Precarious Work, Insecure Workers: Employment Relations in Transition

Arne L. Kalleberg
University of North Carolina at Chapel Hill

The growth of precarious work since the 1970s has emerged as a core contemporary concern within politics, in the media, and among researchers. Uncertain and unpredictable work contrasts with the relative security that characterized the three decades following World War II. Precarious work constitutes a global challenge that has a wide range of consequences cutting across many areas of concern to sociologists. Hence, it is increasingly important to understand the new workplace arrangements that generate precarious work and worker insecurity. A focus on employment relations forms the foundation of theories of the institutions and structures that generate precarious work and the cultural and individual factors that influence people’s responses to uncertainty. Sociologists are well-positioned to explain, offer insight, and provide input into public policy about such changes and the state of contemporary employment relations.

Work is a core activity in society. It is central to individual identity, links individuals to each other, and locates people within the stratification system. Perhaps only kin relationships are as influential in people’s everyday lives. Work also reveals much about the social order, how it is changing, and the kinds of problems and issues that people (and their govern-
ments) must address. Accordingly, the study of work has long been a central field in sociology, beginning with classical sociologists such as Durkheim (in his *Division of Labor*), Marx (in his theories of the labor process and alienation), and Weber (in his conceptualizations of bureaucracy and social closure).

For several decades, both in the United States and worldwide, social, economic, and political forces have aligned to make work more precarious. By “precarious work,” I mean employment that is uncertain, unpredictable, and risky from the point of view of the worker. Resulting distress, obvious in a variety of forms, reminds us daily of such precarity. The Bureau of Labor Statistics (BLS) estimates (and likely underestimates) that more than 30 million full-time workers lost their jobs involuntarily between the early 1980s and 2004 (Uchitelle 2006). Job loss often triggers many unpleasant events, such as loss of health insurance and enhanced debt. Mortgage foreclosure rates have increased fivefold since the early 1970s (Hacker 2006). U.S. personal bankruptcy filings are at record highs (Leicht and Fitzgerald 2007), and nearly two-thirds of bankruptcy filers reported a job problem (Sullivan, Warren, and Westbrook 2001).

Precarious work, of course, is not necessarily new or novel to the current era; it has existed since the launch of paid employment as a primary source of sustenance. Nevertheless, the growth and obviousness of precarious work since the 1970s has crystallized an important concern. Bourdieu (1998) saw *précarité* as the root of problematic social issues in the twenty-first century. Beck (2000) describes the creation of a “risk society” and a “new political economy of insecurity.” Others have called the events of the past quarter-century the second Great Transformation (Webster, Lambert, and Bezuidenhout 2008).

Precarious work has far-reaching consequences that cut across many areas of concern to sociologists. Creating insecurity for many people, it has pervasive consequences not only for the nature of work, workplaces, and people’s work experiences, but also for many nonwork individual (e.g., stress, education), social (e.g., family, community), and political (e.g., stability, democratization) outcomes. It is thus important that we understand the new workplace arrangements that generate precarious work and insecurity.

I concentrate in this address on employment, which is work that produces earnings (or profit, if one is self-employed). Equating work with pay or profit is of course a limited view, as there are many activities that create value but are unpaid, such as those that take place in the household. Given my focus largely on industrial countries, particularly the United States, I emphasize precarious employment in the *formal* economy.2

### REASONS FOR THE GROWTH OF PRECARIOUS WORK IN THE UNITED STATES

It is generally agreed that the most recent era of precarious work in the United States began in the mid- to late-1970s. The years 1974 to 1975 marked the start of macro-economic changes (such as the oil shock) that helped lead to an increase in global price competition. U.S. manufacturers were challenged initially by companies from Japan and South Korea in the automobile and steel industries, respectively. The process that came to be known as neoliberal globalization intensified economic integration, increased the amount of competition faced by companies, provided greater opportunities to outsource work to lower-wage countries, and opened up new labor pools through immigration. Technological advances both forced companies to become more competitive globally and made it possible for them to do so.

---

1 Classical social thinkers such as Marx, Weber, and Durkheim sought to explain the consequences of the precarity created by the rapid social change associated with the emergence of the market economy in the nineteenth century (see Webster et al. 2008:2–3).

2 Employment precarity results when people lose their jobs or fear losing their jobs, when they lack alternative employment opportunities in the labor market, and when workers experience diminished opportunities to obtain and maintain particular skills. Other aspects of employment precarity are either determinants or consequences of these basic forms of uncertainty, including income precarity, work insecurity (unsafe work), and representation precarity (unavailability of collective voice) (Standing 1999).
Changes in legal and other institutions mediated the effects of globalization and technology on work and employment relations (Gonos 1997). Unions continued to decline, weakening a traditional source of institutional protections for workers and severing the postwar business-labor social contract. Government regulations that set minimum acceptable standards in the labor market eroded, as did rules that governed competition in product markets. Union decline and deregulation reduced the countervailing forces that enabled workers to share in the productivity gains that were made, and the balance of power shifted all the more heavily away from workers and toward employers.

The pervasive political changes associated with Ronald Reagan’s election in 1980 accelerated business ascendancy and labor decline and unleashed the freedom of firms and capitalists to pursue their unbridled interest. Deregulation and reorganization of employment relations allowed for the massive accumulation of capital. Political policies in the United States—such as the replacement of welfare with workfare programs in the mid-1990s—made it essential for people to participate in paid employment, forcing many into low-wage jobs. Ideological shifts centering on individualism and personal responsibility for work and family life reinforced these structural changes; the slogan “you’re on your own” replaced the notion of “we’re all in this together” (Bernstein 2006). This neoliberal revolution spread globally, emphasizing the centrality of markets and market-driven solutions, privatization of government resources, and removal of government protections.

The work process also changed, and in important ways, during this period. Increases in knowledge-intensive work accompanied the accelerated pace of technological innovation. Service industries continued to expand as the principal sources of jobs as the economy shifted from manufacturing-based, mass production to an information-based economy organized around flexible production (Piore and Sabel 1984).

These macro-level changes led employers to seek greater flexibility in their relations with workers. The neoliberal idea at the societal level was mirrored by the greater role played by market forces within the workplace. The standard employment relationship, in which workers were assumed to work full-time for a particular employer at the employer’s place of work, often progressing upward on job ladders within internal labor markets, was eroding (Cappelli 1999). Management’s attempts to achieve flexibility led to various types of corporate restructuring, which in turn led to a growth in precarious work and transformations in the nature of the employment relationship (Osterman 1999). This had, and continues to have, far-reaching effects on all of society.

In addition to the changes discussed above, the labor force became more diverse, with marked increases in the number of women, nonwhite and immigrant workers, and older workers. The increase in immigration due to globalization and the reduction of barriers to the movement of people across national borders has produced a greater surplus of labor today. There are also growing gaps in earnings and other indicators of labor market success between people with different amounts of education.

**THE CONTEXT OF PRECARITY AND THE U.S. CASE**

Until the end of the Great Depression in the United States, most jobs were precarious and most wages were unstable (Jacoby 1985). Pensions and health insurance were almost unheard of among the working classes before the 1930s, and benefits (such as those associated with experiments in welfare capitalism in the early part of the twentieth century) were not presented as entitlements but depended on workers’ docility (Edwards 1979).

The creation of a market-based economy in the nineteenth century exacerbated precarity during this period. In *The Great Transformation* (1944), Polanyi describes the organizing principles of industrial society in the nineteenth and twentieth centuries in terms of a “double movement” struggle. One side of the movement was guided by the principles of economic liberalism and laissez-faire that supported the establishment and maintenance of free and flexible markets (i.e., the first Great Transformation). The other side was dominated by moves toward social protections—protections that were reactions to the psychological, social, and ecological disruptions that unregulated markets imposed on people’s lives. The long historical struggle over employment secu-
rity that emerged as a reaction to the negative consequences of precarity ended in the victories of the New Deal and other protections in the 1930s (Jacoby 1985). Figure 1 illustrates this pendulum-like “double movement” between flexibility and security: free, flexible markets led to demands for greater security in the 1930s (Commons 1934) and now in the 2000s; regulated markets led to demands by business for more flexibility in the 1970s (Standing 1999).

**THE INTERREGNUM PERIOD (1940S TO 1970S)**

The three decades following World War II were marked by sustained growth and prosperity. During this postwar boom, economic compensation generally increased for most people, leading to a growth in equality that has been described as the “Great Compression” (Goldin and Margo 1992). Job security and opportunities for advancement were generally good for many workers, enabling them to construct orderly and satisfying career narratives. The attainment of a basic level of material satisfaction freed workers to emphasize other concerns in evaluating whether their jobs were good, such as opportunities for meaning, challenge, and other intrinsic rewards.

Laws enacted during the 1930s (such as those related to wage and hours legislation, minimum wage levels, and old-age and unemployment insurance) dramatically increased the number of workers whose jobs provided employment security along with living wages and benefits (Amenta 1998). Employers’ power over the terms of employment was restricted by workers’ right to bargain collectively (granted by the passage of the Wagner Act in 1935), along with increased government control over working conditions and employment practices.

The establishment of a new social contract between business and labor beginning in the 1930s solidified the growing security and economic gains of this period. The employment relationship became more regulated over time,
enforced by labor laws and the diffusion of norms of employer conduct. Health insurance became part of Walter Reuther’s UAW bargaining in 1949 and was then spread by employers to nonunionized workers in an effort to forestall more unionization. Combined with the full blooming of Fordist production techniques and the United States’ dominance in world markets, this ushered in an era of relatively full employment, security, and sustained economic growth (Ruggie 1982). Stability and growth made possible the kinds of internalization of labor that permitted the creation of firm internal labor markets and ladders of upward mobility. The “organization man” (Whyte 1956), who worked in large firms in the core sector of the economy (Averitt 1968), symbolized this phenomenon.

THE CONTEMPORARY PERIOD (1970S TO THE PRESENT) AND THE DISTINCTIVENESS OF PRECARITY TODAY

We now understand that the postwar period (up until the mid-1970s) was unusual for its sustained growth and stability. Precarious work today differs in several fundamental ways from that which characterized precarity in the pre-World War II period.

First, there has been a spatial restructuring of work on a global scale, as geography and space have become increasingly important dimensions of labor markets, labor relations, and work (Peck 1996). Greater connectivity among people, organizations, and countries, made possible by advances in technology, has made it relatively easy to move goods, capital, and people within and across borders at an ever-accelerating pace. “Spatialization” (Wallace and Brady 2001) freed employers from conventional temporal and spatial constraints and enabled them to locate their business operations optimally and to access cheap sources of labor. Advances in information and communication technologies allow capitalists to exert control over decentralized and spatially dispersed labor processes. Moreover, the entry of China, India, and the former Soviet bloc countries into the global economy in the 1990s doubled the size of the global labor pool, further shifting the balance of power from labor to capital (Freeman 2007).

Second, the service sector has become increasingly central. This has resulted in a changing mix of occupations, reflected in a decline in blue-collar jobs and an increase in both high-wage and low-wage white-collar occupations. Market forces have also extended into services through the privatization of activities that were previously done mainly in the household (e.g., child care, cleaning, home healthcare, and cooking). The growth of the service sector has also enhanced the potential for consumer–worker coalitions to influence work and its consequences.³ By contrast, in the manufacturing economy, there was often a split between consumers and producers and the key social relations were primarily defined as those among workers (labor solidarity) or between labor and management (class conflict).

Third, layoffs or involuntary terminations from employment have always occurred and have fluctuated with the business cycle. The difference now is that layoffs have become a basic component of employers’ restructuring strategies. They reflect a way of increasing short-term profits by reducing labor costs, even in good economic times (although there is little evidence that this strategy improves performance in the medium or long run [Uchitelle 2006]), and a means to undermine workers’ collective power.

Fourth, in the earlier precarious period, there were strong ideologies (e.g., Marxism) that conceptualized what a world without market domination would look like. These older theories are now largely discredited and we are operating in what amounts to an ideological vacuum, without anything close to a consensus theory about the mechanisms fostering precarity and how to deal with its costs (Piore 2008).

Finally, precarious work was often described in the past in terms of a dual labor market, with unstable and uncertain jobs concentrated in a secondary labor market (for a review, see Kalleberg and Sørensen 1979). Indeed, precarity and insecurity were used to differentiate jobs in the primary as opposed to secondary

³ Such coalitions’ potential for enhancing workers’ collective agency was demonstrated recently by the support members of the American Sociological Association provided to striking Aramark employees at the 2008 ASA meetings in Boston.
labor market segments. Now, precarious work has spread to all sectors of the economy and has become much more pervasive and generalized: professional and managerial jobs are also precarious these days.

EVIDENCE OF THE GROWTH OF PRECARIOUS WORK IN THE UNITED STATES

There is widespread agreement that work and employment relations have changed in important ways since the 1970s. Still, there is some disagreement as to the specifics of these changes. Studies of individual organizations, occupations, and industries often yield different conclusions than do analyses of the economy as a whole. Peter Cappelli (1999:113) observes that:

Those who argue that the change [in labor market institutions] is revolutionary study firms, especially large corporations. Those who believe the change is modest at best study the labor market and the workforce as a whole. While I have yet to meet a manager who believes that this change has not stood his or her world on its head, I meet plenty of labor economists studying the aggregate workforce who are not sure what exactly has changed.

The prominence of examples such as automobile manufacturing and other core industries, where precarity and instability have certainly increased, might account for some of the differences between the perceived wisdom of managers and the results obtained from data on the overall labor force.

The lack of availability of systematic, longitudinal data on the nature of employment relations and organizational practices also makes it difficult to evaluate just how much change has really occurred. The U.S. government and other agencies, such as the International Labour Organization, often collect data on phenomena only after they are deemed problematic. For example, the Bureau of Labor Statistics (BLS) did not begin to count displaced workers until the early 1980s and did not collect information on nonstandard work arrangements and contingent work until 1995. Also, the Current Population Survey’s measure of employer tenure changed in 1983, making it difficult to evaluate changes in job stability using this measure. In addition, there is a paucity of longitudinal data on organizations and employees that might shed light on the mechanisms that are producing precarity and other changes in employment relations.

Moreover, there is considerable measurement error in many of the indicators of precarious work. For example, worker-displacement data issued biennially by the BLS almost certainly undercount the number of people who lost their jobs involuntarily. This is due to the wording of the question, which was developed in the early 1980s to measure primarily blue-collar displacement. Uchitelle (2006) argues that a more comprehensive indicator of whether people lost their jobs involuntarily would likely produce a biennial layoff rate averaging 7 to 8 percent of full-time workers, rather than the 4.3 percent that the BLS reported from 1981 through 2003. Nevertheless, we can glean several pieces of evidence that precarious work has indeed increased in the United States.

1. DECLINE IN ATTACHMENT TO EMPLOYERS

There has been a general decline in the average length of time people spend with their employers. This varies by specific subgroups: women’s employer tenure has increased; while men’s has decreased (although tenure levels for women remain substantially lower than those for men in the private sector). The decline in employer tenure is especially pronounced among older white men, the group traditionally protected by internal labor markets (Cappelli 2008; Farber 2008).

2. INCREASE IN LONG-TERM UNEMPLOYMENT

Not having a job at all is, of course, the ultimate form of work precarity. Long-term unemployed

---

4 The question asks: “Did you lose your job because a plant or office closed, your position was abolished, or you had insufficient work?” (Uchitelle 2006:211–12).

5 Commonly used measures of joblessness and unemployment fail to capture the full extent of precarious work because they neglect to consider workers who become discouraged (perhaps because work is so precarious) and stop looking for a job. In addition, the number of people who work part-time (but
workers (defined as jobless for six months or more) are most likely to suffer economic and psychological hardships. In contrast to earlier periods, long-term unemployment remained relatively high in the 2000s. The large proportion of unemployed persons who found it difficult to obtain employment after the 2001 recession is likely due to both low rates of job growth and challenges faced by workers in industries such as manufacturing, where jobs have been lost (Mishel, Bernstein, and Shierholz 2009).

3. GROWTH IN PERCEIVED JOB INSECURITY

Precarity is intimately related to perceived job insecurity. Although there are individual differences in perceptions of insecurity and risk, people in general are increasingly worried about losing their jobs—in large part because the consequences of job loss have become much more severe in recent years—and less confident about getting comparable new jobs. Figure 2, derived from Fullerton and Wallace’s (2005) analysis of General Social Survey data, shows the trend in responses to the question: “How likely do you think it is that you will lose your job or be laid off?” (See also Schmidt 1999; Valetta 1999.) The fluctuating line represents overall assessments of job security, with higher values denoting greater perceived security. The downward-sloping line shows the trend controlling for the unemployment rate and other determinants of insecurity. This line indicates that perceived job security generally declined in the United States from 1977 to 2002.

These results may help explain the findings of a 1995 survey by the New York Times (1996:294), in which 75 percent of respondents felt that companies were less loyal to their workers than they used to be and 64 percent felt that workers were less loyal to their companies.

4. GROWTH OF NONSTANDARD WORK ARRANGEMENTS AND CONTINGENT WORK

Employers have sought to easily adjust their workforce in response to supply and demand conditions by creating more nonstandard work arrangements and contingent work.
arrangements, such as contracting and temporary work.\textsuperscript{6}

Data from a representative sample of U.S. establishments collected in the mid-1990s indicate that over half of them purchased goods or services from other organizations (Kalleberg and Marsden 2005). Examples of outsourcing in specific sectors illustrate the pervasiveness of this phenomenon: food and janitorial services, accounting, routine legal work, medical tourism, military activities (e.g., the use of mercenary soldiers, such as employees of Blackwater, in Iraq), and the outsourcing of immigration enforcement duties to local law enforcement officials (reflected in the section 287(g) program from Homeland Security).\textsuperscript{7} The key point about outsourcing is the threat that virtually all jobs can be outsourced (except perhaps those that require personal contact, such as home healthcare and food preparation), including high-wage, white-collar jobs that were once seen as safe.

The temporary-help agency sector increased at an annual rate of over 11 percent from 1972 to the late 1990s (its share of U.S. employment grew from under .3 percent in 1972 to nearly 2.5 percent in 1998) (Kalleberg 2000). The proportion of temporary workers remains a relatively small portion of the overall labor force, but the institutionalization of the temporary-help industry increases precarity because it makes us all potentially replaceable. Even the halls of academia are not immune from the temping of America. Figure 3 shows the decline in full-time tenured and full-time tenure-track faculty in academia from 1973 to 2005, as well as the increase in full-time non–tenure-track and part-time faculty during this period. The occupation that Aronowitz (2001) called the “the last good job in America” is becoming precarious too, with likely negative long-term consequences such as reductions in teacher quality.

5. INCREASE IN RISK-SHIFTING FROM EMPLOYERS TO EMPLOYEES

A final indicator of the growth of precarious work is the shifting of risk from employers to employees (see Breen 1997; Hacker 2006; Mandel 1996), which some writers see as the key feature of precarious work (Beck 2000; Jacoby 2001). Risk-shifting from employers to employees is illustrated by the increase in defined contribution pension and health insurance plans (in which employees pay more of the premium and absorb more of the risk than do employers) and the decline in defined benefit plans (in which the employer absorbs more of the risk than the employee by guaranteeing a certain level of benefits) (see Mishel, Bernstein, and Allegretto 2007).

SOME CONSEQUENCES OF PRECARIOUS WORK

Work is intimately related to other social, economic, and political issues, and so the growth of precarious work and insecurity has widespread effects on both work-related and non-work phenomena.

GREATER ECONOMIC INEQUALITY, INSECURITY, AND INSTABILITY

Precarious work has contributed to greater economic inequality, insecurity, and instability. The growth of economic inequality in the United States since the 1980s is well documented (Mishel et al. 2007). Earnings have also become more volatile and unstable with greater fluctuations from year to year (Hacker 2006). Poverty and low-wage work persist, and the economic security of the middle class continues to decline (Mishel et al. 2007).

Economic inequality and insecurity threaten the very foundations of our middle-class society, as workers are unable to buy what they produce. This results in a growth in pessimism and a decrease in satisfaction with one’s standard of living, as people have to spend more of their income on necessities, such as insurance and housing, and there has been a rise in debt and bankruptcies (Sullivan et al. 2001). The University of Michigan’s consumer sentiment

\[\text{\textsuperscript{6} Workers in these nonstandard work arrangements are often called “contingent” workers because their employment is contingent upon an employer’s needs (for a review, see Kalleberg 2000).}\]

\[\text{\textsuperscript{7} A recent review concludes that offshore outsourcing to developing countries accounts for about one quarter of the jobs lost in manufacturing industries in the United States from 1977 to 1999 (Harrison and McMillan 2006).}\]
index, released in April 2008, shows that Americans are now more pessimistic about their economic situation than they have been at any point in the past 25 years (Krugman 2008). This is due to both objective economic conditions and a loss of confidence in economic institutions.

Economic inequality and insecurity in the United States are exacerbated by relatively low rates of intergenerational income mobility, compared with advanced economies such as Germany, Canada, and the Scandinavian countries (Mishel et al. 2007). Immigrants traditionally have been forced to work in low-wage jobs, but today they are less likely to see the promise of America as their forerunners did, due largely to precarious work and the lack of opportunities for upward mobility.

OTHER CONSEQUENCES OF PRECARIOUS WORK

Precarious work has a wide range of consequences for individuals outside of the workplace. Polanyi (1944:73) argued that the unregulated operation of markets dislocates people physically, psychologically, and morally. The impact of uncertainty and insecurity on individuals’ health and stress is well documented (e.g., De Witte 1999). The experience of precarity also corrodes one’s identity and promotes anomie, as Sennett (1998) argues (see also Uchitelle 2006).

Precarious work creates insecurity and otherwise affects families and households. The number of two-earner households has risen in the United States over the past several decades, and these families have had to increase their working time to keep up with their income needs (Jacobs and Gerson 2004). Moreover, uncertainty about the future may affect couples’ decision making on key things such as the timing of marriage and children, as well as the number of children to have (Coontz 2005).

Precarious work affects communities as well. Precarious work may lead to a lack of social engagement, indicated by declines in membership in voluntary associations and community organizations, trust, and social capital more generally (Putnam 2000). This may lead to changes in the structure of communities, as

Figure 3. Contingent Work in Academia: Trends in Faculty Status, 1975 to 2005 (all degree-granting institutions in the United States)

Source: U.S. Department of Education, IPEDS Fall Staff Survey, compiled by the American Association of University Professors.
people who lose their jobs due to plant closings or downsizing may not be able to afford to live in the community (although they may not be able to sell their houses either, if the layoffs are widespread). Newcomers may not set down roots due to the uncertainty and unpredictability of work. The precarious situation may also spur natives’ negative attitudes toward immigrants. This all happens just as many communities experience an upsurge of new immigrants, both legal and illegal, who are more willing than other workers to work for lower wages and to put up with poorer working conditions.

**DIFFERENTIAL VULNERABILITY TO PRECARIOUS WORK**

People differ in their vulnerability to precarious work, depending on their personality dynamics, levels and kinds of education, age, family responsibilities, type of occupation and industry, and the degree of welfare and labor market protections in a society (Greenhalgh and Rosenblatt 1984).

For example, minorities are more likely than whites to be unemployed and displaced from their jobs. Older workers are more likely to suffer from the effects of outsourcing and industrial restructuring and be forced to put off retirement due to the inadequate performance of their defined contribution plans or the failing pension plans in their companies.

Education has become increasingly important as a determinant of life chances due to the removal of institutional protections resulting from the decline of unions, labor laws, and other changes discussed above. The growing salience of education is reflected in the rise in the college wage premium (relative to high school) in the 1980s and 1990s (Goldin and Katz 2008; Mishel et al. 2007) and the growing polarization in job quality associated with education and skill (Sørensen 2000).

But the growth of precarious work has made educational decisions more precarious too. The uncertainty and unpredictability of future work opportunities make it hard for students to plan their educations. For example, what is the best subject to major in to ensure occupational success? Moreover, economically precarious situations (even for those employed full-time) may make parents less comfortable investing in their children’s education. Correspondingly, children may have to cover more of their educational costs, leading them to graduate from college with more debt (Leicht and Fitzgerald 2007), if they are able to attend college at all.

Opportunities to obtain and maintain one’s job skills to keep up with changing job requirements are also precarious. Many workers are hard pressed to identify ways of remaining employable in a fast-changing economic environment in which skills become rapidly obsolete. Unlike workers of the 1950s and 1960s, today’s workers are more likely to return to school again and again to retool their skills as they shift careers.

**CHALLENGES FOR THE SOCIOLOGY OF WORK, WORKERS, AND THE WORKPLACE**

The growth of precarious work creates new challenges and opportunities for sociologists seeking to explain this phenomenon and who may wish to help frame effective policies to address its emerging character and consequences. The current theoretical vacuum in our understanding of both the mechanisms generating precarity and possible solutions provides an intellectual space for sociologists to explain the nature of precarious work and to offer public policy solutions. To meet these challenges, we need to revisit, reorient, and reconsider the core theoretical and analytic tools we use to understand contemporary realities of work, workers, and the workplace.

The first heyday of the sociology of work (under the label “industrial sociology”) in the United States was during the 1940s, 1950s, and part of the 1960s. Industrial sociology integrated the study of work, occupations and organizations, labor unions and industrial relations, industrial psychology and careers, and the community and society (Miller 1984). It addressed society’s major challenges and problems, many of which focused on industrial organizations, productivity, unions, and labor–management relations. Industrial sociologists explained work-

---

8 This tradition is illustrated by the writings of Bendix (1956), Berg (1979), Form and Miller (1960), Gouldner (1959), Hughes (1958), Lipset, Trow, and Coleman (1956), and Roy (1952).
related issues by means of an organizational, industrial, blue-collar model that described the operation of large corporations and the promotion and management systems within them, as well as the nature of labor–management relations. An important theme common to many of these analyses was the informal underside of workplace life, through which workers often renegotiated the terms and conditions under which they were employed (Gouldner 1959).

Ensuing decades brought specialization in the sociological study of work, but the study of work also became increasingly fragmented in the 1960s and 1970s, both within sociology and between sociology and other social science disciplines. Topics previously subsumed under the rubric of industrial sociology were spread among sociologists of work, occupations, organizations, economy and society, labor and labor markets, gender, labor force demography, social stratification, and so on. Boundary changes created divides in the study of work between sociology and disciplines such as anthropology, industrial psychology, and social work. Much of the research on these topics (especially on organizations) was taken over by professional schools of business and industrial relations, and separate associations and journals were founded (such as the *Administrative Science Quarterly* and *Organization Studies*) (Barley and Kunda 2001).

Moreover, social scientists’ interests in studying issues associated with industrial sociology waned as unions declined in power in the United States and as many of the older workplace issues were no longer a problem for employers, who could hire whomever they needed and could push workers for more and get it. The growing availability and use of large-scale surveys (with their bias toward methodological individualism) diverted attention away from qualitative studies of work and workers, case studies of organizations, and difficult-to-measure concepts such as work in the informal sector. With its focus on markets and institutions, the increasing popularity of economic sociology tended to leave workers out of explanations of work-related phenomena (Simpson 1989).

There have been, of course, many valuable sociological studies of work since the 1970s. These include the contributions to the labor process debate and the organization of work initiated by Braverman (1974) in the mid-1970s; investigations of the effects of technology; studies of race, class, and the working poor; and important studies of gender and work.  

Nevertheless, the study of issues such as precarious work and insecurity and their links to social stratification, organizations, labor markets, and gender, race, and age has largely fallen through the cracks. In recent years, sociologists have tended to take the employment relationship for granted and instead focused on topics related to specific work structures such as occupations, industries, or workplaces; how people come to occupy different kinds of jobs; and economic and status outcomes of work. These more limited foci miss the sea changes occurring in the organization of work and employment relations. Sociologists have thus failed to consider the bigger picture surrounding the forces behind the growth and consequences of precarious work and insecurity.

Sociological theory and research is further hindered by limitations in our conceptualizations of work and the workplace: we need to return to a unified study of work. Such an approach would integrate studies of work, occupations, and organizations along with labor markets, political sociology, and insights from psychology and labor and behavioral economics.

The need for a more holistic approach to the sociological study of work and its correlates was recognized in the mid-1990s by the Organizations, Occupations, and Work section of the American Sociological Association, when it changed its name from “Organizations and Occupations.” But the need to link the study of work to broader social phenomena is also central to many other sociological specialties, including the ASA sections devoted to labor and economic sociology and those focused on gender, medical sociology, education, social psychology, aging and the life course, international migration, and many others. My argu-

---

9 Studies of the labor process include those by Burawoy (1979) and Smith (1990); on technology, Noble (1977) and Zuboff (1988); on race/class/gender, McCall (2001), Tomaskovic-Devey (1993), and Wilson (e.g., 1978); and on gender and work, Epstein (e.g., 1970), Hochschild (e.g., 1983), Jacobs (1989), Kanter (1977), and Reskin and Roos (1990).
ments are thus directed at the discipline of sociology as a whole, not to a particular specialty area.

**The Employment Relationship**

A cohesive study of precarious work should build on the general concept of employment relations. These relations represent the dynamic social, economic, psychological, and political linkages between individual workers and their employers (see Baron 1988). Employment relations are the main means by which workers in the United States have obtained rights and benefits associated with work with respect to labor law and social security. These relations differ in the relative power of employers and employees to control tasks, negotiate the conditions of employment, and terminate a job.10

Employment relations are useful for studying the connections between macro and micro levels of analysis—a central feature of all sociology, not just the sociology of work (Abbott 1993)—because they explicitly link individuals to the workplaces and other institutions wherein work is structured. This brings together a consideration of jobs and workplaces, on the one hand, and individual workers, on the other. Moreover, employment relations are embedded in other social institutions, such as the family, education, politics, and the healthcare sector. They are also intimately related to gender, race, age, and other demographic characteristics of the labor force.

Changes in employment relations reflect the transformations in managerial regimes and systems of control. The first Great Transformation was characterized by despotic regimes of control that relied on physical and economic coercion. The harsh conditions associated with the commodification of labor under market despotism led to a countermovement characterized by the emergence of hegemonic forms of control that sought to elicit compliance and consent (Burawoy 1979, 1983). The second Great Transformation has seen a shift to hegemonic despotism, whereby workers agree to make concessions under threat of factory closures, capital flight, and other forms of precarity (Vallas 2006).

The more specific concept of employment contract is particularly valuable for theorizing about important aspects of employment relations. Most employment contracts are informal, incomplete, and shaped by social institutions and norms in addition to their formal, explicit features. Research by economists on incomplete contracts (e.g., Williamson 1985) and psychologists on psychological contracts between employers and employees (Rousseau and Parks 1992) supplement sociological theories and provide bases for understanding the interplay among social, economic, and psychological forces that create and maintain precarious work. Differences among types of employment contracts can also be used to define class positions, as Goldthorpe (2000) argues in his conceptualization of service (professionals and managers), labor (blue-collar), and intermediate employment contracts (see also McGovern et al. 2008).

Employment contracts vary between transactional (short-term, market based) and relational (long-term, organizational) (see Dore 1973; MacNeil 1980). The “double movement” between flexibility and security, described in Figure 1, parallels to some extent the alternating predominance of market-based transactional and organizational/relational contracts, respectively. A rise in the proportion of transactional contracts will likely be associated with greater precariousness, as such contracts reduce organizational citizenship rights and allow market power and status-based claims to become more important in local negotiations.

**The Changing Organizational Contexts of Employment Relations**

Employers sought to obtain greater flexibility by adapting their workforces to meet growing competition and rapid change in two main ways. Some took the “high road” by investing in their workers through the use of relational employment contracts, creating more highly-skilled jobs, and enhancing employees’ functional flexibility (i.e., employees’ ability to perform a variety of jobs and participate in decision making). Other firms—far too many in the United States compared with other countries such as Germany

---

10 About 90 percent of people in the United States work for someone else. Even self-employed people can be considered to have “employment relations” with customers, suppliers, and other market actors.
or those in Scandinavia—sought to obtain numerical flexibility by taking the “low road” of reducing labor costs by hiring workers on transactional contracts whose employment was contingent upon the firms’ needs (Smith 1997). Some organizations adopted both of these strategies for different groups of workers. “Core-periphery” or “flexible firms” use contingent workers to buffer their most valuable, core workers from fluctuations in supply and demand. These firms use a combination of hegemonic and despotic regime controls (for discussions, see Kalleberg 2001; Vallas 1999).

We need to understand better the changing organizational contexts of employment relations and the new managerial regimes and control systems that underpin them. What accounts for variations in organizations’ responses to their requirements for greater flexibility? Why do some organizations adopt transactional contracts for certain groups of workers while other employers use relational contracts for the same occupations, and what are the consequences of these choices (Dore 1973; Laubach 2005)? Unfortunately, organizational research began to shift away from studies of work in the mid-1960s, as organizational theorists turned their attention to the interactions of organizations with their environments.

A renewed focus on the employment relationship will help us rethink organizations in light of the growth of precarious work (see, e.g., Pfeffer and Baron’s [1988] discussion of the implications of employment externalization for organization theory). The workplace is still important, but the form of the workplace has changed. How, for example, do organizations obtain the consent of contingent employees (Padavic 2005)? How can managers blend standard and nonstandard employees (Davis-Blake, Broschak, and George 2003)?

Studies of employment relations can help us appreciate emergent organizational forms of work, such as new types of networks. The growth of independent and other types of contracting creates opportunities for skilled workers to benefit from changing employment relations, as Barley and Kunda (2006) and Smith (2001) demonstrate in their case studies. (These independent contractors are insecure but not precarious.) Indeed, one can profitably analyze the firm as a “nexus of contracts” as Williamson and his colleagues have done (Aoki, Gustafsson, and Williamson 1990; Williamson 1985). The growth of temporary-help agencies and contract companies has created triadic relations among these organizations, their employees, and client organizations that need to be explained.11

Explaining changes in employment relations often requires the use of multilevel data sets that permit the analysis of the effects of organizational or occupational attributes on the behaviors and attitudes of workers. A growing number of multilevel data sets that include information on organizations and their employees are available, such as the National Organizations Studies linked to the General Social Survey, the Multicity Study of Urban Inequality, and the Census Bureau’s Longitudinal Employer-Household Dynamics Surveys. Moreover, methods for analyzing such multilevel data are fast disseminating among sociologists. These organizational—individual data sets offer the promise of helping us understand better the mechanisms that generate important inequalities in the workplace (Reskin 2003). Such data sets need to be supplemented by industry and firm studies, as many key social psychological dimensions of instability are missed with aggregate labor market data.

**FORMS AND MECHANISMS OF WORKER AGENCY**

We also need to understand better the forms and mechanisms of worker agency, which generally receive less attention than studies of social structure.12 Workers’ actions did not play a major role in my story of the growth of precarious work in the United States in recent years. I emphasized primarily employers’ actions in response to macroeconomic pressures produced by globalization, price competition, and technological changes. The decline in unions’ power

11 See the reviews of this literature by Davis-Blake and Broschak (forthcoming), DiTomaso (2001), and Kalleberg (2000).

12 Notable exceptions to this generalization include Burawoy’s (1983) categorization of various types of political and ideological regimes in production, Hodson’s (2001) study of dignity at work, and Vallas’s (2006) analysis of workers’ responses to new forms of work organization.
during this period left workers without a strong collective voice in confronting employers and politicians.

Nevertheless, as Hodson (2001:50) argues, “workers are not passive victims of social structure. They are active agents in their own lives.” Workers can resist management strategies of control and act autonomously to give meaning to their work.

Studying the employment relationship forces us to consider explicitly the interplay between structure and agency. This helps us rethink worker agency by explaining how workers influence the terms of the employment relation, and it can “bring the worker back in” to explanations of work-related phenomena (Kalleberg 1989). We need to understand how workers exercise agency both individually and collectively.

Given the increasing diversity of the labor force, workers’ agendas and activities are likely to be highly variable and unpredictable, often having creative and spontaneous effects. In the current world of work, where workers are likely to be left on their own to acquire and maintain their skills and to identify career paths (Bernstein 2006), we need a better understanding of the factors that influence personal agency and its forms.

We also need to be aware of and appreciate new models of organizing and strategies of mobilization that are likely to be effective in light of the increased precarity of employment relations. Collective agency is essential to building countermovements, yet Polanyi (1944) undertheorized how such movements are constructed, as he provided neither a theory of social movements nor a theory of sources of power (Webster et al. 2008). Research on “labor revitalization” is one scholarly expression of the growing emphasis on collective agency. Cornfield and his colleagues, for example, show that labor unions are strategic institutional actors that advance workers’ life chances by organizing them, engaging in collective bargaining, and shaping the welfare/regulatory state through legislative lobbying and political campaigns (e.g., Cornfield and Fletcher 2001; Cornfield and McCammon 2003).

Moreover, as Clawson (2003) argues, models of fusion that tie labor movements and labor organizing to other social movements—such as the women’s movement, immigrant groups, and other community-based organizations—are likely to be more effective than those based solely on work. This reflects the shift in the axis of political mobilization from identities based on economic roles (such as class, occupation, and the workplace), which were conducive to unionization, to axes based on social identities such as race, sex, ethnicity, age, and other personal characteristics (Piore 2008).

Some unions, such as the Service Employees International Union, have adopted this kind of strategy. Other movements that represent alternatives to unions organized at the workplace include Industrial Area Foundations, community-based organizations, and worker centers. The fusion of labor movements with community-based social movements highlights the growing importance of the local area, rather than the workplace, as the basis for organizing in the future (see Turner and Cornfield 2007). Consumer–producer coalitions also illustrate forms of interdependent power (Piven 2008).

In addition, occupations are becoming increasingly important as sources of affiliation and identification (Arthur and Rousseau 1996). They are useful concepts for describing the institutional pathways by which workers can organize to exercise their collective agency across multiple employers (Damarin 2006; Osnowitz 2006). Theories of stratification, such as “disaggregate structuration” (Grusky and Sørensen 1998), take organized occupations as the basic units of class structures. A focus on employment relations helps clarify the processes of social closure by which occupational incumbents seek to obtain greater control over their activities (Weeden 2002).

**Precarity and Insecurity as Global Challenges**

Precarious work is a worldwide phenomenon. The most problematic aspects of precarious work differ among countries, however, depending on countries’ stage of development, social institutions, cultures, and other national differences.

---

13 Evidence that between-occupation differences account for an increasing part of the growth in wage inequality in the United States since the early 1990s (Mouw and Kalleberg 2008) underscores the salience of occupations.
In developed industrial countries, the key dimensions of precarious work are associated with differences in jobs in the formal economy, such as earnings inequality, security inequality and vulnerability to dismissals (Maurin and Postel-Vinay 2005), and nonstandard work arrangements. In transitional and less developed countries (including many countries in Asia, Africa, and Latin America), precarious work is often the norm and is linked more to the informal than the formal economy and to whether jobs pay above poverty wages. Indeed, most workers in the world find themselves in the informal economy (Webster et al. 2008).

The term “precarity” is often associated with a European social movement. Feeling devalued by businesses, powerless due to the assault on unions, and struggling with a shrinking welfare system, European workers became increasingly vulnerable to the labor market and began to organize around the concept of precarity as they faced living and working without stability or a safety net. European activists generally identify precarity as a part of neoliberal globalization, involving greater capital mobility, the search for flexibility and lower costs, privatization, and attacks on welfare provisions.

All industrial countries are faced with the basic problem of balancing security (due to precarity) and flexibility (due to competition), the two dimensions of Polanyi’s “double movement.” Countries have tried to solve this dilemma in different ways and their solutions provide potential models for the United States. Some countries adopted socialism to deal with the uncertainties associated with rapid social change. But by the late 1980s, this system was discredited and capitalism became the dominant economic form. The question now is what kinds of institutional arrangements should be put in place to reduce employers’ risks and employees’ insecurity. The degree to which employers can shift risks to employees depends on workers’ relative power and control. As Gallie (2007) and his colleagues show (see also Burawoy 1983; Fligstein and Byrkjeflot 1996), different employment regimes (e.g., coordinated market economies such as Germany and the Scandinavian countries versus liberal market economies such as the United States and the United Kingdom) produce different solutions.

The relationship between precarity and economic and other forms of insecurity will vary by country depending on its employment and social protections, in addition to labor market conditions. It is thus insecurity, more than employment precarity, that varies among countries. This corresponds to the distinction between job insecurity and labor market insecurity: workers in countries with better social protections are less likely to experience labor market insecurity, although not necessarily less job insecurity (Anderson and Pontusson 2007).

The Danish case illustrates that even with increased precarity in the labor market, local politics may produce post-market security. In Denmark, security in any one job is relatively low, but labor market security is fairly high because unemployed workers are given a great

---

14 It is likely that the growing precarity of work in the United States and other advanced industrial countries has led more people to try to make a living in the informal sector. The evidence on this is poor, as it is hard to collect data on activities in the informal sector for representative populations. Official measures of work generally emphasize paid work in the formal sector of the economy. Qualitative studies are likely to be especially valuable in studying work in the informal economy.

15 See Ferman (1990) for a discussion of the informal or irregular economy.

16 For example, the International Labour Organization (2006:1) estimates that “in 2005, 84 percent of workers in South Asia, 58 percent in South-East Asia, 47 percent in East Asia . . . did not earn enough to lift themselves and their families above the US$2 a day per person poverty line.” Moreover, the ILO estimates that informal nonagricultural workers make up 83 percent of the labor force in India and 78 percent in Indonesia (see also International Labour Organization 2002). This scale of precarity differs dramatically from that found in the formal economy in the United States and other industrial countries.

17 This does not necessarily mean that standards of living have declined in all countries. While informal and precarious work is likely to be relatively high in China, for example, it is also likely that security and prosperity have improved in China over the past several decades.

18 This is similar to the distinction between “cognitive” job insecurity (the perception that one is likely to lose one’s job in the near future) and “affective” job insecurity (whether one is worried about losing the job) (Anderson and Pontusson 2007).
deal of protection and help in finding new jobs (as well as income compensation, education, and job training). This famous “flexicurity” system combines “flexible hiring and firing rules for employers and a social security system for workers” (Westergaard-Nielsen 2008:44). The example of flexicurity suggests there is good reason to be optimistic about the efficacy of appropriate policy interventions for addressing problems of precarity.

**PRECARIETY, INSECURITY, AND PUBLIC POLICY**

Industrial sociology was committed to studying applied concerns that were relevant to society, such as worker morale, managerial leadership, and productivity (Miller 1984; see also Barley and Kunda 2001). Similarly, a new sociology of work should focus on the challenges posed by central, timely issues, such as how and why precarious employment relations are created and maintained.

Economists currently dominate discussions of public policy. Labor economists, for example, have taken the lead in producing the detailed studies about what is happening in the world of work, providing policymakers with the key descriptions and facts that need to be addressed. This contrasts with the first heyday of industrial sociology, when sociologists and their close cousins, the institutional economists, produced the major studies of work and were the key policy advisers. Because the issues of precarious work and job insecurity are rooted in social and political forces—and the economy is, as Polanyi (1944) and many others note, embedded in social relations—sociologists today have a tremendous opportunity to help shape public policy by explaining how broad institutional and cultural factors generate insecurity and inequality. Such explanations are an essential first step toward framing effective policies to tackle the causes and consequences of precarity and to rebuild the social contract.

The forces that led to the growth of precarious work are not likely to abate any time soon, under the present hegemonic model of free market globalization. Therefore, effective public policies should seek to help people deal with the uncertainty and unpredictability of their work—and their resulting confusion and increasingly chaotic and insecure lives—while still preserving some of the flexibility that employers need to compete in a global marketplace. Policies should also seek to create and stimulate the growth of nonprecarious jobs whenever possible.

As the pendulum of Polanyi’s double movement swings again toward the need for social protections to alleviate the disruptions caused by the operation of unfettered markets, we can draw lessons from the policies adopted under the New Deal to address precarity in the 1920s and 1930s.

**LOWERING WORKERS’ INSECURITY AND RISK**

One lesson is the need for social insurance to help individuals cope with the risks associated with precarious work. The most pressing issue is health insurance for all citizens that is not tied to particular employers but is portable; this would reduce many negative consequences associated with unemployment and job changing (Krugman 2007). Portable pension coverage is also needed to supplement social security and help people retire with dignity. And we need better insurance to offset risks of unemployment and income volatility (Hacker 2006). Such forms of security should be made available to everyone, as proposed by Franklin D. Roosevelt in his “Second Bill of Rights” (Sunstein 2004).

We must also make substantial new investments in education and training to enable workers to update and maintain their skills. In a precarious world, education is more essential than ever, as workers must constantly learn new skills. Yet increased tuition, especially at state universities, is having a depressing effect on lower income students’ attendance. Moreover, employers are reluctant to provide training to workers given the fragility of the employment relationship and the fear of losing their investments. The government should thus follow the lead of many European countries and bear more of the cost burden of education and retraining.

Family supportive policies leading to better parental leave and child care options, as well as laws governing working-time, can also offer relief from precarity and insecurity.
CREATING MORE SECURE JOBS

A second lesson from the New Deal is the use of public works programs to create jobs. Public policies can encourage businesses to create better and more secure jobs through reestablishing labor market standards (e.g., raising the minimum wage) or providing tax credits to firms that invest in employee training and other “high road” strategies. Relying on the private sector to generate good, stable jobs is a limited strategy, however, since private firms are themselves relatively precarious.

A Keynesian-type approach to creating public employment could both generate more secure jobs and meet many of our pressing national needs, such as rebuilding our decaying infrastructure and upgrading currently low-paid and precarious jobs in healthcare, elder care, and child care. Enhancing the quality of such service jobs may also underscore the fact that caregiving jobs are skilled activities that could provide opportunities for careers and upward mobility.

The constraint on expanding public employment is political and ideological, not economic: only about 16 percent of jobs in the United States are provided directly by federal, state, or local governments. This figure is low relative to other European countries and well below the carrying capacity of the U.S. economy (Wright 2008). The current financial crisis has opened the door for discussions of Keynesian solutions.

GENERATING THE COUNTERMOVEMENT

A final lesson from the New Deal is that a collective commitment is needed to achieve a democratic solution to problems related to precarity. We need to reaffirm our belief that the government is necessary to create a good society. This idea has gotten lost in the past quarter century and been replaced by the ideology that individuals are responsible for managing their own risks and solving their own problems. The notion that government should be an instrument used in the public interest has been further eroded by its recent failures to cope with natural disasters, foreign policy challenges, and domestic economic turmoil. This has led to a diminished belief in the efficacy of government, what Kuttner (2007:45) calls the “revolution of declining expectations.”

At this critical time, we need transformational leadership and big ideas to address the large problems of precarity, insecurity, and other major challenges facing our society. Bold political and economic initiatives are needed to restore our sense of security and optimism for the future. Our democracy needs to have a vigorous debate on the form that globalization should take and on the policies and practices that will enhance both the social good and our individual well-being.

Workers’ ability to exercise collective agency—through unions and other organizations—is essential for this debate to occur and to create a countermovement to implement the kinds of social investments and protections that could address the problems raised by precarious work. The success of such a countermovement depends on political forces within the United States being reconfigured so as to give workers a real voice in decision making. Moreover, the global nature of problems related to precarity highlights the need for local solutions to be linked to transnational unions, international labor standards, and other global efforts (Silver 2003; Webster et al. 2008).

There is always the danger that Americans will not reach a “boiling point” but will treat the present era of precarity as an aberration, rather than a structural reality that needs urgent attention (Schama 2002). Nevertheless, a clear understanding of the nature of the problem, combined with the identification of feasible alternatives and the political will to attain them—buttressed by the collective power of workers—offer the promise of generating an effective countermovement.

CONCLUSIONS

Precarious work is the dominant feature of the social relations between employers and workers in the contemporary world. Studying precarious work is essential because it leads to significant work-related (e.g., job insecurity, economic insecurity, inequality) and non–work-related (e.g., individual, family, community) consequences. By investigating the changing nature of employment relations, we can frame and address a very large range of social problems: gender and race disparities, civil rights and economic injustice, family insecurity and work–family imbalances, identity politics,
immigration and migration, political polarization, and so on.

The structural changes that have led to precarious work and employment relations are not fixed, nor are they irreversible, inevitable consequences of economic forces. The degree of precarity varies among organizations within the United States, depending on the relative power of employers and employees and the nature of their social and psychological contracts. Moreover, the wide variety of solutions to the twin goals of flexibility and security adopted by different employment regimes around the world underscores the potential of political, ideological, and cultural forces to shape the organization of work and the need for global solutions.

The challenges—and opportunities—for sociology are to explain how various kinds of employment relations are created and maintained, and what mechanisms (which are amenable to policy interventions in varying degrees) are consistent with various public policies. We need to understand the range of new workplace arrangements that have been adopted and their implications for both organizational performance and individuals’ well-being. A holistic, interdisciplinary social science approach to studying work, which elaborates on the variability in employment relations, has the potential to address many of the significant concerns facing our society in the coming years.

Arne L. Kalleberg is Kenan Distinguished Professor of Sociology at the University of North Carolina at Chapel Hill. He has published 10 books and more than 100 journal articles and book chapters on topics related to the sociology of work, organizations, occupations and industries, labor markets, and social stratification. His most recent books are The Mismatched Worker (2007) and Ending Poverty in America: How to Restore the American Dream (co-edited with John Edwards and Marion Crain, 2007). He is currently finishing a book about changes in job quality in the United States as well as examining the global challenges raised by the growth of precarious work and insecurity.

REFERENCES


———. 2008. Talent on Demand: Managing Talent


