Come McKinsey ha distrutto la classe media americana (estratto da Atlantic

scenarieconomici.it/come-mckinsey-ha-distrutto-la-classe-media-americana-estratto-da-atlantic/

March 6, 2021

(Testo originale quì sotto)

attualita' Marzo 6, 2021 posted by Leoniero Dertona

Vi proponiamo alcuni estratti da un interessante, e lungo, articolo della rivista a stelle e strisce Atlantic, dove si analizza il ruolo delle società di consulenza gestionale, McKinsey in testa, nell'evoluzione dell'economia USA, e di come queste abbiano portato a una estremizzazione sociale. I nuovi concetti di struttura aziendale, ottenuti dalla distruzione e cancellazione dei quadri intermedi e dalla precarizzazione del lavoro, hanno avuto come conseguenza la cancellazione di una classe sociale che, da un lato, era intermedia come reddito (quadri, operai specializzati etc), dall'altra ha anche cancellato una parte di struttura aziendale che serviva a compensare eventuali errori del CEO. Il risultato è la concentrazione del potere al vertice, che però comprende anche l possibilità di sbagliare, dall'altro la distruzione di uno strato sociale che per 70 anni del secolo scorso ha stabilizzato e unificato la società USA. Se vedete delle similitudini con l'Italia, forse avete ragione.

Buona lettura, e per il pezzo complessivo andate a questo link.

I consulenti manageriali consigliano i manager su come gestire le aziende; **McKinsey da solo serve il management di 90 delle 100 più grandi società del mondo.** I manager non producono beni né forniscono servizi. Invece, pianificano quali beni e servizi fornirà un'azienda e coordinano gli addetti alla produzione che realizzano l'output. Poiché beni e servizi complessi richiedono molta pianificazione e coordinamento, la gestione (anche se è solo indirettamente produttiva) aggiunge molto valore. E i manager come classe acquisiscono gran parte di questo valore come retribuzione. Ciò rende estremamente consequenziale la domanda su chi diventerà un manager.

Quindi viene descritto come, fino agli anni 60, la scalata ai vertici aziendali fosse essenzialmente interna all società, con una selezione per gradi fino al vertice e la possibilità di lavorare a vita per la stessa azienda, magari anche fermandosi ai livelli *intermedi.*

Le cose sono cambiate negli anni '60, con McKinsey come propulsore. Nel 1965 e nel 1966, l'azienda pubblicò annunci di richiesta di assistenti sul New York Times e sulla rivista Time, con l'obiettivo di generare applicazioni che sarebbero state poi rifiutate, per stabilire la propria élite. I concorrenti di McKinsey seguirono l'esempio, come quando Bruce Henderson del Boston Consulting Group pubblicò annunci sul giornale studentesco della Harvard Business School cercando di assumere "non solo i banali ma, invece, accademici: Rhodes Scholars, Marshall Scholars, cioè il 5% migliore della classe. "

Il nuovo ideale di primato degli azionisti, fortemente sostenuto da Milton Friedman in un articolo del 1970 del New York Times Magazine intitolato "La responsabilità sociale delle imprese è aumentare i propri profitti", ha dato ai nuovi ambiziosi consulenti di gestione un obiettivo al proprio lavoro.

Secondo questo ideale, nel linguaggio eventualmente adottato dalla Business Roundtable, "il dovere fondamentale del management e dei consigli di amministrazione è nei confronti degli azionisti della società". Durante gli anni '70, e accelerando negli anni '80 e '90, i consulenti manageriali più moderni hanno perseguito questo dovere prendendo di mira espressamente e incessantemente i quadri intermedi, che avevano dominato le aziende della metà del secolo e i cui salari pesavano sull'utile aziendale".

Come ha affermato il giornalista economico Walter Kiechel nel suo libro Lords of Strategy, i consulenti cercavano apertamente di "fomentare una stratificazione all'interno delle aziende e della società" concentrando la funzione di gestione nei dirigenti d'élite, aiutati (ovviamente) dai consulenti delle stesse file dei consulenti.

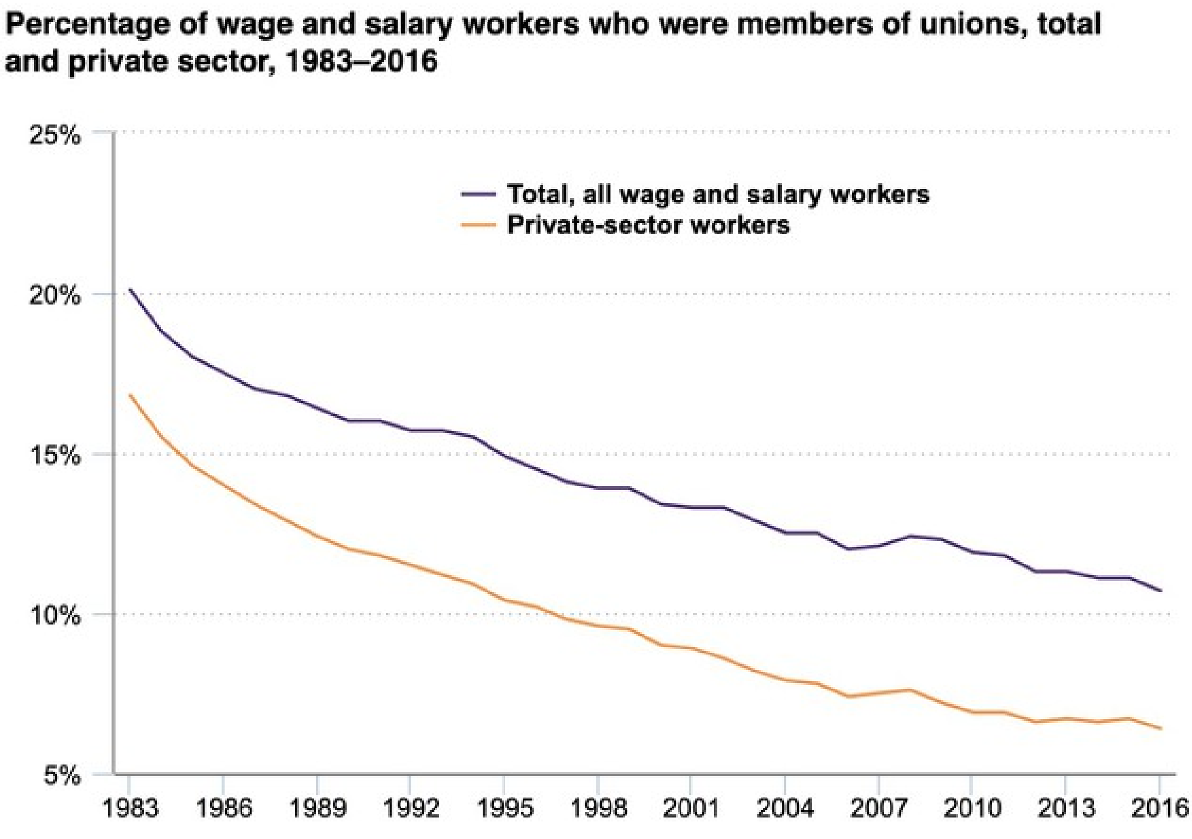
Le società di consulenza gestionale hanno implementato una un insieme di processi e strumenti contro il middle management. Un altro resoconto del settore, The Witch Doctors, spiega che il braccio di consulenza della Computer Sciences Corporation, in collaborazione con la Sloan School of Management del MIT, sviluppò il concetto di "reengineering" aziendale, per "scomporre un'organizzazione nelle sue parti componenti", eliminare quelle ridondanti , vale a dire i quadri intermedi, quindi rimettere insieme le parti rimanenti "per creare una nuova macchina".

GTE, Apple e Pacific Bell utilizzarono tutti la reingegnerizzazione per guidare il proprio ridimensionamento. McKinsey ha definito il suo percorso verso il ridimensionamento, che l'azienda ha chiamato "analisi del valore generale", come risposta all'eccessiva dipendenza della società di metà secolo dal middle management. Come ha ammesso John Neuman di McKinsey in un saggio che introduce il metodo, il "processo, sebbene rapido, non è indolore. Poiché le spese generali sono tipicamente dal 70% all'85% legate alle persone e la maggior parte dei risparmi proviene dalla riduzione della forza lavoro, tagliare le spese generali richiede alcune decisioni durissime".

Gli addetti alla produzione non sfuggirono al vortice, poiché le aziende, sempre con l'aiuto di consulenti, li privarono delle loro funzioni di gestione residue e dei benefici che queste comportavano. **Le aziende hanno rotto i loro sindacati e i lavori che una volta**

portavano un futuro luminoso sono diventati cupi. United Parcel Service, da tempo famosa per i suoi lavoratori a tempo pieno e per la promozione dall'interno, ha iniziato a dare risalto al lavoro part-time nel 1993. Il suo sindacato, i Teamsters, attaccò nel 1997, con lo slogan "Part-time America non funzionerà", ma non è riuscito a riportare l'azienda alle sue precedenti pratiche di impiego. Da allora UPS ha assunto più di mezzo milione di lavoratori part-time, con solo 13.000 avanzamenti all'interno dell'azienda.

Nel complesso, la quota di lavoratori del settore privato appartenenti a un sindacato è scesa da circa un terzo nel 1960 a meno di un sedicesimo nel 2016. In alcuni casi, i dipendenti ridimensionati sono stati riassunti come subappaltatori, senza pretese a lungo termine le aziende e nessun ruolo nella loro gestione. Quando IBM ha licenziato masse di lavoratori negli anni '90, ad esempio, ne ha assunto uno su cinque come consulenti. Altre società sono state costruite da zero su un modello di subappalto. Il marchio di abbigliamento United Colors of Benetton ha solo 1.500 dipendenti ma impiega 25.000 lavoratori tramite subappaltatori.



Il passaggio dal lavoro permanente a quello precario continua ancora ad ritmo sostenuto. Il lavoro di Buttigieg alla McKinsey includeva un impegno per Blue Cross Blue Shield del Michigan, durante un periodo in cui considerava la possibilità di tagliare fino a 1.000 posti di lavoro (o il 10 per cento della sua forza lavoro). E la gig economy è solo una generalizzazione high-tech del modello del subappaltatore. Uber è una Benetton più estrema; priva i conducenti di qualsiasi ruolo nella pianificazione e nel coordinamento e non ha letteralmente alcuna gerarchia aziendale attraverso la quale i conducenti possono salire per entrare a far parte del management.

Come sempre, i consulenti sono in prima linea nel cambiamento, con l'obiettivo d'interrompere la catena gestionale intermedia. Una nuova generazione di società di consulenza gestionale ora implementa l'elaborazione algoritmica per automatizzare non i lavori dei lavoratori di linea o degli addetti alle vendite, ma il lavoro del manager. *(Quindi tutti sono schiavi dell'algoritmo, NdT)*

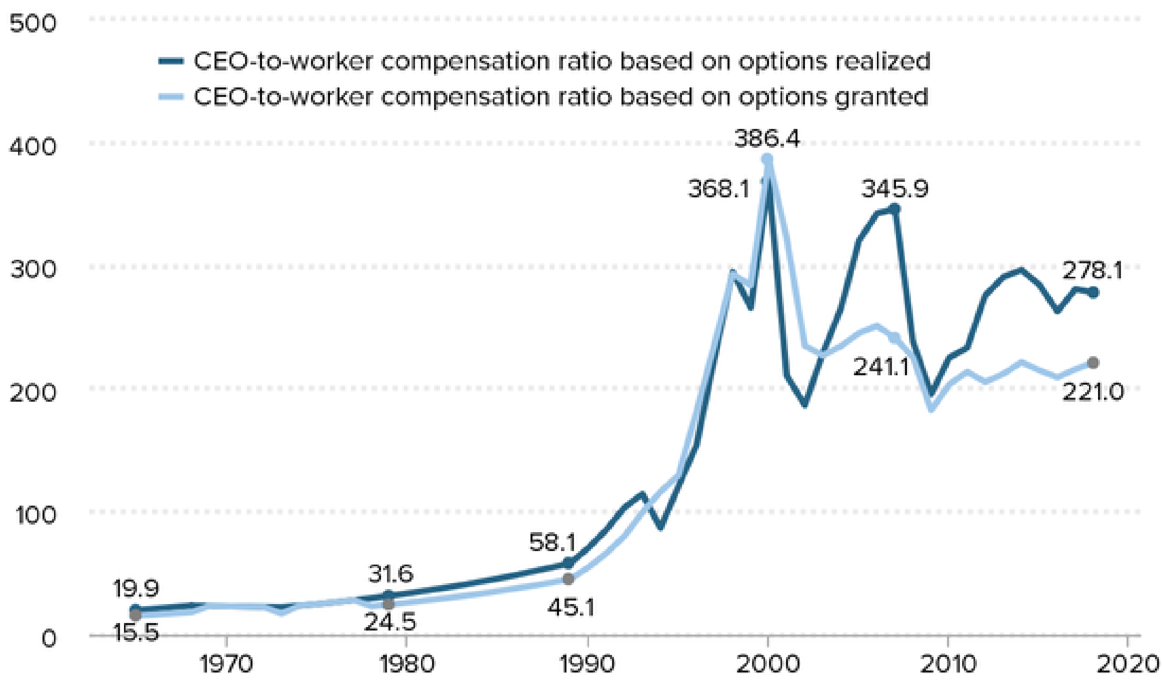
In effetti, la consulenza gestionale è uno strumento che consente alle aziende di sostituire i dipendenti a vita con lavoratori a breve termine, part-time e persino subappaltati, assunti secondo accordi sempre più strettamente controllati, che vendono particolari competenze e persino determinati prodotti e che non gestiscono nulla.

Leggi: Il 9,9% è la nuova aristocrazia americana

La funzione di gestione manageriale non è stata resa inutile, ovviamente, né è scomparsa. **Invece, il controllo manageriale privato dei quadri intermedi e degli addetti alla produzione è stato concentrato in un ristretto gruppo di dirigenti che monopolizzano la pianificazione e il coordinamento.** La gestione democratica della metà del secolo dava potere ai lavoratori ordinari e ai dirigenti d'élite privi di potere, in modo che un cattivo CEO potesse fare poco per danneggiare un'azienda e uno buono poco per aiutarla. **Oggi, i massimi dirigenti vantano immensi poteri di comando e, di conseguenza, ottengono praticamente tutti i ritorni economici del management. Mentre a metà del secolo un tipico CEO di una grande azienda guadagnava 20 volte il reddito di un addetto alla produzione, gli amministratori delegati di oggi guadagnano quasi 300 volte di più.** In un anno recente, i cinque dipendenti più pagati dell'S & P 1500 (7.500 dirigenti d'élite in totale), hanno ottenuto un reddito pari a circa il 10% dei profitti totali dell'intero S&P 1500.

CEOs make 278 times more than typical workers

CEO-to-worker compensation ratio, 1965–2018



Notes: CEO average annual compensation is measured for CEOs at the top 350 U.S. firms ranked by sales. Two measures are computed, differing in the treatment of stock options: One uses "options realized," and the other uses the value of "options granted." Both series also include salary, bonus, restricted stock awards, and long-term incentive payouts for CEOs. Projected value for 2018 is based on the percent change in CEO pay in the samples available in June 2017 and in June 2018 (labeled first-half [FH] data) applied to the full-year 2017 value. Projections for compensation based on options granted and options realized are calculated separately. "Typical worker" compensation is the average annual compensation of the workers in the key industry of the firms in the sample.

Source: Authors' analysis of data from Compustat's ExecuComp database, the Bureau of Labor Statistics' Current Employment Statistics data series, and the Bureau of Economic Analysis NIPA tables

Economic Policy Institute

I consulenti di gestione insistono sul fatto che la meritocrazia ha richiesto la ristrutturazione che hanno incoraggiato – che, come ha detto seccamente Kiechel, "**non siamo tutti insieme in questo; alcuni maiali sono più intelligenti di altri e meritano più soldi** ". I consulenti cercano, in questo modo, di legittimare sia i tagli di posti di lavoro che l'esplosione della paga d'élite. Ben intese, le riorganizzazioni societarie erano, quindi, non solo tecnocratiche ma ideologiche. Piuttosto che migliorare semplicemente la gestione, per rendere le società americane snelle ed efficienti, hanno promosso la gerarchia, rendendo la gestione, nella frase memorabile di David Gordon, "grassa e meschina".

How McKinsey Destroyed the Middle Class

theatlantic.com/ideas/archive/2020/02/how-mckinsey-destroyed-middle-class/605878/

February 3, 2020

Ideas

Technocratic management, no matter how brilliant, cannot unwind structural inequalities.

February 3, 2020
Daniel Markovits
Professor at Yale Law School and the author of *The Meritocracy Trap*

Updated at 9:54 a.m. ET on February 6, 2020.

When Pete Buttigieg accepted a position at the management consultancy McKinsey & Company, he already had sterling credentials: high-school valedictorian, a bachelor's degree from Harvard, a Rhodes Scholarship. He could have taken any number of jobs and, moreover, had no obvious interest in business. Nevertheless, he joined the firm.

This move was predictable, not eccentric: The top graduates of elite colleges typically pass through McKinsey or a similar firm before settling into their adult career. But the conventional nature of the career path makes it more, not less, worthy of examination. How did this come to pass? And what consequences has the rise of management consulting had for the organization of American business and the lives of American workers?

John McWhorter: The woke attack on Pete Buttigieg

The answers to these questions put management consultants at the epicenter of economic inequality and the destruction of the American middle class. The answers also explain why the Democratic Party's left wing is so suspicious of the nice and obviously impressive young man who wishes to be president.

Management consultants advise managers on how to run companies; McKinsey alone serves management at 90 of the world's 100 largest corporations. Managers do not produce goods or deliver services. Instead, they plan what goods and services a company will provide, and they coordinate the production workers who make the output. Because complex goods and services require much planning and coordination, management (even though it is only indirectly productive) adds a great deal of value. And managers as a class capture much of this value as pay. This makes the question of who gets to be a manager extremely consequential.

Recommended Reading

In the middle of the last century, management saturated American corporations. Every worker, from the CEO down to production personnel, served partly as a manager, participating in planning and coordination along an unbroken continuum in which each job closely resembled its nearest neighbor. Elaborately layered middle managers—or "organization men"—coordinated production among long-term employees. In turn, companies taught workers the skills they needed to rise up the ranks. At IBM, for example, a 40-year worker might spend more than four years, or 10 percent, of his work life in fully paid, IBM-provided training.

Mid-century labor unions (which represented a third of the private-sector workforce), organized the lower rungs of a company's hierarchy into an additional control center—as part of what the United States Supreme Court, writing in 1960, called "industrial self-government"—and in this way also contributed to the management function. Even production workers became, on account of lifetime employment and workplace training, functionally the lowest-level managers. They were charged with planning and coordinating the development of their own skills to serve the long-run interests of their employers.

The mid-century corporation's workplace training and many-layered hierarchy built a pipeline through which the top jobs might be filled. The saying "from the mail room to the corner office" captured something real, and even the most menial jobs opened pathways to promotion. In 1939, for example, all save two of the grocery chain Safeway's division managers had started their careers behind the checkout counter. At McDonald's, Ed Rensi worked his way up from flipping burgers in the 1960s to become CEO. More broadly, a 1952 report by *Fortune* magazine found that two-thirds of senior executives had more than 20 years' service at their current companies.

Middle managers, able to plan and coordinate production independently of elite-executive control, shared not just the responsibilities but also the income and status gained from running their companies. Top executives enjoyed commensurately less control and captured lower incomes. This democratic approach to management compressed the distribution of income and status. In fact, a mid-century study of General Motors published in the *Harvard Business Review*—completed, in a portent of what was to come, by McKinsey's Arch Patton—found that from 1939 to 1950, hourly workers' wages rose roughly three times faster than elite executives' pay. The management function's wide diffusion throughout the workforce substantially built the mid-century middle class.

At the time of Patton's study, McKinsey and other management consultants still played a relatively minor role in how American companies were run. The earliest consultants were engineers who advised factory owners on measuring and improving efficiency at the complex factories required for industrial production. The then-leading firm, Booz Allen, did not achieve annual revenues of $2 million until after the Second World War. McKinsey, which didn't hire its first Harvard M.B.A. until 1953, retained a diffident and traditional ethos—requiring its consultants to wear fedoras until President John F. Kennedy stopped wearing his.

Things changed in the 1960s, with McKinsey leading the way. In 1965 and 1966, the firm placed help-wanted ads in *The New York Times* and *Time* magazine, with the goal of generating applications that it could then reject, to establish its own eliteness. McKinsey's competitors followed suit, as when the Boston Consulting Group's Bruce Henderson took out ads in the Harvard Business School student newspaper seeking to hire "not just the run-of-that-mill but, instead, scholars—Rhodes Scholars, Marshall Scholars, Baker Scholars (the top 5 percent of the class)."

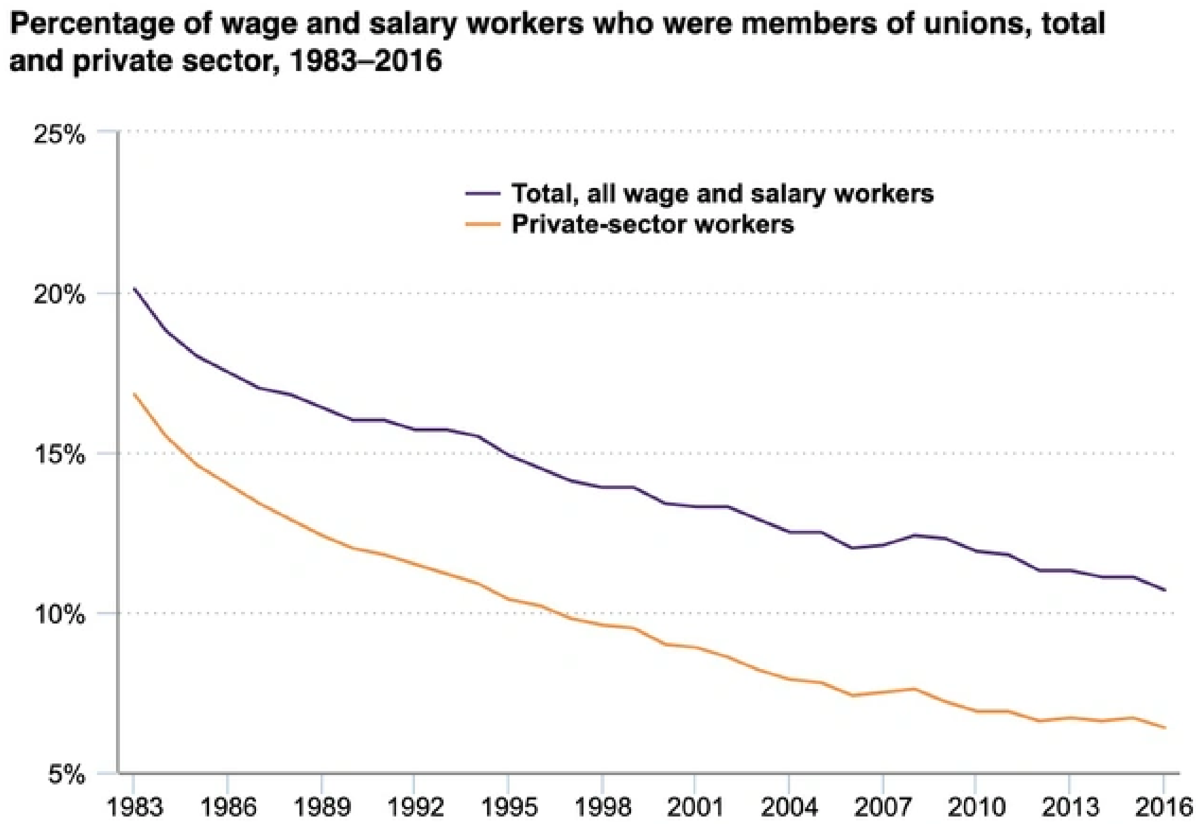
A new ideal of shareholder primacy, powerfully championed by Milton Friedman in a 1970 *New York Times Magazine* article entitled "The Social Responsibility of Business is to Increase its Profits," gave the newly ambitious management consultants a guiding purpose. According to this ideal, in language eventually adopted by the Business Roundtable, "the paramount duty of management and of boards of directors is to the corporation's stockholders." During the 1970s, and accelerating into the '80s and '90s, the upgraded management consultants pursued this duty by expressly and relentlessly taking aim at the middle managers who had dominated mid-century firms, and whose wages weighed down the bottom line.

Daniel Markovits: How life became an endless, terrible competition

As the business journalist Walter Kiechel put it in his book *Lords of Strategy*, consultants openly sought to "foment a stratification within companies and society" by concentrating the management function in elite executives, aided (of course) by advisers from consultants' own ranks. Management-consulting firms deployed a panoply of branded processes against middle management. Another account of the industry, *The Witch Doctors*, explains that the Computer Sciences Corporation's consulting arm, working with the Sloan School of Management at MIT, developed corporate "reengineering" to "break an organization down into its components parts," eliminate the redundant ones, namely middle managers, and then put the remaining parts "together again to create a new machine." GTE, Apple, and Pacific Bell would all cite reengineering as responsible for their downsizing. McKinsey framed its path to downsizing, which the firm called "overhead value analysis," as an answer to the mid-century corporation's excessive reliance on middle management. As McKinsey's John Neuman admitted in an essay introducing the method, the "process, though swift, is not painless. Since overhead expenses are typically 70% to 85% people-related and most savings come from work-force reductions, cutting overhead does demand some wrenching decisions."

Management consultants thus implemented and rationalized a transformation in the American corporation. Companies that had long affirmed express "no layoff" policies now took aim at what the corporate raider Carl Icahn, writing in the *The New York Times* in the late 1980s, called "corporate bureaucracies" run by "incompetent" and "inbred" middle managers. They downsized in response not to particular business problems but rather to a new managerial ethos and methods; they downsized when profitable as well as when struggling, and during booms as well as busts. The downsizing peaked during the extraordinary economic boom of the 1990s. The culls, moreover, were dramatic. AT&T, for example, once aimed to cut the ratio of managers to nonmanagers in one of its units from 1:5 to 1:30. Overall, middle managers were downsized at nearly twice the rate of nonmanagerial workers. Downsizing was indeed wrenching. When IBM abandoned lifetime employment in the 1990s, local officials asked gun-shop owners around its headquarters to close their stores while employees absorbed the shock.

Production workers did not escape the whirlwind, as companies—again with help from consultants— stripped them of their residual management functions and the benefits that these sustained. Corporations broke their unions, and jobs that once carried bright futures became gloomy. United Parcel Service, long famous for its full-time workers and promoting from within, began emphasizing part-time work in 1993. Its union—the Teamsters—struck in 1997, under the slogan "Part-time America won't work," but failed to return the company to its past employment practices. UPS has since hired more than half a million part-time workers, with just 13,000 advancing within the company.



Bureau of Labor Statistics

Overall, the share of private-sector workers belonging to a union fell from about one-third in 1960 to less than one-sixteenth in 2016. In some cases, downsized employees have been hired back as subcontractors, with no long-term claim on the companies and no role in running them. When IBM laid off masses of workers in the 1990s, for example, it hired back one in five as consultants. Other corporations were built from scratch on a subcontracting model. The clothing brand United Colors of Benetton has only 1,500 employees but uses 25,000 workers through subcontractors.

The shift from permanent to precarious jobs continues apace. Buttigieg's work at McKinsey included an engagement for Blue Cross Blue Shield of Michigan, during a period when it considered cutting up to 1,000 jobs (or 10 percent of its workforce). And the gig economy is just a high-tech generalization of the sub-contractor model. Uber is a more extreme Benetton; it deprives drivers of any role in planning and coordination, and it has literally no corporate hierarchy through which drivers can rise up to join management. As ever, consultants are at the forefront of change, aiming to disrupt the management function. A new breed of management-consulting firms now deploys algorithmic processing to automate not the line workers' or sales associates' jobs, but the manager's job.

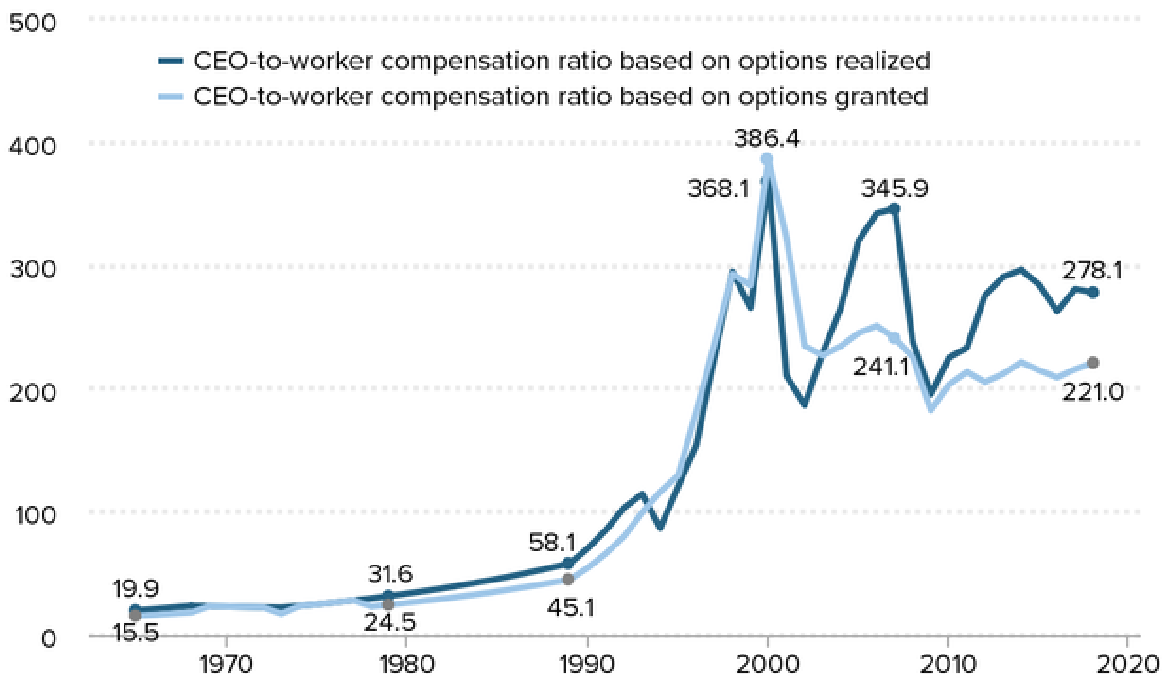
In effect, management consulting is a tool that allows corporations to replace lifetime employees with short-term, part-time, and even subcontracted workers, hired under ever more tightly controlled arrangements, who sell particular skills and even specified outputs, and who manage nothing at all.

Read: The 9.9 percent is the new American aristocracy

The management function has not been rendered unnecessary, of course, or disappeared. Instead, the managerial control stripped from middle managers and production workers has been concentrated in a narrow cadre of executives who monopolize planning and coordination. Mid-century, democratic management empowered ordinary workers and disempowered elite executives, so that a bad CEO could do little to harm a company and a good one little to help it. Today, top executives boast immense powers of command—and, as a result, capture virtually all of management's economic returns. Whereas at mid-century a typical large-company CEO made 20 times a production worker's income, today's CEOs make nearly 300 times as much. In a recent year, the five highest-paid employees of the S&P 1500 (7,500 elite executives overall), obtained income equal to about 10 percent of the total profits of the entire S&P 1500.

CEOs make 278 times more than typical workers

CEO-to-worker compensation ratio, 1965–2018



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Economic Policy Institute

Management consultants insist that meritocracy required the restructuring that they encouraged—that, as Kiechel put it dryly, "we are *not* all in this together; some pigs are smarter than other pigs and deserve more money." Consultants seek, in this way, to legitimate both the job cuts and the explosion of elite pay. Properly understood, the corporate reorganizations were, then, not merely technocratic but ideological. Rather than simply improving management, to make American corporations lean and fit, they fostered hierarchy, making management, in David Gordon's memorable phrase, "fat and mean."

Running a company on a concentrated model requires a cadre of managers who possess the capacity and taste to work with the intensity demanded of top executives today. At the same time, corporate reorganizations have deprived companies of an internal supply of managerial workers. When restructurings eradicated workplace training and purged the middle rungs of the corporate ladder, they also forced companies to look beyond their walls for managerial talent—to elite colleges, business schools, and (of course) to management-consulting firms. That is to say: The administrative techniques that management consultants invented created a huge demand for precisely the services that the consultants supply.

This is where the recent history of American management intersects with Pete Buttigieg's life story.

Read: The secret shame of middle-class Americans

Whereas a century ago, fewer than one in five of America's business leaders had completed college, top executives today typically have elite degrees—M.B.A.s as well as bachelor's degrees—and deep ties to management consulting. Many executives have consulting backgrounds themselves. McKinsey alone counts 70 *Fortune* 500 CEOs among its alumni, including the current CEOs or COOs at Google, Facebook, and Morgan Stanley. Indeed, a greater share of McKinsey employees become CEOs than any other company's in the world. Management consultants who stay with their firms also do very well. The three most elite management consultancies—McKinsey, Bain & Company, and the Boston Consulting Group—regularly boast double-digit revenue growth and today generate nearly $20 billion in revenues and employ nearly 50,000 people.

These facts give management consulting a powerful charisma for students and recent graduates of elite colleges and universities. Today, management consulting sits beside finance as the most popular first job for graduates of Harvard, Princeton, and Yale. (Stanford graduates choose among consulting, finance, and tech.) Harvard Business School, which sent zero graduates to McKinsey prior to 1953, now regularly sends nearly a quarter of its graduating class into consulting, while Wharton graduates are 10 times more likely to work in consulting than in manufacturing.

The incomes that management consultants secure renders these numbers unsurprising. McKinsey pays B.A.s nearly $100,000 and newly minted M.B.A.s nearly $200,000, and although the firm does not release information about profits, industry insiders believe that partners might command incomes in the millions. McKinsey's charisma, however, is not just economic. The firm continues to perform its own eliteness, with the application process involving famously rigorous analytic interviews—which test formal problem-solving skills but no substantive knowledge (certainly not of any concrete industry or business)—so that getting hired has in itself become a mark of accomplishment at top colleges. McKinsey also continues aggressively to recruit the most elite graduates, treating Rhodes or Marshall Scholarships as equivalent to M.B.A.s for the purpose of rank and pay, and boasting, "We are the largest employers of Rhodes scholars and Marshall scholars on the planet, outside of the United States government."

Meanwhile, the firm expressly emphasizes its internal meritocracy. McKinsey's mission statement promises to "create an unrivaled environment for exceptional people" and the firm boasts of its "university-like capabilities," which give its consultants proprietary analytic powers that no other business advisers can match. A recent survey of business-school graduates found that it demands longer hours than any employer of M.B.A.s other than Goldman Sachs and Barclays. And it embraces an "up or out" promotion regime, under which people who stop advancing through the firm are asked to leave.

Consulting, like law school, is an all-purpose status giver—"low in risk and high in reward," according to the *Harvard Crimson*. McKinsey also hopes that its meritocratic excellence will legitimate its activities in the eyes of the broader world. Management consulting, Kiechel observed, acquired its power and authority not from "silver-haired industry experience but rather from the brilliance of its ideas and the obvious candlepower of the people explaining them, even if those people were twenty-eight years old."

Pete Buttigieg fit the McKinsey profile perfectly. "I went to work at McKinsey because I wanted to understand how the world worked," he has said, adding that "they were willing to take a chance on me even though I didn't have an M.B.A." He believes that the lessons the firm teaches apply widely, not just across industries but to government as well: In an interview with *The Atlantic*, he said that McKinsey was "a place where I could learn as much as I could by working on interesting problems and challenges in the private sector, the public sector, in the nonprofit sector." Perhaps he was right. He became—without any prior governmental experience—the youngest mayor in South Bend's history; and now he aspires to become—without ever having held national or even statewide office—the youngest president in American history.

Read: The price of ascending America's class ladder

Yet Buttigieg's association with McKinsey also exacerbates the left's skepticism of his candidacy. The firm's clients—which include ICE, opioid manufacturers, and authoritarian regimes—generated the first doubtful headlines, as people wanted to know whether Buttigieg would disclose his McKinsey client list. Buttigieg answered, "I never worked on a project inconsistent with my values, and if asked to do so, I would have left the firm rather than participate." He probably wouldn't have had to leave, because McKinsey allows its employees to refuse to work for particular clients that they regard as unconscionable. It is therefore no surprise that when Buttigieg eventually did disclose his clients, the companies were indeed benign.

A deeper objection to Buttigieg's association with McKinsey concerns not *whom* the firm represents but the central role the consulting revolution has played in fueling the enormous economic inequalities that now threaten to turn the United States into a caste society.

Meritocrats like Buttigieg changed not just corporate strategies but also corporate values. Particular industries, and still more individual companies, may be committed to distinctive, concrete goals and ideals. GM may aspire to build good cars; IBM, to make typewriters, computers, and other business machines; and AT&T, to improve communications. Executives who rose up through these companies, on the mid-century model, were embedded in their firms and embraced these values, so that they might even have come to view profits as a salutary side effect of running their businesses well. When management consulting untethered executives from particular industries or firms and tied them instead to management in general, it also led them to embrace the one thing common to all corporations: making money for shareholders. Executives raised on the new, untethered model of management aim exclusively and directly at profit: their education, their career arc, and their professional role conspire to isolate them from other workers and train them single-mindedly on the bottom line.

Buttigieg carries this worldview into his politics. Wendell Potter, at *The Intercept*, observes that “a lot” of Buttigieg’s campaign language about health care, including “specific words” is “straight out of the health-insurance industry’s playbook.” The influence of management consulting, moreover, goes far beyond language to the very rationale for Buttigieg’s candidacy. What he offers America is intellect and elite credentials—a combination that McKinsey has taught him and others like him to believe should more than compensate for an obvious deficit of directly relevant experience.

This is a dangerous belief. Technocratic management, no matter how brilliant, cannot unwind the structural inequalities that are dismantling the American middle class. To think that it can is to be insensible of the real harms that technocratic elites, at McKinsey and other management-consulting firms, have done to America. Such obliviousness may not be malevolent; but it is clueless.

And emphasizing private virtue or personal ethics—including the ethics that would have led Buttigieg to reject distasteful clients—only protects structural inequalities, by creating scapegoats to absorb moral scruples and redirect outrage away from systemic injustice. American democracy, the left believes, cannot be rejuvenated by persuading elites to deploy their excessive power somehow more benevolently. Instead, it requires breaking the stranglehold that elites have on our economics and politics, and reempowering everyone else.