

# What can explain the absence of precarious workers' labour protest in Germany?

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## Abstract

Germany's labour market has experienced an apparent paradox in recent years: trade union membership and labour disputes have decreased, while at the same time, working conditions have deteriorated for a considerable part of the German work force. Thus, precarious workers seem to represent a politically invisible group. We discuss three potential explanations of this observation about which standard economic theory fails to provide a comprehensive explanation. All of them are discussed within a framework that allows us to simultaneously focus on individual and institutional characteristics and their joint influence on an individual's perception of her job situation. We develop this framework combining social psychologist Albert Bandura's social cognitive theory to analyse the interplay of an individual's understanding of the institutional environment and her beliefs about personal capacities with Albert O. Hirschman's exit, voice and loyalty. The psychological perspective of individual and group reactions to adverse employment situations within a specific institutional environment has not yet been sufficiently incorporated into critical economic theory.

**Keywords:** Work precarity; labour protest; institutions; labour unions; social cognitive theory; exit, voice, and loyalty

## 1. Introduction

The German labour market has experienced an apparent paradox in recent years: trade union coverage, labour disputes and political protest concerning labour market legislation have decreased, while conditions on the labour market have deteriorated for employees in many sectors (Antonczyk, Fitzenberger, & Sommerfeld, 2010; Oesch, 2014) and while the number of working-poor and precariously employed has increased (Butterwegge, 2012; Hipp, Bernhardt, & Allmendinger, 2015). Undisputedly, the environment for employees on the labour market has changed significantly with reforms of the unemployment insurance and social security system in

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the context of the Agenda 2010 and the Hartz reforms<sup>3</sup>. Notwithstanding, employee-representing institutions such as labour unions, which are supposed to represent and defend the political interests of the workforce (Klages, 2009), suffer from decreasing membership. One explanation is that union members are most often part of the 'traditional' workforce but not so much precarious workers, who are most strongly affected by the above-mentioned reforms (Godard & Frege, 2014; Phelan, 2007; Pontusson, 2013). This goes along with the dualization thesis of work in Germany (Prosser, 2015). Nevertheless, this leaves open the question of why there has been no increase of protest activities of precarious workers.

Against this background, this paper investigates how, if at all, those who suffer the most from the Hartz reforms react to their precariousness, and how these reactions can be explained from a theoretical perspective. Do they voice protest in any form? Or do they conform? Of course, the lack of traditional labour protest does not automatically imply that they do so. Atypical, precarious and disadvantaged employed persons may express their discontent through new forms of worker representation outside the traditional unions. Research on such new forms stresses possible alternative forms such as civil society organizations and strategic alliances within the workplace. However, these theories fall short of explaining the ways of workers' reaction to work precarity (Tapia, Ibsen, & Kochan, 2015). The main interest of this paper therefore is to combine the structural and individual explanatory factors and their interaction to illustrate their mutual interaction leading to certain workers' reaction to work precarity. In particular, we investigate the relationship of precarious workers' agency in a given institutional environment. After all, the lack of visible labour protest is surprising because in historical perspective, group action as a classed agenda has been counter measure to different forms of inequality (Donado & Wälde, 2012; Hanappi & Hanappi-Egger, 2013; Ollman, 1972).

The economic literature mainly explains increasing work precarity and lacking resistance by declining union membership and labour protest, among which structural changes on the labour markets, pessimistic expectations of the benefit of union memberships in the face of decreasing real wages and internal organizational problems figure prominently. Yet, such explanations do not seem to be quite complete. Most union-related studies focus on external perspectives, researching strategic perspectives for unions and possible union policies (Schroeder, 2014). Drakopoulos and Katselidis (2014) criticise substantial shortcomings of trade union theory in economics. In particular, there is a shortage of studies investigating the precarious workers' perspective. Rational-choice based explanations cannot quite explain empirical observations, and efforts have been made to expand the theoretical background against which they are investigated. Kirmanoğlu and Başlevent (2012) question the explanation of union membership based on self-interest, putting dispositional factors and group loyalty in their place. Nevertheless, they do not address different institutional contexts in a broader sense, going beyond specific situations like being unemployed or gaining a low wage.

Our paper discusses three possible explanations of the above-described phenomenon from a both individual and institutional perspective. The aim of this address is to discuss two questions, first: how do employees conceive of their changing institutional environment and how does it shape their responses and actions? And second, why do employees under increasingly

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<sup>3</sup> For discussions of these reforms see Eichhorst (2015) and Eichhorst and Marx (2011).

precarious and unsecure working conditions not seem to organize themselves and voice complaint in a traditional manner? Union membership seems to be the most prominent channel through which precarious workers might voice complaint but not the only one.

This paper is structured as follows. Section 2 briefly defines the understanding of precarious working conditions in this paper and presents some empirical data for the German labour market. In section 3, union membership and labour protest data from Germany is presented and the main theoretical explanations from the economic literature are discussed. In section 4, we introduce Hirschman's voice, loyalty and exit theory and then juxtapose it to Bandura's social cognitive theory, concentrating on the three different components of the former theory. Doing that we aim to discuss the relationship between individual and institutional factors and thus offer an explanation of the absence of labour protest. Section 5 concludes with a discussion of the design of our empirical study that has yet to be undertaken.

## **2. Precarious employment and the German labour market**

Precarity is a multi-layered concept coming along with a series of (different) connotations. The most important features of a working or living situation which is described as 'precarious' include, across definitions, existential insecurity (Vosko, Zukewich, & Cranford, 2003) flexibility and instability of social structures (Standing 2011), as well as exploitation (Arnold & Bongiovi, 2012; Standing, 2011; Vosko et al., 2003). For some authors, the occurrence of precarity is linked with a new phase of capitalism (Arnold & Bongiovi, 2012). This is because neoliberal labour markets<sup>4</sup> are held responsible of the increasing precarization of society, as they push the demand for increasing competitiveness and the belief in meritocracy, individualism and flexibility, both nationally and globally (Standing 2011). While precarization can operate at different spheres of society,<sup>5</sup> there is a strong focus both in the academic and the public debate on the precariousness of jobs.

Precarious jobs are most often associated with atypical working conditions such as involuntary part-time employment, temporary employment – including term or contract, seasonal, casual, temporary agency, and all other jobs with a specific pre-determined end date -, own-account self-employment (a self-employed person with no paid employees), multiple job-holding, informalization and contractualization (Krahn 1991; 1995, in Arnold & Bongiovi, 2012; Vosko et al., 2003). One difficulty for identifying precarious working conditions is that neither of these characteristics is necessary nor sufficient for employment precarity. Flexibility, for example, may well be beneficial for some (Peterson & Wiens-Tuers, 2014), but precarious for others. In fact, flexibility is a frequent characteristic of precarious employment: wages are flexible as they are easily adjusted to market dynamics and business cycles; employment relations as such are flexible as employment security or protection can easily be adjusted by changes of contract type, contract duration or working hours; and the job itself is subject to high flexibility, demanding high flexibility of skills and tasks of workers who work within rapidly changing structures. At the

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<sup>4</sup> We are aware of the controversial debate about the analytical content of this concept, see Venugopal (2015). We use it here quoting from the literature on precarity without going into details of the debate

<sup>5</sup> Standing (2011) differentiates the civil, cultural, political, economic and corporate spheres.

same time, being flexible does not pay: precarious jobs usually do not contain promotion possibilities or better pay than jobs with secure contracts (Standing, 2011). Additionally, work precarity is not a sole concern of low-skilled workers only: It concerns a growing number of employees and workers from different educational and occupational levels and sectors (Häusermann, Kurer, & Schwander, 2014).

To sum up, employment precarity occurs most often in working relations that differ from the norm of a full-time, full-year, permanent paid job. All these working conditions easily compromise (feelings of) employment security and let workers exercise limited control of their labour processes and career development (Vosko et al., 2003). On the other hand, not all of these working conditions are *per se* linked with insecurity and precarity, and workers do not necessarily suffer from them involuntarily. Part time work can be chosen voluntarily, just as a person can be self-employed by free choice. This makes precise definitions and identifications of precarity difficult. Nonetheless definitions are indispensable to be able to identify processes societal or conditions. Personal assessment of whether the employment status is perceived precarious might be the way out of the scholarly terminological uncertainty.<sup>6</sup>

A further point to consider is that the employment precariat is not constituted by the traditional working class. Instead, it is a heterogeneous group from diverse educational and occupational backgrounds. The working class in general had established security of apprenticeship, working conditions, wage stability and institutionalized representation. The precarious group, in contrast, lacks all these characteristics. The commonality of precarious workers is thus a challenging and insecure work condition. As Standing (2011, p. 23) puts it: "...they all share a sense that their labour is instrumental (to live), opportunistic (taking what comes) and precarious (insecure)". And: "to be precariatized is to be subject to pressures and experiences that lead to a precariat existence, of living in the present, without a secure identity or sense of development achieved through work and lifestyle" (Standing, 2011, p. 28).

There is little controversy in the scholarly literature about the question of whether the German labour market and working conditions of a significant part of the German workforce have structurally changed over the last decades (see Eichhorst & Marx, (2011) for an overview and timeline of labour market reforms since the 1990s; see also Hipp et al., 2015). Some authors even suggest that the post-war model of social democracy is about to disappear (Bosch, 2012). Since the early 1990s, real wage changes have fluctuated between increases and decreases of around 2%, respectively. Related to this, the size of the low-wage sector has increased significantly (23.1% of all employees in 2010) (Bosch, 2012). The increase of this sector has been more pronounced in Germany than in most other EU countries (Artus, 2011). In some sectors, low wages have been implemented not only despite, but in some cases through collective wage agreements (e.g. in floristry, hairdressing, catering and gastronomy, agriculture, butchery or gardening) (Artus, 2011). Low wages typically come along with precarious working conditions: the share of low-wage workers among subcontract workers was 67.7% in 2010, and among temporary employees 46%. Working under precarious conditions is not a temporary phenomenon, since temporary or subcontract jobs do not serve as a stepping stone, enabling

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<sup>6</sup> For example, questions such as EU-SILC "reasons for working less than 30 hours" specify the state of voluntariness of working less than statutory full-time (EU-SILC, 2015).

people do catch better jobs. To the contrary: workers in precarious jobs have lower career advancement opportunities (Bosch, 2012) and face higher risks of becoming unemployed (Leschke, 2009).<sup>7</sup>

Both increasing wage inequality and structural changes on the German labour market have to be put in the context of Gerhard Schröder's *Agenda 2010* reforms (Oesch, 2014). The agenda reforms pushed atypical forms of employment and were accompanied by more and more firms quitting collective bargaining (Eichhorst & Marx, 2011). Non-standard employment has increased by 10.45% between 1996/1997 and 2011, more than in most other European countries, suggesting that nonstandard employment is steadily becoming normal and that atypical jobs are not so atypical after all (Hipp et al., 2015). Low-skilled workers are more strongly affected by non-standard employment in relative terms than in Germany (Allmendinger, Hipp, & Stuth, 2013).

### **3. (The absence of) Labour protest in Germany**

These changes on the labour markets coincided with significant amendments in collective bargaining and, in broader terms, with the role and significance of representative institutions. As Schroeder (2014) puts it, labour unions seemed to belong to the big losers of the 21st century. Likewise many other authors in the field, he suggests that labour unions need to re-invent themselves if they wish to be successful in the era of flexible capitalism.<sup>8</sup> "Trade Union Revitalisation Studies" has emerged as a stream of literature in its own right (Lehndorff, 2011). On the other hand, it should not be taken for granted that precarious workers must organize labour protest, if there is any, within unions. Other forms of protest and self-organization may arise (Tapia et al., 2015). In any event, the self-organization of precarious workers has become *the* fateful question for the renovation of the political representation of interests in our times (Holst & Matuschek, 2011).

A brief review of German union history leaves no doubt that a few years have passed since their heyday. Initially, the German Trade Union Confederation in Germany was created by the Social Democratic Party as a centralized organization. Its role as a crucial actor of a 'social partnership' developed over the 20<sup>th</sup> century. Helping in reorganizing, uplifting and stabilizing economic growth after the Second World War, the union became an embedded and institutionalized actor in the so-called social partnership model (Behrens, Fichter, & Frege, 2007; Hyman & Gumbrell-McCormick, 2013). Since the 1980s though, far-reaching changes in occupational structures and dynamics in the political-economic system have led to a de-stabilization of union power (Streeck, 2009).<sup>9</sup> Membership density was cut in half within fifteen years from 1991 to 2005. Membership

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<sup>7</sup> However, it should be noted that part-time jobs do not seem to play a crucial role for the increase of low-wage jobs. Part-time employment has remained relatively stable over the last 10 years, and about 80% of employees working part-time in Germany do so voluntarily, with an upwards tendency (Eurostat, 2015).

<sup>8</sup> Although union power has decreased considerably due to membership decline and its changed role within the institutional system, its importance as employee representation is not generally called into question. Some authors argue that unions are now even more important (see for example Turner and D'Art (2012) or Budd, Gollan, and Wilkinson (2010) for further discussions of the importance of unions and alternative forms of employee voice).

<sup>9</sup> These processes have been discussed in detail elsewhere (see Streeck (2009) for a comprehensive summary).

in the Confederation of German Trade Unions (German: DGB), the umbrella organisation of eight German unions, decreased<sup>10</sup> from 8 million in 1999 to 6.1 million in 2014.

Several explanations of this development have been discussed, both in general as well as in relation with the specific case of precarious workers. Overall, it is consensual that the increasing shares of services, knowledge economy and IT in the national production challenge the traditional role of labour unions as representatives of male workers in large industrial enterprises. If traditional union members in the Fordist production era became union members quasi-automatically – they concurred with overall political positions, saw individual gains, appreciated group membership and oftentimes regarded union membership as matter of course–, this is no longer the case, given heterogeneous working conditions and spheres (Ebbinghaus, Göbe, & Koos, 2009; Schroeder, 2014; Wetzel, 2014). Those social spheres that traditionally belonged to trade unions have vanished or decreased in size (Schroeder, 2014). While union coverage and also the coverage by wage agreements have decreased significantly, the low-wage sector increased from 15% of the employed workforce in 1995 to 24% in 2014 and subcontracted labour from 318,000 employees in 2002 to 878,000 in 2012 (Dribbusch & Birke, 2014). Jobs in the production industry decreased by 50% between 1960 and 2012 (from 48% to 24%), while jobs in services increased from 38% to 74%. Most important for this paper, workers with temporary contracts, part-time jobs and subcontract workers account for increasing shares of total employment, but are not attracted proportionally by the unions. Still, traditional workers account for 67% of union members, but only 37% of employment (Schroeder, 2014).

Further, the economic utility of union membership is nowadays less clear to many people because individual careers are more strongly determined outside union reach and because the success of unions in terms of defending real wages has been limited in comparison to earlier decades. In addition, the traditional interest in political participation has decreased, and workers hardly become members for the sake of being able to participate in policy formation processes. Finally, the union faces problems of internal organization and processes that prevented many unions from formulating progressive policies which would have helped the adaptation to changed environments (Schroeder, 2014). After all these developments, the degree of organisation in Germany is underproportional in OECD comparison. Union density and bargaining coverage fell by 16% between 1980 and 2010 (see table 1 in the appendix).

Have precarious workers chosen forms of protest outside labour union? Protest activity measured as protest work days per year suggests they haven't: While the protest rate has increased slightly in the last decade in Germany, it is still considerably small in comparison to other countries. Since 2013 the protest activity even declined (Dribbusch, 2014). In OECD comparison, German workers show considerably less protest activity. From 2005 to 2012 there have been 16 protest work days (annual average per 1,000 employees) whereas in France there have been 150, in Canada 112 and Britain 26 (Dribbusch & Birke, 2014). It has to be highlighted though that in Germany, labour protest is not permitted as an individual right per se. Unions and other institutionalized representations obtain a legal right to protest (Dribbusch & Birke, 2014). Another noteworthy observation is that the field within which the strikes took place switched from the industrial sector to the service sector, the latter accounting for 90% of strike activities

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<sup>10</sup> Of course there was an increase due to the German reunification to 11.8 million (1991).

(Dribbusch, 2014). Against this background, the next section discusses possible theoretical explanations under consideration of both individual drivers and institutional changes on the German labour market.

#### **4. Towards an understanding of the lack of protest**

Literature on voice and representation clearly states that, as the previous section has discussed, employee voice is dependent on representative institutions. In Germany these are most prominently unions, since they are legitimized by the state and organizations and are granted certain legal rights to protest, which other institutional forms of voice, such as work councils, do not have (Dribbusch & Birke, 2014). Labour protest outside the unions is hardly visible. Protest though, is not the only possible reaction to finding oneself in a precarious job situation. As Hirschman (1970) systematised, there are three possible reactions to such situations: exit, voice and loyalty. Originally Hirschman phrased his exit, voice and loyalty theory to explain potential responses of consumers to declining product quality in markets. When product quality declines, consumers can react with exit (stop buying the product), with voicing complaint or with loyalty with a certain firm or product. But it has also been applied to a variety of topics (Dowding, John, Mergoupis, & Van Vugt, 2000). The basic idea can help us think about possible reactions of precarious workers in general terms as well: First, workers may react with exit and try to escape their precarious job situation. In a narrow sense, this can only mean to look for another, less precarious job, as exiting the labour market in the sense of not offering labour supply anymore is hardly an option for most employees. Voicing protest is a second possible reaction – but it is the lack of voice that drives the interest of this paper, at least in a narrow sense. Loyalty may take the form of acceptance or adaptation to one’s precarious job situation.

##### **4.1 Conceptualising a framework**

Most of the theoretical explanations addressing worker absenteeism from union focus on individual working conditions of the individual who makes a decision about union membership in rather isolated ways. Individual working conditions are most often not placed in a larger institutional context and labour market developments from a broader perspective. Individuals are often assumed to do short-sighted cost-benefit considerations taking account of their personal working conditions, without however considering institutional labour market dynamics and politics in general or factors outside the employment relation (Tapia et al., 2015). In contrast, Streeck (2009) has argued that in order to understand a specific development, the analysis “must be placed in the context of the development of neighbouring institutions in the same society over a longer period” (p. 17). For us this means that to understand workers’ decision-making, it may not be enough to only consider an individual’s working biography, but to embed individual experiences in the context of time and space, considering reforms and changes on the labour market and how the individual perceives them. Moreover it should not be forgotten that recent structural reforms on European labour markets were in the first place reforms of the welfare state, thus also affecting questions of social protection and redistribution

(Oesch, 2014). These are major social contexts in which the understanding of decision-making processes needs to be embedded.

Against this background, this section discusses a possible theoretical approach to the investigation of individual reactions from a social-psychological perspective. Bandura's social cognitive theory states that institutional environments and individual characteristics and circumstances of an individual constantly interact in the joint production of human perceptions, preferences and choices. Bandura frames a triadic interaction between affect (feelings and thoughts), behaviour and institutional environment (1977, 1997). Thus his social cognitive theory as an integrative framework allows us to reconcile an individual's perspective of herself and the labour market context and to investigate their joint effect on an individual's perception of herself in her labour market situation. Bandura's framework assorts different psychological states into a two- dimensional space in order to create a bridge between the individual and the institutional sphere. The psychological perspective of individual and group reaction to adverse employment and institutional environment has not yet been sufficiently incorporated into critical economic research and shall therefore enrich the scholarly discussion in this field (McLeod, Schwalbe, & Lawler, 2014).

Bandura's social cognitive theory is able to capture insight from several psychological theories<sup>11</sup> and to jointly consider an individual and an institutional perspective for explaining individual behaviour. It works with two dimensions – locus of control beliefs and perceived self-efficacy – along which one can explain different behavioural outcomes (Bandura, 1995). Social cognitive theory describes human behaviour as socially embedded, dynamic and interdependent. Human behaviour is determined by the interdependencies of personal and societal aspects. Experiences from behavioural interaction adapt the traits, thus there is an on-going learning process.

Behavioural outcomes are explained along two dimensions. The first dimension, perceived self-efficacy, refers to "the conviction that one can successfully execute the behaviour required to produce [specific] outcomes" (Bandura, 1977, p. 97). This belief strictly refers to the individual's belief about her own capacity and has to be differentiated from outcome efficacy: an individual might believe that an action will lead to a specific outcome, but be doubtful about her own capacity to perform this action (Bandura, 1977). Self-efficacy is one important type of self-reflection. The second term, locus of control beliefs, goes back to Rotter (1966). It has received high attention and belongs to the most researched concepts throughout social sciences. The original term coined by Rotter was "internal versus external control of reinforcement" and referred to the degree to which a person believes that the achievement of a specific task or

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<sup>11</sup> From a psychological perspective, individuals in disadvantaged positions - such as in precarious employment - are in principle expected to aspire to improving their position, to socially engage and to connect with others (Côté, 2011). This seems to contrast with the empirical findings that many workers do not engage in any kind of collective action, even in the face of rising inequality and employment precarity. On the other hand, when people repeatedly cannot turn the situation to their advantage and do not receive sufficient and empowering motivational reinforcement on a regularly basis, feelings of disconnectedness of efforts and results likely arise which lead to passivity (Teodorescu & Erev, 2014).

outcome is contingent on individual action (how a person behaves etc.) as opposed to external factors such as luck, a predetermined destiny, powerful others or chance.

Perceived self-efficacy can be rather high or low, while locus of control beliefs can be rather internal or external. Bandura (1997) identifies four different ideal-type combinations (see graph 5). First, resignation, apathy and fatalism likely arise when low structural outcome expectancies meet low self-efficacy beliefs (1). The individual believes that in general, little can be done, and anyway personal capacities for action are low. Low self-efficacy beliefs in an individual with external locus of control beliefs, in contrast, would lead to self-devaluation, despondency, self-criticism and depression (2). Here, the individual believes that much can be achieved, but that she specifically lacks the required capacities or abilities. Productive aspirations and engagement arise in the case where an internal locus of control meets positive self-efficacy beliefs (4). Combined with low structural outcome expectancies, high self-efficacy beliefs rather lead to grievance, protest and social activism (3).

[place figure 1 about here.]

As can be seen here, the individual and the institutional sphere cannot be separated in the sense that they mutually influence each other. In words of Wrenn (2014, p. 2), “the interdependence of agent and structure must be acknowledged while also recognising the simultaneous independence of each”. Against this background, the following paragraphs discuss the implications of this framework for the lack of employee resistance to work precarity. The essential point of our argument is that the structural changes of labour markets and welfare systems in most Western countries over the last decades has provoked a gradual shift of locus of control beliefs and perceived self-efficacy.

## **4.2 Explanation 1: Self-devaluation and systems loyalty**

A first possible explanation of the lack of labour protest is that precarious workers might be located in field (2) of figure 1: they may blame themselves rather than system logics and devaluates themselves, but be “loyal” with the labour market as such.

The liberalisation of labour markets and retrenchments of the welfare states as described above can be put in the even broader context of a “neoliberal narrative” (Wrenn, 2014). Deregulation and privatisation come along with a “central ideological construct – that of hyperindividualism” (Wrenn, 2014, p. 3). The individual and her self-realization have gained importance at the same time as the individual had to assume ever larger responsibility over her life. Hartz VI reforms in Germany are based upon the idea of *Fördern and Fordern* (support and demand), eroding the idea of a social system of protection to the benefit of incentives for self-responsibility. “Under this conceptualisation of agency”, Wrenn (2014, p. 4) writes, “all inequalities, misfortunes and tragedies are surmountable and dependent wholly on the action of the individual regardless of her social context”. Broadly speaking, in our individualistic times, “the locus of control is the individual exercising agency through (free) market operations” (Wrenn, 2014, p. 3).

The argument set forth here is that the structural changes in labour markets and welfare systems in Germany over the last decades have provoked gradual shifts in locus of control

beliefs, as held by individuals and as discussed in the public discourse. In the context of deregulation and disorganization of the German political economy, Streeck observes an increase of “strategic individualism” (Streeck 2009, p. 96). Structural and institutional changes have alienated the German political economy from “centralized authoritative coordination and control toward dispersed competition, individual instead of collective action, and spontaneous, market-like aggregation of preferences and decision” (Streeck, 2009, p. 149). These changes imply greater individual freedom of choice and autonomy on the one hand – but greater individual responsibility of failures, problems and conflicts and greater pressure on the other one.

And if the locus of control is the individual, how could the political sphere be held responsible of precarity? The public discourse of individualization divides groups into individuals and creates a sense of personal responsibility of one’s socio-economic position, fostering an individual perception of high control beliefs with low individual self-efficacy (Jones, 2011; Michaels, 2006, 2008). In contrast, the arousal of protest would require that individuals question that their precarious situation *not* be the consequence of broad systemic changes.

Besides external locus of control beliefs, the occurrence of employee resistance such as protest or organization requires rather high self-efficacy beliefs: the individual must believe that she is able to carry out specific actions successfully (van Stekelenburg & Klandermans, 2013). Self-efficacy in this context comprises the expectancy that the necessary strength, chance or knowledge is available to the person or group, thus that she has enough power or control to engage in active behaviour (Bandura, 1995; van Zomeren, Postmes, & Spears, 2008). In the context of precarious work, these self-beliefs concern the individual capacity to perform well at work. Only if a person does not doubt of her capacities and abilities, she will not blame herself for the lack of success. If in turn a person believes that she is not promoted and given a permanent contract because of her low abilities at work, protest is unlikely to arise.

The specific situation of holding a precarious job in a society where individualism is strongly propagated *per se* poses some challenges to high work-related self-efficacy beliefs: how to reconcile precarious working conditions if good jobs are – allegedly - available as soon as the individual is qualified and hard-working enough? “Put simply, feeling like a failure in the labour market may lead to feelings of incompetence with regards to politics” (Emmenegger, Marx, & Schraff, 2015, p. 193) and, of course, to labour market qualifications as such. Automatically, finding oneself in a precarious working environment must lead to blame environmental and/or individual factors. If it is not the environment – and the former paragraphs have argued that in an increasingly individualist society, it is not straightforward to hold societal structures responsible –, then it will be difficult for an individual to uphold high self-efficacy beliefs. More specifically, this can mean that an individual believes that hard work is rewarded, but that she is not working hard enough herself; that high qualifications are rewarded, but that she herself is not well-qualified/ able to reach high specifications etc. Social psychologists have found that low status groups frequently view higher status groups favourably, maintaining ideologies justifying inequalities (Hunt, 2014).

Standing (2011) describes that being treated this way the precariat experiences forms of anger, anomie, anxiety, and alienation. Frustration leads to anger. Flexible employment goes hand in hand with unstable relationships, structures and networks. Career perspectives vanish; feelings

of defeat may lead to anomie. Anxiety results from insecurity and fear, and people may easily experience alienation from protection and belongingness to social groups. This all inevitably leads to lack self-esteem. In turn, lacking self-esteem and desidentification with social and work related groups lead to self- devaluation and passivity (Bandura, 1997). Obviously these individualizing dynamics prevent individuals from evaluating challenges such as employment precarity on an institutional level and addressing them in form of group resistance.

### **4.3 Explanation 2: Exit, extreme party voting and apathy**

Research on political preferences and voting behaviour in political sciences has produced insightful empirical and theoretical work based upon Hirschman's exit option (Hirschman, 1970). The main implication for the interest of this paper is the idea that workers may exit the "conventional" political system, in which protest is carried out through manifestations and strikes, and instead take their dissatisfaction outside the traditional political system by joining anti-establishment movements such as right-wing parties. Such movements have recently enjoyed increasing support throughout many European countries (Amable, 2003).

Emmenegger et al. (2015) investigate the electoral behaviour of German employees working under disadvantaged labour market conditions. They contrast three types of expected behaviour - political alienation, redistribution preferences and insider-outsider politics - and investigate how labour market disadvantage leads to pro-redistribution parties, vote abstention or support for political parties. The latter two are quite interesting for this paper, as vote abstention or support for political parties can be interpreted as reflecting two different ways of exit (vote abstention) or voice (support for specific parties), similar to labour market resignation (exit) or labour protest (voice). Very much in line with our approach presented in the previous section, Emmenegger et al. (2015) analyse the role of internal and external political efficacy for mediating the behavioural outcomes. Internal efficacy is the "subjective ability to make meaningful political decisions", where external efficacy refers to the "subjective responsiveness of political elites to citizens' demands" (Emmenegger et al., 2015, p. 193; see also Balch (1974), and Lane (1965).

These concepts very much resemble locus of control and self-efficacy: internal political efficacy reflects the individual's self-efficacy with regards to the political sphere, and external efficacy refers the corresponding locus of control beliefs: to what extent are political events contingent on the individual's action, or, to what extent is the individual able to make herself heard in the political arena?<sup>12</sup> Emmenegger et al. (2015) find that labour market disadvantage depresses locus of control beliefs (external efficacy, in their framework) because disadvantaged workers are underrepresented in the political arena. This in turn may result in abstention (if there is no protest party) or protest voting (if there is a party). In other words, disadvantaged workers are located in fields (1) or (3) of figure 3. For the authors, the exact outcome is determined by the

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<sup>12</sup> This re-formulation allows us to think of political efficacy in terms of Bandura's framework, which bears a major advantage. Political scientists have found that both internal and external political efficacy are "strong predictors of turnout" (Emmenegger et al., 2015, p. 193; see for instance Acock et al., 1985 or Ulbig and Funk, 1999). However, the interaction of both dimensions has not been developed such as in Bandura's framework. We think that political scientists would benefit from interpreting the concepts of internal and external political efficacy in this interactive sense.

availability of protest parties. If there is no party or channel that allows disadvantaged workers to voice protest, vote abstention is likely to result. For the question of this paper, this means that an external locus of control precludes workers from protesting, all the more if labour unions do not represent their interests. Unfortunately, internal and external political efficacy are interpreted as two different dimensions without interaction. If low internal efficacy dominates, following Emmenegger et al. (2015), abstention is even more likely. In Bandura's framework, the dimensions do not dominate each other, but determine behaviour in interaction with each other. It is thus highly plausible that low self-efficacy makes workers end up in apathy rather than in protest. Although the behavioural outcome for Emmenegger et al. (2015) is voting behaviour and not labour protest, the channels of argumentation are very much compatible.

If no (extreme) political party is available as a channel for voicing one's discontent (and if no other alternative channel is available either), a possible result out of the combination of external locus of control beliefs and low self-efficacy is resignation and apathy: It is clear that things are going wrong on the labour market, but nothing can be done about it. Precarious workers may either feel too powerless to challenge system logics, or be simply so much absorbed by their work - often by various employments, high insecurity and so forth - that no resources are left that may be dedicated to organizing protest (Emmenegger et al., 2015).

By the same token, it is consensual in social psychology and organisational studies that less favourable working conditions come along with less positive psychological attitudes and worsened mental (as well as physical) health (DiTomaso & Parks-Yancy, 2014). Work alienation is a prominent result among negative consequences of precarious work conditions. Work alienation as a construct was more associated with structural predictors in traditional theory whereas in more recent theories work alienation is a result of individual characteristics such as low self-efficacy beliefs (Chiaburu, Thundiyil, & Wang, 2014, p. 24). The most prominent conceptualisation of this term stems from Seeman who defined alienation as a result of feeling powerless about controlling the environment (low locus of control belief), meaninglessness of work results, normlessness (traditional work conditions disappear), isolation (feeling of being isolated of the perceived belonging group), and self-estrangement (resulting from unrewarding work conditions) (Seemann, 1959 in Chiaburu et al., 2014, p. 24). The central definition is thus separation from other subjects and objects (Chiaburu et al., 2014; Shantz, Alfes, Bailey, & Soane, 2015). Alienation is predicted by both individual and contextual factors (Chiaburu et al., 2014, p. 32).

### **4.3 Explanation 3: Lack of dissatisfaction**

For the sake of completeness, we may consider field (4) of figure 1: Maybe precarious workers simply see no reason to protest. This argument has been made in the literature, contrasting precarious workers who are at least labour market insiders with unemployed people, understood as the true outsiders. The German labour market with its structural changes of the Agenda 2010 and the Hartz reforms has led to a dualization of work, which has separated the workforce into insiders and outsiders. Corbetta and Colloca (2013) argue that precarious workers themselves as an outsider group can be further separated into insiders and outsiders. The

precarious outsiders are the unemployed. They are not only employment-wise but also politically alienated. They are often not linked with relevant institutions and are disillusioned regarding collective action. As a consequence they flinch into the private sphere. Thus they show a classical reaction to mass unemployment and hopelessness known from studies such as Marienthal (Jahoda, Lazarsfeld, & Zeisel, 2002 [1971]). They tend to interpret inequality as a personal failure rather than as resulting from a systematic cause and remain loyal to the system in the sense that they blame themselves for their disadvantaged situation (see 4.1).

In contrast temporary employed workers are more absorbed by their work itself. They perceive themselves as part of the labour market and are hopeful to slide from temporal work to a permanent employment position. As they perceive themselves as part of the workforce, they also see themselves in some way linked to its collectivity and networks (Corbetta & Colloca, 2013). This work suggests the hypothesis that there is probably no protest because precarious workers do not see reasons for protest, since there is hope involved that they might regain a permanent employment situation and thereby achieve a “normalization” of their social position. Productive aspirations are located in field (4) in figure 1: this group still has a sense of an internal locus of control belief and internal self-efficacy beliefs (Corbetta & Colloca, 2013; Lindvall & Rueda, 2014). Of course, should such a situation turn out to be a valuable explanation of the observed lack of protest in Germany or elsewhere, it does not necessarily last forever. Hirschman’s tunnel parable (1973) has described how hopes of upward-mobility may be maintained by disadvantages parts of a population for some time, but turn into dissatisfaction and protest when it turns out after a while that their hopes are not becoming reality.

## **5. Discussion and conclusive remarks**

Our aim in this paper is to provide insights about the mechanisms that lead to the absence from unions and labour protests of employees in precarious work environments, jointly from an institutional and individual perspective. We have argued that the bulk of research of this topic has not been able to provide insightful analysis because of the prevailing adoption of isolated perspectives. The previous sections have outlined the reasoning behind our argument that the perception of the own employment situation and position in the working collectivity as well as the working environment in broad terms are highly influential for how employees perceive their self-efficacy and locus of control and how this channels their reaction to their working environment. Our argument connects to previous research from several disciplines in various ways.

Recurring to research from the fields of economics, industrial relations, political and organisations studies as well as from sociology and psychology, we have developed several hypotheses about the lack of precarious labour protest in Germany. Germany has undergone substantial institutional changes on the labour market as well as in the welfare state more generally, which impact not only singular aspects of working conditions, but also the institutional structures of labour markets and social welfare institutions as a whole. We included these developments in our investigation when asking how workers conceive of their working environments in this specific context and how they may conceive of the benefits and possibilities

labour protest. We recurred to Bandura's social cognitive theory to connect the individual and the structural level. Under consideration of the significant structural changes, comprising public discourses, of labour markets, welfare states and the role of the individual therein, we are able to make sense, at least at the theoretical level, of individuals in precarious working conditions who do not protest but rather struggle to go on. The main argument set forth is that the structural changes over the last decades (in short, deregulation and flexibilization in many regards) have provoked gradual shifts in locus of control beliefs, holding the individual responsible of her success on the labour market – rather than social structures. At the same time, in a world where “everything is possible”, societal emphasis on the individual makes it harder for individuals under precarious conditions not to have doubts about their capacities rather than to criticise social structures. People with precarious jobs may be let to believe that if they worked harder and better, they may eventually move up the social ladder, disguising structural mechanism at work.

As this paper is conceptual in nature, the theoretical framework set forth here needs to be empirically examined. Future research following up on this theoretical discussion needs to conduct a specific empirical study which combines self-efficacy beliefs, locus of control beliefs and structural variables such as union membership, type of employment position and institutional environment. We are currently collecting original data to complete this paper with an empirical analysis in the near future.

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Figure 1: Interplays of locus of control beliefs and perceived self-efficacy

		locus of control beliefs	
		external ----- internal	
perceived self-efficacy	low	Resignation, apathy (1)	Self-devaluation, self-criticism, depression (2)
	high	protest, grievance, social activism (3)	high aspirations, productive engagement (4)

Source: own representation based on Bandura (1997)

Table 1: Union density and bargaining coverage in several OECD countries, 1980-2010

	Union density in percent		Bargaining coverage in percent	
	1980	2010	1980	2010
Germany	35	19	78	62
Denmark	79	68	72	80
Sweden	78	69	85	91
Austria	57	28	95	99
Belgium	54	52	97	96
The Netherlands	35	21	79	82
France	18	8	85	90
Italy	48	33	85	80
UK	51	27	70	33
USA	22	11	26	13
Japan	31	19	28	16

Source: adapted from Visser (2011) in Hyman and Gumbrell-McCormick (2013, p. 56)