Precarious Employment And The Impacts On Individual’s Wellbeing

In this essay I will focus on the topic of what precarious employment is and the impacts it has on individual’s wellbeing. As work is central to an individual’s life, it is essential that people are treated fairly in their workplace. Jobs that subject workers to uncertain work contracts with low and unstable income while offering limited social benefits is called precarious employment. This type of employment has existed since the beginning of paid labour, but it has grown at an increasing rate over the last few decades in the West due to various factors. Since its growth in the 1970s, precarious employment has been at the centre of contemporary politics due to the problems it makes people face every day. This essay will analyse what precarious employment is, its causes and its effects on individual’s wellbeing. The societies that I will be analysing the presence of job precarity in will mainly be relevant to that of the United States and the United Kingdom.

“Precarious unemployment” can be described as employment that makes workers feel uncertain and insecure, due to the risky and unpredictable nature of their jobs. Employment is said to be precarious when a worker fears losing their job and has no other job alternatives. It is linked with jobs that require their workers to be flexible, while offering them little to no ways to progress their careers, possibly stagnating them at the same job indefinitely. Workers in precarious jobs are offered zero-hour contracts by employers which are very unpredictable and offer little to no benefits. Even though precarious employment has existed for thousands of years, its growth has been accelerated in recent decades due to a “neo-liberal” economic model. This model, developed in the 1970s by economists, emphasised that everything should be done to maximise labour market competition as it leads to the growth and development of countries. The economists recommended that countries should increase their labour market flexibility. This flexibility relates to the power that firms have over workers regarding the decisions to do with employee hiring, firing and working conditions (Investopedia). This increase in labour flexibility allowed employers to transfer risky and uncertain conditions onto the workers. This model has been very successful and has therefore been adopted by countries around the world, increasing the amount of precarious employment. Workers in precarious jobs are offered unpredictable working hours and are rarely provided any benefits. Since the 1970s, Post- Fordism has become the main system of economic production. The nature of this production emphasises white collar work, embraces advances in technologies and means production no longer revolves around a few manufacturing centres but rather centres spread out across the world. This system threatens blue collar workers as their skills are becoming available in lower wage countries. This system led to globalisation which has caused the growth of precarious employment in the United States. The start of this growth was caused by the economic shock of the change in oil prices in 1974. This shock led to the increase of price competition in the automobile and steel industries between companies in the US, Japan and South Korea. This process, known as “neoliberal globalization” caused the increase in global integration due to higher levels of competition. The globalisation process provided employers in the US with a huge new labour pool in lower wage countries such as China and India. The outcome of this process for people in the United States was that the level of job precarity increased due to the heightened risk to workers that their employers would outsource manufacturing to the lower wage countries. The rate of globalisation has only increased as

improvements in technology and communications has made it easier than ever before for firms to move capital and workers to foreign countries. This means the “spatialization” process is being ever sped up as employers can quickly outsource labour for cheaper alternatives to increase profit (Wallace and Brady 2001). The sociologist, Mark Granovetter explains how modern companies are increasing precarious employment as companies are now built on “the strength of weak ties”. This is to say that groups working together for short periods of time, with the workers constantly changing are more useful to employers than long term associations as strong ties such as loyalty has ceased to be as valuable. Teams embodied with weak ties move from task to task and do not mind that the personnel are being regularly replaced. This means that the workers in the teams have become very expendable and are not guaranteed permanent work. Employers are now easily able to do this due to the increase in labour market flexibility (Richard Sennett the corrosion of character).

Precarious employment has many negative impacts on a worker’s wellbeing. An impact that precarious employment may have on the worker is that they may develop the feeling of “anomie”, a condition coined by a French sociologist Emile Durkheim. This feeling is discussed in Richard Sennett’s book “The Corrosion of Character”. It states that jobs which demand their workers to be flexible erode the worker’s identities and they develop the feeling of anomie. This relates to the fact that many people now only work the same job for a short period of time, constantly changing with no long-term commitment, loyalty or relationships with colleagues. This can leave a worker with a breakdown in social capital, bonds and identity as they are never leaving a permanent mark anywhere they go. Another impact would be anger and frustration which workers experience due to their lack of opportunities to progress their careers. They are frustrated as all they can see on their horizon is a lifetime of unsatisfying, dead end jobs, with no chances to improve their situation. They are also teased by the celebrity culture they see daily on all forms of media, something that they know they’ll never achieve. This wears them down over time and may also lead to self- loathing and envy. Due to their unstable income and low economic status, a precariat may also suffer from stress and anxiety, knowing that a layoff or unforeseen disaster could tip them over the edge. The Bureau of Labour Statistics estimates since the 1980s- 2004, more than 30 million workers lost their jobs involuntarily. The risk of layoffs and unstable income forbids workers from planning their future as it prevents them from achieving basic things such as getting a mortgage, planning families or even paying for healthcare. Workers can’t tell what the future holds and are badly prepared to deal with it as their jobs offer little help or reassurance. Precarious employment also makes the worker suffer from alienation, a theory developed by Karl Marx. This theory argues that people suffer when lose their ability to control their lives due to their work. The type of alienation workers in precarious employment face is “alienation of the worker from the act of production”. This means that workers feel coerced to work as they only work to earn enough to survive while not getting any satisfaction from doing it leading to unhappiness (Four Types of Alienation according to Karl Marx). Ultimately a precariously employed workers are only earning enough to survive and don’t get to satisfy all their needs. In Maslow’s hierarchy of needs theory, the lowest levels of human needs are biological necessities to survive such as food and water, then followed by safety needs like security and law. Only these two bottom level of needs are fulfilled for precariously employed workers, as they don’t have the luxury of the higher needs such as social prestige or respect at their workplace. Their self- actualization needs such as realising their potential and seeking personal growth are also not fulfilled due to their work and its conditions, causing many workers to suffer from a lack of confidence and unhappiness. (Maslow’s hierarchy of needs)

Precarious employment has even led to the emergence of a new social class called the precariat. Workers with precarious jobs fall into this new social class called the precariat. Precariat is a neologism that combines the word “precarious”, being the nature of their work with “proletariat” a word describing the working class. Based the Great Class Survey of 2013 of 325,000 adults, the average age of a precariat is 50 years old and they make up roughly 15% of population. Sociologists have identified them using the Weberian model of stratification based on people’s class and wealth that was developed by Max Weber. The precariat class is ranked at the lowest level of social class based on levels of economic, social and cultural capital. Examples of jobs in this group include taxi drivers, cleaners and care workers A precariat owns little to no property and has very little in their savings due to their unstable and unpredictable income. They have friends of the same low social status and there are low variations of occupations in their social groups with the majority being either precariously employed or unemployed completely. This means that they have very low levels of social capital. Their cultural capital is also very low with no interest in “highbrow” culture such as classical music (The precariat – Mike Standing).

In conclusion, precarious employment has grown in the past few decades due to globalisation and the Post- Fordism production system, combined with the neo-liberal model that many countries have adopted that has transferred the risk from employers to the employees. The emphasis on labour market efficiency has led to the increase in the flexibility of workers and the increase in precarious jobs. Employment with a high level of precarity has many negative economic, psychological and health impacts on the workers and offers them little opportunities to progress or escape their situation. Temporary jobs has led to the formation of a new class, the precariat which is ranked at the bottom of class system and members of this group are destined for a life of poverty and unsatisfaction. It appears the growth in precarious jobs will increase due to the advances in technology increasing the rate of globalisation in recent decades making it easier than ever before for employers to outsource labour to lower wage companies.