Workplace Dualization and Solidarity in Europe: A Multilevel Perspective

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Abstract

In Europe’s “age of dualization,” interest groups are key to contemporary political economy theory of insider-outsider divides, where only strategic, rational choice might explain a shift to inclusive representation. Yet, case studies of company-level social dialogue and collective actions show that power dynamics shape preferences, strategies, and, ultimately, inequalities. This paper seeks to identify the conditions under which company-level workers’ representation moderates subjective insecurity gaps between the core and the atypical workforce. Through an explanatory sequential mixed methodology, a generalized linear mixed model using European survey data maps out the set of EU-28 political economies while a qualitative section explores the critical case of Italy in depth. The findings yield country clusters that support the power-based thesis of institutional and associational resources, but run counter to the rational choice thesis. With this multilevel perspective, the paper scrutinizes a premise of the dualization thesis and thereby contributes to the “varieties of workplace dualization” literature, connecting the study of employment relations with political economy research on inequalities.

Keywords: Dualization, atypical work, subjective insecurity, industrial relations, political economy

Dualisierung und Solidarität in Europas Arbeitswelt: Eine Hierarchische Perspektive

Zusammenfassung


Schlagwörter: Dualisierung, atypische Arbeit, subjektive Unsicherheit, Industrielle Beziehungen, Politische Ökonomie

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1. Introduction

In a Europe marked by long-term shifts toward individualism in the world of work, the representation and participation of atypical, often precarious workers is key to both bettering working conditions and rejuvenating European industrial relations. In the 21 EU member states where data is available, trade union density among nonstandard workers is on average 30% lower than among standard workers despite controlling for compositional effects, as illustrated in figure 1 (OECD 2019: 196). The contemporary theory of political economy, however, puts industrial relations themselves at the roots of dualization—a process that is viewed to protect organized “insiders” with secure jobs, rights, and entitlements at the cost of precarious and weakly organized “outsiders” (Hassel 2014; Rueda 2007, 2014). This “age of dualization” is considered to build on cross-class coalitions of rational, self-interested actors facing liberalization and distributive conflict (Emmenegger et al. 2012a; Hall/Soskice 2001; Thelen 2014). Within this “new political economy mainstream” (Durazzi et al. 2018), shifts toward inclusive forms of representation can only be accounted for when changing contexts turn the premise of mutually exclusive interests on its head (Meyer 2016; Streeck 2009). Reversing dualization processes is thus only expected to occur when interest groups are structurally weakened and strategically adapt.

Yet, a body of case studies from the 2010s contrasts this thesis, suggesting that comparatively, effective advocacy and representation for “outsiders” tends to emerge where institutional, organizational, and ideational resources enable solidarity. Such cases include, for example, inclusive trade union strategies that represent and support nonstandard workers in the Swedish and French public sectors (Grimshaw et al. 2018), in the Danish meatpacking industry (Reflsund/Wagner 2018), the Dutch construction sector (Berntsen/Lillie 2016), Slovenia’s retail business (Mrozowicki et al. 2018), and in the metal industries of Belgium and Germany (Benassi et al. 2019; Pulignano/Doerflinger 2018a). Conversely, cases of dualized forms of representation are rationalized by contexts of fracturing associational and institutional resources in situations of distributive conflict, such as in the Greek telecommunications sector (Kornelakis 2016) or in Hungary’s local governments (Grimshaw et al. 2018). Labeled as “varieties of workplace dualization”

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Figure 1: Ratio of trade union density among nonstandard workers relative to standard workers (in %)

Source: OECD (2019)
by Benassi (2017), this stream neither projects an “inexorable decline” of collectivism (Avdagic/Baccaro 2014) nor fracturing cross-class coalitions (Thelen 2014) as the basis for overcoming dualization.

This paper strives to systematically examine how the rational choice perspective of the dualization literature is reconcilable with the context-sensitive solidarity observed in European workplaces. It builds on the theoretical framework recently developed in Reconstructing Solidarity by Doellgast et al. (2018a), which theorizes, in its essence, that labor’s institutional and associational power resources are determinant of the dynamics of workplace representation. In a multilevel fashion, the analysis seeks to inspect the country-specific drivers of company-level dynamics. This paper therefore examines one building block of a theoretical framework that rests on the notion of positive feedback effects of “vicious” and “virtuous circles,” as opposed to negative feedback effects from a self-correcting dualization process. The paper starts, in the following section, by identifying the relevant streams within the dualization debate and developing the theoretical framework as a basis for the research question. After presenting the data and methodology in sections 3 and 4 respectively, section 5 presents the findings before section 6 discusses them and section 7 draws a conclusion.

2. Dualization & Beyond

2.1 The Literature: Foundations and Advancements

In contrast to economic theory focused on labor productivity, early segmentation theories introduce the notion of persistent labor market divides between a “core” or “primary” workforce in secure, well-paid positions and “peripheral” or “secondary” workers with less stable jobs and frequent unemployment spells (Berger/Piore 1980; Doeringer/Piore 1971; Lindbeck/Snower 1988; Rubery 1978). Following a Polanyian notion, Rubery articulates that labor markets are treated as “social constructs, shaped and influenced by institutions and by social actors” (Rubery 2003: xvii). Similarly, the dualization literature pursues a comparative institutionalist perspective to explain social divides. As part of this, the insider-outsider theory argues that regulatory and policy shifts driving labor market inequalities largely result from the insider-oriented interest representation of social-democratic parties and trade unions (Hassel 2014; Rueda 2005, 2007). Building on the well-known Varieties of Capitalism literature (Hall/Soskice 2001), these are described as part of cross-class coalitions, making bargaining concessions at the expense of labor market “outsiders” in the face of structural pressures. Empirical underpinnings stem from labor market reforms in Europe during the 1990s and 2000s, labeled as “flexibility at the margins” or “two-tiered reforms” (Dolado et al. 2002; Palier/Thelen 2010), and particularly refer to cases in Continental and Southern Europe (Hassel 2007; Rueda 2014; Streeck/Hassel 2003; Thelen 2012). By the late 2010s, the insider-outsider theory is described by some as the “new political economy mainstream” (Durazzi et al. 2018), ascribing the roots of economic, social, and political inequalities in parts of Europe to inward-looking interest groups.

When looking ahead, dualization processes are often viewed as a lasting trajectory of path dependencies in the tradition of historical institutionalist scholarship (Pierson 2000). Here, downward pressures from competition and negative externalities for “insiders” would be prevented, for instance, due to separate labor markets for the core and the peripheral workforce (Emmenegger et al. 2012b), political inactivity by “outsiders” (Häusermann 2012), as well as employers’ and trade unions’ persistent interest in shielding the core workforce and preserving involvement in policy-making (Davidsson/Emmenegger 2013; Emmenegger et al. 2012b; Emmenegger 2014). Hence, in the absence of significant external shocks, positive feedback effects from long-term reform and outcome trajectories are expected to reinforce dualization processes. Reversing the process is mostly, if at all, considered from a functionalist perspective. While expecting fundamentally stable cross-class coalitions, for instance in German manufacturing, instability would only arise from a lack of willingness or a lack of ability from either side of the social partners (Thelen 2014) and a “shrinking and softening of the core” (Streeck 2009), e.g., induced by the long-term structural decline of the manufacturing industry (Iversen/Soskice 2015). Given the net effect of dualism from the past decades, stable, instrumental preferences by insider groups shielded from economic pressures have thus been a common feature in the literature.

Advancing the debate, recent research investigates how the strategies and/or preferences of labor and management vary and change due to contextual factors. From a rational choice perspective, organizational self-interests can be one source of change. While the insider-outsider theory views the interests of the core and the peripheral workforce as mutually exclusive, changing circumstances may require a reorientation...
of strategies to remain protective of constituencies, thus holding constant the assumed set of preferences. As such, dualization is understood "as one stage in a longer process of redistributing risks and privileges between labor market segments" (Eichhorst/Marx 2011: 74). This may occur when inequalities create negative externalities for the protected core, for instance through low-wage competition (Meyer 2016) or labor market reforms (Hassel 2012). For instance, the introduction of the German statutory minimum wage in 2014/15 (Marx/Starke 2017) and core-periphery competition in the German metal industry can be partially accounted for with this framework (Benassi/Dorigatti 2015). From this angle, organizational interests thus remain centered on protecting core constituencies, but strategies to achieve this goal can change.

In a second stream, described as “varieties of workplace dualization” (Benassi 2017), dualization is treated as a “distinctive configuration of mutually reinforcing power relationships” between actors’ preferences and behavior in the workplace and the institutional and ideational setting in which actors are embedded (Pulignano/Doelflinger 2018b: 76). In particular, previous studies show that factors shaping trade union strategies include the capacities of labor market institutions, such as membership numbers, the centralization of bargaining, involvement in labor market policy, and organizational structures (Davidsson/Emmenegger 2013; Gordon 2015; Oliver 2011), as well as trade unions’ historical identities and ideologies (Benassi/Vlandas 2016; Dorigatti 2017; Marino 2012; Pulignano/Doelflinger 2013). Studying strategies’ impact, previous work often points out the ability to draw upon institutional power resources and associational capacities to coordinate and organize workers (Benassi et al. 2016; Benassi et al. 2019; Doellgast et al. 2009; Pulignano/Signoretti 2016; Wagner/Refslund 2016). In addition, sectoral characteristics are also shown to influence the form, levels, and approaches of organizations (Carré et al. 2010; Geppert et al. 2014). Overall, these studies find that both institutional embedding and ideational legacies matter for enabling inclusive strategies in support of less organized groups.

2.2 Theoretical Frameworks

Within the framework of the insider-outsider theory, inclusive trade union strategies toward “outsiders” might follow from an interest-driven reorientation of organized “insiders.” Based on the literature presented above, one potential pressure on “insiders” can be structural changes within the labor force, which Streeck (2009) describes as a “shrinking and softening of the core.” In practice, this can be conceptualized as compositional shifts increasing the risk for previously secure positions to be abolished and/or replaced by insecure positions. Similarly, low-wage competition and social dumping can have knock-on effects that affect earnings and wages across the distribution, thereby channeling economic pressures on “insiders.” Despite stable preferences for the primary protection of unions’ core constituency, such economic pressures may still induce inclusive strategies if interests are no longer mutually exclusive, but rather positively interdependent. Here, tackling precarious work would be a way for “insiders” to address the pressures they themselves face, thereby acting in solidarity out of rational choice.

Conversely, within the theoretical framework developed by Doellgast et al. (2018b), strategies of workers’ representatives that are inclusive of the interests of precarious “outsiders” result from labor’s degree of power resources. As defined by Wright (2000) and Silver (2003), organizations possess and exert associational power and structural power. The former derives from workers’ collective organizational capacities and encompasses their resources and capabilities, for instance to strike. The latter dimension describes the skills and workforce structures, locations, and external technological factors in the labor market. Additionally, labor’s institutional power stems from institutional arrangements (Gumbrell-McCormick/Hyman 2013). While the structural dimension is considered constant within a given industry at a specific time, associational and institutional power resources are dependent on the inclusiveness of institutional and organizational structures (Bosch et al. 2010) and inclusive forms of worker identity and identification that are open to redefinition and integration of previous “outsider” groups in settings of shared interests, perceptions of injustice, and changing narratives and frames (Doellgast et al. 2018). Here, encompassing institutions and inclusive worker identities and identifications are expected to enable solidarity, fostering inclusive forms of representation and participation.

This paper therefore aims to assess whether core constituencies’ rationale for self-protection or the power resources of worker representatives serve as conditions for inclusive forms of representation. Building on the presented company-level case evidence and following Pulignano et al. (2020), the perspective extends the analysis from institutional dualization to the
macro-level context of the “workplace politics” of social divides. The geographic scope covers the full set of European Union member states, thereby capturing the primary space on which the midrange theory of dualization centers. Previous comparative research with this multilevel perspective has shown, for example, that insecurity divides between permanent and temporary workers exhibit clear cross-country differences (Chung 2016) and that encompassing non-market institutions and stricter national-level regulations can indeed prevent precarious work (Gautié/Schmitt 2010). This paper complements these studies by taking a political economy perspective on the micro-level nexus of workplace representation and subjective insecurities, as presented in the next section.

3. Data Collection

Objective job characteristics and subjective workers’ experiences relate and overlap, where the latter can be treated as a result of the former, though not matching perfectly. In this paper, the labor market outcomes of interest are subjective perceptions relating to employment risks and opportunities. Conceptual frameworks for job quality often account for such work-related securities (see ILO 2013; OECD 2016; UNECE 2015) and a body of empirical research shows that subjective insecurities in working life impact other outcomes, in particular health and life satisfaction (Carr/Chung 2014; De Witte et al. 2016; Meltzer et al. 2009), family well-being and the quality of partnerships (Mauno et al. 2017), work motivation and productivity (Arends et al. 2017; Rosenblatt et al. 1999), as well as welfare attitudes, social identities, and political views (Marx 2014; Mewes/Mau 2012; Selenko et al. 2017). In particular, the latter link to ideational factors also helps position findings within the theoretical framework of feedback effects. Using subjective measures as proxies for job quality thus aids the study’s accuracy and its relevance, both in empirical and theoretical terms.

The concept of employment insecurity, based on Chung and van Oorschot (2011), combines subjective job insecurity, i.e., a worker’s perceptions of how likely job loss is in a given period (Shoss 2017; Sverke/Hellgren 2002), and subjective labor market insecurity, which is a worker’s perceived lack of alternatives on the labor market (Anderson/Pontusson 2007). The main data source in this paper is integrated data from the European Working Conditions Survey (EWCS). The survey presents the results of a questionnaire conducted face-to-face with a random sample of “persons in employment” representative of the working population in each of the 28 EU member states (Eurofound 2018a). In this paper, “worker” is used as an umbrella term for all persons holding an employment contract, including employees. The EWCS includes questions about job insecurity, i.e., the likelihood of job loss in the coming 6 months, and labor market insecurity, i.e., perceived chances of finding an alternative job with a similar salary if need be. The response options follow a Likert scale with 5 levels of agreement. The compound measure of “employment insecurity” is a simple average of the two. After data transformation, all response variables equate higher values to stronger levels of subjective insecurity. As table 1 shows, high to very high levels of job insecurity (insec_job) and labor market insecurity (insec_lm) are experienced by about 16%/46% of the 21,477 respondents in 2015, leading about 22% to suffer high to very high levels of employment insecurity (top 4 of 9 levels) while 46% report low to very low levels (bottom 4 of 9 levels).

As for other micro-level characteristics, also drawn from the EWCS, “insiders” are classed as workers with a permanent contract (unlimited duration)
and “outsiders” are those holding a temporary contract (limited duration). This approximation is used in much of the literature (see e.g., Chung 2016) and, as mentioned above, trade union density among nonstandard workers is indeed significantly lower than among standard workers, controlling for compositional effects (OECD 2019: 196). These data are captured as a binary variable. Nonstandard employment, used interchangeably with atypical employment, may also comprise part-time, temporary agency or on-call work, self-employment, and other categories, but this paper uses contract duration as the only dividing line due to the focus on insecurity about expected future prospects and to facilitate interpretation. Another binary variable measures whether or not a trade union, works council, or other workers’ representative body is present at the respondent’s workplace. The 6th EWCS wave (2015) is the first to collect trade union-related data, which thus limits the temporal scope of the analysis. Based on previous studies, other factors influencing subjective insecurities are an individual’s age, occupation (ISCO-08), sector (NACE rev.2), education (ISCED-11), and experiences in the workplace, such as organizational change due to restructuring measures (e.g., Carr/Chung 2014; Ferrie et al. 1998; Jiang et al. 2013; Kalleberg 2011; Keim et al. 2014; Probst et al. 2014). Following the literature of routine-biased technological change (Goos et al. 2009), a task-related variable captures whether the respondent considers job features to be monotonous as a proxy for a perceived risk of automation.

At the macro level, a set of variables captures the degree to which “insiders,” i.e., permanent workers, face economic pressures. Compositional changes to the labor force can be directly measured by shifts in the permanent shares of countries’ labor forces and in their ratios of permanent to atypical workers (temporary and temporary agency) from 2010 to 2015 (Eurofound 2018a). Low-wage competition is proxied for with aggregated EU Statistics on Income and Living Conditions (EU-SILC) data on earnings inequalities (Eurostat 2020). These are (i) the share of permanent workers at risk of in-work poverty, (ii) the Gini coefficient of equivalized disposable incomes before transfers, and (iii) the income quintile share ratio S80/S20 for gross market incomes (working age). Running a two-way ANOVA test and a multiple regression corroborates that levels of net monthly earnings from respondents’ main paid jobs are highly correlated with employment status, controlling for a range of factors.

Industrial democracy is measured using Eurofound’s analytical framework of industrial relations, which provides national-level indices for all EU-28 countries during the period from 2013 to 2017 (Eurofound 2018b). The index uses a scale of 0–100, with higher values indicating stronger industrial relations. It is comprised of three subindices, namely national-level associational governance (e.g., union density, collective bargaining coverage), representation and participation rights (e.g., rights and status of works councils), and company-level social dialogue (coverage, incidence, degree, and influence; for the full framework, see Eurofound 2018c: 20). As an alternative measure for institutional backing, EU-28 data on labor market policy are retrieved, capturing the annual average public expenditure for (active; active and passive) labor market policy per unemployed person (European Commission 2018).

In addition, several studies find a relationship between labor market conditions and insecurities at the sectoral and national level (Dixon et al. 2013; Esser/Olsen 2012; Lübke/Erlinghagen 2014). Hence, country-level economic conditions are measured using Eurostat data on the level and changes in annual unemployment rates (Eurostat 2019). Together with evidenced individual and organizational variables, this makes it possible to comprehensively control for macro- and micro-level antecedents to forms of subjective insecurity in working life.

4. Methodology

The research design follows a mixed-methods approach, namely the explanatory sequential mixed method (ESMM), to run a quantitative analysis and to build on these results using qualitative methods. This particular design allows for analytical development and complementarity that, as Greene et al. (1989: 259) posit, “seek[] elaboration, enhancement, illustration, clarification from the results.” In the industrial relations literature, key deductive contributions take this approach (see e.g., Rueda 2007; Thelen 2014) to situate country cases in a broader cross-national context, for instance to map institutional or labor market developments, before analyzing political dynamics in more detail. Justifications for this approach can be a causal distance between X and Y, as well as intervening variables between X and Y that cannot be tested in a cross-unit analysis. For instance, labor rights tend to shape outcomes through the actions of organizations and individuals utilizing them.

In the quantitative analysis, the response variable employment insecurity (insec_emp1) is regressed on inter alia employment status (empl_status) and the presence of workplace-level representation (work-
place_rep). Additionally, micro-level control variables include a continuous variable for age (16–64) and binary variables for occupation (occ; white/blue-collar based on ISCO-08), which serves as a tested functional equivalent to educational and sectoral controls, as well as gender (male/female), task profile (task_m; non-monotonous/monotonous), and workforce changes in the respondent's workplace (org_wforce; workforce increased or stable/decreased). Based on the expected outcomes, the baseline is a permanent, white-collar, male worker with a non-monotonous task profile at a workplace with no worker representation and where the number of workers has not decreased (no timeframe specified). Table 2 presents the descriptive statistics for each of the binary independent variables, notably showing that 12.5% of the full sample are temporary workers and 51% have/are aware of having worker representation at their place of employment.

A generalized linear mixed model (GLMM) is used given the ordered categorical response variable. The mixed approach assigns individuals to group-level units, which allows an estimation of group-specific random intercepts and slopes (Gelman/Hill 2006; Hox 2002). The country-specific interaction effect $\beta_{3j}$ between empl_status and workplace_rep captures whether (and to what degree) the presence of workplace representation, including trade unions, moderates or reinforces subjective insecurity divides between permanent and temporary workers for each country $j$. The model is specified as:

$$\text{logit}(\text{insec}_i) = \alpha_i + \beta_1 \text{empl_status}_i + \beta_2 \text{workplace_rep}_i + \beta_3 \text{empl_status}_i \times \text{workplace_rep}_i + \beta_4 \text{occ}_i + \beta_5 \text{task_m}_i + \beta_6 \text{age}_i + \beta_7 \text{gender}_i + \beta_8 \text{org_wforce}_i + \epsilon_i$$

In the model, ordinal logistic regression sets a threshold for cumulative probabilities of insecurity and non-insecurity outcomes. A linear model would not be appropriate, as the predicted values could lie below the lowest and above the highest categories and residual heteroskedasticity would likely arise. If, based on the GLMM outputs, the working premise of cross-country varieties is corroborated by an insignificant random slope interaction coefficient $\beta_{3j}$ (and subject to likelihood ratio tests), individual random effects will be of interest to examine country-specific multilevel associations and cross-country variations in a descriptive manner. If the findings were to yield a significant interaction effect across countries, the GLMM could be extended to estimate macro-micro interaction effects by way of inferential analysis. Three sets of macro-level variables will be of interest, as presented in section 3: economic pressures on permanent workers; the strength and scope of collective institutions and social dialogue practices, capturing institutional power resources; and general labor market conditions.

Alone, the quantitative section would clearly leave gaps that the qualitative section seeks to fill. First, as mentioned above, contextual factors only shape company-level dynamics of worker representation through the actions of individuals and organizations, who utilize power resources and/or are driven by economic stress. The in-depth investigation accounts for this crucial link in the causal chain. Secondly, workers' identities and ideologies form one of the two sources of power resources in Doellgart et al. (2018b), but to the author's knowledge there is no quantification that would achieve a scope and depth comparable to the institutional indicators by Eurofound (2018b). According to Creswell (2013: 281), the consideration of socio-cultural context is in fact a common justification for an ESMM approach. Finally, while the EWCS data provide for maximum spatial variation without temporal variation (see section 3), the qualitative section allows an examination of cases also over a longer period.

As part of the confirmatory research design, a case study of a single country therefore complements the cross-unit analysis. Gerring (2004) defines a case study as "an intensive study of a single unit with an
aim to generalize across a larger set of units. " As foreseen in an ESMM approach, the case selection is based on a purposeful sampling procedure in order to complement the outcomes of the first stage (Creswell 2013). As one of the types of purposeful sampling, a "critical case" will be analyzed to "permit logical generalization and maximum application of information," because if the thesis is corroborated in this one case, it is likely to hold in the other cases (Palinkas et al. 2015). This can be achieved by selecting a unit that least fits the cross-unit findings due to a configuration that appears most likely to contradict the prevailing thesis.

For this section, evidence on institutions and practices is drawn from the European Working Conditions Survey (Eurofound 2018a), the European Company Survey (Eurofound 2015), data from OECD (2019), and Visser (2019). Evidence about organizational strategies and ideational factors is obtained from the secondary literature, including studies gathering primary data through interviews and focus groups at the plant level, as well as from public resources consolidating country information (Eurofound 2020a; Fulton 2020) and other web sources. The following section first presents the regression results, then examines the two key theses before turning to the case study in 5.3.

5. Findings

5.1 Regression Outputs

Checking the model diagnostics, a multicollinearity test using variance inflation factors (VIF) substantiates low correlation of model predictors (VIFs < 2). Given the nested model, the usual independence assumption is necessarily relaxed to assuming observations are independent of others, except where a correlation is assumed within random variable groups. Log-likelihood ratio tests (LRT) corroborate that the between-group variance is strong enough to justify adding the random intercept for all models while, as discussed below, this only partially applies to the random slope models. Also, based on normal probability plots (Q-Q plots), the models meet the assumption of normally distributed random effects needed in mixed models.

The regression output of the GLMM yields relevant and plausible results for both the central and control

<table>
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Signif. codes: *p<0.05; **p<0.01; ***p<0.001
Note: insecEMPL: average of insecJob, insecLM; insecJob and insecLM: 5 levels each; Baseline: permanent contract; no trade union, works council, or similar at company; white collar; non-monotonous task profile; male; no decrease in workforce at place of employment.
micro-level covariates, as presented in table 3. Considering the baseline outcome of employment insecurity, the simple random intercept model (1) and the full version with a varying slope interaction effect (2) show that, across the EU-28, temporary workers are more insecure than permanent ones, controlling for other factors. According to model 2, holding a temporary rather than permanent contract is associated with a 66% increase in the estimated odds of giving a response that indicates high rather than low levels of employment insecurity, controlling for other variables. This applies even more when considering job insecurity as an outcome, which yields an increase by 176% (model 3 in table 3), whereas labor market insecurity is not associated with employment status in a statistically significant way (model 4). The direct impact of workplace-level representation appears clearly significant only with regard to job insecurity, which is reduced overall. Furthermore, results in table 3 for the control variables of task profile, age, gender, and organizational change highlight their relevance and largely concur with previous research (e.g., Keim et al. 2014), though with a likely overlap between task monotony and occupation. Overall, these results suggest that higher job-related insecurity, as opposed to labor market insecurity, is the type of outcome most clearly associated with “outsider” status and the presence of a trade union, works council, or similar body in the workplace.

Secondly, the interaction term’s insignificance across all types of outcomes corroborates the working premise that, overall, there is no significant, uniform moderating or reinforcing effect on evident insecurity divides between atypical and standard employment. Still, likelihood ratio tests further show that including the random slope interaction term does raise the explanatory value of model 3, considering the outcome for job insecurity, while this is not the case for employment and labor market insecurity (table 4). As a result, inferential analysis with cross-level interactions is not methodologically feasible and the regression is limited to random slope models with a focus on job insecurity as a response variable.

Importantly, however, looking at the individual random effects of the GLMM yields two country clusters that do exhibit statistically significant interaction effects, though in opposite directions. Temporary workers persistently report higher levels of subjective job insecurity across all countries, even when allowing for country-specific variations. However, in Denmark, Finland, the Netherlands, Luxembourg, and Malta the workplace-level presence of a trade union or similar body is associated with a statistically significant reduction in the job insecurity gap between temporary and permanent workers. For example, in Denmark, controlling for other factors, the presence of a union or similar, as opposed to its absence, is associated with a 55% reduction in the odds of a temporary worker reporting that they feel job insecurity compared to a permanent worker (Malta: -54%; Luxembourg: -45%; Finland: -28%; Netherlands: -23%). In these countries, workplace-level representation has a significant and inclusive effect that reduces the observed labor market divides between “insiders” and “outsiders.” In contrast, the opposite is observed in Italy, Greece, Portugal, the Czech Republic, and Poland. Here, existing subjective job insecurity divides are significantly reinforced when unions or similar bodies are present at the workplace level, controlling for other factors (Italy: +147%; Greece: +108%; Poland: +90%; Czech Republic: +76%; Portugal: +76%). Thus, these two clusters suggest that the presence of company-level workers’ representation can significantly moderate or reinforce existing insider-outsider divides in terms of job insecurity, and that the direction of this effect is clearly country-dependent.

5.2 Descriptive Analysis

Based on the mapping from the regression outputs, this section examines the rational choice and power resource theses. To account for these cross-country variations, a descriptive analysis draws on macro-level variables operationalizing power resources and
economic pressures on “insiders,” as specified above. Drawing on the 10 cases identified in the GLMM, the descriptive analysis of the rational choice thesis yields associations that are not clear-cut, as shown in figure 2, which presents point estimates of $\beta_{ji}$ with confidence intervals on the y-axis. For instance, in the Danish labor force, there were 7.5 permanent workers for every atypical worker in 2010, but only 6.3 by 2015. In contrast, this ratio increased in Greece and Portugal in the same period. Here, shifts in the composition of the labor force would indeed be adverse, where workplace-level representation shows significantly inclusive dynamics. However, the clusters do not align perfectly as, for example, this ratio increased in Finland during the same period while falling in Italy, the Czech Republic, and Poland. In the latter cases, exclusive rather than inclusive forms of workplace representation are associated with compositional shifts that worsen the labor market situation of permanent workers. Extending the time period to 10 years delivers a similarly scattered picture. Comparatively, compositional pressures on permanent workers and replacement dynamics thus cannot provide consistent support for an explanation based on Streeck’s (2009) view of the role of structural shifts within the labor force.

In a similar vein, the country-level variables capturing low-wage competition and financial pressures on permanent workers do not align the identified country cases in a distinctive way (see figure 2). Reductions in the shares of permanent workers at risk of in-work poverty occurred in both clusters while the strongest 5-year increases occurred in exclusive rather than inclusive cases (+1.4 percentage points in Portugal, +1.1 pp. in Italy). Additionally, measures of market income inequalities do not give meaningful comparative insights as market-based Gini indicators increased in all cases. When alternatively considering 80/20 income quintile ratios, the picture remains similarly scattered. If there is any indication at all, the insights stemming from this approach and time frame suggest that company-level representation tends to moderate insecurity divides between temporary and permanent workers, where the latter are comparatively secure, not insecure. This would be in line with the traditional dualization thesis rather than “insiders” strategic reorientation driven by rising pressures. Only in 1 of the 5 cases with inclusive dynamics (Netherlands) did permanent workers face a compositional shift of the labor force toward temporary jobs combined with an increased risk of in-work poverty by 2015. Overall, evidence for inclusive effects associated with economic pressures on “insiders” thus appears too scarce for a verdict supportive of the rational choice thesis.

By contrast, the comparative evidence yields a pattern in support of the power resource thesis, as shown in figure 3. Examining the 10 identified cases, in countries with above EU-28-average scores on the strength of industrial democracy, including its sub-indices, the presence of workplace representation is broadly associated with reduced divides between “insiders” and “outsiders.” Conversely, the opposite is true for the exclusive cluster found in the GLMM results: these 5 countries consistently exhibit comparatively weak, i.e., below EU-28-average, scores on the strength and extent of industrial democracy. Thus, for each of the clusters, 4 to 5 of the 5 cases (depending on the index) align with the power resource thesis and there are no significant aberrations, in contrast to the rational choice thesis.
When drawing on the alternative measure of labor market policy, the clusters align along the same pattern. The clearest associations emerge when considering the sub-indices of associational governance, which captures the national-level strength, structure, and involvement of (both) social partners, as well as social dialogue in the workplace, which proxies for the company-level coverage, incidence, extent, and influence of worker representation and participation. At a disaggregated level, these correlations hold for some components of the sub-indices, as demonstrated by Eurofound (2015) data. For instance, the degree of information provided to company-level worker representatives tends, with one exception, to be more comprehensive in the inclusive clusters and vice versa. This suggests that the degree of information shared by management with worker representatives shapes the inclusiveness of company-level representation of atypical workers, i.e., insider-outsider dynamics. At the same time, there is no indication that the clusters align similarly when considering the timeliness and quality of information.

A potentially confounding factor—general labor market conditions—cannot not be fully disregarded, as figure 4 illustrates. For all 5 cases in the inclusive cluster, unemployment rates in 2015 stood below the EU-28 average. The exclusive cluster, by contrast, is divided, with country cases scoring both above (Italy, Greece, Portugal) and below (Czech Republic, Poland) that threshold. Considering the 3-year (and 5-year) changes in unemployment rates, the picture is less clear—three cases (Finland, Luxembourg, Netherlands) yield inclusive dynamics despite rising unemployment, whereas three other cases (Portugal, Poland, Czech Republic) were exclusive despite improving labor market conditions. Overall, it is only for Italy and Greece, Denmark and Malta that labor market conditions fit into a reasoning based on this alternative factor. Macroeconomic conditions, based on levels of unemployment, can thus
not yet be discarded as (partial) drivers of insider-outsider dynamics at the company level. The following qualitative section uses a case study to explore these observations in further depth.

5.3 Contestation Despite Resources: The Case of Italy

Based on the purposeful sampling strategy elaborated in section 4, a critical case that particularly challenges the quantitative results above is Italy. Denmark and Malta feature inclusive workplace-level representation and favorable labor market conditions, but figure 3 shows that the former also scores strongly on industrial democracy whereas, for the latter, the available literature is lacking. Greece exhibits similarly exclusive dynamics and adverse labor market conditions to Italy, but its scope of labor institutions is clearly below the EU-28 average. Italy, by contrast, features relatively comprehensive industrial democracy institutions, scoring slightly above the EU-28 average on associational governance. Even more, studies also show that Italy’s labor movement has regained its inclusive standing at the sectoral and national levels (Benvegnù et al. 2018; Durazzi et al. 2018), particularly toward temporary agency workers (Benassi/Vlandas 2016; Burroni/Pedaci 2014; Durazzi 2017). Thus, given the quantitative findings, Italy is the single unit most likely to provide maximum insights, i.e., if the power resource thesis is corroborated for this case, it is likely to hold in other cases too. The following section thus investigates whether a more granular look at institutional power resources and other forms of resources helps make sense of the observed exclusive dynamics. It also examines how, if at all, labor market conditions during that period may relate to the relationship between power resources and the exclusive workplace-level dynamics observed for 2015.

In Italy, about 53% of the permanent labor force and 30% of temporary workers are employed in workplaces where a form of workers’ representation is present (Eurofound 2018a). The most common type is a unitary workplace union structure called RSU (Rappresentanza sindicale unitaria) that functions as a works council or similar sector-specific body. According to survey data, RSUs account for about 70% of all worker representation at the company level and are particularly relevant in industry, where they account for 85%, in construction (73%), and in commerce and hospitality (58%; Eurofound 2015). A second type of RSU (Rappresentanza unitaria del personale), covering another 7% of all company-level representation, exists primarily in the service sector. Trade union-based forms of representation, so-called RSAs (Rappresentanza sindicale aziendale), account for the remaining 23.5% of company-level representation and are particularly relevant in financial services, real estate, and other service sectors, where they make up over half of all company-level representation (ibid.).

In the majority of cases, representatives in both RSUs and RSAs are elected by the workforce through a secret ballot. About 85% of RSU representatives surveyed in 2015 report to have been elected by the workforce while RSA representatives are elected in about 68% of cases and nominated in others (ibid.). Trade union membership density among nonstandard workers is less than half of the density among standard workers (66%, controlling for other factors; OECD 2019: 196). However, in RSUs, voting rights to participate in elections are not normally tied to union membership and nominations are not usually subject to confirmation by local organizations, in contrast to other countries, such as Finland. According to 2015 data, about 75% of RSU elections were open to the entire workforce (instead of being restricted to the unionized part), as compared to 36% of RSA elections (when asked whether they represent the entire or part of the workforce, 94% of RSU and 84% of RSA representatives did not give a response; ibid.). Despite this ambiguity, less unionized atypical workers, in particular in sectors where precarious work is relatively more prevalent, have comparatively strong participatory rights in the selection of their representatives. Based on this evidence, the practices for selecting company-level representatives in Italy therefore do not appear to institutionally restrict access to participation based on employment status.

Regarding their activities and powers, company-level representatives in both RSUs and RSAs normally operate within the framework stipulated by sectoral collective bargaining agreements. According to the cross-sectoral agreement TU 2014 (Testo Unico sulla Rappresentanza), signed by Confindustria, CGIL, CISL, and UIL in January 2014, rights and levels of pay are agreed at the sectoral level while company-level competences only cover areas delegated through opening clauses of sector-level agreements (Eurofound 2020a). The legislative decree of February 6, 2007 (L. 25/2007), transposing EU Directive 2002/14/EC on employee representation, determines in general terms the information and consultation rights of workers and their representatives, complementing related acts (L.
428/1990, L. 223/1991, L. 74/2002). Notably, L. 25/2007 stipulates that, in companies with at least 50 workers, these rights concern among other things “the situation, structure, and predictable trend of employment in the company, as well as, in the event of a risk to employment levels, the related measures” (Art. 4, 3b) and “company decisions that are likely to lead to significant changes in the organization of work and employment contracts” (Art. 4, 3c). In practice, the methods for exercising these rights and their substance are defined in sectoral collective agreements. The typical issues subject to information and consultation include an employer’s plans for reorganization, outsourcing, restructuring, and the use of atypical employment (Fulton 2020). Therefore, it is common for RSU and RSA representatives to hold a right and mandate to be informed and consulted about corporate policy affecting job security and prospects for career advancement.

However, in practice, the data shows that representatives’ influence in the decision-making process is limited. For instance, in the establishments where management had taken major decisions about recruitment and dismissals, only 28%/21% of RSU/RSA representatives consider their representation body to have had some to a strong influence on the management’s decision (EU-28: 39%). By contrast, regarding major decisions on training and development, that share stands at 56%/52% (EU-28: 61%). The direct influence of employees is perceived to be significantly lower in both areas of management decisions (8% and 26%, respectively; Eurofound 2015). Though case-by-case decisions on nonstandard staff may not be viewed as major and representatives’ reported perceptions may not perfectly match actual influence, company-level representatives perceive their effectiveness in shaping corporate policy relating to job security and career advancement to be comparatively limited, despite the powers granted to them being relatively comprehensive. To further rationalize the exclusive insider-outsider dynamics observed in the statistical analysis, the remainder of this section thus looks beyond institutional resources to study the wider context of organizational and ideational factors.

The strategies taken by Italy’s trade union movement to unionize precarious workers has, since the late 1990s, primarily focused on supporting “outsiders” to create separate, dedicated bodies rather than incorporating them into existing constituencies (Gumbrell-McCormick 2010; Heery/Abbot 2000; Kahancová/Martišková 2011). These new federations notably include NIdiL (Nuove Identità di Lavoro), set up by the largest confederation CGIL in 1998; FeLSA (Federazione Lavoratori Somministrati Autonomi ed Atipici), affiliated to the confederation CISL and merging Alai and Calcs as of 2009; as well as UILTemp (or Tem.p@), previously called CPO (Comitati per l’Occupazione) and established by the confederation UIL in 1998 (Koene et al. 2014: 150). These unions press for political reforms and represent atypical workers through collective bargaining, legal action, campaigns, and organizing strategies.

These new organizations have in some cases succeeded in improving prospects for their constituency, including through a series of successfully concluded company-level negotiations led by atypical workers. This is part of a slow and fragmented, but long-term upward trajectory despite cyclical fluctuations (Benassi/Vlandas 2016). In 2014 for example, NIdiL reached a number of company-level agreements on reducing segmentation and transitioning atypical jobs into standard ones (Pulignano et al. 2016). However, sectoral federations have long expressed concerns of their encompassing models being undermined by the self-advocacy of new groups, such as the youth workforce. In turn, new unions have reportedly challenged their counterparts for upholding precarious conditions or eliminating “outsider” jobs to shield their constituents (Murgia/Selmi 2012). Already during the early to mid-2000s, the bifurcated organizing model triggered controversy and tension about the representation of new groups (Pulignano et al. 2016). Given the higher workplace coverage of traditional unions, despite membership numbers of new unions having grown (Keune 2013), temporary workers thus may run the risk of being either subordinated or in conflict with more resourceful groups. Hence, strategies of separation entail a certain risk that atypical workers are considered not part, or even adversaries, of more resourceful organizations.

Trade unions’ identities and ideologies, whether or not the cause of such organizational trajectories, are also hypothesized as shaping workplace-level outcomes, according to Doellgast et al. (2018b). Building on Hyman’s typology of Europe’s trade unionism (Hyman 2001), Italy has often served as an archetypal Southern European model (Ebbinghaus 2003) that is class-based and relies on membership mobilization as its source of power and legitimation. Indeed, dividing lines between the three main confederations have historically rooted their orientations in communist, Catholic, and socialist traditions, respectively. Given its organizationally fragmented setting and more adversarial relationship to
the state, Italian trade unionism thus tends to oscillate between organization and social movement (Regalia 2012). Compared to society- or market-oriented models of trade unionism in Europe, such identities and identifications may be more likely to channel into the juxtaposition of constituent and non-constituent interests, a phenomenon observed in the public sector, for instance (Pulignano et al. 2016).

Against this backdrop, it is clearer how the Italian case of exclusive dynamics despite relatively encompassing labor institutions, as observed in sections 5.1 and 5.2, still fits with the power resource theory by Doellgast et al. (2018b). On the one hand, even if comprehensive associational governance might enable inclusive aims and actions by company-level worker representatives, the causal chain appears to be interrupted by their comparative lack of effectiveness with regard to management decisions in relevant areas, and thus labor market outcomes. The non-responses about the scope of constituencies mentioned above prevents an examination whether this (perceived) ineffectiveness is independent of union aims or strategies. On the other hand, however, particularistic identities and ideologies, amplified in a context of organizational segregation, might shape subjective insecurity divides between the core and peripheral workforce, even if actual corporate policy remains relatively unaffected. For instance, contestation along insider-outsider lines arising in this context might create conditions and a workplace culture that diminishes the perceptions of job security and opportunities more for temporary workers than for the stable, often more resourceful permanent workforce. This creates the environment in which labor market conditions between 2010 and 2015, examined in section 5.2 as potentially interfering factor, took effect.

As part of the wider sovereign debt crisis in the Eurozone, the general unemployment rate in Italy rose by 3.5 percentage points between 2010 and 2015, reaching 11.9% (Eurostat 2019). Youth unemployment rose from 28% to 40% (ibid.). In the context of this crisis, it would be intuitive for the job insecurity of temporary workers (both actual and perceived) to rise comparatively faster and to a greater extent than among permanent staff, given the well-evidenced “last in, first out” principle shaping decisions about dismissals, which particularly affects young people (Pastore 2012). Indeed, according to EWCS data, two thirds of all temporary contracts in Italy were held by workers aged 16–29 (Eurofound 2018a). However, the key question here concerns the relationship between labor market conditions, power resources, and the observed outcomes, i.e., whether the institutional setting can be viewed as a function of broader macroeconomic conditions.

Indeed, the decentralization of collective bargaining was in fact accelerated in the context of the crisis (e.g., Leonardi et al. 2018), draining institutional power resources. In particular, in 2009, Confindustria, CISL, and UIL signed an agreement that inter alia linked wage growth to the inflation rate and prohibited strikes during the last six months of an agreement and in the month after its expiry (Fulton 2020). In the next national-level agreement with Confindustria in 2011, the three largest confederations agreed to allow company-level bargaining to also undercut sector/industry-level agreements, if foreseen by the latter (ibid.). This framework was confirmed and specified in the TU 2014, as described above. Some employers unilaterally withdrew from collective bargaining, as in the case of Fiat, the country’s largest industrial group (Eurofound 2020a). Shifts in the legal framework also entailed decentralization, notably the “urgent measures for financial stabilization and development” (L. 2011/138) introduced by the Berlusconi government in 2011, allowing among other things company-level bargaining to undercut industry-level agreements and also statutory minimum rules, including concerning flexible employment contracts and recruitment.

Hence, in Italy, institutional fragmentation, through a fracturing of cross-class coalitions, occurred as a result of both external factors and endogenous processes. Company-level bargaining took place in an environment of increased intra-industry competition while, at the same time, atypical workers’ interests were at a higher risk of being overlooked or in conflict with the core workforce due to the prevalent organizational structures and ideational context. However, from a temporal perspective, while industrial conflict due to the crisis could be seen as the cause of institutional fracturing, the decline in trade union density rates (falling from 50% in 1978 to 34% in 2017) and collective bargaining coverage (85% to 80%, respectively) has been a steady, decades-long process (Visser 2019) that materialized despite phases of economic expansion during the 1980s, 1990s, and early 2000s. Going beyond the cross-sectional analysis in sections 5.1 and 5.2, this illustrates that macroeconomic conditions are not a sine qua non condition for the trajectory of labor institutions, and therefore cannot strictly be seen as
an underlying driver of exclusive dynamics. Rather, the crisis context can, through institutional fracturing, exacerbate such dynamics where parameters, such as organizational and ideational factors, heighten the risk of segregation and contestation, even if institutions are relatively comprehensive.

Therefore, drawing on Lazarsfeld’s (1955) classic conceptualization of three-variable cases of relations, the notion that labor market conditions function as the underlying cause of exclusive dynamics in Italy can be discounted, i.e., power resources are not simply “interpreting” a relationship between conditions and outcomes. Instead, a more accurate conceptualization of the observed role of crisis conditions can, in Lazarsfeld’s terminology, be described as a “specifying” impact on the relationship between the deployment of power resources and the observed outcomes (ibid.). Despite the relatively encompassing participatory rights and practices, the lack of comprehensive power resources in other areas, in particular organizational and ideational factors, are key explanations for the observed outcomes, in line with the quantitative findings, but crisis conditions might raise the magnitude of this association, thereby contributing to and accelerating downward spirals.

6. Discussion

Based on the findings in the previous sections, it can be stated that the role of labor market conditions is not a consistent determinant of the observed workplace dynamics, though at least at a certain threshold understood as economic crisis, this factor can be conceptualized as “specifying” the relationship between weak power resources and outcomes. A key outstanding question is whether this also applies to other cases, including those with strong power resources. For example, Finland went through a phase of economic stagnation in 2008–15 with the unemployment rate increasing by 1 percentage point and being dubbed “the sick man of Europe” in the media (Kärppä/Teivainen 2015). However, national-level collective bargaining was in fact reinforced in 2011 to improve industrial competitiveness, after employers’ withdrawal from centralized bargaining in 2007. Here, macroeconomic pressures did not lead to institutional fracturing (nor did inclusive workplace dynamics require economic expansion), but crisis conditions also raised the magnitude of the link between strong power resources and inclusive dynamics. Whether this single observation may hold against a wider set of cases and new evidence could be one of the questions informing future research.

The theoretical framework of Doellgast et al. (2018b) also raises questions of causality and feedback effects. While theoretically distinct, the macro-level drivers examined here are, in practice, likely to interact with each other. For instance, if structural shifts toward the service economy are a key driver behind the long-term decline of unionization and collective bargaining rates, Streeck’s “shrinking and softening of the core” (Streeck 2009) in fact conditions associational and institutional resources. Likewise, decentralized wage bargaining may cause low-wage competition. Here, mounting economic pressure on organized “insiders” are associated with weak(ening) power resources. In contrast to these first-order effects, however, potential knock-on effects may complicate the relationship, for instance when low-wage competition induces “rational solidarity” with precarious workers, potentially reinforcing power resources.

Moreover, in this paper, dualization is considered in terms of “workplace dualization,” not corporatist policymaking and institutionalized dualization. Doellgast et al. (2018b) theorize idealized poles of self-reinforcing feedback effects as “vicious circles” and “virtuous circles.” In a virtuous circle, strong institutional and associational power resources are expected to foster inclusive forms of representation and participation, and vice versa. In turn, negative feedback effects from dualization processes might take effect if e.g., “insider” groups experience losses or risks in the labor market due to strategies, policies, or outcomes they previously supported for their expected, possibly short-term benefits (Jacobs/Weaver 2019). Considering the role of labor market outcomes for political processes, there is indeed evidence of a positive link between job insecurity and redistributive preferences (Marx 2014). However, the power resource theory (Gallie 2007; Korpi/Palme 2003) and the electoral competition thesis (Hall/Taylor 1996) constitute only two of the theories on institutional change. For instance, critiques of “methodological nationalism” (see Greer et al. 2015) point to cross-border influences, including ideational processes (Béland 2005; Hall 1993), as in the case of the Swedish model and its challenges (Blyth 2001). Internal public opinion of, for example, social justice can also shift and induce feedback effects (e.g., Marx/Starke 2017). The impact of subjective insecurity divides and workplace social dialogue on associational and institutional power resources is thus another key piece of this puzzle yet to be explored further.
Finally, the survey data on subjective insecurity improves the accuracy and relevance of the study, as discussed in section 3, but they also require an awareness of their possible implications. Subjective insecurity has previously been shown to be a holistic approximation of objectively precarious work (e.g., Clark/Postel-Vinay 2009) and, drawing on the EWCS data, levels of income from paid work are indeed highly correlated with a worker’s contractual status, controlling for factors such as education, occupation, age, gender, task monotony, and country. Still, subjective insecurity is unlikely to perfectly align with relevant compound indices of job quality or with objective measures of precarious work, considering for instance levels of income (e.g., high-paying temporary positions). In addition, employees and workers may fear job loss for reasons other than the position actually being at risk, e.g., due to public discourse, and perceptions of what constitutes a feasible alternative on the labor market beyond a similar salary may differ between individuals. Additionally, “voluntary insecurity” (Chung/Mau 2014) may be desirable in certain sociocultural contexts, calling to mind the Danish flexicurity model in its idealized form. While not pivotal to this paper’s focus, adding objective measures would allow an examination whether pressures on “insiders” relate to the precariousness of “outsiders,” implying their interests are partly compatible rather than mutually exclusive and inclusive strategies thus more likely, despite stable preferences under the rational choice thesis. Hence, the combination of subjective and objective measures of labor market risks could test and expand the findings of this paper.

7. Conclusion

This study shows that, from a multilevel and comparative perspective, the power resources of worker representatives, as opposed to economic pressures and strategic reorientation, can account for the observable varieties of dualization and solidarity in European workplaces. Some EU countries are home to inclusive dynamics, where company-level worker representation and participation helps narrow pre-existing differences between nonstandard and permanent workers. Remaining mindful of the limitations and questions discussed in the previous section, this corroborates one building block of the theoretical framework centered on the enabling role of power resources for solidarity with “outsiders,” as well as positive feedback effects that underpin “virtuous circles” and “vicious circles.” As demonstrated, economic crises can reinforce downward spirals, but particularistic interest representation occurs in strong labor markets with weak labor power resources too. The workplace politics of interest representation can also run parallel to and/or in conflict with trends at the peak or industry-level of the labor movement, as the Italian case further showed. This highlights the intricate challenge of breaking “vicious circles” in climates of fragmentation and contestation without supportive institutional and associational power resources, including comprehensive social concertation at the national level and cooperative, meaningful social dialogue practices at the company level.

By implication, this paper also exposes the heterogeneity and fluidity of nonstandard work, contrasting the dichotomy of segmentation theory. While nonstandard employment is a strong predictor of subjective insecurity, as shown in this paper, and precariousness more generally (Kretsos/Livanos 2016), there are degrees of precariousness and permanent full-time jobs can also be of low quality. This can blur the boundaries between groups ascribed “insider” and “outsider” status by theory (see Dekker/van der Veen 2017). In this paper, the subjective job security of temporary workers implies an expected prospect of stability and/or upward mobility, i.e., nonstandard status with a potential stepping-stone function that may avoid the risk of unemployed periods and, potentially, chains of nonstandard work (for a review of this literature, see e.g., OECD 2014). As the analysis in section 5.1 shows, in five EU countries, temporary workers are in aggregate significantly less likely to expect job loss in the next 6 months in workplaces with a trade union, works council, or similar representation. Where such security implies access to long-term or permanent contracts (and where it is aspired), company-level representation thus in fact widens the perceived access of “outsiders” to “insider” status, thereby shaping the nature and the quality of nonstandard jobs and blurring the insider-outsider boundary.

Against the backdrop of a decades-long marginalization of democratic participation in the economy (Baccaro/Howell 2017), the decentralization of collective bargaining has raised the stakes for workplace-level social dialogue to improve working conditions while nourishing grassroots collectivism and rejuvenating industrial relations. Not least the COVID-19 crisis has showcased the disproportionate economic and social risks faced by traditionally less organized groups, e.g., young people and women (Eurofound 2020b), and the
importance of informing, consulting, and participating at the company level to safeguard workers’ prospects and well-being. At the same time, in the context of catalyzing “workplace democracy” (Yeoman 2014) and “democracy at work” (Wolff 2012), new forms of employment relations, participation, co-determination, and cooperation contrast traditional forms of collective representation, both challenging it and opening doorways for reconfigured forms of representation and participation in economic life (Hyman 2015; Wilkinson et al. 2015). Given the persistent relevance of power resources for effectively bridging structural divides, the workplace politics studied in this paper are key for identifying how old and new strategies of organizing and social dialogue can sustainably build and share forms of voice in the world of work.

References


Corazza: Workplace Dualization and Solidarity in Europe: A Multilevel Perspective


