## Work and Unemployment

Because work is so individualistic, some people may find it hard to believe that work is a social problem.

Work is often perceived as a means to "good life" instead of part of the good life itself.
- Therefore, many people are disappointed with their jobs.

Is picking up strawberries a fun job?
- Why don’t we know about the exploitative nature of this job?

## Social Problem?

- Economic institution
  - Structure and means by which a society produces, distributes, and consumes goods and services.

- Global economy
  - An interconnected network of economic activity that transcends national borders.

## Global Context
Socialism vs. Capitalism (1)

- **Socialism**
  - An economic system in which the means of producing goods and services are collectively owned
  - Theoretically, goods and services are equitably distributed according to the needs of the citizens
  - Socialism emphasizes collective well-being, rather than individualistic pursuit of profit

Socialism vs. Capitalism (2)

- **Capitalism**
  - An economic system in which private individuals or groups invest capital to produce goods and services to sell for a profit in a competitive market
  - Capitalism is characterized by economic motivation through profit, determination of prices and wages primarily through supply and demand, and absence of governmental intervention in economy

Socialism vs. Capitalism (3)

- More people are working today in a capitalistic economy than ever before
- Critics of capitalism argue that it creates alienated workers, poor working conditions, near-poverty wages, unemployment, polluted and depleted environment, and world conflict over resources
- Overall standard of living and economic inequality are higher in capitalistic societies
Capitalism is an economic system in which production is for profit and not for need.

It is also a system which needs expansion to reproduce itself.

Contradictions of capitalism:
- It needs cheap labor to produce at a lower cost, but it needs to buyers (who are also the workers) to make profits.

Convergence hypothesis:
- The theory that socialism and capitalism will, over time, become increasingly alike in economic and social terms.
- Capitalist countries will adopt elements of socialism, and socialist countries will adopt elements of capitalism.
  - e.g. economies of Germany, France, and Sweden have elements of capitalism and socialism.

Industrialization:
- It altered nature of work:
  - Machines replaced hand tools; steam, gasoline, and electric power replaced human or animal power.
  - Led to development of the assembly line and increased division of labor.
  - The development of factories led to emergence of cities.
  - Family-centered economy replaced by working outside the home for wages.
Postindustrialization

- Shift from industrial economy dominated by manufacturing jobs to economy dominated by service-oriented, information-intensive jobs
- Characterized by a highly educated workforce, automated and computerized production methods, higher standard of living
- Three work sectors: Primary, secondary, and tertiary:
  - The primary work sector involves production of raw materials and food
  - The secondary work sector involves production of manufactured goods from raw materials
  - The tertiary work sector involves professional, managerial, technical-support, and service jobs

Changing Nature of Work

- Transition to postindustrialized society is marked by a decrease in manufacturing jobs and an increase in service and information-technology jobs
- Brain drain
  - In developing countries, individuals with highest level of education and skill leave country in search of work abroad
  - Developing countries lose valuable labor

Globalization & Free Trade Agreements

- The expansion of trade across national borders was adopted through the General Agreement of Tariffs and Trade in 1947
- Free trade agreements
  - Pacts between two countries that make it easier to trade goods across national boundaries
  - Negotiated under the supervision of the WTO
  - Example: NAFTA, CAFTA
Conflict Perspective (1)

• Karl Marx
  • The ruling class controls the economic system for its own benefit and exploits and oppresses working masses
  • Bourgeoisie vs. Proletariat

Conflict Perspective (2)

• Class-in-itself
  • Class of people who share similar exploitation status but are unaware of it
  • People do NOT realize how they fit in the social stratified system

• Class-for-itself (or class consciousness)
  • Workers are aware of their exploitation and are engaged in class struggle. They understand their class position in society

Conflict Perspective (3)

• False consciousness
  • Attitude that does not reflect its accurate position
  • Tend to blame selves for condition (individual explanation)
  • Believe in meritocracy (“work hard, get success)
  • Class-in-itself NOT class-for-itself

• Workers lack real class consciousness
  • Awareness of common vested interests and need for collective political action
  • Realize that all workers are exploited, and band together
  • See bourgeoisie as the source of oppression and misery
  • Proletariat will overthrow the class system
The elite control the economy and government as well.

Both President G.W. Bush and Vice-President Cheney come from the oil industry.

G.W. Bush’s transition teams for the Departments of Energy, Health and Human Services, and Labor are almost entirely made up of people affiliated with or working for corporate interests.

- One of members of Bush Administration recently edited a memo about Global Warming, resigned after being caught, and was hired right away by Exxon-Mobil.

C. Wright Mills wrote about the Power Elite (1940s).

Historically, there have been three separate political, military and corporate elites; they are more and more becoming one power elite.

- They have power because of their occupations but they tend to come from the same socio-economic status, educational backgrounds and they intermingle.

- The modern version of C. Wright Mills is William Domhoff who wrote Who Rules America? Power, Politics and Social Change (http://sociology.ucsc.edu/whorulesamerica/).

The top part of the power structure has “higher Immorality.”

- It is not about individuals lacking morality but rather because of the structure of our society certain individuals are taking advantages of others.

- At the bottom of the pyramid stand the masses whose opinions are not being heard because the media is controlled by the power elite.

- It is not about conspiracy theory but rather because certain institutions are more powerful than others and can therefore dominate the masses.
Corporations influence politics through financial contributions to politicians and political parties

- **Soft money**
  - Money that flows through a loophole to provide political parties, candidates, and contributors a means to evade federal limits on political contributions
  - PACs are Political Action Committees that collect money to help candidates advance their interests

- During the 2008 election cycle, Democratic and Republican parties raised a record amount in soft money

- 74% of those in Congress in 2000 were either bankers, businessmen or lawyers

Corporate power influences the policy-making of those international bodies at the detriment of workers and the environment

- "New geography of power"
  - Transnational corporations
  - Transnational legal institutions that regulate economic relationships (IMF, World Bank, WTO etc…)
  - Their policies benefit corporations at the expense of workers and the environment

- Growth of electronic technology which makes transactions possible independent of space

Economic institution provides basic necessities (food, shelter)

- After survival needs of a society are met, surplus wealth/materials may be used for other purposes (education, military, recreation, etc.); thus, societal development is dependent on an economic surplus in that society
**Functionalist Perspective (2)**

- Agrarian societies had low division of labor; members shared similar norms/values
- Industrial societies characterized by high division of labor; cohesion based on interdependence
- Lack of common norms/values in industrialized societies results in *anomie*: a state of normlessness, which is linked to social problems (crime, drugs, violence)

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**Interactionist Perspective**

- One’s work role is central part of one’s identity (occupation is master status)
- Meanings and definitions influence behavior
  - e.g. in some countries children learn to regard working as a necessary and important responsibility and rite of passage, rather than an abuse of human rights

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**Slavery**

- Today, an estimated 27 million people worldwide are bought and sold for profit (mostly in India, Pakistan, Nepal and Bangladesh)
- Slavery exists all over the world
- **Chattel slavery**
  - It involves slaves considered as property that could be bought and sold
- Most slaves today are not owned, but are controlled by violence (around 100 to 150,000 in the U.S.)
  - Domestic workers, migrant workers etc…”
Sweatshop Labor (1)

- **Sweatshops** are work environments characterized by:
  - Less than minimum wage pay
  - Excessively long hours of work (often without overtime pay)
  - Unsafe or inhumane working conditions
  - Abusive treatment of workers by employers
  - Lack or worker organizations aimed at negotiating better working conditions

- Sweatshop conditions are found in a variety of industries (e.g., garment production, manufacturing, mining, agriculture)
  - *Example*: Developing countries, downtown Los Angeles

Sweatshop Labor (2)

- Dangerous working conditions in sweatshops result in high rates of illness, injury, and death

- Sweatshop Labor in the United States
  - Dept. of Labor estimates that over half of the country’s 22,000 sewing shops violate minimum wage and overtime laws and 75% violate safety and health laws.
  - Migrant farm workers (who produce more than 85% of produce grown in U.S.) are exposed to pesticides and risk injury from using sharp and heavy farm equipment
  - Many live in substandard and crowded housing (provided by employer)
  - Many lack safe drinking water, bathing and sanitary toilets
  - Many work 12-hour days

Work/Family Policies and Programs (1)

- **1993 Family and Medical Leave Act (FMLA)**
  - It requires companies with 50 or more employees to provide workers (who work at least 25 hours a week and have been working for at least a year) with up to 12 weeks of job-protected unpaid leave so they can care for a seriously ill child, spouse, or parent; stay home to care for a newborn, newly adopted, or newly placed child; or take time off when they are seriously ill
Nearly half of the workforce is not covered by FMLA

Many workers do not take advantage of the FMLA because they cannot afford to take leave without pay

Others fear they will lose their job if they take time off

Some workers are not aware that the FMLA applies to them

Some employers offer “family-friendly” work policies and programs

More common types of assistance include child-care assistance, assistance with elderly parent care, and flexible work options (e.g. flextime, job sharing, compressed workweek, telework – i.e. work from home)
Health and Safety Hazards in the U.S. Workplace (1)

- Most common workplace illness are repetitive trauma disorders
  - e.g. carpal tunnel syndrome, tendonitis, and noise-induced hearing loss
- Also called cumulative trauma disorders, and repetitive strain disorders, repeated trauma disorders are muscle, tendon, vascular, and nerve injuries that result from repeated or sustained actions or exertions of different body parts.
- Jobs associated with high rates of repeated trauma disorders include computer programming, manufacturing, meatpacking, poultry processing, and clerical/office work

Health and Safety Hazards in the U.S. Workplace (2)

- Job stress and chronic fatigue (job burnout) can cause physical problems such as high blood pressure, ulcers, headaches, and psychological problems
- Job burnout
  - Prolonged job stress

Job Dissatisfaction and Alienation (1)

- Recent study of employees found that 55% of workers reported being dissatisfied with their jobs; dissatisfaction was highly correlated with a sense of nonparticipation in workplace decisions
  - Sense of alienation
- Factors that contribute to job satisfaction include income, prestige, a feeling of accomplishment, autonomy, a sense of being challenged by the job, opportunities to be creative, congenial coworkers, the feeling that one is making a contribution, fair pay and benefits, promotion opportunities, and job security
Alienation

- Work in industrialized societies is characterized by high division of labor and specialization
- Workers' tasks are repetitive and monotonous

Marx

- When workers are cogs in a machine they become estranged from their work, the product they create, other people, and themselves (this estrangement is called “alienation”)

5 components of alienation

- Powerlessness
  - Lack of control
- Meaninglessness
  - Lack of fulfillment in the job at hand
- Normlessness
  - Norms are unclear or conflict
- Self-estrangement
  - Inability for workers to realize their full human potential
- Alienation from nature
  - Nature is treated as a commodity

Workers are alienated. The work being done

- Is not an end in itself but a means to an end
- Is not voluntary but forced
- Is not part of human nature (i.e. it is external)
- Is not for the workers but for someone else
- Is not spontaneous. The object of their labor does not belong to them even though they have put a part of themselves into it

Capitalists prosper because workers suffer
Rationalization of the world (1)

- According to Weber, a bureaucracy and its components represent permanent societal features of modern societies
  - It means that alienation, impersonality and dehumanization are the characteristics of an "iron cage" and not of freedom
- Rationalization is a far reaching process whereby traditional modes of thinking are being replaced by an ends/means analysis concerned with efficiency and formalized social control
- The archetypical manifestation of this process was the Bureaucracy
  - A large, formal organization characterized by a hierarchical authority structure, well-established division of labor, written rules and regulations, impersonality and a concern for technical competence

Rationalization of the world (2)

- Capitalism and bureaucracy are closely linked to one another
  - Capitalism provides money to develop bureaucracies
  - Bureaucracies destroy personal ties and relationship
    - After all it is business, not personal!!
  - Capitalism and bureaucracy emphasizes legal-rational authority (rules of the law) over charismatic (individuals with likeable characteristics) or traditional (royalty for instance) authority

McDonalization of Society (1)

- Efficiency
  - The choosing of means to reach a specific end rapidly, with the least amount of cost or effort
    - The interesting element here is that the customer often ends up doing the work that previously was done for them
- Calculability
  - Emphasis on things that can be calculated, counted, quantified.
    - Quantification refers to a tendency to emphasize quantity rather than quality
    - The "Big Mac," the Whopper,""Big Gulp" food sold by its weight
- Predictability
  - The attempt to structure our environment so that surprise and differences do not encroach upon our sensibilities
    - Rational people need to know what to expect. A Big Mac is a Big Mac is a Big Mac
McDonaldization of Society (2)

- Control
  - The human employee is not required to think, just follow the instructions and push a button now and then. What this means is that the skills and capabilities of the human actor are quickly becoming things of the past
  - Who we are and how we interact is becoming defined by our dependence upon and subordination to the machine

- Irrationality of rationalization
  - There is a certain sense that these rational systems tend to turn in on themselves, to lead to irrational outcomes
  - Microwaveable foods and fast-food restaurants allow us to eat what we want, when we want it. The ritual of cooking, eating together, and sharing is fading from the American family

Unemployment & Underemployment (1)

- Measures of unemployment in U.S. consider an individual unemployed
  - If he or she is currently without employment
  - If he or she is actively seeking employment
  - If he or she is available for employment

- Unemployment figures do not include discouraged people who have given up on finding a job and are no longer looking
  - What about those who are incarcerated?

Unemployment & Underemployment (2)

- Underemployment figures include
  - Those working part-time but who wish to work full-time
  - Those who want to work but have been discouraged from searching as a result of lack of success (they are not even included in the labor force figures)

- Underemployment
  - Involuntary part-time workers, temporary employees, and workers who do not perceive themselves as having an explicit or implicit contract for ongoing employment
Labor unions developed to protect workers and represent them at negotiations between management and labor.

Labor unions have played an important role in fighting for fair wages and benefits, and healthy and safe work environments.

Insurance and pension benefits for union workers are more than double those for non-union workers.

Union membership has declined over the last several decades.

Union density — the percentage of workers who belong to unions — peaked in 1940s and 1950s when 35% of U.S. workers were unionized.

In 2000, 13.5% of U.S. workers belonged to unions (lowest percentage in 60 years).

Reasons for declining union membership:

- Loss of manufacturing jobs, which tend to have higher rates of unionization than other industries
- Job growth is in technology and financial services where unions have little presence
- Unionized worksites have closed and moved to other countries to find cheap labor
- Corporations discourage unionization by threatening to fire employees and threatening to close and/or relocate plant

- Wal-Mart
- The 1935 National Labor Relations Act guarantees the right to unionize and strike, but workers risk their jobs by doing so.
Struggle for Workers' Rights (4)

- In European countries, labor unions are generally strong.
  - Governments, Business and Unions work together (in the U.S. only the government and businesses work together).
- In many less developed countries and countries undergoing economic transition, workers and labor unions struggle to influence wages and working conditions.
- A survey of 113 countries found that both governments and corporations repressed union efforts.