Global Epidemics: The Contribution of Work

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Society has basic responsibilities to its citizens. A “good society” must ensure:

- good working conditions (healthy work)
- certain basic standards of living
- collective representation
- controls on income inequality
- social and racial justice
- good schools, housing and supports for children and families
- a healthy physical environment.

Social justice generally refers to the idea of creating a society or institution that is based on the principles of equality and solidarity, that understands and values human rights, and that recognizes the dignity of every human being. St. Thomas Aquinas, philosopher John Rawls
What is Globalization?

Globalization is a widely-used term that can be defined in a number of different ways. When used in an economic context, it refers to the reduction and removal of barriers between national borders in order to facilitate the flow of goods, capital, services and labor... although considerable barriers remain to the flow of labor.

Increasing inter-connectedness!!

Globalization is not a new phenomenon. It began before the distinct emergence of capitalism in the 16th or 17th century.
Globalization, Work and Health

Globalization impacts people’s health in 3 inter-dependent ways:

1) Creates wealth for some, raises standard of living for some thereby improving health for those with rising living standards (*offset by exposure to new risk factors*)

2) Increases social inequality, creates disparities in resources between communities & groups, between developing & developed countries.

3) For some groups poverty is increased due to disruption of previous economic systems and food supplies.

4) Impacts (*transforms*) community & work environments
   a) promotes toxic physical environments
   b) contributes to unhealthy work environments (chemical toxins, unsafe working conditions, psychosocial work stress)
Globalization and work

- Globalization contributes to the changing nature of work in industrial and industrializing societies.

- New and changing working conditions impact the health of many working people.
  - E.g., 40,000 reportable occupational health injuries each day in China
Throughout the course we will examine data from industrialized countries relating working conditions to health outcomes.

More data are available from western countries than developing nations (though U.S. data on work & health is less available than European data).

Data are inadequate in all countries on the health impact of recent changes in work organization (downsizing, mergers, outsourcing, off-shoring, informal labor sectors).
Global epidemics are not natural

- CVD, stroke, obesity, diabetes, even most cancers, are global epidemics...but are not the natural result of aging.
- Rather these are products of industrialization, urbanization, environmental and behaviors exposures as well as chronic stress.
- Medical model explanations are inadequate to explain or contain these epidemics.
- These epidemics are not caused (for the most part) by genes or individual behaviors - they involve social causes (e.g. social class differences, economic inequalities, unhealthy working & living conditions).
Unhealthy work organization/working conditions include: employment insecurity; precarious employment, long work hours, dangerous work environments, noxious psychosocial working environments. All these factors also contribute to chronic stress at work.

Exposure to chronic stress at work (& other environments) has cumulative impact & can lead to mental and physical illness.

Ubiquitous appearance of stress suggests it is a social process with social causes (e.g, stressors in the work environment).

Focusing on individual responsibility for “stress” removes focus from systemic causes, creating challenges in finding/presenting a “common language” about the causes of stress across stakeholders (e.g. businesses, labor unions and academics).
What is capitalism?

Capitalism is an economic and social system in which capital and land, the non-labor factors of production (also known as the means of production), are privately owned; labor, goods and resources are traded in markets; and profit, after taxes, is distributed to the owners or invested in technologies and industries.

☐ Wallerstein proposes a scheme

☐ A lasting division of the world in core, semi-periphery and periphery is an inherent feature of the world-system. Areas which have so far remained outside the reach of the world-system enter it at the stage of 'periphery'.
Wallerstein continued:

- There is a fundamental and institutionally stabilized 'division of labor' between core and periphery: while the core has a high level of technological development and manufactures complex products, the role of the periphery is to supply raw materials, agricultural products and cheap labor for the expanding agents of the core.
Wallerstein Continued:

- Economic exchange between core and periphery takes place on **unequal terms**: the periphery is forced to sell its products at low prices but has to buy the core's products at comparatively high prices. This unequal state which once established tends to stabilize itself due to inherent, quasi-deterministic constraints.
Is this up to date

- How does China fit in?
  - Part of Semi-periphery
    - Manufactures sophisticated devices
    - But with mostly unskilled workers at low hourly wage rates.
China Post WW2 Changes

- Rapid industrialization and urbanization
- Mass migration from rural areas to urban areas
- Emergence of traditional capitalist class society; rich, middle class, working class and poverty stricken
- Increasing social conflict
The global economy: neo-liberal policies

- **Liberalization**
  - Reduce trade barriers, eliminate subsidies

- **Privatization**
  - Sale of state-owned industries
  - Services: health, education, welfare: from govt → private sector

- **De-regulation**
  - Reduce state control/barriers to mobility of capital, goods, services
  - Reduce state control over labor market (social protections):
    - Minimum wage, overtime, job safety & health, job security

- **Reduce social welfare transfer payments to population**
  - Social security, pensions, health insurance, unemployment insurance, progressive taxation


Impact of “Neo-liberalism”

Regarding economic development lots of evidence it is not a success
Growth in Latin America fell under neo-liberalism in the 1980’s (and elsewhere)
Real wages decreased in the top 13 countries of the OECD since 1970
Yes, trade increases prosperity but disproportionate share of wealth is attained by the very rich – increasing social inequality the consequence
Neoliberalism and trade imbalances

- World trade has expanded rapidly over the past 3 decades. Since 1986, it has grown significantly faster than the world gross domestic product (GDP).
- During 1970’s trade liberalization with framework of GATT (general agreement on tariffs and trade) modest and mostly in industrialized countries.
- Trade expansion not uniform and the 12 most developed countries accounted for lion’s share. Majority of developing countries did not experience significant trade expansion.
- Many of the least developed countries (LDCs), includes sub-saharan Africa, experienced a proportional decline in the share of world markets – despite liberalization of trade.
Economic globalization

- Liberalization
- De-regulation
- Privatization
- Reduce welfare state

- Labor market
- Organizational practices
Economic globalization

Liberalization
De-regulation
Privatization
Reduce welfare state

Labor market:
Precarious work
(social/economic insecurity)
Income inequality
Weaker unions
Weaker public sector
Less social protection
Geographical flexibility

Organizational practices:
The global economy and the changing nature of work
Increase in precarious/contingent work
New organizational practices: Flexibility

- **Numerical flexibility**
  - **External**: Staff reductions thru downsizing, short-term contracts, P/T work (precarious employment)
  - **Internal**: Irregular hrs, mandatory overtime, 24/7 operations

- **Structural flexibility**
  - Teamwork, flatter hierarchies, teleworking (some of these changes beneficial to workers)

- **Functional or task flexibility**
  - Greater involvement/multiskilling for some
  - Job assignment/rotation based on employers’ needs
  - Lean production (Japanese production management)

- **Main Consequence - Intensification of labor**

Precarious employment aids work intensification

- Temporary workers are often “desperate to achieve targets that would secure future work or permanent employment”
  - Undermine resistance of permanent workers to work intensification

- Apparent task control vanishes when overriding economic pressures force workers to work harder and longer

Increasing Income/Social Inequality

Rising Inequality Since 1970s a Sharp Break From Shared Prosperity of Earlier Era

Cumulative growth

Source: CBPP calculations based on data from Piketty & Saez, BEA, and the Census Bureau.

1946-1976
Increase in family income inequality, 1947-2000, U.S. (Gini coefficient)

Gini 2009 = 46.8

*After 1993 the coefficients reflect a change in survey methodology leading to greater inequality.
Source: U.S. Bureau of the Census.
Distribution of U.S. Wealth (2005)

- Bottom 50%: 2.5%
- 50-90 Percentile: 26.0%
- Top 10% Percentile: 37.7%
- Top 1%: 33.8%
Figure 18

Income inequality changes in 73 countries, 1960s to 1990s

- Countries with rising inequality: 21 (Transitional countries: 12, Developing countries: 15)
- Countries with stable inequality: 12 (Transitional countries: 3, Developing countries: 9)
- Countries with declining inequality: 7 (Transitional countries: 2, Developing countries: 5)

Of the 73 countries surveyed, 59% of the population was living in these countries.

Of the 73 countries surveyed, 36% of the population was living in these countries.

Of the 73 countries surveyed, 5% of the population was living in these countries.

Decline in trade union membership (as % of workforce)

Transformation of “unionized labor” to flexible labor

Fewer high paid unionized blue collar jobs

More flexible jobs - part-time, contingent jobs, non-contractual

More women, “feminization” of the workforce (jobs more closely associated with women’s work (e.g., caretaking)

Women’s work low wages, less stable, less powerful, emotional labor, and general lack of skills

In general, greater social and economic insecurity
Weaker Public sector

Shrinking budgets cities, states, U.S. government

Decreasing unionization

Threats to Social security and Medicare

Declining public sectors jobs NY Times Feb 18 2012

“While the # of private sector jobs has begun to rise again, public sector jobs continue to decline”
Economic globalization

Liberalization
De-regulation
Privatization
Reduce welfare state

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Organizational practices:
Downsizing, restructuring
Irregular, long hours
Involvement, flexibility
Lean production
Intensification of labor
Electronic monitoring
Union avoidance
Restructuring, Downsizing

Restructuring – reorganizing of company to make it more profitable, or better organized to meet current needs.

Downsizing
Privatization/reduction of government services

- **Health care**
  - Workforce reduction/flexibility, worse working conditions
  - Poorer quality of care
  - Public health & disease prevention: lower priorities

- **“Caring economy”: educ, health, social services**
  - Women are majority of this work force
  - Reduction in paid workforce → Women absorb unmet burden of society by unpaid “invisible labor”

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Job characteristics:
Job demands ↑
Work hours ↑
Job insecurity ↑
Job control? Social support? Rewards?
Increase in family hours worked/year, U.S.
(middle-income husbands + wives with children, age 25-54)
Beyond “The Average Worker”: Trends in Long and Short Workweeks 1970 and 1990, by Gender

MEN

WOMEN

Legal minimum paid vacation days and holidays

Increase in work intensity, job demands
European Union surveys, 1990-2005

% REPORTING "AT LEAST 1/2 THE TIME"

Fifteen years of working conditions in the EU: Charting the trends. European Foundation, Dublin, Ireland, 2006
European Union surveys, 1990-2005
Decrease in job control (autonomy)

Control over:

- Work Methods
- Speed
- Task Order
- Break When Desired

Fifteen years of working conditions in the EU: Charting the trends. European Foundation, Dublin, Ireland, 2006.
Precarious work means more job stress
European Union surveys (2000)

Electronic monitoring means more job stress

- Less worker control over how job is done & work schedules
- Work is simplified to make it quantifiable
- Emphasis on quantity & speed over quality
- Climate of fear, threat of reprimand, deadline pressure, fear of increasing production standards

Is work getting more stressful for workers in lower social class positions?

- Hectic + monotonous work

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<tr>
<th>Year</th>
<th>Manual workers</th>
<th>All, age 16-64</th>
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<td>1986</td>
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Increase in perceived high work stress
Taiwan national surveys, 1994-2004

Developing countries

- “Race to the bottom” in working conditions to attract overseas capital
  - corporate friendly low regulatory export zones, despite effects on local economy, rural dislocation, social/environmental sustainability
- Cuts in public sector budgets, social protections
- Formal economy: downsizing, job insecurity
- Growth in (unregulated) informal economy (poorer health)
- 218 M child laborers (126 M in hazardous work)
- 28 M forced or bonded laborers; 5.7 M children
A cry for help at India's call centers

Those working nights answering calls from the U.S. and Europe face:

- musculoskeletal disorders
- sleep disorders
- heart disease
- depression
- family discord

In Chinese factories, lost fingers and low pay

• worker abuse still commonplace in many Chinese factories that supply Western companies

• in the Pearl River Delta region, factory workers lose or break about 40,000 fingers on the job every yr

• child labor

• 16-hour days on fast-moving assembly lines

• paying less than minimum wage

• Guangdong Province -> .68$/hour

Lean Manufacturing Comes to China:
A Case Study of Its Impact on Workplace Health and Safety

Economic globalization

- Liberalization
- De-regulation
- Privatization
- Reduce welfare state

Labor market:

Organizational practices:

Job characteristics:
- Job demands $\uparrow$
- Work hours $\uparrow$
- Job insecurity $\uparrow$
- Job control?
- Social support?
- Rewards?

Ill health:
- Cardiovascular disease
- Psychological disorders
- Sickness absence
- Musculoskeletal disorders
- Injuries
Increase in heart disease rates in British civil servants undergoing privatization (5 yr follow-up, n=8,354)

Downsizing increases CVD death rates
(22,430 Finnish municipal workers, age 19-62, in 4 cities, 7.5 yr follow-up)

Personnel decrease in each occup. group in each city:
<8% (ref) 8-18% >18%

Adjusted for age, sex, SES, type of employment; *p<.05; p(trend) =0.043