displacement and outsourcing could be laid at the doorstep of Caudex, but it would be myopic to do so. The timber industry, which has downsized, consolidated, and modernized over the last two decades in the face of increasing regional, national, and global pressures, is fiercely competitive, and little different from other industries where companies struggle to remain competitive. Yet, as these companies shave expenses and displace workers, it is the workers, families, and their communities that bear the brunt of the effects. Outsourcing may appear to be an appropriate, and even necessary, short-term company strategy to ensure company competitiveness, but the effects on labor, families, and communities must also be recognized. The age-old question—what is corporate responsibility to local labor, families, and communities?—remains at the forefront of discussions concerning government, business, and community, and is a central issue of community-based forestry and sustainable resource management. If one accepts that sustainable resource management is interdependent with healthy and sustainable communities, new ways to link corporate responsibility and business practices, not only to sustainable resource management, but also to labor, families, and communities, must be explored.

Notes

1. Caudex Lumber Company is a pseudonym.

2. The rapidity with which most of the displaced secured work reduced the confusion that might otherwise have resulted from the $2\frac{1}{2}$-yr interview period. This interview period allowed for exploration of the stability of some postdisplacement jobs.

3. These data include several partners who did not work an income-producing job before or after displacement, as well as three partners who worked after displacement but not before. The household with different pre- and postdisplacement partners, the first who did not work and the second who did, is not included here. Two of the three who worked after displacement but not before were wives of workers who retired. Six of the 36 partners interviewed are not included here because 5 reported incomplete predisplacement income and 1 was divorced shortly after displacement and before she was interviewed.

4. Total maximum benefits for which most woods workers qualified at the time of displacement were less than $200 per week, available for a maximum of 26 wk.

5. Timber fallers are an exception. Their $6\frac{1}{2}$-h day remained the same, but in their new jobs they frequently worked 6 days a week.

6. "Gyppo" is a slang name for independent or contract logging companies.

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Appendix I: List of Interview Questions

Worker

When were you born?
Where did you go to high school?
What did you do after high school?
What were your dreams/aspirations while you were in high school?
How did you come to the area?
How did you get involved in the timber industry?
Were you planning on working in the timber industry in high school?
What other jobs have you done?
Are you married?
Do you have kids?
Spouse's name?
How did you meet your spouse?

Worker's Family and History

Do you have family in the area?
Did you ever have family in the area? Who is still left in the area?
How did your family come here?
Has anyone in your family worked in the timber industry?
How many siblings do you have and what are they doing?

Work History

When did you start at the company?
At what position did you work and for how long?
How much did you make in a year?
How many months did you work in a year?
Was your wife working?
How much did she make?
Did you do any other work (e.g., cut firewood, work for a contractor)?
How much unemployment insurance did you collect in the winter?
What was your total family income for a year?
Did you like working at the company?

Displacement

Did you see the layoff coming?
Were you prepared for it?
What was your reaction when you found out?
How did it affect you financially?
Did you receive severance pay? How much?
Will you receive (Are you receiving) a company pension?
Did you receive unemployment insurance? How long did you receive it?
Did you receive help from anyone (bank or family loan, government help)? How much?
Did you have debts or payments to make? What kind? How much?
How long after the layoff was it until you found work?
What was your first job after the layoff?
How long were you there?
How much did you make?
What other jobs have you held since layoff?
Did you consider bumping into the mill after the layoff?
Did you consider retraining for another job? Have you heard of JTPA?
If you had a choice, what field or type of work would you have retrained for?
Did you consider moving? Where?

Current Employment/Benefits

What is your current job? Who is your current employer?
What is your current wage?
What type of benefits are you receiving (e.g., medical, pension, etc.)?
What is your current number months of employment?
What are your current unemployment insurance benefits?

What are your other sources of income and its amount?
What is your total family income?
What would you want to do if you were laid off now?
Are you ready for retirement?

Partner/Spouse Income

What is the income of your spouse or partner?
Does your partner's job provide benefits for you or your family?

Family

Did the layoff affect your marriage?
Did the layoff affect your children?

Other

What would you say was the biggest effect on you from the layoff?
Can you think of any other questions I should have asked you but didn't?
Can you think of anyone else I should talk to?
Do you mind if I contact you if I think of any more questions?
Would it be OK if I spoke with your spouse?
What would be the best way to contact your spouse?