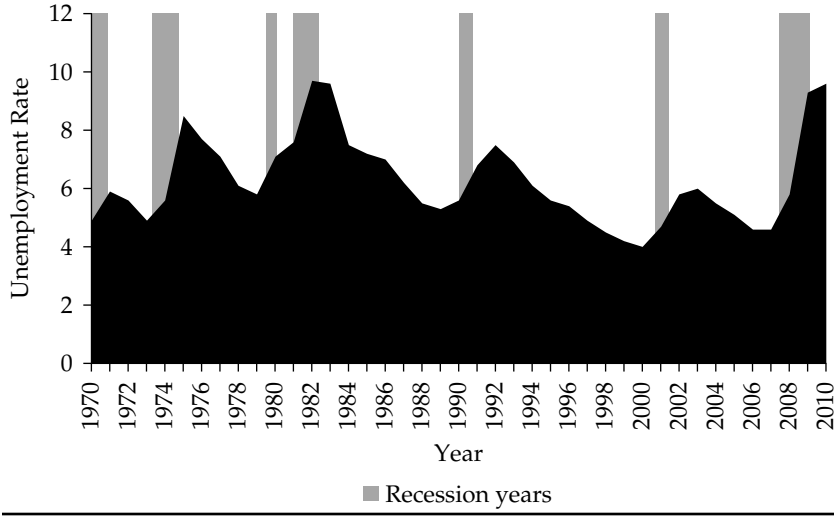
Figure 1.1 Unemployment Rates and Recessions, 1970 to 2010



Sources: Author's compilation based on data from the following: Unemployment rates from U.S. Department of Labor (2011); recessions from National Bureau of Economic Research (2010).

"two Americas" that differ widely in their life chances and political attitudes and preferences. The economist Richard Freeman (1997, 3) warned of an emerging apartheid economy in the late 1990s:

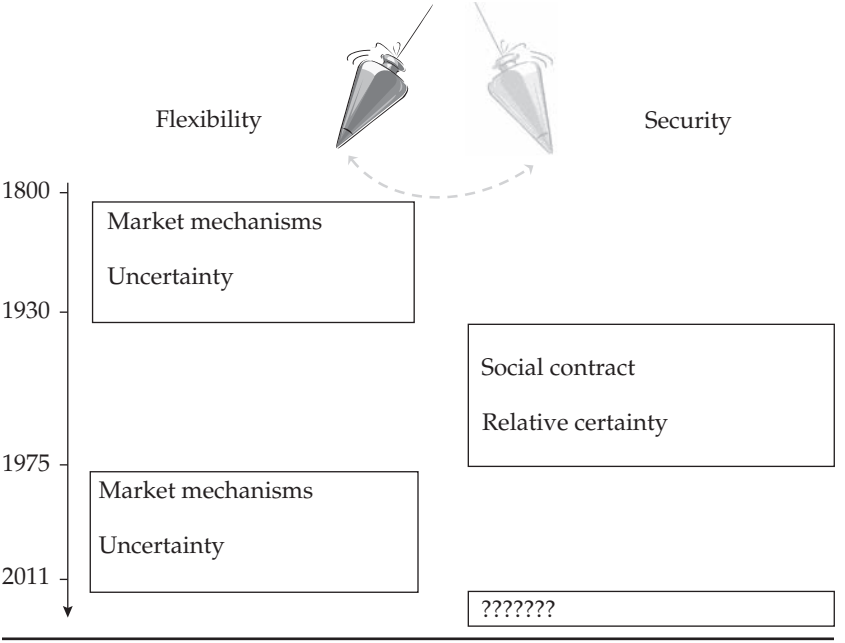
> Left unattended, the new inequality threatens us with a two-tiered society . . . in which the successful upper and upper-middle classes live fundamentally different from the working classes and the poor. Such an economy will function well for substantial numbers, but will not meet our nation's democratic idea of advancing the well-being of the average citizen. For many it promises the loss of the "American dream."

Chapters 6 through 8 summarize the consequences of polarized employment systems on several key components of job quality: economic aspects of jobs, such as wages and fringe benefits (chapter 6); noneconomic benefits, such as the control people have over their work activities and the extent to which they are able to obtain intrinsic rewards (chapter 7); and how hard people work and their control over work schedules (chapter 8). Chapter 9 summarizes some of the evidence on changes in overall job quality as represented by the concept of job satisfaction, the most commonly studied indicator of the overall quality of jobs.

social protections. One side of this double movement was guided by the principles of economic liberalism and laissez-faire that supported the establishment and maintenance of free and flexible markets (that is, the first Great Transformation in the nineteenth century). The other side was dominated by moves toward social protections that were responses to the psychological, social, and ecological disruptions that unregulated markets imposed on people's lives. The long historical struggle over employment security that emerged as a reaction to the negative consequences of precarity in the United States in the early part of the twentieth century ended with the victories of the New Deal and other social and economic protections in the 1930s that were solidified in the postwar Pax Americana employment systems.[14]

Figure 2.1 illustrates this pendulum-like "double movement" between flexibility and security over the past two centuries: the spread of free, flexible markets in the nineteenth and early twentieth centuries led to demands for greater social protections and security in the 1930s (and

Figure 2.1 The "Double Movement"



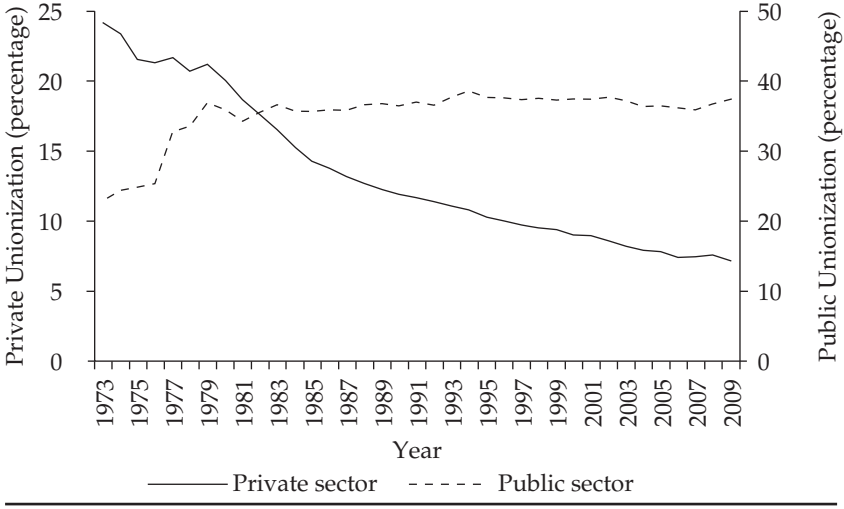
Source: Kalleberg (2009), printed with permission of the American Sociological Association.

arrangements in relation to employers. There has been a fairly steady decline in the percentage of labor force members belonging to unions since the 1950s.[44] Figure 2.2 shows the trends in union membership since the early 1970s by public and private sectors. The decline in unionization has been concentrated in the private sector of the economy: the percentage of union members in the public sector first exceeded union density in the private sector in 1974; union membership in these two sectors has become increasingly polarized since then.[45]

The decline of union membership and power in the United States occurred concomitantly with the breakdown of the postwar institutional labor market structure (the capital-labor accord discussed earlier), which began to unravel in the late 1970s. By the mid-1980s, scholars began identifying a significant change in the U.S. system of collective bargaining and industrial relations that reflected "deep-seated environmental pressures that had been evolving quietly for a number of years" (Kochan, Katz, and McKersie 1986, 4). In place of the collective bargaining system of the postwar period, they pointed to the rise in the 1980s of an alternative, nonunion human resource management system.

The continued decrease of union density in the private sector is intimately related to the macrostructural forces described earlier in this

Figure 2.2 Trends in Unionization, Public and Private Sectors, 1973 to 2009

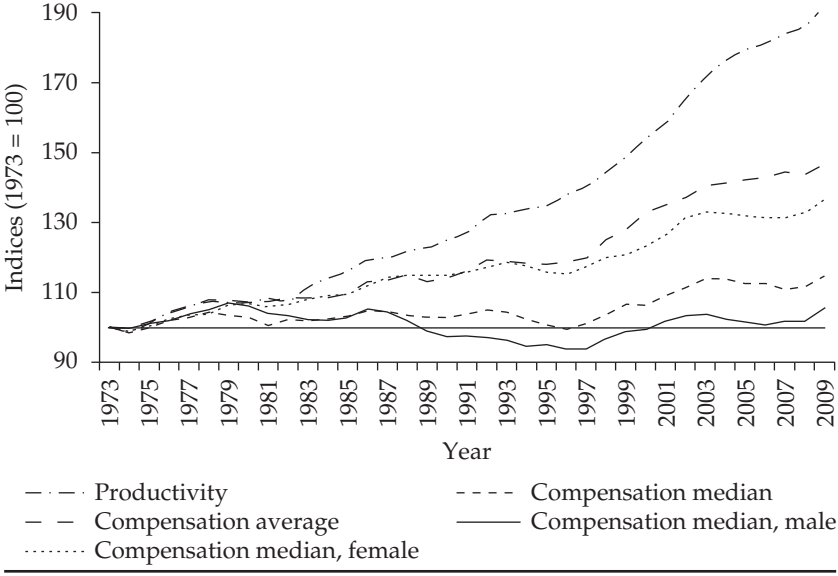


Sources: Author's figure based on Current Population Survey data from Hirsch and McPherson (2010) and Rosenfeld (2010).
Note: Rosenfeld provides 1982 estimates by averaging 1981 and 1983 rates.

just as much at risk as their frontline counterparts. The more important division in the workplace that has emerged in recent years is between the top executives and everyone else.

The relative decline in worker power is reflected in the growing gap between company profits and employee compensation; whereas wages and productivity both grew in the postwar period, creating a strong middle class in the United States, the profits of organizations have not been shared with America's working families since the 1970s.[53] Despite the strong productivity growth in the United States during this period, economic compensation—including wages and employer-provided health benefits—has not kept pace for nonsupervisory workers and, in some cases, has declined, unlike the situation with the postwar social contract.[54] The disjuncture between employers' and employees' interests is illustrated in figure 2.3, which shows that the gap between productivity and compensation began to widen in the late 1970s and has grown ever since. Indeed, the 2000s have seen a historically large gap between productivity growth and compensation.

Figure 2.3 Productivity and Hourly Compensation Growth, 1973 to 2009

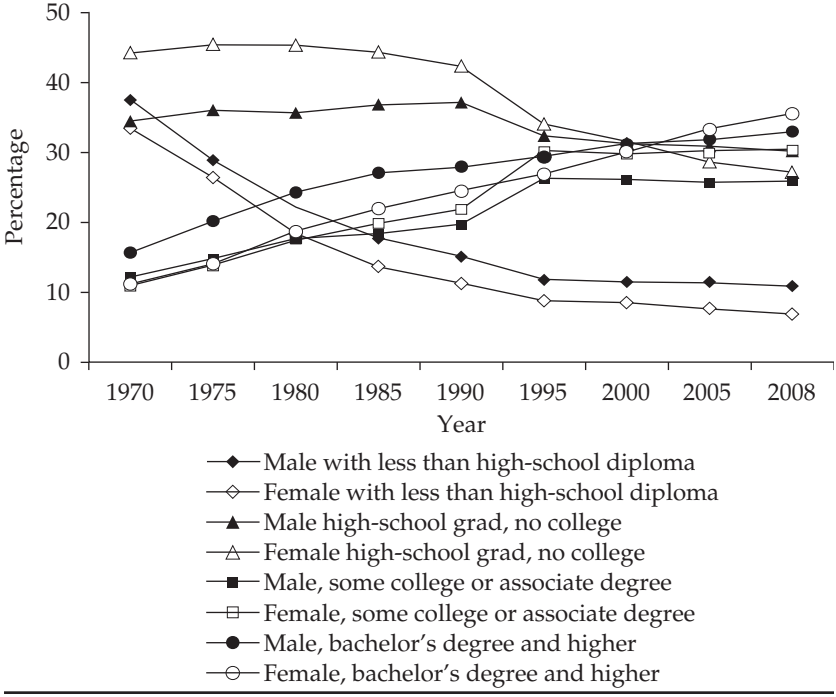


Source: Author's update of Mishel, Bernstein, and Shierholz (2009), figure 3O. Used with permission of the Economic Policy Institute.

Education

The educational level of the labor force in the United States has steadily increased over the past thirty years, a continuation of a trend over the course of the twentieth century that saw the average American's level of schooling almost double.[2] Figure 3.1 shows the growth in the percentages of men and women in the workforce with some college education as well as those with a college degree or more, in comparison with the decline in workers who had a high school education or less. The percentages of men and women who have at least a college degree increased from 16 and 11 percent in 1970 to 33 and 36 percent in 2008, respectively. By contrast, the percentages of men and women with less than a high school diploma decreased from 38 and 34 percent in 1970 to 11 and

Figure 3.1 Educational Attainment of the U.S. Labor Force, 1970 to 2008 (Age Twenty-Five to Sixty-Four)



Source: Author's figure based on data from U.S. Department of Labor (2009).

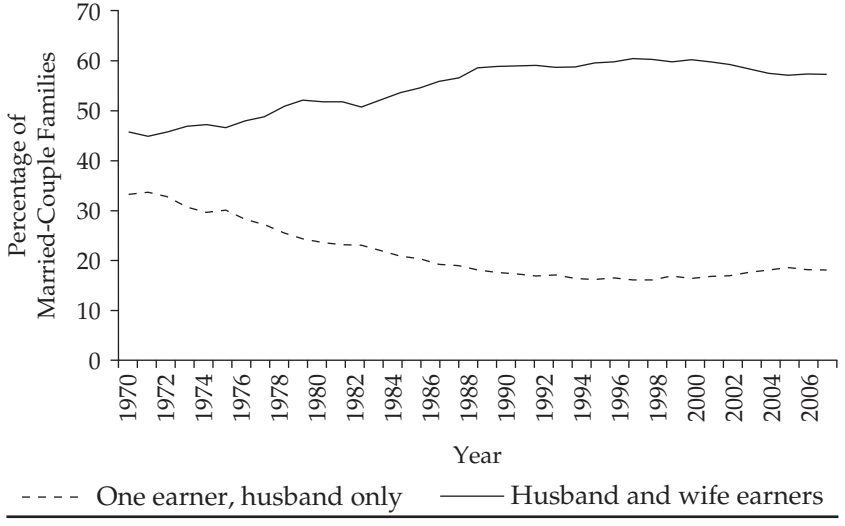
responsibilities. However, the percentage of part-time workers who are women does not appear to have increased much during the past thirty years.

There is also considerable inequality in job rewards by educational groups *within* genders, and this within-group inequality is complex; for example, Leslie McCall (2001) demonstrates that labor market characteristics such as insecurity and casualization have different effects on the gap between college-educated and non-college-educated women than on the gap between these groups for men.

Dual-Earner Families

The growth in women's labor force participation has had important effects on the structure of families and family dynamics. The proportion of dual-earner couples in the labor force increased since the 1970s, as did the labor force participation of women with children. Figure 3.2 illustrates the decline over this period in the traditional "male breadwinner–female homemaker" model (in which the husband is the sole breadwinner) that was dominant in the United States during the post–World War II period[11] and the rise in married couples (in which both husband and wife work)

Figure 3.2 Dual- Versus Single-Earner Families, 1970 to 2007



Source: Author's figure based on data from U.S. Department of Labor (2009, table 23). Married-couple families by number and relationship of earners, 1967–2007.

Table 3.1 Demographic Characteristics of the U.S. Labor Force, 1950 to 2050

	1950	1980	2000	2020	2050
Labor force (thousands)	62,208	106,940	140,863	164,681	191,825
Total labor force participation rate, age sixteen and older	59.2	63.8	67.2	65.1	61.5
Men					
Percentage of labor force	70.4	57.5	52.4	51.9	52.3
Labor force participation rate	86.4	77.4	74.7	70.3	66.8
Women					
Percentage of labor force	29.6	42.5	46.6	48.1	47.7
Labor force participation rate	33.9	51.5	60.2	60.3	56.6
Race					
White					
Percentage of labor force	—	87.5	83.5	79.5	74.9
Labor force participation rate	—	64.1	67.4	65.0	61.4
Black					
Percentage of labor force	—	10.2	11.8	13.3	14.1
Labor force participation rate	—	61.0	65.8	65.0	59.8
Asian and other					
Percentage of labor force	—	2.3	4.8	7.3	10.9
Labor force participation rate	—	64.6	66.5	66.4	64.9
Hispanic origin[a]					
Percentage of labor force	—	5.8	10.9	16.0	23.7
Labor force participation rate	—	64.0	68.6	67.9	63.8

Table 3.1 (*Continued*)

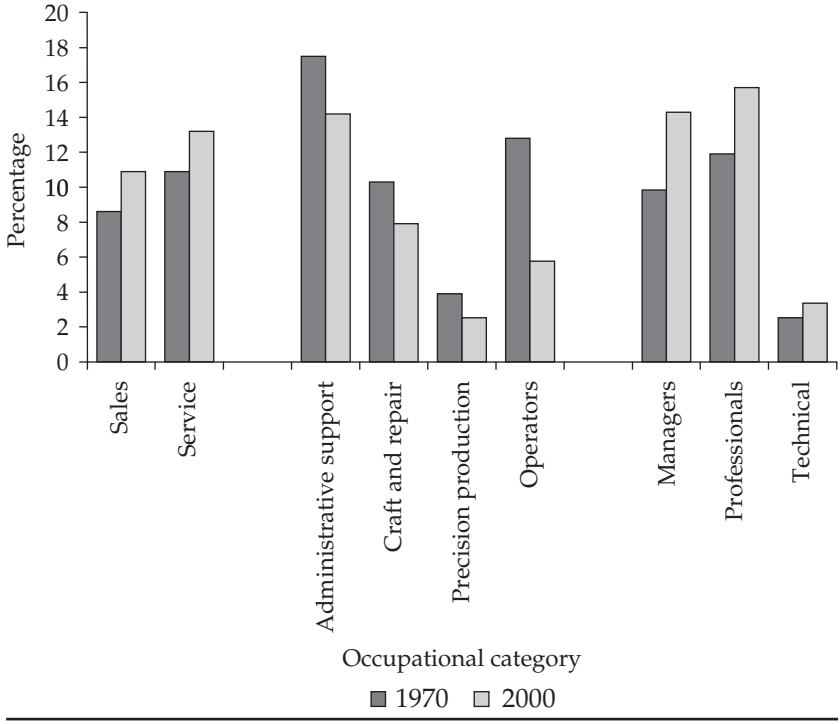
	1950	1980	2000	2020	2050
Age					
Sixteen to thirty-four					
Percentage of labor force	42.0	51.0	38.6	38.6	39.3
Labor force participation rate	61.9	74.0	75.7	77.8	76.7
Thirty-five to fifty-four					
Percentage of labor force	40.8	35.0	48.5	41.1	41.9
Labor force participation rate	67.0	77.6	83.8	85.3	84.9
Fifty-five and older					
Percentage of labor force	17.2	14.1	12.9	20.3	18.8
Labor force participation rate	43.0	32.8	32.3	36.3	30.2

Source: Author's reproduction of Toossi (2002, tables 3 and 4).
[a]Persons of Hispanic origin may be of any race. Percentages of whites, blacks, and Asians or other add up to 100 percent (deviations from this due to rounding).

By contrast, labor force participation rates of men have decreased significantly over this entire period.[6] The labor force participation rate of men in their prime working years peaked at 96 percent in 1953 and decreased to 86.4 percent in June of 2008. The explanation for the decline in labor force participation (for both men and women) in the last part of the first decade of the twenty-first century was the downturn in the economy, not women staying home to raise their children.[7]

There are a number of reasons for the increase in female workers, including the growth in families headed by women, due in part to greater divorce rates; the decline in the birth rate; the increasing educational attainment of women; the availability of jobs in the service sector and in white-collar occupations; and the stagnation of wages for men, which made it difficult for one wage-earner to support a family. In addition, political policies in the United States—such as the replacement of welfare by workfare programs in the mid-1990s—made it essential for people to participate in paid employment, often forcing them into low-wage jobs. Women composed a large portion of workers entering the labor force during this period.

Figure 4.1 Occupational Distributions in the United States, 1970 and 2000



Source: Author's calculations based on data from 1970 and 2000 U.S. Censuses (Ruggles et al. 2010).

quality: on the left side of the graph are occupations generally regarded as those with the lowest-quality jobs (which have expanded from 1970 to 2000); occupations with medium-level job quality (which have declined in size) are located in the middle; and on the right side are occupations with by and large the highest-quality jobs (which have also increased in size). This pattern has continued in the post-2000 period, with jobs growing at both the top and bottom of the occupational structure.[11]

This figure illustrates the polarization of occupations—that is, the expansion of occupations at the top and bottom of the occupational hierarchy and the decline of those in the middle. Occupations that are generally regarded as good jobs, such as managers and professionals, have grown; there has also been an increase in poorly rewarded sales and service occupations. On the other hand, there has been a decline of many of the middle-class occupations of yesteryear that used to provide relatively steady, moderate earnings while requiring relatively little skill

Table 4.1 Models of Labor Utilization (1996 National Organizations Survey)

Flexible Staffing Arrangement	Number of High-Performance Work Practices					*N*
	0	1	2	3	4	
No[a]	76	75	25	12	2	190
Yes[b]	146	91	154	70	18	479
Total numbers of establishments (weighted)	222	166	179	82	20	669

Source: Adapted from Kalleberg (2003), with permission.
[a]Establishments use only full-time or only full-time and part-time workers.
[b]Establishments use full-time or part-time workers along with some combination of direct-hire temporaries and employment intermediaries.

Additional evidence about the popularity of the core-periphery model is provided by the fact that over half of the managers who responded to this survey said that they "agreed" or "strongly agreed" with the statement, "Your human resource management strategy divides the workforce into permanent and nonpermanent employees."

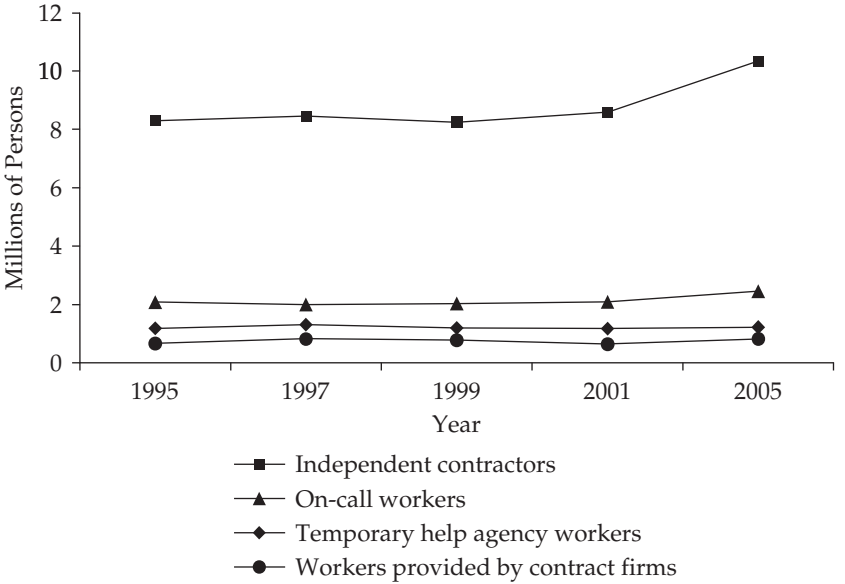
The Polarization of Employment Relations: Standard Versus Nonstandard Work Arrangements

The polarization between organizations that have adopted high-road and low-road labor market strategies is paralleled at the individual, micro level by the divergence between standard employment relations enjoyed by regular, "permanent" members of the organization's core and the nonstandard employment arrangements for temporary and peripheral workers.[38]

Nonstandard work arrangements depart from standard employment relations in several ways: administrative control over the employee is often maintained by another organization (such as a temporary help agency or contract company), and there is no norm of continued employment with the employer. Nonstandard work arrangements include temporary and contract work, involuntary part-time work, self-employment, and independent contracting. These arrangements are often equated with work that is "contingent" on the employers' needs and preferences.[39]

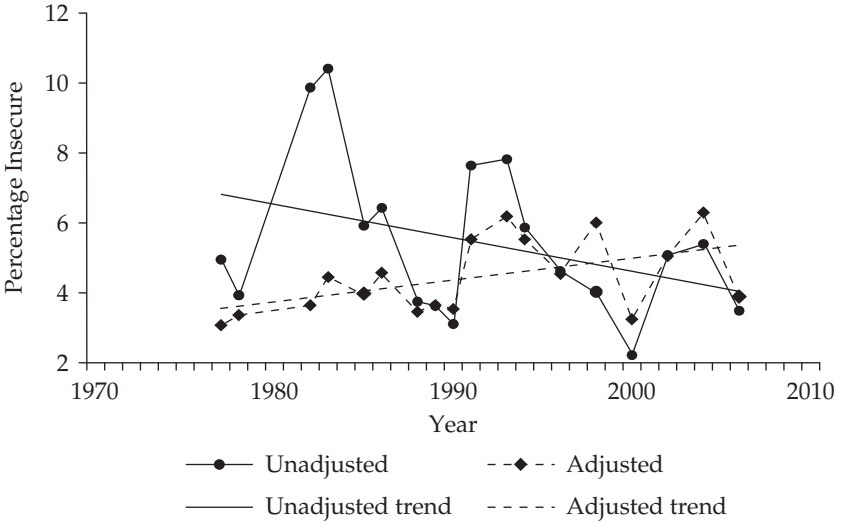
The growing use of nonstandard work relations has fueled a rising division between organizational insiders in the core and outsiders in

Figure 5.1 Trends in Nonstandard Employment Relations, 1995 to 2005



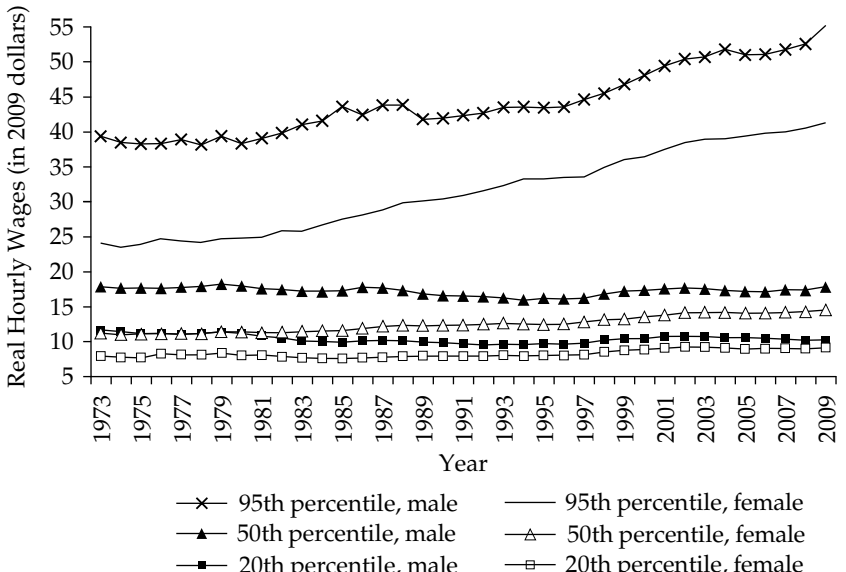
Source: Author's compilation of data from U.S. Department of Labor (1995, 1997, 1999, 2001, 2005).

Figure 5.2 **Trends in Overall and Adjusted Perceived Job Insecurity, 1977 to 2006**



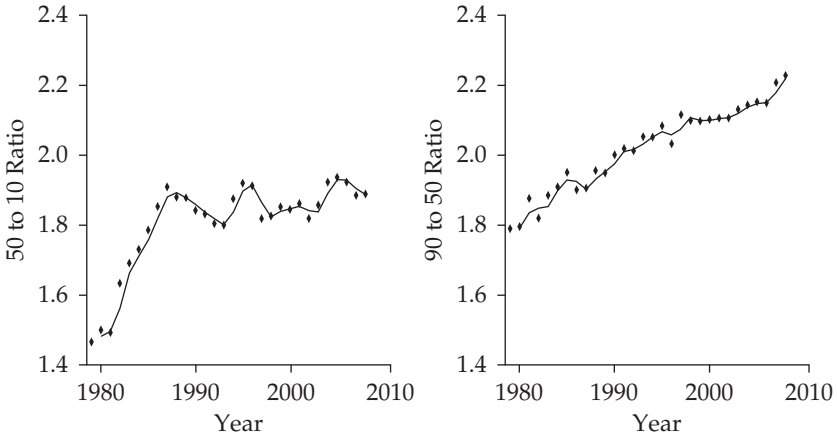
Source: Author's compilation of data from General Social Surveys (Davis, Smith, and Marsden, 2009).
Note: Adjusted for unemployment and labor force characteristics.

Figure 6.1 **Wages for 20th, 50th, and 95th Percentiles, 1973 to 2009, for Men and Women**



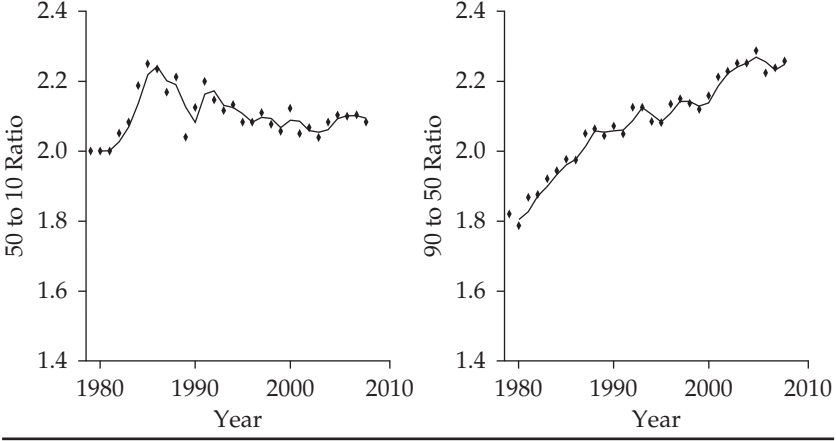
Source: Author's figure based on data from Mishel, Bernstein, and Shierholz (2009, tables 3.6 and 3.7). Used with permission from the Economic Policy Institute.

Figure 6.2 Change in Wage Inequality from 1979 to 2008, Women



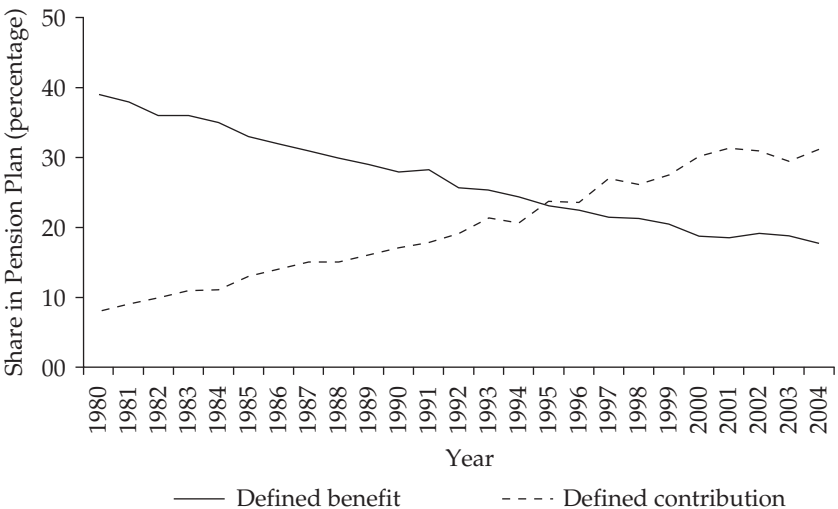
Source: Author's calculations based on data from Current Population Surveys (National Bureau of Economic Research, various years).
Note: Bandwidth = .4.

Figure 6.3 Change in Wage Inequality from 1979 to 2008, Men



Source: Author's calculations based on data from Current Population Surveys (National Bureau of Economic Research, various years).
Note: Bandwidth = .4.

Figure 6.4 **Share of Pension Participants in Defined-Contribution and Defined-Benefit Plans, 1980 to 2004**



Source: Figure is reproduced from Mishel, Bernstein, and Shierholz (2009, figure 3J), used with permission from the Economic Policy Institute.

Figure 6.5 **Good Jobs and Bad Jobs over the Business Cycle as Percentage of Total Employment, 1979 to 2006**

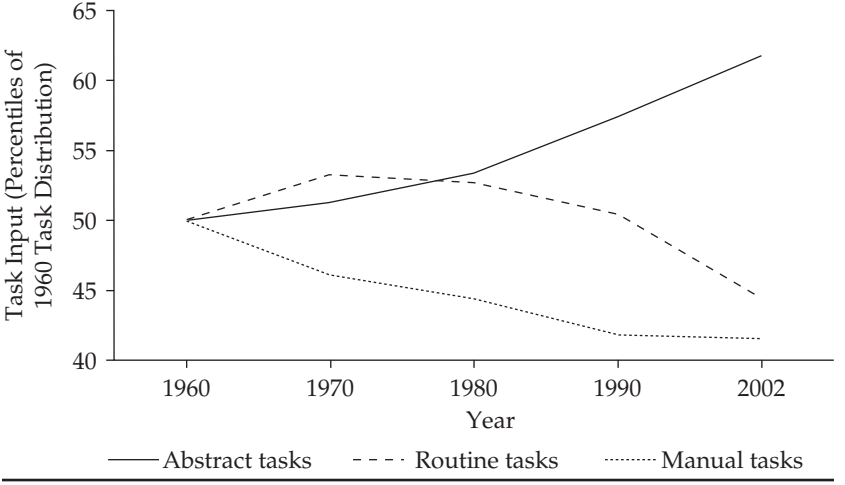
Source: Author's figure based on data from Schmitt (2007, table 1).

Table 6.1 Top Ten Occupations with Largest Job Growth, 2006 to 2016

Occupation Title	Employment		Change		Rank by 2006 Median Annual Wages[a]	Most Significant Source of Postsecondary Education or Training
	2006	2016	Number	Percentage		
Registered nurses	2,505	3,092	587	24	1	Associate degree
Retail salespersons	4,477	5,034	557	12	4	Short on-the-job training
Customer service representatives	2,202	2,747	545	25	3	Moderate on-the-job training
Food preparation and serving workers	2,503	2,955	452	18	4	Short on-the-job training
Office clerks, general	3,200	3,604	404	13	3	Short on-the-job training
Personal and home health care aides	767	1,156	389	51	4	Short on-the-job training
Home health aides	787	1,171	384	49	4	Short on-the-job training
Postsecondary teachers	1,672	2,054	382	23	1	Doctoral degree
Janitors and cleaners, except maids and housekeeping	2,387	2,732	345	15	4	Short on-the-job training
Nursing aides, orderlies, and attendants	1,447	1,711	264	18	3	Postsecondary vocational award

Source: Author's adaptation of data from Dohm and Shniper (2007, table 3).
[a]Quartile rankings: 1 = $46,360 or more (very high), 2 = $30,630 to $46,300 (high), 3 = $21,260 to $30,560 (low), 4 = up to $21,200 (very low). Wages are for wage and salary workers. Numbers are in thousands of jobs.

Figure 7.1 Trends in Abstract, Routine, and Manual Tasks, 1960 to 2002



Source: Author's figure based on data from David Autor (personal communication, November 15, 2009).

Table 7.1 Changes in Discretion, Routinization, and Participation

		Year Only		Year with Controls	
	Year Comparison[a]	Mean	Variance	Mean	Variance
Discretion					
Work freedom	1977 versus 2002	0.225**	0.025	0.207**	0.121
	1977 versus 2006	0.210**	–0.063	0.169**	0.062
Freedom to decide	1977 versus 2002[b]	0.080**	0.745**	–0.026	0.935**
Responsibility to decide	1977 versus 2002[b]	0.381**	1.193**	0.277**	1.199**
Variety					
Do different things	1977 versus 2002	0.298**	0.139	0.288**	0.138
Participation					
Have a lot of say	1977 versus 2002	0.248**	0.099	0.279**	0.242*
	1977 versus 2006	0.195**	0.164*	0.118*	0.180*

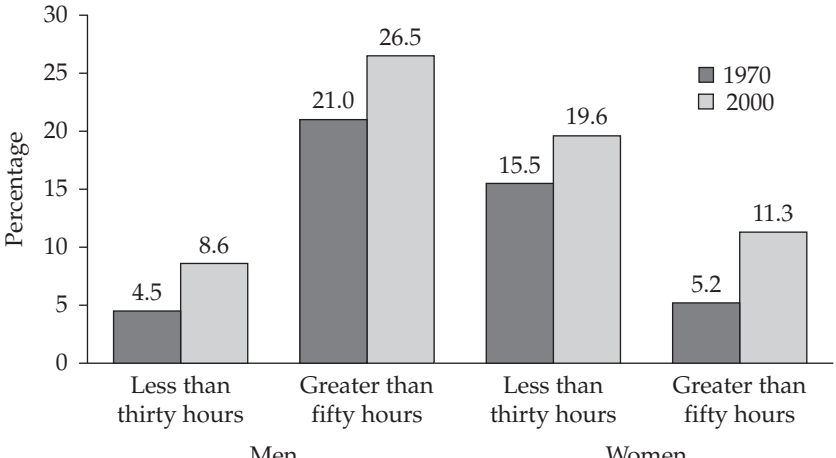
Source: Author's compilation based on data from Families and Work Institute (2002); Davis, Smith, and Marsden (2009); and Quinn and Staines (2000).
**$p < .001$; *$p < .05$.
[a]2002 and 2006 values compared with 1977.
[b]2002 National Study of a Changing Workforce. Other surveys: 2002 and 2006 General Social Surveys; 1977 Quality of Employment Survey.

Table 7.2 Changes in Intrinsic Rewards

		Year Only		Year with Controls	
	Year Comparison[a]	Mean	Variance	Mean	Variance
Opportunity to develop skills	1977 versus 2006	0.121**	–0.342**	0.105**	–0.189
Use my skills	1977 versus 2002	0.459**	–0.067	0.443**	–0.015
	1977 versus 2006	0.482**	–0.102	0.401**	0.001
Work is meaningful	1977 versus 2002[b]	0.621**	1.266**	0.475**	1.180

Source: Author's compilation based on data from Families and Work Institute (2002); Davis, Smith, and Marsden (2009); and Quinn and Staines (2000).
**$p < .001$; *$p < .05$.
[a]2002 and 2006 values compared with 1977.
[b]2002 National Study of a Changing Workforce. Other surveys: 2002 and 2006 General Social Surveys; 1977 Quality of Employment Survey.

Figure 8.1 Polarization in Total Hours Worked per Week, 1970 and 2000



Source: Author's figure based on data from Jacobs and Gerson (2004, table 1.2).

Table 8.1 Changes in Work Intensity

		Year Only		Year with Controls	
	Comparison Year	Mean	Variance	Mean	Variance
Too much work	1977 versus 2002	0.075**	0.014	0.09**	0.02
	1977 versus 2006	0.073**	–0.046	0.07**	–0.09
Work fast	1977 versus 2002	0.081**	–0.196**	0.07*	–0.06
	1977 versus 2006	0.098**	–0.250***	0.08*	–0.16
Work hard	1977 versus 2002[a]	0.449***	1.198***	0.43***	1.23***

Source: Author's compilation based on data from Families and Work Institute (2002); Davis, Smith, and Marsden (2009); and Quinn and Staines (2000).

***$p < .001$; **$p < .01$; *$p < .05$.

[a]2002 National Study of a Changing Workforce. Other surveys: 2002 and 2006 General Social Surveys; 1977 Quality of Employment Survey.

Table 9.1 Effects of Job Rewards on Overall Job Satisfaction, 1977 and 2006

	1977		2006	
Job Rewards	No controls	With Controls[b]	No Controls	With Controls[b]
(log) Income from main job	*–0.26***	–0.14	*–0.03*	0.01
Fringe benefits[a]	0.32***	0.43***	0.21***	0.28***
Promotion opportunities[a]	0.17**	0.33***	0.05	0.12
Job security[a]	*0.31****	0.26***	*0.59****	0.65***
Participation (have a lot of say)	0.31***	0.32***	0.45***	0.50***
Discretion (work freedom)	0.12	0.07	0.14	–0.06
Intrinsic rewards (opportunity to develop skills)	0.50***	0.47***	0.69***	0.57***
Work intensity (too much work)	–0.39***	–0.49***	–0.39***	–0.45***
Can take time off for family matters	0.07	0.09	–0.01	0.00
(pseudo) R^2	0.13	0.20	0.15	0.18
N	1,133	1,063	1,284	802

Source: Author's table based on data from Davis, Smith, and Marsden (2009) and Families and Work Institute (2002).

***$p \leq .001$; **$p \leq .01$; *$p \leq .05$. Italicized coefficients: $p < .05$. The equations were estimated by ordered logistic regression techniques.

[a]Fringe benefits: "My fringe benefits are good" (1 = Not at all true, 4 = Very true); Promotion opportunities: "The chances for promotion are good" (1 = Not at all true, 4 = Very true); Job security: "The job security is good" (1 = Not at all true, 4 = Very true).

[b]Equations control for demographic characteristics (gender, race, age, employer tenure, education, part-time status, and marital status) and work structures (supervisor, establishment size, occupational skill levels, union membership, and occupation and industry categories).

Table 9.2 Changes in Overall Job Satisfaction, 1977 and 2006

	Unstandardized Coefficient	
	Mean	Variance
A. Quality of Employment Surveys		
1977 versus 2006	–0.079	–0.089
1977 versus 2006 (controls included)[a]	–0.082	–0.048
1977 versus 2006 (controls included)[b]	–0.342***	–0.153
B. General Social Surveys (1972 to 2006)		
Year	–0.005***	–0.006**
Year	–0.004*	–0.004
Unemployment rate	0.009	0.22
Year	0.025***	0.003
Unemployment rate	0.012	0.016
Cohort	–0.022***	–0.003**
Year	0.022***	0.006*
Unemployment rate	0.017	0.015
Cohort (controls included)[c]	–0.019***	–0.005***

Source: Author's table based on data from Davis, Smith, and Marsden (2009) and Families and Work Institute (2002).

***$p \leq .001$; **$p \leq .01$; *$p \leq .05$.

[a]Control variables are the demographic characteristics and work structures used in table 9.1.

[b]Control variables are the measures of job rewards, demographic characteristics, and work structures used in table 9.1.

[c]Control variables are education, gender, race, full-time employee, occupational categories, and real family income.