

REVIEW ARTICLE

Interpreting the contemporary world of work: two-tier polarisation or complex relational formations?

New Capitalism? The Transformation of Work

Doogan, Kevin
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The International Political Economy of Work and Employability

Moore, Phoebe
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Employment Relations in the Shadow of Recession: Findings from the 2011 Workplace Employment Relations Study

van Wanrooy, Brigid; Bewley, Helen; Bryson, Alex; Forth, John; Freeth, Stephanie; Stokes, Lucy and Wood, Stephen
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The recent furore over the oppressive working conditions at the Sports Direct distribution centre in Shirebrook, Derbyshire (Goodley and Ashby, 2015) once again raises the spectre of flexible, insecure and exploitative employment relations in the contemporary labour market. It also poses questions about the prevalence of such practices across the UK and the reasons why marginal forms of employment (always a feature of most capitalist economies) are today structured in relatively formalised ways. The former issue has dominated discussion around the labour market for many years; unfortunately this has seldom spilt over into historical analysis of the latter. Indeed, since the 2008 recession the persistent mantra of many commenting on the state of the UK labour market has been the deep intensification of flexible and precarious forms of employment, allied to claims that this represents a "profound change" to a position where the composition of employment is becoming so "markedly different" (Boyd, 2014; Darby and McIntyre, 2014) as to present a "good jobs deficit" (TUC, 2014). These accounts include a number of other closely related concerns, such as the expansion of flexible working in hitherto untouched professional and technical occupations such as post-compulsory education and health services (see UCU, 2015);

the growth of 'underemployment' either through involuntary short-time work or failure to fully utilise an employee's skills; an associated decline in job quality; and the important repercussions in terms of in-work poverty and increasing income inequality (TUC, 2014).

Interestingly, many of these reports acknowledge that establishing the precise extent of these arrangements is fraught with difficulty, given the ambiguity and lack of reach of available statistics. For example, while estimates of the number of 'zero-hours contracts' exist, the number of workers signed up to them remains unknown, and the possibility of 'multi-contracting' on their part not even mentioned. Arguably the biggest blind spot in this regard is the assumption that those in insecure work are in some way stuck in those positions. Notwithstanding the excellent ethnographic research by Shildrick and colleagues on cycling between low-paid jobs and unemployment (Shildrick *et al.*, 2012), there has been a lack of attention to other forms of worker turnover: for example, how many people have been able to move from an insecure job to something better? Yet this lack of statistical clarity does not prevent many commentators from predicating the emergence of an 'hourglass' labour market, in which workers are becoming polarised between secure and well-rewarded posts in higher level occupations on the one hand, or consigned to precarious, low-paid jobs on the other. In the meantime the middle-ranking, middle income jobs have all but disappeared, resulting in a 'two-tier workforce' engaged in either 'good' or 'bad' jobs (Kalleberg, 2011).

As a long-term sceptic of the use of such simplistic binary categories, I wanted to delve more deeply into exactly what has happened in the post-recession labour market. At the same time, I was also struck by the reliance of these accounts, either implicitly or explicitly, on stripped-down narratives of neoliberal globalisation, governmental deregulation and exploitative employers, with a corresponding lack of scope for any agency on the part of workers and their representatives, despite successful individual and union legal challenges to cases of abuse on the one hand, and evidence that such working arrangements actually suit the lives of certain groups on the other (see Felstead *et al.*, eds, 2015). Consequently I was also concerned to explore work that might contribute to a more rounded explanation and understanding of the features and operation of the contemporary labour market, especially work that seeks to place current developments not just within their overall labour market context, but also in some kind of proper historical perspective. To this end this review revolves around three rather different texts: one reporting the results of extensive survey-based empirical research with UK workplaces; the second deploying Gramscian theory to explore modern employment policy narratives focused in particular on keeping people connected to changing job opportunities; and the third arguing for more complex relational analyses of economic processes as the essential context for understanding employment practices and patterns.

Given the lack of statistical clarity on insecure forms of employment, I turned first to van Wanrooy *et al.*'s presentation of findings from the sixth Workplace Employment Relations Study. This is based on a comprehensive survey of over 2,500 workplaces employing five or more people, involving more than 23,000 responses from managers and employees plus 1,000 panel discussions, and conducted between 2011 and early 2012. The findings mainly explore changes apparent since the previous survey in the series in 2004, thus allowing detailed consideration of the state of employment relations 'in the shadow of recession'. The scope of the book is comprehensive in terms of workplace operation, if not encompassing all the themes covered by the survey questionnaire. It traces a logical route via eight chapters from operating context through labour deployment, employee involvement, determination of pay and conditions and job quality to the extent and nature of disputes and the means of their

resolution. The final chapter attempts to pull everything together by assessing the reported impact of the recession on employees in particular.

One consistent pattern that shines through the mass of statistics assembled in the book is the much greater extent of change in public as against private sector organisations. Two examples serve to illustrate this. First, while around a quarter of all workplaces reported some form of change in the organisation of work in response to the recession, the figure in the public sector was 36 per cent. Similarly, 90 per cent of public sector workplaces made other employment-related changes such as wage or recruitment freezes, as against 70 per cent in the private sector. Second, while perception of job security amongst employees saw a slight decline overall (from 67 to 61 per cent feeling that their job was secure), in the public sector the drop was much more marked (from 66 to 47 per cent). On the other hand, a large number of workplaces appeared to be remarkably resilient, with a substantial proportion (almost 60 per cent) reporting little or no change in terms of employment relations. Indeed, workplaces reported to be strongly affected by the recession were no more likely to switch to flexible forms of employment than the rest.

That said, the widely-reported reductions in contracted hours for existing staff amongst some employers clearly emerge from the survey. Again, two fascinating findings are revealed with respect to such part-time working. First, in a steady continuation of previous trends the proportion of private sector workplaces that now follow this practice rose from half to two-thirds between 2004 and 2011, while the figure for the public sector remained much the same, perhaps reflecting its earlier adoption of 'family-friendly' policies. The use of fixed-term or temporary contracts was also relatively stable, at around 50 per cent of public sector workplaces and 20 per cent of private. Second, although there was a slight increase in workplaces with employees on various other forms of flexible employment such as zero hours contracts, agency working or freelancing, none of these had been adopted by more than 10 per cent of the total. What is also clear from the survey is that workplaces that have introduced such working arrangements generally adopt one or two of the available modes, rather than all of them. One frustrating aspect of the analysis is that this insight is not pursued further, with no figure given for the proportion that utilise more than one of these practices. Nevertheless, despite their growth the clear implication is that such precarious forms of work are by no means the norm; but that their concentration in certain segments of the labour market such as distribution, hospitality and social care requires particular attention, from researchers and policy-makers alike. By extension, this also indicates a strong association between adoption of flexible forms of working and workplaces with high proportion of female employees. Unfortunately there are no results outlining the extent of voluntary or involuntary acceptance of such contracts on the part of workers.

In addition to numerical (working time) flexibility the analysis also addresses functional (multi-skilling and tasking) flexibility, concluding that this had actually remained much the same across the board, though with a decline within manufacturing. Similarly, the proportion of workplaces making use of subcontracting was fairly static, despite slight increases for certain functions such as training, computing and security. Even so, the survey indicated that permanent employees were actually asked to provide greater flexibility than those on fixed-term or temporary contracts, with a much higher proportion having their work reorganised or working hours reduced. Contrasting trends also emerged in terms of the different components of 'job quality', with increased (and often overwhelming) workloads and diminished job security on the one hand, yet greater control over job content and organisation and an increase in supportive management on the other.

The overall conclusion is that this more nuanced picture of variegated stability and change in the contemporary labour market is essentially a continuation of trends initiated around 25 to 30 years ago, reflecting major structural economic forces on the one hand and the different sectoral, employer and workforce interactions with them. One possible caveat here is that using the workplace as the unit of analysis runs the risk of excluding the impacts on unemployed and discouraged workers, as well as ignoring (by definition) the recent rise in self-employment. However, other evidence suggests that most current spells of unemployment are short-lived (apart perhaps from young people and people with disabilities), and hence most would have some connection with workplaces during the survey period. Moreover, similar findings also emerge from the longer-term analysis contained in the recent book by Felstead *et al.* (2015), especially the inability to read off measures of job quality from contractual working conditions. Thus, employees in well-paid, high-level jobs may well experience workload intensification, workplace stress and a poor work/life balance, whereas some in insecure employment may equally be afforded a high degree of autonomy and receive strong support from management.

Another gap in our knowledge remains the extent of multiple job holding by marginalised workers on the one hand, and experience of insecure forms of work over whole employment careers on the other. That said, the available evidence on employee experiences suggests that labour market responses to the recession have not involved a step change. They have instead varied according to circumstance, with some employers forced into making adverse changes in the face of recessionary impacts, others perhaps doing so in a more opportunistic way, but with many appearing to make strong efforts to retain existing staff. Perhaps the key effect in the post-2008 era has rather been through the politics of austerity and its associated government expenditure reductions, with extensive job losses, even greater levels of flexible working and associated insecurity in public sector workplaces (as well as in contracted-out public services).

Of course some might say that these UK patterns underline the distinctive Anglo-Saxon model of capitalism, pointing to parallel though even more entrenched forms of insecure work in the United States. However, recent evidence on employment change in Europe suggests that such flexible working is also possible in more corporate and social democratic formations. A paper by Myant and Piasna (2014), for example, illustrates how a majority of new jobs emerging between 2008 and 2013 in Germany, Ireland, Italy and Spain, as well as the UK, were part-time. Indeed, in all but the former they effectively offset full-time job losses in an overall context of employment falls. Similarly, there appears to be no close relationship between tighter employment regulation and job satisfaction in EU member states (CIPD, 2015). Of course, the European move to promote simultaneously flexible yet contractually secure forms of employment via 'flexicurity' policies could be seen as further support for the contention that such trends constitute a neoliberal march towards the deregulation of markets, involving the individualisation of the economic relations enshrined within them (including agreeing contracts of employment), and the ceding of greater market power to the hirer rather than the hired.

This international nature of labour market developments form the context for the approach and findings in *The International Political Economy of Work and Employability* by Moore (2010). She deploys Gramscian theory alongside three country case studies to trace out a multi-national 'hegemonic project' of skills reform, how this has affected people's lives and the ways in which some have been able to resist the changes associated with it. In particular it focuses on the use of the 'employability' discourse as a means of securing greater flexibility in the labour market, while ostensibly offering workers access to new opportunities in the 'knowledge economy'. She illustrates

through analysis of policy documents how vocational education and training programmes have changed the way in which skills are defined and understood, in doing so recasting members of the labour force both in and out of work as 'employable learner-workers'. As many others have noted, this is an integral part of the shift to a more individualised 'supply side' focus that emphasises worker capabilities and motivations, and part and parcel of the justification for greater conditionality in the operation of the welfare state (Peck, 2001).

In policy discourse, then, 'employability' is presented as a form of worker subjectivity, applied uncritically as manifest 'common sense'. The case studies of Singapore, South Korea and the UK were chosen deliberately, partly because of their increasing use of this type of argument, but more importantly because their educational systems have undergone reforms that move them towards a narrower role as a direct instrument for economic growth and prosperity. All three demonstrate a common set of 'passive revolutionary' techniques through which elites in each country have enacted fundamental changes to the nature of training and employment systems, involving a shift in responsibilities from the state and employers to members of the workforce in terms of preparation for, acquisition of, and movement between available jobs. In this sense, employability is interpreted as "...a technique for the micro-management of the productive self." (p.7). This 'preparation of the self' is allied to an expectation for workers to adapt themselves to the growth of flexible working, presented as a necessity for firms restructuring in the face of technological change. This, claims Moore, is "...a contemporary innovation...applicable (across) varying models of capitalism... (and involving) the aggregation of policy across nations...(in) a global passive revolution" (p.19).

While the occurrence of shared terms and discourses across different nations is a striking development, there remains a danger of ascribing a false sense of universalism to such state policy formulations, given the varying contexts in which they are assembled and subsequently applied. As the author herself freely admits, in each of her case studies the employability agenda was framed with key national economic and labour market issues in mind, namely long-term unemployment and labour market detachment in the UK; a history of industrial unrest and conflict in South Korea; and the obsession with rigorous social control of behaviour and attitudes in the unique city-state of Singapore. In this sense, Moore's approach runs the risk of reproducing the blind spots of the now largely discredited regulation school of thought (see, for example, Jessop, 1997).

It would be wrong, however, to conclude that the idea of neoliberal employability is the only game in town. The possibility of mounting resistance to this 'global skills revolution' is illustrated in chapter five by the equally transnational 'peer to peer' movement. This makes use of cyberspace to develop and share open source hardware and software on participants' own terms. While representing a precarious form of entrepreneurship (rather than employment), the explicit aim is to transcend capitalist structures by introducing new forms of value via collaborative means, thus developing 'unprecedented collective subjectivities'. The point here is that contemporary knowledge is produced in a rapidly changing and expanding arena, often in highly interactive fashion. This then holds the potential for the reformulation of how subjectivities (and 'inter-subjectivities') are formed, and the consequent empowerment of those involved through the use of their labour power.

This part of the book provides a fascinating insight into the alternative processes that can play out in the interstices of what governments hope will be seamless frameworks of control. Unfortunately it has a specialised, unrepresentative air to it, along with a feeling that its protagonists would have followed the same course whatever the policy climate, given the technological possibilities on offer. What I would

have liked to see - though admittedly it could form the subject of a separate book - was a follow-on exploration of the actual implementation of 'employability' policy in the three countries, with a particular focus on the extent to which both employment policy practitioners and the people on their caseload were able to exert any degree of discretion or autonomy. This would redress the balance against the rather one-sided exposition of hegemonic (qua conspiratorial) dominance, for example along the lines explored by Crisp (2015) in his work on 'progressive localism'.

In my quest for a broader exposition of labour market issues I next turned to the critical but controversial work of Kevin Doogan, encapsulated in his book *New Capitalism?*. His starting point is the eponymous thesis of the 1990s and early 2000s, in which proponents such as Beck, Castells and Harvey focused on the ways in which they saw interactions between globalisation, technological innovation, modern consumer practices and institutional change leading to a transformation of contemporary work. In line with 'regulation school' thinking this highlighted what was seen as the transition from mass production of standard goods to 'flexible specialisation' and the emergence of niche markets. This in turn involved labour market restructuring towards various forms of episodic and flexible employment contract, featuring the end of 'salarisation' and promoting the rise of 'portfolio careers'. Such developments were seen to herald increasingly tenuous and indirect relations between capital and labour, in line with the 'just in time' model being adopted in many spheres of production and distribution, and involving a similar redistribution of the surpluses generated through improved efficiency.

While some writers in this camp acknowledged that such trends disproportionately affected social groups situated at the margins of the labour market, such as the unskilled, lone parents, young people and recent migrants, the general impression was that this new 'contingent' economy was on the march and would eventually encompass everyone. This claim offers Doogan a simple yet convenient hook for his exploration of employment relations in the first decade of the 21st century. His critique directly challenges the ideological, methodological and empirical basis for the new capitalists' and regulation school's transformation theses. He assembles a range of statistical and historical evidence to support his contention that the capitalist labour market has in fact proved to be much less adaptable and responsive in the face of the huge economic shifts of the past 25 years. While it has never been static, in his view it has also acted as an insulator against many of the associated pressures. Thus a large majority of the people in employment in western countries are still engaged via permanent, long-term contracts. He argues that acceptance of labour market instability forms an integral part of the neoliberal managerial discourse, giving rise to influential yet nebulous terms such as the 'knowledge economy', the 'information society' and 'employability'. Focusing on fuzzy notions of 'globalisation' tends to overemphasise the mobility of non-financial capital and the continuing constraints of the material world, at the same time neglecting the central role of the state in structuring and regulating the market economy.

As a counter to what he sees as the idealised representation of contemporary society by the new capitalists, Doogan seeks to 'rematerialise' thinking about and understanding of economic and social change (or, in his words, 'to reveal the machine in the ghost'). In doing so he broadens the scope from the traditional focus on industrial and corporate restructuring in manufacturing to encompass different types of service activity. Here he argues that the latter have their own operational requirements, each bringing a distinctive set of imperatives to the ways in which they engage with the labour market. In this sense they may be said to form an entity or 'institution' in their own right. Using the formulations of the Hungarian-American economic historian Karl Polanyi around 'instituted economic processes', Doogan proposes that

conceptualisation of the way in which capitalist economies work should be reoriented, with the labour market as it operates in different spheres of the economy, rather than production or exchange, as the fulcrum. This is based on its role in connecting the spheres of production and reproduction, not only contributing to continuing rounds of capital accumulation, but also to installing and maintaining the physical and social infrastructure required to support it.

For Doogan, therefore, the task is to examine how markets for labour have been instituted. This not only concerns the ways in which they have commodified labour power, but also relates to the role of the state as a key agent in structuring these markets, both through direct legislative and regulatory provisions and via wider contextual interventions such as the scope and impact of the current welfare regime. This initial 'foundational' analysis of how markets for waged labour were originally formulated needs to be complemented by 'developmental' reviews of how they have adapted over time to meet the changing needs of both the economy and the workforce. This approach is then illustrated by a short case study of the British labour market, which reveals the intimate connections with what are termed 'deep social structures' such as varying legal and property rights and the state welfare regime. Perhaps the most rewarding insight from this relatively brief analysis is that both expansion and retrenchment in the labour market can occur at the same time, depending on the relative health of different sectors of the economy, and can do so sometimes in complementary ways, at others contradictory.

Placing labour market processes and associated employment outcomes within the context of the wider economy in the broad sense, and within specific economic sectors for more detailed exposition, appears to be a sensible move. Notwithstanding that much of Doogan's book is concerned with trashing the 'straw man' that is new capitalism, there is much merit in his Polanyian formulation and the way in which it enshrines a relational approach that affords appropriate weight to both structure and agency. At the same time the approach is not without its difficulties, at least in the terms that Doogan pitches it. For example, while it is important to keep precarious forms of employment in their wider labour market context, they should not be dismissed because they only involve a minority. Their adverse effects on a large absolute number of workers still need to be recognised, and analytical approaches should be attuned to identifying where and when these occur. This is especially the case where they become prevalent in a particular economic sector or affect specific disadvantaged groups.

More broadly, I also have a concern about the way in which this Polanyian approach might be applied. To date (at least to my knowledge) the use of this analytical framework has been rather fragmented, being confined to very specialised areas of economic activity. Two good examples are the work of Mark Harvey and colleagues on a niche aspect of the food industry on the one hand, and self-employment in the construction industry on the other (Harvey *et al.*, 2003; Behling and Harvey, 2015). It is not clear how easy it would be to adopt the same approach to wider swathes of the economy, still less the labour market as a whole. Without straying too far into ontology, there remains a question of how far segmentation in the economy and its associated labour market(s) make it possible to conceive these as single coherent entities. To end on a more pragmatic note, I feel that it would also be difficult to analyse employment forms and relations in a given economic context using this approach without sharper tools to unpick their essence. Here there should be a role for the surprisingly neglected work of Marsden (1999) on the varied ways in which human capabilities (and their development), functional task definitions, legal agreements and economic relations interact with each other in a particular formation to produce different sets of labour market outcomes.

In this light, the illuminating sociological investigations of people caught up in this sharp end of the labour market cited above need to be augmented by more contextual studies which examine the factors and forces that underpin the shift in casual and insecure forms of employment from 'below the radar' day-by-day living arrangements in, for example, agriculture and construction to formalised contractual agreements in selected service activities. More needs to be known about how and why some employers (and not others) make use of such contracts, as well as the varying ways in which workers interact with them, both now and over their working lives, and in terms of the ways in which household incomes are assembled. In this sense, I feel that I am only a little further forward in answering the related questions of 'why here?' and 'why now?'

Clearly this is a broad canvas, and there remain as many questions as answers in interpreting the current state of the labour market. While this call for more in-depth studies may perhaps be the prerogative of the seasoned researcher, it is also apparent that there exists much helpful material to act as a base for such further exploration.

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