



Dualization or liberalization? Investigating precarious work in eight European countries

Work, employment and society

1–17

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DOI: 10.1177/0950017015609036

wes.sagepub.com



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Abstract

A recent upsurge in the incidence of precarious work in Europe necessitates fresh examination of the origins of this trend. On the basis of field research in eight European countries and with reference to theories of liberalization and dualization, the factors that drive precarious work in discrete European labour markets are thus investigated. It is discovered that, while a structural-demographic factor such as non-compliance with labour law is a notable progenitor of precarious work, the deregulatory strategies of public authorities are particularly significant drivers. In conclusion it is asserted that although the theory of dualization helps explain developments in conservative-corporatist countries, in Anglophone and Mediterranean countries liberalization theory is generally more apposite. Central and Eastern European (CEE) countries emerge as a hybrid case.

Keywords

dualization, immigration, liberalization, precarious work, undeclared work

Introduction

Precarious work is a topic *en vogue*. Not only is the economic crisis perceived to have swelled the ranks of workers affected by the phenomenon, but precarious work has received burgeoning academic interest in recent years (McDowell et al., 2014; Standing, 2011). Whatever this upsurge in interest, precarious work had been the subject of debate for many years prior to the crisis. Starting in earnest from the 1990s, attention was called to the trend's growth in the labour markets of developed countries (Bourdieu, 1998).

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Evidence suggests that precarious work has expanded in Europe. The quantity of workers on temporary contracts grew by 15–20 per cent annually in the EU from the 1980s (Standing, 1993: 433), and by 2007 numbered 14.6 per cent of the EU-27 workforce (Eurofound, 2013: 15). Some of the 18.1 per cent of EU-27 employees who in 2006 worked part-time also did so on the involuntary basis associated with precarious work (Eurofound, 2007: 7), and research indicates ‘very atypical’ work such as short fixed-term, zero hours and non-written employment to be proliferating (Eurofound, 2010). The protection of ‘regular’ workers against dismissal has also been incrementally liberalized across European labour markets in recent decades (Vaughan-Whitehead, 2014).

The rise of precarious work has in turn inspired deliberation on the phenomenon’s causes, and theories of liberalization and dualization have emerged from this debate. The former depicts the liberalization of contractual protection as a catholic process that tends to affect *all* workers (Glyn, 2006), while the latter asserts that processes of liberalization merely tend to affect *peripheral* workers (Thelen, 2014). This article adds to this debate through an examination of the reasons for precarious work’s growth in eight European labour markets and subsequent assessment of implications for theories of liberalization and dualization. Precarious work is defined as employment involving contractual insecurity; weakened employment security for permanent workers and non-standard contractual forms such as temporary agency, fixed-term, zero-hour and undeclared work are all included in this definition.

Following this introduction, extant literature, on precarious work’s causes and the debate between proponents of liberalization and dualization, is outlined in section two. The research methods employed are then set out in section three, before the causes of precarious work in the countries investigated are delineated on the basis of (1) structural-demographic, (2) regulatory and (3) crisis-related factors in section four. It is ascertained that while a structural-demographic factor such as non-compliance is a major cause of precarious work in Central and Eastern European (CEE) countries and immigration is relevant in the conservative-corporatist cluster, in most countries the chief driver of precarious work is the deregulatory strategies of public authorities (section five). Implications for theories of liberalization and dualization are reflected upon in the conclusion. It is argued that, although dualization theory broadly elucidates findings in conservative-corporatist countries, results in Anglophone and Mediterranean countries are generally more consistent with the liberalization hypothesis. The CEE cluster emerges as a hybrid case.

What causes precarious work?

Discussion of precarious work’s causes is increasingly informed by two theoretical perspectives.

The first of these, the liberalization approach, expects a catholic decline in employment security and chiefly avails of structural explanations (Glyn, 2006). For writers in this tradition, the expansion of market relations occasioned by globalization has tended to involve the gradual deregulation of employment protection for *all* workers. In addition to accounts that emphasize processes of de-industrialization (Kalleberg, 2009) and the increasing need for firms to save labour costs (Forde and Slater, 2006), scholarship on

European countries underlines the structural influence of Economic and Monetary Union (EMU) (Streeck, 2011).

More specific structural processes that interest researchers working in the liberalization tradition include demographic changes. The symbiotic relationship between discontinuous employment patterns and the feminization of workforces has been highlighted (Standing, 1999), while the topic of immigration has received sustained attention. The propensity of high migrant labour supply to entrench temporary agency work has been remarked upon (Knox, 2010), and quantitative scholarship has examined the potential of immigration to exert downward pressure on the terms and conditions of existing workers. Though the majority of studies find that this effect is limited, certain research into immigration in EU-15 countries has discovered that immigration can negatively impact the conditions of previous immigrants and/or the low paid (D'Amuri et al., 2010; Dustmann et al., 2008).

The capacity of non-compliance with labour law to instigate precarious work has also been highlighted. In addition to scholarship that calls attention to conditions in illegal sectors of the economy, many studies point to the association of undeclared work with precarious work. Undeclared work, particularly prevalent in CEE and Mediterranean countries, has been associated with negligible levels of job security and attributed to factors such as distrust of the state and the failure of modernization strategies (Belev, 2003; Pfau-Effinger et al., 2009). Research also underscores the propensity of non-compliance with labour law in regular employment relationships to cause precarious work (Jones et al., 2006).

A second approach, the theory of dualization, emphasizes the tendency of processes of liberalization to affect *sections* of the workforce and concentrates largely on factors related to actors and regulation. In work that was to become influential, Rueda thus contended that precarity suffered by labour market 'outsiders' was the result of the manipulation of policy processes by well-organized 'insiders'. Because such 'insiders' represented a key electoral constituency, social-democratic parties were considered likely to promote policies that deregulated conditions for 'outsiders' but left the labour market's core intact. Rueda's thesis was the subject of theoretical and empirical critique (Emmenegger, 2009; Guillaud and Marx, 2014), yet it inspired interest in 'insiders' and 'outsiders' and the selective deregulation of labour markets. Palier and Thelen (2010) thus concluded that the French and German labour markets and welfare states were characterized by 'institutionalized dualism', while others noted the tendency of firms to use temporary agency work to circumvent labour law (Mitlacher, 2007). A well-known, recent edited collection also maintained that the provenance of 'insider-outsider' partitions lay in the capture of policy processes by 'insiders' (Emmenegger et al., 2012).

Despite multi-faceted debate on precarious work's provenance, rather less consideration has been paid to the issue of the phenomenon's variance across countries. Studies that exist have attempted to establish cross-national patterns and reconcile precarious work's rise with theories of difference in national business systems. Häusermann and Schwander (2012) thus found that continental and southern European welfare regimes were particularly marked by segmentation, and dualization theory has been employed to illustrate how both decent and deteriorating working conditions can co-exist in countries known for their coordinated style of capitalism (Palier and Thelen, 2010). Notwithstanding

such scholarship, research on the incidence of precarious work across countries remains comparatively underdeveloped and suggests the necessity of further investigation.

In the light of precarious work's recent growth, debate about the phenomenon's origins and the comparative dearth of comparative assessment, there is a need to establish which explanations of precarious work's rise chime most with realities in different European countries. This is an endeavour undertaken in this article. Specifically, on the basis of field research in eight European member states, assessment is made of cross-national variance in precarious work's causes and the extent to which the liberalization and dualization theses are consequently validated. Though sectoral variance in precarious work is also crucial (Knox, 2010), the need to maintain analytic focus and contribute to existing debates (which tend to concern national difference) mean that investigation is confined to differences between countries. Precarious work is understood as employment involving contractual insecurity; weakened employment security for permanent workers and non-standard contractual forms such as temporary agency, fixed-term, zero-hour and undeclared work are all included in this definition. Others have incorporated indicators related to pay, unemployment, social security and employee voice (Emmenegger et al., 2012; Heery, 2009; Rueda, 2007; Standing, 2011), yet we find a more parsimonious definition desirable and conceive of 'outsiders' only as employees on non-standard contracts. Not only will such a designation allow us to compare trends across eight countries more economically, but also to avoid the charge of definitional vagueness that has been levelled at certain accounts (Guillaud and Marx, 2014: 1183–4).

Research methods

The data this article uses were collected in the course of a European Commission funded study of precarious work in the European Union carried out in 2011–12. Coordinated by London Metropolitan University, the study gathered industrial relations and legal experts in 12 member states (Bulgaria, France, Germany, Greece, Ireland, Italy, Latvia, the Netherlands, Poland, Spain, Sweden and the UK) with the aim of charting the extent of precarious work in the EU and the phenomenon's provenance.

Eight of these countries (Germany, Greece, Ireland, Latvia, the Netherlands, Poland, Spain and the UK) were selected for inclusion in this article. Not only does confining assessment to eight countries permit sufficiently deep analysis of individual countries, but it allows selection of countries that are representative of particular national systems and in which different pressures for precarious work are apparent. The first of the four country 'clusters' is the Anglophone grouping which consists of Ireland and the UK. In these countries, economy and society are organized along neoliberal lines, there is substantial legacy of deregulation and (as a result of liberal contractual protection for permanent employees) rates of temporary work are comparatively low (see Table 1). The UK was affected by the economic crisis yet Ireland, which received an EU-IMF emergency loan after the collapse of its banking sector, was touched particularly severely. The second grouping is the conservative-corporatist cluster which consists of Germany and the Netherlands. In these countries, economy and society are traditionally organized along more collectivist lines, yet their socio-economic systems have become characterized by

Table 1. Percentage of employees with temporary contracts (%).

Country	1993	1998	2003	2008	2013
Germany	10.3	12.4	12.2	14.7	13.3
Greece	9.5	12.5(b)	11.2	11.6	10.1
Ireland	9.3	7.2(b)	5.2	8.5	10.0
Latvia	—	8.0	11.0	3.4	4.4
Netherlands	10.5	13.0	14.5	18.2	20.6(b)
Poland	—	4.7	19.4	27.0	26.9
Spain	33.0	33.0	31.9	29.1	23.1
UK	6.3	7.3	6.1	5.4	6.2(b)

Note: b – break in time series.

Source: Eurostat.

entrenched discrepancies between ‘insiders’ and ‘outsiders’ and medium levels of temporary work. Both countries, in comparison to others in Europe, were affected rather lightly by the crisis.

The third grouping is the Central and Eastern European (CEE) cluster which consists of Latvia and Poland. The post-Communist transitions of these countries have been characterized by neoliberal socio-economic policymaking, and both have encountered problems with labour law compliance. Latvia is particularly distinguished by neoliberalism, while the Polish labour market (as a result of comparatively elevated protection for permanent employees) is marked by high levels of temporary work. Though Latvia was considerably affected by the crisis, Poland was the only EU country not to enter recession. The fourth grouping is the Mediterranean cluster which consists of Greece and Spain. These countries are characterized by socio-economic systems in which organized interests are traditionally able to procure privileges from the state (Molina and Rhodes, 2007), and entrenched ‘insider–outsider’ divides and (particularly in Spain) high rates of temporary work have consequently developed. The Greek and Spanish labour markets are also distinguished by significant informal economies. Both countries were acutely affected by the crisis, and extensive austerity measures (often at the behest of external forces) were implemented in them.

One hundred semi-structured research interviews were conducted across the countries selected for study using a single interview schedule. Thirty-two interviews were carried out with employers or employers’ associations, 28 with trade unions, 17 with governmental bodies, nine with NGOs and 14 with legal experts/academics. Interviewees were questioned on matters that included definitions of precarious work, the nature of national debate on precarious work and governmental policies to tackle the phenomenon. A minimum of 12 interviews were conducted in each of the countries studied, and interviews were transcribed and translated into English by national experts. Though interviewees were not questioned directly on precarious work’s provenance or the liberalization/dualization controversy, the rich body of collected data provided ample material relevant to these issues. It should also be noted that data reflect the perceptions of participants. This distinguishes the study from scholarship that focuses on changing

Table 2. Factors responsible for precarious work.

	Non-compliance through undeclared work	Non-compliance in formal economy	Immigration	Over-regulation	Public liberalization	Economic crisis	Number of interviews conducted
Germany	*	*	**	*	***	*	12
Greece	***	***	*	*	***	***	12
Ireland	*	*	**	*	**	***	12
Latvia	***	***	*	***	***	**	14
Netherlands	*	**	**	*	**	*	12
Poland	**	***	*	***	**	**	12
Spain	**	**	*	*	***	***	12
UK	**	**	*	*	**	**	14

Note: * = Slight driver of precarious work; ** = Moderate driver of precarious work; *** = Significant driver of precarious work.

structural environments or adopts a quantitative approach, yet the multi-faceted nature of participants' responses means our work might complement such research.

Engagement with relevant literature and participation in meetings on the project's results allowed for the development of initial hypotheses on precarious work's cross-European drivers. These themes and related sub-themes were further developed through a first reading of the project's collected data, before data were coded on the basis of a set of refined categories. After this process of coding, the set of themes and sub-themes that constitute the factors considered by the article were established. So as to ensure data validity, a trade-off between frequency of occurrence (the number of interviewees who identified relevant factors) and level of emphasis (the weight individual interviewees placed on relevant factors) was sought when assessing the importance of factors. The 'scores' assigned to countries in Table 2 were also formulated using such a process. Data were also triangulated with external sources. These sources included databases such as the European labour force survey and the Organisation for Economic Cooperation and Development (OECD) Employment Protection Legislation (EPL) index, and discrepancies that emerged are discussed in the article's text.

Causes of precarious work across clusters

A number of themes relevant to the research question emerged in the course of the data analysis. In line with the concerns of the literature and the subjects that arose in interviews, these may be grouped into: (1) structural-demographic causes of precarious work; (2) regulatory causes of precarious work; and (3) factors related to the economic crisis that cause precarious work. Rather than fully delineating the occurrence of each factor in each country, the data presented in the following section represent those parts of the data most pertinent to the research question. Collected data are nonetheless summarized in a complete manner in Table 2.

Structural-demographic causes of precarious work

The non-application of labour law was asserted to be a major cause of precarious work in many countries under investigation. In certain countries, principally those in the CEE and Mediterranean clusters, this phenomenon was reported to manifest itself in elevated levels of undeclared work. The problem of undeclared work was stated to be particularly acute in Latvia. Here, social partner and governmental officials identified non-respect of labour law as a major antecedent of the large informal economy, and interviewees associated undeclared work with pronounced levels of employment insecurity. Though an official from a Latvian employers' confederation attributed the extent of undeclared work in the country to onerous levels of social policy regulation, other interviewees pointed to a disregard for the needs of the state that was the legacy of Soviet rule, cuts to the budget of the state inspectorate and high levels of tax imposed on the employment of workers. A respondent from the Latvian government indeed asserted that:

The problem lies in the fact that around 70 per cent of the population consider the non-payment of taxes normal. The roots of such a problem come from the Soviet Union; here the state was responsible for providing everything without asking for anything in return.

Statistics also suggest non-application of labour law to be a key driver of precarity in Latvia. Recent analysis (Schneider, 2012: 5) estimates the undeclared economy's share of GDP in the country to be 26.1 per cent; this level makes the country proportionally the fifth largest undeclared economy in the EU-27.

Though the issue was not emphasized to the extent that it was in Latvia, non-application of labour law was also reported to be a notable cause of precarious work in the Mediterranean countries investigated. Undeclared work was particularly prevalent in Greece. Greek social partner officials underlined the extent of the phenomenon, emphasized its recent expansion and called attention to the practice's association with employment insecurity. Statistics also indicate undeclared work to be problematic in the Mediterranean cluster; in Greece (24%) and Spain (19.2%) the proportional size of the undeclared economy exceeds the EU-27 average of 18.4 per cent (Schneider, 2012: 5).

Additional to the issue of undeclared work, the non-enforcement of labour standards in firms employing regular workers was also asserted to be a driver of precarious work in many investigated countries. Though this problem was identified parallel to that of undeclared work in countries where undeclared work was described as a major issue, in certain countries the non-enforcement of labour law in the formal economy was emphasized as a significant source of precarity in its own right. This was the case in Poland. Here, a cross-section of interviewees referred to the use of civil law contracts in regular employment relationships. Such contracts, regulated under civil law rather than the labour code and intended for the self-employed, allow employers to evade regular dismissal protection legislation.

Such concerns are supported by research on this topic (Portet, 2005). This investigation emphasizes the link between civil law contracts and contractual precarity in Poland, and calls attention to the growing scope of the phenomenon. While their extent is difficult to quantify, such contracts are thought to have expanded in recent years and have

been estimated to affect up to 1.5 million Polish workers (Forsal.PI, 2013). Though mentioned by certain interviewees in the Netherlands and the UK, the non-application of labour law (in both the formal and informal economies) did not emerge as a major driver of precarity in the Anglophone and conservative-corporatist clusters. Research also suggests (Schneider, 2012: 5) that this factor is a comparatively limited antecedent of precarious work in these countries.

Immigration was also identified as a driver of precarious work in certain countries. Though immigrants as a group affected by precarity was emphasized across EU-15 countries, immigration as a *cause* of precarity was a particular concern in Germany and the Netherlands. In these countries, immigration was often conceived of as a general threat to the contractual status of existing workers. In the Dutch agricultural sector, a trade union official thus reported that the contractual position of employees in the sector was being undermined by Polish firms operating in the Netherlands who employed Polish workers on Polish terms and conditions:

[A] Polish company with Polish workers comes to the Netherlands to do work under Polish employment conditions, harvesting a crop and then selling it back to the Dutch company. Because of this development, companies who use this practice destroy the companies that are doing business in a 'correct' manner. The level of employment conditions in the Netherlands as a result is getting worse.

Related concerns were raised in Germany. A representative from a regional employers' association noted the tendency of workers from Eastern Europe to become involved in illegal working practices and worried that this could exert pressure on conditions, while a trade union official called attention to the potential of immigration to undermine the position of existing workers. The respondent was particularly preoccupied with immigration from Bulgaria and Romania, and stressed that the use of such labour in the public procurement process could undercut existing workers. Reference to immigration as a *cause* of precarious work was also made in Ireland, yet in other countries little allusion was made to the problem.

Though such assertions were made in certain countries, they are not completely consistent with scholarly analysis of immigration's effects. Studies of immigration in Europe have found an ambiguous relationship between immigration and effects on workers' terms and conditions; many have established that immigration merely negatively impacts existing immigrants (D'Amuri et al., 2010) and/or the very poorly paid (Dustmann et al., 2008).

Regulatory causes of precarious work

In the CEE countries that were the subject of study, 'over-regulation' was commonly asserted to be a cause of precarious work. In Latvia excessive levels of social regulation and taxation levied on the employment of workers were cited as a driver of undeclared work. An official from a Latvian employers' confederation identified the regulatory obligations imposed on employers as a cause of the phenomenon, and a Latvian trade unionist equated levels of tax imposed on the employment of workers with the prevalence of undeclared work in Latvian

agriculture. In Poland employment precarity more generally was associated with elevated levels of regulation and tax within the country; both sides of Polish industry affirmed that high non-wage labour costs encouraged precarious work. Analysis of academic and practitioner literature in Latvia and Poland (Biznes Lubuski, 2014; Zasova, 2011), the focus of which is the implications of tax and regulatory burdens for labour law compliance, confirms 'over-regulation' to be a common regional concern. In other countries, 'over-regulation' as a cause of precarious work generally went unmentioned.

To degrees that differed across countries, the liberalization of employment protection was also reported to be a major driver of precarious work. Such a process of liberalization was mainly associated with the deregulatory initiatives of public authorities. In Anglophone countries, certain interviewees thus referred to the general role of neoliberalism in producing precarity. A representative of the UK government remarked that the UK had been assessed by the OECD as one of the most lightly regulated labour markets in the world, and officials from the Irish trade union movement emphasized the current Irish government's advocacy of neoliberal deregulation. In the UK certain respondents emphasized the 'background' role of the neoliberal organization of economy and society in producing precarious work. A UK trade unionist thus described 'a neoliberal model that is reliant on migrants', while a representative of a UK NGO emphasized the role of debt and elevated housing prices in reinforcing precarity among young workers. OECD data on employment protection support the view of the UK and Ireland as particularly deregulated labour markets; in 2013 OECD assessments of Ireland (1.50) and the UK (1.12) were substantially below the OECD average (2.04) for the protection afforded to permanent workers against individual dismissal.

The deregulatory initiatives of public authorities were also identified as major drivers of precarity in Latvia. Several interviewees described a governmental attachment to deregulation that a representative from an employers' association described as a 'wild neoliberalism', and the role of the Latvian employment 'trial period' was emphasized by numerous interviewees. The latter policy allowed for the dismissal of workers within three months without reason or compensation, and was cited as a major source of contractual precarity. The role of deregulation in producing precarity was also acknowledged in Poland. In this case, the suspension of a law that limited the use of fixed-term contracts was identified as a source of contractual precarity in the country. Reforms have therefore aimed to deregulate the labour market's periphery in both Latvia and Poland, yet OECD data reveal disparities in the extent of this process. In 2013 the strictness of temporary employment protection in Latvia was rated at 0.875, while Poland registered a score of 1.750.

Precarity of employment as a result of governmental liberalization of the labour market was also reported in Mediterranean countries. In these cases, reforms in previous decades were said to tend to liberalize the employment of workers at the labour market's periphery. In Spain, several interviewees emphasized the role of historic government reforms in making a sizable temporary workforce a quasi-permanent feature of democratic Spain. An academic expert thus said:

After the introduction of democratic labour relations in Spain [...] the Spanish 'solution' to the destruction of jobs and difficulty creating them was [...] the encouragement of temporary work

as a job creation formula [...] [from 1977–97] this same policy was developed by both centre-right and centre-left governments.

Interviewees in Greece also discussed such a process. Though certain employer representatives argued that labour market liberalization in Greece had lagged behind other European countries, a legal expert noted how the periphery of the Greek labour market had been incrementally deregulated. A trade unionist also pointed to the tendency of large numbers of fixed-term workers to be employed in the public sector from the 1990s, and asserted that this practice had been ‘the main driver of temporary employment in Greece’ prior to the crisis. OECD assessments of temporary employment protection generally confirm this type of employment to have been significantly deregulated in both Greece and Spain. From 1994 to 2013 the rating declined in Spain from 3.750 to 2.563, while in Greece the measure fell from 4.750 to 2.250 between 2003 and 2013.

Burgeoning precarity of employment as a result of liberalization of the labour market’s periphery was also reported in conservative-corporatist countries. In Germany, the role of the Socialist–Green coalition’s Hartz reforms was underlined. These reforms, which had introduced ‘mini-jobs’ and liberalized temporary agency work, were said to have led to mounting levels of precarious employment. A German academic expert thus affirmed:

The Hartz IV reforms introduced by the Socialist–Green government provided significant impetus for precarious employment [...]. These Hartz IV reforms were inspired by the idea that atypical employment facilitates access to the labour market [...] [and] forced people into atypical employment.

Though the Hartz reforms were cited most often, a recent reform that had facilitated part-time work was also identified as a cause of contractual precarity. According to a retail sector trade unionist, employers used the reform to force full-time workers onto part-time contracts.

Liberalization of the labour market’s periphery was not stressed to the same extent in the Netherlands. Certain interviewees mentioned governmental liberalization of non-standard employment, yet no process comparable to the Hartz reforms was alluded to and factors such as employer eagerness to employ non-standard labour were also advanced as causes of precarious work. The more active role of the German government is reflected in OECD data. The OECD’s ratings of strictness of temporary employment protection for Germany declined from 5.000 in 1985 to 1.125 in 2013, while in the Netherlands a fall from 1.375 to 0.938 was registered in the same period. The OECD measure has thus not declined so sharply in the Netherlands, and lack of interviewee discourse on the role of the Dutch government might be attributed to a comparative lack of recent reform.

Factors related to the economic crisis that cause precarious work

Pressures driving precarious work were also reported to have intensified since the onset of the economic crisis. In many member states, principally those in the Mediterranean

cluster, such pressures were asserted to have taken the form of cuts to public spending. Across the Mediterranean countries studied, spending cuts were thus said to have made work in the public sector greatly more insecure. These assertions are consistent with research that has called these trends to attention (Meardi, 2014). Though particularly prevalent in Mediterranean countries, such an effect was nonetheless reported in other clusters. A Latvian respondent thus highlighted how cuts to the state labour inspectorate had led to burgeoning levels of undeclared work in Latvia, and a UK trade unionist emphasized the role of spending cuts in producing contractual insecurity in the country's local government sector. Research on the impact of spending cuts across European labour markets echoes such concerns (Vaughan-Whitehead, 2014).

Deregulatory strategies associated with precarious work were also asserted to have intensified since the crisis. Though certain reforms referred to above were linked to the crisis across studied countries, this relation was particularly robust in those European countries which were struck by sovereign debt crisis. In Spain, several respondents thus mentioned the Zapatero Socialist government's reforms that had liberalized rules on dismissal of permanent workers for economic reasons, permitted more forms of temporary hiring (especially for part-time work) and abolished time limits on the use of fixed-term contracts. Such reforms, several interviewees from Spain stated, had markedly increased contractual precarity and particularly affected young workers. A key 2012 reform, introduced after the completion of field research, also reduced notice periods and redundancy payments for permanent workers. OECD data for Spain confirm the interpretations of interviewees. From 2010 to 2013 the OECD's assessment of the strictness of employment protection for regular workers against individual and collective dismissals declined from 2.357 to 2.048, and the rating of strictness of protection for temporary employment regressed from 3.000 to 2.563.

Similar trends were reported in Greece and Ireland. In these countries, respondents highlighted the influence of the reforms implemented to fulfil the conditions of the EU-IMF emergency loans to the countries. In Greece, as a direct consequence of the loans the country received from 2010, public authorities had implemented mass public sector redundancies, liberalized employment protection regulation for permanent and temporary workers and made substantial options for derogations from collective agreements available to Greek firms. Interviewees reported that such reforms had greatly exacerbated contractual precarity for all workers, and had also facilitated aggressive, unilateral managerial strategies at the level of the firm. OECD data attest to recent increases in contractual precarity in Greece. From 2010 to 2013 the OECD's assessment of strictness of employment protection for regular workers against individual and collective dismissal fell from 2.802 to 2.119, while the strictness of protection for temporary employment declined from 2.750 to 2.250.

Analogous developments were reported in Ireland. Partly as a consequence of the November 2010 EU-IMF emergency loan to the country, a number of deregulatory initiatives had been adopted by the Irish government. The reform most highlighted by interviewees was the ongoing reform of Irish Joint Labour Committees (JLCs). JLCs, institutions that set minimum terms and conditions in sectors associated with precarious work, had been reviewed by the Irish government as a condition of the emergency loan and would later be weakened by a 2012 law. Reform of JLCs, respondents from the Irish

trade union movement suggested, was likely to lead to increased precarity for workers in affected sectors. Though such an outcome was mainly linked to income precarity (an area outside this study's definition of precarious work), interviewees also associated it with heightened contractual precarity. OECD data do not reveal marked increases in contractual precarity in Ireland, however. From 2010 to 2013, the OECD's assessments of strictness of employment protection in the country's labour market remained broadly unchanged.

What accounts for the spread of precarious work?

Consistent with literature (Belev, 2003) that affirms such a link, the non-application of labour law was found to be a substantial driver of precarious work in CEE countries. As Table 2 illustrates, the informal economy was discovered to be a major source of precarious work in Latvia, and non-compliance with labour law in the formal economy emerged as a significant driver of precarious work within the cluster. Though research recognizes the existence of different forms of the non-application of labour law in CEE countries, our discovery of the extent of these particular issues in Latvia and Poland is something underemphasized in existing literature. The non-application of labour law was not found to be as crucial a driver of precaritization in other countries. Moderate to strong evidence was found in the Mediterranean cluster and Greece was particularly affected, yet the trend's influence was not quite as acute as in CEE countries. The phenomenon of labour law non-application was discovered to be less widespread in the Anglophone and conservative-corporatist clusters. Some evidence emerged in the Netherlands and the UK, yet in Germany and Ireland the extent of the practice was found to be slight.

Results also suggest immigration to be a more limited antecedent of precarious work. Although findings confirm immigrants to be a group substantially affected by labour market precarity, immigration primarily emerged as a *cause* of precarious work in conservative-corporatist countries with more elevated employment and social conditions. Some evidence was also found of the trend in Ireland, yet respondents in other countries tended not to mention the phenomenon. Though quantitative scholarship generally finds that immigration does not exert pressure on the position of core workers in developed countries, our results are not at major odds with such analysis, given that immigration's role in driving precarious work was found to be somewhat limited and occurred primarily in conservative-corporatist countries. Certain studies (D'Amuri et al., 2010; Dustmann et al., 2008) have also discovered that immigration can exert downward pressure on the terms and conditions of sections of the workforce.

While the study provides only moderate evidence that precarious work is the result of structural-demographic factors emphasized in the literature, more considerable evidence was found to support the association of precarious work with regulatory factors. One regulatory factor, generally neglected by extant literature but found to be pertinent, is the trend of 'over-regulation'. In CEE countries, elevated levels of taxation and regulation thus emerged as significant drivers of precarious work. This finding suggests that scholars might contemplate the problem of 'over-regulation' parallel to deregulation when considering precarious work's regulatory drivers.

A crucial driver of precarious work was also discovered to be the deregulatory initiatives of public authorities. This was particularly so in the conservative-corporatist and Mediterranean clusters; in these countries, consistent with the ‘dualization’ hypothesis, governmental deregulation traditionally targeted peripheral corners of the labour market and exercised a corresponding effect upon the security of such employment. Differences between these countries are also noteworthy. The importance of historic deregulation of the labour market’s periphery was particularly emphasized in Germany and Spain, while respondents placed less weight on this process in Greece and the Netherlands. In the case of the Netherlands, this might be attributed to the fact that temporary work had for decades been subject to low levels of regulation and the issue had consequently not featured heavily in recent public discourse.

The cases of the Anglophone countries also point to deregulation’s association with precarious work. Although in the UK and Ireland public deregulation was not found to drive precarity to the extent that it did in certain other countries, in the UK the ‘background’ role of neoliberalism was confirmed and the abolition of JLCs emerged as a source of precarity in Ireland. In that the liberal character of their labour markets is well attested as a cause of precarious work but was not discovered to be an immediate driver of the phenomenon, Ireland and the UK might be considered countries in which the influence of labour market liberalization is more ‘structural’.

Deregulation also emerged as an important driver of precarious work in the CEE cluster. Although this factor was not emphasized as extensively as the non-application of labour law, respondents asserted the Latvian employment ‘trial’ period and Polish liberalization of fixed-term contracts to be notable sources of precarity. Such findings validate studies that emphasize deregulation as a cause of precarious work in CEE countries (Vaughan-Whitehead, 2003), and, in that such measures targeted the labour market’s periphery, are consistent with dualization theory.

Results also confirm precarious work’s drivers to have intensified since the onset of the economic crisis. Spending cuts were thus not only discovered to have caused precarious work in the Mediterranean cluster, but also in countries as diverse as Latvia and the UK. Such cuts were not found to be as pivotal a driver of precarious work as some reports imply (Vaughan-Whitehead, 2014), yet this discovery may reflect our study’s narrower definition of precarity. Deregulatory drivers of precarious work in Europe were also found to have deepened since the onset of the crisis. In the Anglophone, CEE and Mediterranean clusters, and particularly in the latter where deregulation began to affect both permanent and temporary workers, a link thus emerged between deregulatory measures introduced specifically as a result of the crisis and escalating levels of precarious work.

Such intensification of the factors promoting precarious work undoubtedly has a partly endogenous origin, yet a further finding and one consistent with emerging research on the impact of the crisis on European labour markets (Meardi, 2014; Prosser, 2014) is that the processes that drive precarious work increasingly have an external cause. This was the case in both Greece and Ireland. In the countries, and particularly so in Greece, the receipt of EU-IMF emergency loans was thus made conditional upon the implementation of deregulatory measures. Though not fully apparent at the time of data collection, reforms implemented in Spain have also increasingly originated from external provenances.

Substantial liberalization measures, many of them particularly austere ones, were thus implemented in the country following a secret 2011 European Central Bank (ECB) letter that demanded labour market liberalization in return for ECB funding.

Liberalization or dualization?

Findings concerning the causes of precarious work beg further questions about the extent to which the liberalization and dualization approaches are consequently validated, and in conclusion the degree to which patterns across clusters conform to the two theories is assessed. Results in conservative-corporatist countries generally support the dualization hypothesis. Though in these countries immigration was found to exert moderate, generic pressure on contractual security, the discovery that precarity was primarily created through the incremental deregulation of non-standard work is consistent with the expectations of dualization theorists (Palier and Thelen, 2010; Rueda, 2007) and suggests that the coalitions that underpin dualization regimes remain unviolated. Such a process was emphasized more by interviewees in Germany, yet this might be attributed to the long-standing deregulation of temporary work in the Netherlands and the comparatively high profile of the German Hartz reforms. The relatively tardy pace of reform since the onset of the economic crisis is also conspicuous. This development, which stands in contrast to certain countries, indeed indicates that dualization regimes in the cluster are underpinned by the comparative economic success of these countries.

This is increasingly not the case in the Mediterranean cluster. Though it was found that historic efforts to liberalize labour markets in these countries had proceeded in the way anticipated by dualization theory (particularly so in Spain where deregulation of the labour market's periphery was implemented especially early), the crisis unleashed catholic pressures for precarious work. As a result of the deep recessions suffered by Greece and Spain and consequent external pressures for reform, significant deregulation of permanent employee protection thus took place in both countries and Greece was particularly affected. Not only is the external provenance of this process noteworthy and consistent with some recent arguments (Meardi, 2014), but such developments suggest that Mediterranean labour markets can increasingly be explained by the liberalization hypothesis. Because such countries have been so severely struck by crisis and their competitive position in the Eurozone is weak, their labour markets are becoming generally deregulated à la the Anglophone model. The discovery that non-compliance with labour law is a moderate to significant driver of precarious work in Mediterranean countries is also consistent with the arguments of liberalization theorists.

The case of the Anglophone cluster is nonetheless also distinct. More limited deregulatory drivers of precarious work were discovered in these countries, a puzzling finding given the reputation of Ireland and the UK for generally liberalized employment protection. The fact that significant pressures for catholic deregulation were not found (as in Mediterranean countries) reflects, we suggest, that deregulation was implemented earlier in these countries and is thus especially rooted in their business systems. The liberalization hypothesis is therefore compatible with Ireland and the UK, yet the circumstances in which their labour markets arrived at this point differ from the Mediterranean cluster and reflect the longstanding influence of liberal socio-economic regimes. Also congruent

with liberalization theory are the findings that immigration (in Ireland) and labour law non-compliance (in the UK) were moderate drivers of precarious work. The cases of Ireland and the UK are also worthy of individual remark. In Ireland, because of a deep economic crisis and subsequent EU-IMF loan, external pressures reminiscent of the Mediterranean cluster were borne upon the country. These pressures failed, however, to prompt major deregulation as in Mediterranean countries, mainly because the Irish system was already characterized by liberalized employment protection. The UK is notable for its apparent stability. No factors emerged as particularly forceful drivers of precarity in the country, a finding which, notwithstanding concerns about the effects of recent austerity measures (Grimshaw and Rubery, 2012), suggests a comparatively steady labour market regime.

Results in the CEE cluster cannot be explained unambiguously by either liberalization or dualization theory. Though structural factors such as undeclared work in Latvia or bogus self-employment in Poland were found to be important causes of precarious work in the cluster, the catholic deregulation predicted by liberalization theory has generally failed to come about and ‘over-regulation’, a phenomenon little discussed in the literature, was discovered to be a key progenitor of precarity. Measures deregulating the labour market’s periphery linked with dualization theory, namely the Latvian employment ‘trial’ period and Polish liberalization of fixed-term contracts, emerged as drivers of precarious work, yet their force was slighter than in other clusters. Findings in Latvia and Poland may thus be explained partially by the two theories, yet the cluster emerges as a hybrid case and the crisis instigated no decisive move towards dualized or liberalized labour markets. Instructive is the rather contradictory finding, unrepeated in other clusters, that both ‘over-regulation’ and non-compliance were causes of precarious work in the countries. Such results are more challenging to explain, yet the ‘transition’ nature of CEE economies and their consequent propensity to exhibit contradictory tendencies offer some elucidation.

Whatever the ambiguity of the CEE cluster, patterns in other countries point to a nascent European equilibrium. Liberalization and dualization regimes have become established respectively in Anglophone and conservative-corporatist countries, while in the Mediterranean, chiefly as a result of the recent sovereign debt crisis, there is something of a movement towards liberalized labour markets. Trends in dimensions of precarity unconsidered by the present study, such as pay, unemployment, social security and employee voice, appear to be following a similar trajectory (Standing, 2011) and deserve further investigation. The sectoral aspect of precarious work, likewise a crucial element of the phenomenon but outside this study’s remit, is similarly worthy of future research. Findings will also pique the interest of those concerned with the general development of the EU. These observers might note how labour markets in the Eurozone’s ‘core’ and ‘periphery’, as a result of the ongoing debt crisis, are increasingly gripped by asymmetrical outcomes that may in turn reinforce tensions between the regions.

Acknowledgements

I thank Edmund Heery, Marco Hauptmeier, Mark Smith, Mike Reed, Kevin Morrell, Jean Jenkins and Valeria Guarneros-Meza for comments that helped me improve this article.

Funding

The research for this article was funded by the European Commission [Tender no. VT/2010/084].

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Date submitted May 2014

Date accepted August 2015