INTERVIEWS

Growing Job Insecurity and Inequality between Good Jobs and Bad Jobs: An Interview with Arne Kalleberg



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Arne Kalleberg was interviewed by Tatiana Karabchuk and Andrey Shevchuk, senior fellows at the Higher School of Economics. This interview was conducted during the international conference "Embeddedness and Beyond: Do Sociological Theories Meet Economic Realities?" (Moscow, 25–28 October 2012), where Prof. Kalleberg presented his new research "The Growth of Precarious Work: A Challenge for Economic Sociology".

In the interview Arne Kalleberg clarified the difference between job security and job stability and explained why it is better to draw a distinction between job security and employment security instead. Additionally, Prof. Kalleberg accounted for the growth of nonstandard employment and put this concept into historical context. Prof. Kalleberg stressed consequences of this tendency for both individuals and organizations. As a contribution to existing theoretical debate on this theme, Prof. Kalleberg suggested his own notion of "flexicurity". Flexicurity is a meta-policy, combining greater flexibility for employers and protections for workers.

Moreover, Prof. Kalleberg discussed his recent book "Good Jobs, Bad Jobs", which addresses the problem of growing inequality and polarization in both economic and non-economic job characteristics. Prof. Kalleberg also shared with us his future research plans. His next research direction deals with the idea of precarious work and focuses on international comparisons. Finally, Prof. Kalleberg recommended some of the most relevant and interesting books in this research field.

Keywords: labor market; nonstandard employment; job security; flexicurity; temporary work; precarious work; globalization.

— First of all, could you tell a little bit more about your definition and approach to job security and job stability? For example, are they different for you? I know that there are papers that distinguish between these two terms.

— I think job security and job stability are a little bit different. Job stability refers to the extent to which you are able to have job protections for a long time. Job security, I think, refers to the chances that you are going to lose your job and lose the protection associated with it. So, they are similar in some ways, but I think there is a slight difference between them. A better distinction is that between job security and employment security. That is, people may lose their job, but if they lose their job, they may have opportunities to be re-employed in the labor market and therefore they have employment security. And I think that employment

security is more important than job security, because jobs come and go, and so the question is whether you can get back into the labor market after you've been unemployed.

— What is your definition of nonstandard employment? There are plenty of definitions, but how do you define it?

— Well, nonstandard work should be thought about in relation to standard employment. The standard employment relationship was a normative form of employment relationship that is relatively recent, since World War II, and which involved work in which employees had open-ended contracts and a high degree of security. Work that has closed-ended contracts or fixed terms would be an example of nonstandard work. Another example would be one in which you work for more than one organization, as does a temporary help agency worker who is employed by the temporary agency but works at a client organization's site. Anything that deviates from this basic standard employment relationship would be considered as a nonstandard job. And I think part-time is sort of on the borderline, because in a part-time job you can still work for an employer with an open-ended contract; you just work less hours. I would say whether part-time work should be considered non-standard work depends on the situation.

— Social scientists express different attitudes towards the term "nonstandard". Some researchers think that the reason for using the term "nonstandard employment" is imaginary, because during previous times everybody was employed like this, without any particular permanent contract, while others treat this differentiation between standard and nonstandard as normal and are more in agreement with your point of view.

— Historically, the norm has been work that is precarious and insecure; the kind of nonstandard work that is becoming more common now was also the case before the mid-20th century. But during the post-World War II period we had this internalization of employment relationships that I call standard employment, and that is the norm against which we are contrasting the changes that are occurring now.

— In many countries, nonstandard employment is growing steadily. What do you think are the main factors behind this trend? And another point here, how has the scientific literature reacted to it?

— I think that the main reason for the growth of nonstandard employment is the fact that companies, nations, need greater flexibility in relation to workers. They also want to cut costs. These factors encouraged employers to adopt nonstandard relations. I think that point is very well established. Because of these factors, there are things like increasing competition among companies, produced by globalization and technological change, and so on. Finally, deregulation of markets caused price competition, and because unions were weak, employers have been able to create all this non-typical and nonstandard employment.

I think that the literature has agreed on these basic causes by now and there are no big debates about this. The literature is currently focused more on consequences of non-standard employment, such as the implications for individuals in terms of stress and personal well-being, and also for organizations in terms of the impact on organizational performance, job turnover, and the outcomes of nonstandard and standard workers working together. Beyond that, the literature is looking at the impact on society: on family structures and these kinds of externalities. I think that is the main focus of the current literature: What are the consequences of this trend and what can we do to eliminate those consequences?

— You spoke today about the "flexicurity" model. Could you express briefly what is the best variant and title for "flexicurity" model?

— Well, when I use the word "flexicurity" I use it as a very general concept, almost in terms of metatheory or metapolicy. It is a narrative that says "What do we need to do to address risks that have occurred as a result

of recent changes in the nature of employment and work?" I argue that you need flexibility for employers, because they have to compete in markets, although that produces insecurity for workers. So, you need to get flexibility for employers and security for workers. That is the general narrative. Now, if you look around the world there are some examples of this. It's being applied in Japan and in other countries in one way or another. Given the bad economic climate right now, it is very difficult to pursue active labor market policies because of the problems with demand for jobs. But I think it's important to maintain this idea as it might help to evaluate policies that are likely to be effective. For example, I don't think policies that are directed at restraining employer's flexibility such as employment protections that prevent them from firing workers, will be useful. I think those kinds of things are not productive because employers will get around them, hiring a bunch of temporary workers.

So I think it is an important sort of metatheory that provides a narrative alternative to explanations like "we need to rely on markets to solve these problems", for example.

— If we compare Russia to the US... (These are interesting cases for comparison: in the US you need more security for workers and in Russia I think we need more flexibility for employers, because the labor market is too rigid, which explains the growth in temporary employment.) ... Is it a good thing to have many temporary employees in the economy or not? If they are satisfied with their positions? Does the research tell us anything about it?

— I think it is a great comparison, because it illustrates the point that in US you have flexibility for employers; what we need is security for workers and *vice versa*. In Russia, as in Europe, the welfare state has provided considerable security for workers and the problem has been a lack of flexibility for employers. So these things have to be manipulated in different ways. I think a Russia — US comparison will be terrific.

On the second point, it seems to me that temporary work is not necessarily bad. I can think of many situations where temporary work is good. Temporary work provides people with opportunity to be flexible, to experience new things, and to have an interesting kind of experience. The problem of temporary work is when it is a trap and not a bridge. For example, when you have a situation, as in the US, where temporary workers don't have benefits, they don't get health insurance, training, and many other things that you get on a regular job. That's the problem. So it depends on the institutional context. In some countries I would say temporary work is quite good.

— In other words, temporary work is not a stepping-stone to a good career, but a trap in the US? Because some research has shown that, for example, in Britain and especially in Australia, it functions exactly as a bridge; people there take on casual temporary work, even when they were employed before. They take temporary jobs because even such jobs can contribute to their social and human capital and help them find a better permanent job. My study of casual workers in Russia did not demonstrate any such tendency. Temporary jobs are not stepping-stones in Russia; they are pointless for unemployed people. What is the situation in the US?

— Well, it depends. What I mean, when I say "temporary employment is a bridge," is that it's a good thing. When it is a trap, it's not good. There are some situations in the US when temporary employment actually acts as a bridge. Because many employers now are using temporary work as a provisional period in which they check out workers, and this provides people a way into the labor force. Within a country you may have temporary employment acting in both ways. And the extent to which it does that, it could be good or bad.

— I have a couple of questions about your recent book "Good Jobs, Bad Jobs" [Kalleberg 2011]. As I understand, the main argument in the book is that today there is insecurity for everyone. Although there are some winners — maybe today you are a winner, but in the future you will fail...

— So basically I'm arguing that there are two things going on. One is an increase in polarization, by which I mean growth of inequality between good jobs and bad jobs. There has been a growth of inequality in wages, in time— some people have to work many more hours, some people too few hours. And, to some extent, there's been a growth of inequality in terms of control over your work, how you do things. So there has been growing inequality, or polarization, in both economic and non-economic job characteristics.

At the same time, there has been growing insecurity for all. A consequence of that is that, while everybody is more insecure now, some people are more vulnerable than others. Take the example of people working in IT. They may have very insecure careers. They may go from one project to the next, but they have a lot of market power, because they are able to sell their skills on the market. People who don't have such kinds of skills are much more vulnerable. Both types of worker are in precarious positions, but in one case it doesn't matter so much, because they have many more alternative opportunities. Skill and education are key things here.

— But today, skills can deteriorate very fast...

— Yes, they can. That is why you need a new social contract. You need active labor market policies to get people to retrain. Skills deteriorate very fast due to rapid technological change and increasing globalization, which make it easier for employers to move their production all over the world.

— Your book is devoted mainly to the US, although you make some international comparisons. Are you going to pursue this further and write a book with an international emphasis?

— Yes, it is my next goal to try to take this idea of precarious work and polarization and extend it to different countries. The paper I presented here at this conference in Moscow sort of begins to do that. When you start looking at international perspectives you must take into account the fact that different countries have different institutions — different systems of welfare regimes and social protections. One of the problems in the US is that they have a very weak welfare system and safety net. If you are on a bad job, you don't get health insurance, skill training and so on. In other countries those jobs might be not so bad, because at least you get health insurance and opportunities to be reskilled.

I've also done a project in ten countries in Asia, looking at precarious work there. That work will be published in two issues of American Behavioral Science next year [Hewison, Kalleberg 2013; Kalleberg, Hewison 2013]. I'm currently looking at Europe, looking at these differences, and I'm hoping to look at Russia. Yes, that is what I like to do — not only looking at variation across countries, but also the consequences of this.

— What is your attitude to this block of literature on the future of work?

— The literature that I think will be most relevant to this will be Ulrich Beck's book "The Brave New World of Work" [Beck 2000]. He envisions that there is going to be insecurity in the future, so the quest is how we should make the best of it and perhaps create a situation where we are not dependent so much on employment. Guy Standing makes a similar argument in his book "The Precariat: The New Dangerous Class" [Standing 2011]. He proposes that in the future maybe we should have some sort of basic income grant, so that we don't have to take bad jobs, if we don't want.

— About this debate on the future of work: some people within this debate believe that a golden age of full employment is never possible again, we will never return to it. That is why we should separate social protections from employers and we should separate identity from employment. Maybe we should change the priority of work in society and allow people to concentrate on other activities like education, volunteerism, and political engagement.

— I think that is great, but how? The idea of separating social protections from employment is a brilliant idea. But people are arguing that you can't find an answer, because the costs of unemployment insurance, unemployment benefits and so on, and the stresses involved, are so great. If you provide somebody with a protection regardless of paid work, that would be a good thing. I think a society in which people are able to make choices about what they do, whether or not they work in paid work, or do care work, or be involved in civic activities, this would be a very interesting vision for the future, but a long way from being realized, so I think a key thing is to provide social securities that are not dependent on actual paid work. In the US, for example, everybody does not have health insurance. This is unlike the case in most countries of the world. Less pressing is a pension for everybody. I think pensions probably need to be calculated on the basis of some sort of employment system, whether or not it is money paid into the system or credit obtained from doing civic work or care work. These are different models. I think we should be open to these kinds of alternatives.

— What recent books would you recommend on this topic?

— Besides "Good Jobs, Bad Jobs"? (*laughing*). It was published in 2000, but Ulrich Beck's book "The Brave New World of Work" [Beck 2000] is still good. On the topic of precarious work, I suggest reading "Grounding Globalization: Labour in the Age of Insecurity" [Webster, Lambert, Bezuidenhout 2008]. I think it is a very interesting book. Another book I liked is by Leah Vosko, called "Managing the Margins", which talks about how to manage work with the departure of standard employment relationships [Vosko 2009].

— Thank you very much foryour time!

Tatiana Karabchuk and Adrey Shevchuk October 2012, Moscow

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