

PRECARITY: CAUSES, EFFECTS AND CONSEQUENCES OF INSECURE WORKING AND LIVING CONDITIONS IN A MULTICULTURAL, RURAL AREA OF NORTHERN ITALY (SOUTH TYROL)

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ABSTRACT

The research project deals with the current issue of precarity, its mechanisms, risks, effects, coping strategies as well as coping competences and addresses the impact of work-based insecurities, rising social inequalities within and across nations, with a specific regional focus on South Tyrol - a multicultural, rural area in northern Italy, bordering with Austria. Finally, it is important to identify possible innovative solutions for the labour market, Human Resources strategies and social policies.

The concept of work will be related to all securitized fundamental rights, their socialization context, the global change of values and the social change in the welfare state. The recent transformation from discourses on inequality and poverty towards social exclusion and inclusion indicates a conceptual shift in the societal management of social inequalities. The global financial crisis has highlighted the connectedness between corporate and household risk behaviour and management, and their socially inequitable effects.

The interdisciplinary view enables a focus on multiple insecurities and how they interact to produce precarious work relations, in reference to working conditions and the experience of social exclusion, the links between de-regulation, liberalization and the individualization of employment risks, but also the development of interest representation and social organizations for supporting labour market outsiders. The paper describes the current process of defining the research design, preliminary reflections for the case study and shows first outcomes of the project.

Keywords: labour market, precarity, unemployment, social change, social policy

INTRODUCTION

“Precarity is everywhere” (Bourdieu, 2004, p. 107), announced Pierre Bourdieu in the late 1990s and thus described the development of gainful employment and the return of social insecurity in the Post-Fordist working societies. Precarization is often

viewed as the core social issue in the 21st century (Bourdieu, 1998; Castel, 2000; Gorz, 2000; Rifkin, 2004; Castel & Dörre, 2009).

In recent decades we have observed great transformations in the global economy (flexibilization and globalization), which have also changed the labour market. The standard employment relationship, a full-time employment with indefinite duration and covered by social insurance, loses its meaning, and new forms of employment, the so-called “atypical forms” occur. Precarious working and living conditions are no longer an exception and no longer influence the margins of society only.

The various theoretical aspects of precarity are covered in this research project, beginning with the clarification of the most important terms, then specifying the causes and perpetuation of insecure working and living conditions in order to conclude the discussion with an analysis of the effects of precarity and the social change process, pointing to the need for an integrated understanding of the link between precarious work and social inequalities.

In South Tyrol, an autonomous Italian province that previously moved some of their legitimacy from high and stable prosperity and on the labour market, there was virtually full employment. But how does it look now in times of global economic and financial crises?

TOWARDS THE DEFINITION OF A RESEARCH DESIGN

The research design refers to the overall strategy that will be chosen to integrate the different components of the study in a coherent and logical way, thereby ensuring an effective addressing of the research problem. It constitutes the blueprint for the collection, measurement, and analysis of data. The present research project is accompanied by the following questions in order to specify clear and explicit hypotheses central to the problem selected:

How has “work” and related concepts changed the social understanding? What definitions of precarity are available? Is it an employment relationship or is it a life relationship? Can we recognize a tendency for stabilization? What are the identifiable consequences and effects of precarity (positive and negative)?

Is there precarity in South Tyrol between the poles of “employment” and “unemployment”? What does it look like within the South Tyrolean precarious working and living conditions? Do the subjects involved deal with it? What is the history of the labour movement and labour contracts in South Tyrol? Do international, European and Italian developments have any influence on the South Tyrolean labour market?

What innovative solutions should the subjects involved take into account for the future design of labour and social policies as well as in the strategies of human resources development?

PRELIMINARY REFLECTIONS FOR THE CASE STUDY AND RESEARCH METHODS

South Tyrol (German: Südtirol), also known by its Italian name “Alto Adige”, is an autonomous province in northern Italy. It is one of the two autonomous provinces that make up the autonomous region of Trentino-Alto Adige. The province has an area of approx. 7,400 square kilometres (aprox. 2,857 sq mi) and a total of 511,750 inhabitants (31/12/2011, cf. ASTAT). Its capital is the city of Bozen (Italian: Bolzano). The majority

of the population is of Austro-Bavarian heritage and speaks German. Around a quarter of the population speaks Italian as first language, and they are mainly concentrated around the two largest cities (Bozen - Bolzano and Meran - Merano). South Tyrol is granted a considerable level of self-government, consisting of large exclusive legislative powers and a fiscal regime that allows the province to retain most levied taxes. The situation on the labour market in the rural and multicultural area of northern Italy, bordering with Austria, has long been regarded as exemplary. However, the fat years appear to be over. The labour market in South Tyrol is beginning to feel the effects of the economic crisis more and more obviously. The social change of the last decades is visible, first of all, in the official statistics. According to South Tyrol statistics body, ASTAT, the unemployment rate in South Tyrol in 2009 was at 2.9%, in 2012 at 4.1% and 2013 at 4.5% (cf. ASTAT). The Italian average of fixed-term contracts, according to Italian statistics body, ISTAT, 2011 was 13.4% (21.8% in Calabria - 2010: 20.8%, 15.3% in Trentino-South Tyrol - 2010: 15.1%) (cf. ISTAT). Precarity in South Tyrol is an issue that, with progression of the economic crisis effects, is gaining in importance and must be taken seriously into consideration. Labour market analysis and observations should not rely only on the extreme poles (unemployment and employment), but they must include especially the growing number of people with precarious jobs in order to get an overall picture. In this way, the various subjects can act together to create targeted, sustainable, participatory and innovative social and labour market policies for the future.

The case study will be conducted in the Passeier Valley (Italian: Val Passiria, German: Passeier or Passeiertal). At the mouth of the valley stands the town of Meran. From there, the valley runs north to the Timmelsjoch mountain pass, which leads to Sölden in the Ötztal valley of Austria and to the Jaufenpass which leads to the town Sterzing (Italian: Vipiteno). The following municipalities are located in the valley: Kuens (Italian: Caines), Riffian (Italian: Riffiano), St. Martin in Passeier (Italian: San Martin in Passiria), St. Leonhard in Passeier (Italian: San Leonardo in Passiria) and Moos in Passeier (Italian: Moso in Passiria) and has a total of 10,563 inhabitants (30/11/2010, cf. ASTAT). According to the 2011 census, approx. 98% of the population speaks German as first language.

In November 2013, the largest employer in the Passeier Valley, an international industrial holding company with nine plants in Europe and the U.S. and a total of approximately 3,000 employees proposed to close the plant in St. Martin at the end of the year. Part of the production has now moved to the Czech Republic, the previously located administration of South Tyrolean plants will move with their employees into the area of Meran and 158 employees are affected by the closure. The case study will show step by step how people in rural areas, who are affected by the closure of the largest employer, deal with it and accompany this social change by means of their realities and coping strategies.

Since the approval for the scientific monitoring of this case study was carried out only in June 2014, now the appropriate research design (research question, hypothesis, research methods etc.) can be defined.

“WORK” IN TIMES OF CHANGE

Work is a central concept of humanity, which has fundamentally changed the course of history. This should be addressed as the transformation of the concept of work in connection with the change in work itself. In ancient Greece and Rome, the term “work” still has an essentially negative connotation, and since the end of the 18th century the

identity and the social position of people is mainly determined by their position in the labour market (cf. Nüchter, 2009, p. 32ff; Heinz, 1995, p. 19). The workplace represents the main source of autonomy, identity and development. Until the 1960s, the work society is understood as an industrial society (cf. Böhler, Neumaier, Schweiger, Sedmak, 2011, p.42ff). In the centre of this society is the industrial organization of production, by which we understand the division of labour, hierarchically organized, technically supported production of larger quantities of material goods by spatially concentrated, salaried employees. This time is referred to as "Taylorism" or "Fordism" (cf. Gorz, 2000, p. 41). In the 1970s, the end of the industrial society and the transition to a knowledge and service economy was ushered in. The end of the "Fordist" growth, is the transition to the "Post-Fordism". Due to the technical, political and social development in the last decades and through the opening of the markets, work has increasingly been becoming a limited asset that correlates to the current beliefs and social value systems and is no longer available for all (cf. Gorz, 2000, p. 41; Böhler, Neumaier, Schweiger, Sedmak, 2011, p. 43).

The increase in productivity is therefore no longer achieved by quantitative growth in the form of mass production, but by qualitative growth, for example, by an increase in flexibility, nomadic jobs, decrease in jobs, etc. Both in the Universal Declaration of Human Rights (1948, cf. art. 23 (1) "Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment"), as well as in the European Social Charter (1996, cf. II Part, art. 1 The right to work, art. 2 The right to just conditions of work, art. 3 The right to safe and healthy working conditions, art. 4 The right to a fair remuneration), and not least in the Constitution of the Italian Republic (1947, "Art. 1 Italy is a democratic Republic founded on labour [...] Art. 4 The Republic recognises the right of all citizens to work and promotes those conditions which render this right effective") we find work as a vested fundamental right.

For the European wage plan system, the fixation on the standard employment relationship is central, defined as unlimited, socially secure full-time or part-time employment with standardized duration, location and distribution of working hours. This not only guarantees a regular living wage, but also, by the social security systems, ensures pension payments as well as a risk hedging in case of illness or unemployment. In addition, there are standards of occupational and health safety as well as the autonomous disposal of the sphere of non-working time. In addition to these individual components linked to the normal employment standards also defined with the normal working conditions, working hours are considered the reference point for wage policy for the entire social security, with collective representation and regulations in the case of different working hours. Thus, normal employment is guaranteed for those who are employed in such a stable social integration and inclusion. Due to the changes in the labour market and in the employment system, i.e. the exclusion from the employment system, the standard employment relationship is however considered obsolete, in several ways, or at least in need of revision.

The changes in the labour market and in the employment system, i.e. the exclusion from working life, must be seen as signs of an exclusion process, which manifests itself in social inequality. This definition of exclusion is based on the idea of inclusion as a social belonging, that is about involvement in social relationships. Individual interpersonal relationships are preformed socially, either normatively binding agreement in the area of employment or by rules of recognition and solidarity in the personal area. So, the exclusion as exclusion from the labour market

and the dissolution of social bonds can be shown in the increase of precariousness in employment, that is, employers can be excluded by their fixed-term contracts from the existing work relationships. At the same time, the social embeddedness in the family, in other relationships and the access to institutions such as kindergarten, school, church, company, etc. is significantly weakened, until ultimately follows the social exclusion (see Kronauer, 2010, p. 44-45). As a result, many people in everyday life are subject to the exclusion process, if they have to oppose those insufficient social ties and networks, and other stabilizing factors. Exclusion as a loss of social participation opportunities relates to the employees who earn so little money that they only have the basic necessities of life. Consequently, it is difficult for them to follow their aspirations and determine their own ways of life (cf. Kronauer, 2010, p. 46). It is about poverty and the consequent attitudes, such as resignation, feelings of inferiority, feelings of injustice, sometimes uprooting and loss of belonging and integration into a reliable social context.

THE VARIOUS THEORETICAL ASPECTS OF PRECARIETY

The European statistical body, Eurostat, estimates unemployment in the 27 European Member States in February 2013 to 26,338 million, i.e. seasonally adjusted unemployment rate in Europe at 10.9%. In comparison, in 2000 it was still at just under 9% (20 million unemployed persons) – (cf. EUROSTAT, 2013). Italy's unemployment rate hit a record high in February 2013 of 11.6%, according to the country's statistics body (ISTAT). 47,000 young people between 15 and 24 were looking for a job, which is equivalent to a youth unemployment rate of 37.8% (cf. ISTAT, 2013). However, the social positioning in the employment system cannot be solely recognized in terms of employment and unemployment, but also requires the consideration of different job contracts. A proper analysis must therefore attend to the shades of grey between the two poles and increasingly also take into account those that are incompletely incorporated into the employment system (fix-term contract, etc.).

The terms "Precarious/precarity/precarization" have been frequently used in the recent years, often without making a distinction between them, or dealing with their specific meaning. "Precarious" literally means unsure, uncertain, difficult, delicate. As a political term, it refers to living and working conditions without any guarantees. The term has been used more and more in relation to labour. The International Labour Organisation (ILO) as part of the symposium "From precarious work to decent work" (2011) developed the following definition of precarious employment in its corresponding final document (2012): "Concretely, the Symposium will focus on two categories of contractual arrangements characterized by four precarious working conditions:

Contractual arrangements:

- i. The limited duration of the contract (fixed-term, short-term, temporary, seasonal, day-labour and casual labour)
- ii. The nature of the employment relationship (triangular and disguised employment relationships, bogus self-employment, subcontracting and agency contracts)

Precarious conditions:

- i. Low wage
- ii. Poor protection from termination of employment
- iii. Lack of access to social protection and benefits usually associated with full-time standard employment
- iv. Lack of or limited access of workers to exercise their rights at work." (ILO, 2012, p. 29).

In summary, precarious work refers to all possible shapes of unsure, not guaranteed, flexible exploitation: from illegal, seasonal and temporary employment to working at home, flexi- and temp-work to subcontractors, freelancers or so-called self-employed persons.

Just keywords like "outsourcing" and "flexploitation" (Bourdieu, 2004) characterize the changes in the working world that no longer apply only to young professionals and low-qualified workers but also middle and older groups of highly qualified employees. As a result of globalization, required flexibility and implemented labour market reforms, the boundaries of security and stability have been moved significantly towards uncertainty and instability. The research of exclusion and, in particular, the three-zone model of Robert Castel (2000, p. 360) provide an appropriate theoretical framework for the detection of this new social development. People in regular employment enjoy a privileged position while the social integration of atypical employment and unemployment is at risk. The French social scientist describes the process of fragmentation and segmentation, speaking of a division of labour society into several zones: the zone of integration, the zone of social vulnerability and the zone of isolation. The integration zone comprises the remaining sheltered employment, the so-called "standard employment relationship". But already in this zone, which offers the highest level of security, there are employees who are concerned about a possible social decline in the zone of social vulnerability. To this expanding zone, which lies between the integration zone and the zone of isolation, belong numerous forms of atypical employment. This includes temporary agency work and temporary work, odd jobs, as well as regular employment with poverty line and low wages. The precarious workers endeavour, on the one hand, to connect to the zone of integration, on the other hand, they are threatened with a permanent fall into the zone of isolation. The zone of isolation connects to the zone of social vulnerability and includes all those who are permanently excluded from regular employment (cf. Castel, 2000, p. 360ff).

PRECARITY AND SOCIAL SECURITY

Precarious employment conditions affect both the level of individual security and the systems themselves, especially their financing conditions. As far as the individual is concerned, coverage difficulties can arise both during and after the working life. During the working life it leads to claims on the unemployment and health insurance, and during retirement, especially to pension schemes. The extension of precarity, in addition to consequences for the individual, has consequences for the social security system. The main problem arises from the substitution of social insurance contributions by free or reduced rates of social insurance contributions. This results in losses to the revenue, without compensating the respective expenses.

PRECARITY AND INDIVIDUALS

There are numerous studies showing that unstable forms of employment are associated with fear of unemployment, low income and high workloads, and low occupational status and increased stress. The most significant effects of precarious employment result from the existential insecurity and the feeling of being exposed to the changing and unpredictable market conditions are the following: under precarious employment, it is difficult to pursue long-term goals to establish continuity across one's life course and to experience one's life as self-determined. "Precarious work arrangements are also associated with poor health conditions. Workers on temporary or agency contracts are often exposed to hazardous work environments, stressful psychosocial working conditions, increased workload and disproportional travel time between multiple jobs at multiple sites. Research in the field has also found that precarious workers are less likely to receive adequate training for the tasks they are required to perform and that their occupational safety and health is poorly monitored by inspection systems." (ILO, 2012, p. 37). On the other hand, the positive experience that things can be influenced by your own actions according to your own goals, however, boosts self-confidence and self-efficacy, it enables the development of optimistic attitudes such as being able to cope with life even in difficult situations, thus is an essential prerequisite for mental health and stability. People are caught here in a vicious circle: access to precisely those resources that could offer them a way out of the precarious employment is difficult for them because of their employment status. People in permanent difficult social layers that were recurrently unemployed, for example, due to a lack of vocational training, living in poverty and working under precarious conditions, have fewer possibilities to make such self-esteem-enhancing action experience. Personal Resources such as general problem-solving skills, self-confidence, education, motivation, general life satisfaction and optimistic expectations for the future are less pronounced in them. The repeated experience of their own lack of influence also increases the risk of depression and anxiety disorders (cf. Ducki & Busch, 2010).

However, flexible working models offer employees opportunities, too. If their interests are taken into account, they give them more scope for real time sovereignty and thus for a more conscious and self-determined way of life, for a better merging of work and life. The chance to align their lives fundamentally and to use the extra time volume of the "normal biography" deviant lifestyles - for example, for enhanced environmental commitment and sustainable lifestyles. "Work-life balance", i.e. work and life in balance, in this life is determinative (cf. Hans-Böckler-Stiftung, 2006).

CONCLUSION

The first outcomes of this research project show the transformation that the concept of "work" and its associated values have undergone from ancient times to the present day. In a society where work has been made a guaranteed fundamental right for its people, who primarily defined themselves via work, although work is not available for all, people in precarious or unemployed life have a difficult stand. The statistics show the rise of insecure work contracts. Already in this first part it can be seen that the issue of "precarity" is extremely complex and a current subject for research - in the global,

as well as European, national and local context. Jeremy Rifkin writes that we now have similarly turbulent times in terms of how people live as at the beginning of the Enlightenment. So humanity is experiencing a new era, where traditional ways of thinking fail and radically new possibilities open up (2000, p. 11). This well describes the current situation and the associated impact on the work as shown, not more, is available for all, or as often precarious forms of employment do not provide long-term security and predictability.

However, "precarious" is a relative term, which is context-dependent. Precarious forms of employment look different in different socio-political contexts. Furthermore, the meaning of precarity is not the same for different groups of employees: although many occupational groups are affected, the way precarity manifests is not equal. In the precarization discussion we cannot consider only the professional history, but also the personal household context in order to talk about precarious situations. In diverse contexts these can be very different and it would not be right to approach a person's wealth from his precarious employment. (Kraemer, 2009, p. 245). In this case, it is important to clarify that the term "precarity" is not identical with poverty, but it is to be described as "social limbo layers" between wealth and poverty (Kraemer, 2009, p. 250). In addition, the contextualization is very essential and it is important to illustrate that it is not just about the "zone of social vulnerability" to reflect (cf. Castel, 2000, p. 360 f), but also about considering the working and life situation ("experienced precarity") as well as the socio-occupational insecurity ("perceived precarity") (cf. Kraemer, 2009, p. 245 f).

In the next months, it will be very interesting for the research project to concentrate on the theoretical aspects, to combine them with the selected case study, to choose the right method of research in order to make initial statements and respectively amendments thereto.

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