Book Review Essay

Good Jobs, Bad Jobs: The Rise of Polarized and Precarious Employment Systems in the United States, 1970s to 2000s

By Arne L. Kalleberg
Russell Sage Foundation. 2011. 292 pages. $37.50 cloth.

Good Jobs America: Making Work Better for Everyone

By Paul Osterman and Beth Shulman
Russell Sage Foundation. 2011. 181 pages. $24.95 paper.

Reviewer: Vicki Smith, *University of California, Davis*

Downloaded from http://sf.oxfordjournals.org/ at Pennsylvania State University on March 6, 2016

As the United States tries to maneuver its way out of the Great Recession, some injurious trends in the organization of employment and employment institutions seem starker than ever. Job quality increasingly is polarized, between a substantial sector of "good" jobs providing anywhere from living to astronomically high wages, benefits, opportunities for advancement and training, and a substantial sector of "bad," dead-end jobs (about 25% of all jobs, according to Osterman and Shulman) paying minimum or near-minimum wages (creating an unacceptably large population of working poor). Employment precariousness has spread across the occupational and professional spectrum: few employees, even those with good jobs, are exempt from labor market volatility and possible job loss due to layoffs, restructuring, and outsourcing. Unprecedentedly high long-term unemployment rates exacerbate the deleterious effects of both polarization and precariousness. Combined, these trends have put virtually everyone at risk. They threaten the quality of individual, family and community life, and, some would argue, democracy itself. Understanding how to moderate or reverse them is a major challenge for policy makers and policy-oriented researchers.

Good Jobs, Bad Jobs and *Good Jobs America* add to a growing and impressive body of literature about these trends, much of it published by the Russell Sage Foundation (as these two books are) and Cornell University/ILR Press (e.g., Appelbaum, Bernhardt and Murnane 2006; Bivens 2011; Blank, Danziger and Schoeni 2008; Doellgast 2012; Finegold et al. 2010; Holzer et al. 2011). They

© The Author 2012. Published by Oxford University Press on behalf of the University of North Carolina at Chapel Hill. All rights reserved. For permissions, please e-mail: journals.permissions@oup.com.

Social Forces 91(3) 1105–1109, March 2013
doi: 10.1093/sf/sos152
Advance Access publication on 8 November 2012

paint a comprehensive picture of the interrelated dimensions of economic/occupational change in the last 20 years. Certain core themes weave throughout this literature, such as analysis of the structural forces that have reconfigured work and employment (global competition, financialization of the economy, rise of the service sector, deregulation, technology), changing skill and education requirements, demographic trends that intersect with and create new labor market trends, earnings trends (earnings losses for displaced workers, the increase of poverty level wages, earnings and wealth inequality more generally), the degree to which employment relations have become mediated by the market (outsourcing, greater use of contingent and contracted workers), and the erosion of workers' power (declining unionization). They also concur about the policies that might ameliorate the tenuousness and insecurity faced by American workers located at the epicenter of these changes (job training programs, job creation programs, tax incentives to employers who train their workers and create good jobs, better unemployment and health insurance policies).

Kalleberg (a sociologist), Osterman (a labor economist), and Shulman (a labor lawyer and activist prior to her death in 2010) add immeasurably to this discussion about what's wrong with our economy, viz., jobs and employment, and what might be done to correct it. Their books complement each other beautifully, placing the issue of job quality (measured by earnings, benefits, opportunity and autonomy) at the forefront of an agenda for change. Although their focus differs (Kalleberg defines and measures job quality, using economic and noneconomic indicators, to illuminate good and bad jobs, while Osterman and Shulman focus on bad, below-standard jobs), there is considerable overlap in their agendas. Both books outline the dynamics of jobs and labor markets today and identify unequal outcomes for diverse groups of workers. Both are concerned to expand the number of good jobs, whether through job creation programs that establish high-wage and benefits standards (for example, Kalleberg discusses new public sector jobs that could put people to work rebuilding the nation's infrastructure of roads, schools and parks), or by encouraging employers to change the compensation and work conditions of already existing bad jobs (for example, Osterman and Shulman discuss how low-wage, low-opportunity jobs in health care, manufacturing, construction or retail might be reorganized).

Although the two books diverge in their assessment of polarization and of whether jobs in the middle are disappearing (with Kalleberg adopting the "declining middle" perspective and Osterman and Shulman rejecting it), these authors agree that jobs and employment relations across the board have worsened. Unions' power to influence job quality has declined; institutional protections have eroded (with diminished federal enforcement of labor standards, among other things); many employers adopt "low-road" employment practices (they try to squeeze the most out of labor, by shrinking the number of workers on the payroll, and depressing wages and maximizing effort of workers who remain). Kalleberg, Osterman, and Shulman believe that American employers have options to low-road policies and that, indeed, they can benefit from traveling the high road. Paying workers living wages and guaranteeing mobility

Downloaded from http://sf.oxfordjournals.org/ at Pennsylvania State University on March 6, 2016

opportunities can elicit their loyalty and willingness to work productively and effectively for their employers. Thus, improving standards will make work better for everyone in Osterman and Shulman's view, one with which Kalleberg solidly concurs.

Good Jobs, Bad Jobs methodically traces the causes and consequences of the polarization of jobs into good and bad, and the rise of precariousness across occupations and professions. Seeing the current era of uncertainty as a moment in an ongoing "double movement" (a concept coined by Polanyi) between flexibility (characterized by the dominance of unregulated markets and the subsequent disruption of social life) and security (characterized by the dominance of government interventions that buffer individuals and families from market dynamics) over the course of industrial capitalism, Kalleberg carefully addresses each facet of polarization and precariousness, analyzing data from a wide variety of sources to answer questions that have been debated vigorously by sociologists and economists. His goal is to weave together many different strands of precariousness and polarization (indeed, they are mutually constitutive, in that developments in one domain often exert pressure on another) that have created a deeply worrisome set of employment relationships.

For example, he marshals evidence showing that jobs are less stable and secure, a trend about which there has been much dispute; that the growth of earnings inequality is integrally connected to the growth of occupational polarization including a hollowing out of middle-range jobs; that the rise of market-mediated forms of employment (temporary and other kinds of nonstandard work) has created a new "inequality of insecurity," leading to different forms and degrees of vulnerability for different populations of workers; and that polarization has exploited and created social inequality (between women and men, people of different race and ethnic groups and citizenship statuses).

Osterman and Shulman reveal the flaws in popular myths about the low-wage labor market and about social mobility in the United States. today. Two are striking: adults' participation in low-wage markets is transient (thus, we shouldn't fuss too much about it as an impediment to long-run social mobility), and they simply need to develop their human capital to ascend from them. Osterman and Shulman argue that the vast majority of people who hold low-wage jobs are stuck there. The jobs are dead-end and offer no opportunity for learning new skills or for vertical mobility. Furthermore, Osterman and Shulman doubt that increasing education or skill levels is sufficient to enable many workers to access "good" jobs. Their goal is straightforward: below-standard jobs must be improved, by paying better wages (not wages that consign people to membership in the working poor), building job ladders that link low-wage positions to better compensated positions at higher levels in and between organizations, and instituting training programs for low-level employees.

Using examples of "green" jobs – the jobs of construction workers who weatherize homes to optimize their energy efficiency – Osterman and Shulman sketch out a model for job transformation. The authors don't deny that doing this on a national scale is daunting. They don't shy away from identifying the missteps that have been taken by government and business in trying to improve

Downloaded from http://sf.oxfordjournals.org/ at Pennsylvania State University on March 6, 2016

green and other jobs. But for them, this occupational case represents a kernel of hope: it prefigures social change on a much larger scale.

Kalleberg, Osterman, and Shulman have given much thought to how we might achieve these changes. There is much common ground between their two frameworks, particularly in their call for new public policies and governmental intervention. Inspired by the northern European example of "flexicurity," Kalleberg identifies a three-fold framework to guide government policy, which comprises better income security (retirement safety nets; income protections against layoffs, precarious employment, and illness), representation security (labor revitalization, strengthening of worker voice), and skill-reproduction security (training and educational opportunities that would enable workers to maintain their employability). For Kalleberg, labor, government, and business must work together to create a new social contract, one that would accommodate employers' needs to adapt to the global economy while minimizing the earnings and other insecurities workers would experience as a result of such structural flexibility.

Osterman and Shulman similarly point to steps that could be taken by the government to improve the standards and conditions of what is now low-wage work. They emphasize, as does Kalleberg, the importance of local and regional efforts to tackle this problem. Partnerships between local officials, progressive community organizations (many of them involving organized labor) and consumers create new strengths and synergies that can be used to pressure employers to change the way they compensate and develop their employees.

I appreciate the optimism of these (and other authors) who have thought long and hard about the challenges of progressively changing the terrain of work and employment. They are deeply knowledgeable and insightful and their policy recommendations for government intervention and regulation are shared by a broad swath of social scientists, policy analysts and public intellectuals. At this point in the 21st century, there is no shortage of morally persuasive, evidence-based ideas about how American employers would profit from taking the high road of employment practices and how, in turn, this could lessen flagrant inequalities, benefiting workers, business and American society as a whole. Will policy makers and business leaders draw inspiration from these rigorous social scientific analyses? Will the pendulum move back to an era of security, as Kalleberg hopes? The challenge for change is to find the collective capacity to implement what to many of us appears to be equitable and productive policy in the surreal, extraordinarily divisive (and unequal) economic/policy world of 21st century America.

References

Appelbaum, Eileen, Annette Bernhardt, and Richard J. Murnane (eds). 2006. *Low Wage America: How Employers Are Reshaping Opportunity in the Workplace.* New York, NY: Russell Sage Foundation.

Bevins, Josh. 2011. *Failure by Design: The Story Behind America's Broken Economy.* Ithaca, NY and London, UK: Cornell University/ILR Press.

Blank, Rebecca M., Sheldon Danziger, and Robert F. Schoeni (eds). 2008. *Working and Poor: How Economic and Policy Changes are Affecting Low Wage Workers.* New York, NY: Russell Sage Foundation.

Downloaded from http://sf.oxfordjournals.org/ at Pennsylvania State University on March 6, 2016

Doellgast, Virginia. 2012. *Disintegrating Democracy at Work: Labor Unions and the Future of Good Jobs in the Service Economy*. Ithaca, NY and London, UK: Cornell University/ILR Press.

Finegold, David, Mary Gatta, Hal Salzman, and Susan Schurman (eds). 2010. *Transforming the U.S. Workforce Development System*. Ithaca, NY and London, UK: Cornell University/ILR Press.

Holzer, Harry J., Julia I. Lane, David R. Rosenblum, and Fredrik Andersson. 2011. *Where Are All the Good Jobs Going? What National and Local Job Quality and Dynamics Mean for U.S. Workers*. New York, NY: Russell Sage Foundation.

Downloaded from http://sf.oxfordjournals.org/ at Pennsylvania State University on March 6, 2016