Freedom is Just Another Word for Nothing Left to Lose: Entrepreneurialism and the Changing Nature of Employment Relations

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**ABSTRACT**

We explore the acceptance of new contingent work relationships in the United States to reveal an emergent entrepreneurial ideology. Our argument is that these new work relationships represent a new social order not situated in the conglomerates and labor unions of the past, but on a confluence of neo-liberalism and individual action situated in the discourse of entrepreneurialism, employability and free agency. This new employment relationship, which arose during the economic and social disruptions in the 1970s, defines who belongs inside an organization (and can take part in its benefits) and who must properly remain outside to fend for themselves. More generally, the fusing of entrepreneurship with neo-liberalism has altered not only how we work and where we work, but also what we believe is appropriate work and what rewards should accompany it.
Introduction

In the election of 2020, California voters passed Proposition 22 which exempted app-based transportation and delivery drivers from employment protections regarding workhours, overtime, employment taxes and employer provided health insurance established nearly eight decades earlier. That the gig companies which sponsored the proposition spent nearly $200 million to promote its passage and that the California Chamber of Commerce also supported the proposition seems unsurprising. That the California Police Officers Association and the California NAACP also supported Prop 22 was unexpected because police unions and the NAACP had long supported the worker protections enacted in the mid-20th century (Meier and Bracey, 1993). Most surprising, however, was that many app-based drivers themselves supported Prop 22.¹ The argument that the proposition’s sponsors and other advocates adopted was that gig workers are entrepreneurs willing to accept the risks of precarious employment in exchange for independence and flexibility at work (Schor et al., forthcoming).

Lyft, Uber, Doordash, and other “sharing economy” firms are not the only ones that rely on the term “entrepreneur” for the individuals who do the firm’s work but are not their employees. For example, Arise provides customer service agents to companies such as Comcast, Disney, Airbnb, Intuit, Apple and host of others. However, the agents are not Arise’s employees. Instead, Arise contracts with individuals who, in turn, subcontract with still other individuals who answer service calls in their homes from customers of Arise’s corporate clients. Arise calls the contractors and subcontractors “entrepreneurs” in its post-industrial version of a putting out system.

¹ Surveys conducted funded by Uber, Lyft and other gig companies found that 60% of app-based drivers supported Proposition 22 (Paul, 2020). However, the methods used by firms that conducted the surveys for the proposition’s backers appear to have relied on non-random samples and to have posed questions in ways that biased respondents in favor expressing support for the proposition (Park, 2020).
(Armstrong, Elliot and Tobin, 2020). In response to an inquiry by Propublica regarding its byzantine structure Arise responded:

> Our platform offers unique opportunities to *entrepreneurs* and business owners in the United States, Canada, Ireland and the United Kingdom, by providing access to work-from-home opportunities that wouldn’t otherwise be available to them and connecting them with companies that need customer support...For *entrepreneurs*, Arise provides immediate access to a pool of potential customers.² (Italics added)

The identity of “entrepreneur” is expanding. Ruebottom and Toubiana (Forthcoming) argue that many prostitutes now consider themselves to be (and should be considered) entrepreneurs. Recently coined terms for gig workers and free-lancers include “micropreneurs” and “solopreneurs”.³ Increasingly, it seems that employment relationships that involve no formal employment are frequently welcomed by people who reject unions and corporate work, who portray precarious, independent work as liberating, and who see the stature as an entrepreneur as elevating (Pink, 2001). What could have changed such that both buyers and sellers of labor wish to liberate themselves from regular employment which provides greater security?

It was not always this way. After World War II American workers enjoyed what scholars have called the *age of security* or the *traditional employment bargain* that grew out of institutions framed during the New Deal (Cappelli, 1999; Kalleberg, 2018; Osterman, 2014). Under this system, employees expected employers to provide long-term jobs and careers, pensions for retirement, health insurance for themselves and their families, and the training necessary for building human capital and advancing up a career ladder. In fact, in the United States it was often

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only through permanent employment that workers could obtain such benefits. In return, employees pledged sustained effort, commitment, and loyalty to their employers.

That arrangement has unraveled. Today, for many Americans, careers are less secure, jobs less permanent, and employment benefits less generous, if available at all. This shift has occurred despite a national economy that has grown enormously from less than $13k per capita in 1980 to over $65k per capita in 2019 (WorldBank, 2021). Even more surprising, the shift toward more risky employment has occurred not simply with workers’ acquiescence but at times with their outright embrace.

In this essay, we consider how and why workers have come to accept and even celebrate a new era of employment insecurity in the United States. We argue that a confluence of ideas drawn from the rhetoric of neoliberalism and entrepreneurship has legitimated more precarious employment relationships while pushing the risks of employment onto individuals and away from corporations. The new vision of what buyers and sellers of labor owe each other arose during the economic and social disruptions in the 1970s and came to define who still belonged inside an organization (and would merit in employment benefits) and who would remain outside to fend for themselves. In short, the traditional notion of entrepreneurship was gradually co-opted to help legitimate dismantling, undermining or side stepping the New Deal’s institutions of traditional employment. Our story begins by recounting how structures of employment began to change in the 1980s and then proceeds to discuss how the notions of employability and entrepreneurship merged to legitimate these structural changes.

**The Demise of the Age of Security**

Corporations and unions were the cornerstones of the age of security which spanned almost four decades from the end of World War II until around 1980. At the height of this period (1950-1970),
70 percent of the U.S. workforce was employed by large enterprises (Graham, 2010:413). In fact, in 1970 just two dozen corporations employed nearly 10-percent of the U.S. labor force (Davis, 2016). That same year over 28 percent of employees were members of unions, typically earning high wages (Freeman, 1988).

Beginning in the 1970s, these cornerstones began to erode. An oil price shock generated inflationary expectations and rising uncertainty led to employment disruptions in what came to be called “stagflation.” By 1979, inflation was nearing 14 percent annually and unemployment was approaching 8 percent (Bryan, 2013). These unprecedented levels of high inflation and high unemployment, which were not predicted by Keynesian economic policy, led policy makers to accept a monetarist view that emphasized the supremacy of shareholder’s interests, the deregulation of financial markets, and the tempering of money supply. As Gerald Davis and his colleagues have extensively documented (Davis, 2013; Davis, 2015; Davis, 2016; Davis and Greve, 1997), financial institutions, corporate raiders and others guided by this reinvigorated shareholder theory of the firm gained control over and began to dismantle many of the corporations that had previously dominated the American economy (Dobbin and Zorn, 2005; Stout, 2007). These changes were driven by an emergent belief that shareholders could realize gains by “unbundling” existing operations – that is, by taking large integrated operations, dividing them up, and selling off the pieces. In the eyes of Wall Street, the 1981 recession added further incentive – and opportunity – to engage in a radical restructuring of the American corporation (Cappelli, 2008).

Innovations in debt financing, such as “junk bonds” that enabled small groups of investors to purchase public companies and take them private, served as new tools to facilitate this activity (Cappelli et al, 1997). As Cappelli and colleagues (1997:33) note, “Of the 500 companies on the
Fortune list of top manufacturers in 1980, one third had experienced a hostile takeover by the end of the decade, and one third no longer existed as an independent entity by 1990.” These “corporate raiders” took specific and deliberate aim at the existing employment ideology by arguing that companies should focus on short-term profit maximization. In practice, this often meant laying off employees who were portrayed as fixed costs. Indeed, Kaplan (1989), found that companies acquired via a leveraged buyout cut 12-percent more jobs than did comparable other companies.

At the same time, the sway that unions had over wages and employment relations in the U.S. waned (Kochan et al. 1986:111-112). Union membership in the U.S. fell gradually beginning in the 1950s, decreasing from 33 percent in 1955 to 28 percent in 1970. The trend then accelerated in the 1970s and 1980s as new regulations, shareholder beliefs about corporate value, and globalization led to the demise of conglomerates and industrial corporations (Davis, 2016). As a result, by 1980, union membership had fallen to 23 percent, and by 1990 it had fallen to 16 percent. Today, it stands at about 10 percent (Bureau of Labor Statistics, 2021; Hirsch et al., 2001). Unions had long influenced employment relations beyond their represented members and associated firms (Sutton, 2004; Davis and Cobb 2010). In the wake of a literal halving of union membership, unions’ power to shape the broader system of employment relations in the U.S. weakened.

Finally, as the U.S. embarked on a process of deregulating formerly regulated industries, ranging from financial services to transportation and telecommunications, global markets increasingly integrated. In combination, these developments opened U.S. employers to new global competitors from both Europe and Asia who, until then, were recovering from the devastation of World War II. Whereas U.S. companies formerly had been able to count on a large and almost-captive domestic market, U.S. consumers soon began purchasing goods from non-U.S.

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4 If one excludes the public sector (primarily governments and schools) where unions remain stronger than in the private sector, union membership currently stands at 6% in the private sector.
manufacturers. Indeed, owing to post-war competitive insularity, U.S. offerings often did not compete favorably against these new competitors based on price or quality. For example, economic shocks such as the oil crises of 1973 and 1977 shifted U.S. consumer attention to the lighter, smaller, and more fuel-efficient vehicles from Japan that were often of higher-quality and more reliable than American offerings. In short, faced with global competition, U.S. companies suffered a declining share of American sales (Cappelli et al., 1997; Graham 2010).

In response to these changes, U.S. firms took a variety of actions that broke their historic contract with workers. Most importantly, organizations began to systematically cut their payrolls. Before the 1980s, blue-collar workers had repeatedly been subject to layoffs during recessions; but, firms had traditionally rehired most of their workers after the economy improved. In the 1980s and 1990s, however, firms began to fire not only blue-collar workers but also, for the first time, managers and other white-collar employees during waves of “downsizings” that swept the nation (Newman, 1988; Osterman et al., 2001; Smith, 2018; New York Times, 1996). More importantly, these firings were permanent, and they occurred independent of the general state of the economy and the financial performance of a given firm. In 2005, for example, Verizon announced $4 billion in profits and also laid off 3,000 employees (Rousseau, 2006). Similarly, in 2020, Wells Fargo cut 6,400 jobs permanently while reporting a profit of $3 billion (Weistein, 2021). During the 2000s, General Electric, while profitable, moved 25,000 jobs out of New York to states with right to work laws and cheaper labor markets, thereby devastating the community of Schenectady where G.E. has long been the primary employer. As one reporter said, “Nobody feels like they have job security … nobody knows what’s next for the city, or for housing prices, or what their kids will do for work if they can’t or don’t want to go to college” (Carpentier, 2016).
A New Bargain Emerges

Firms were able continue producing in the wake of widespread downsizings, in part, by altering their approach to employment in two ways. First, they moved workers off their payrolls and replaced them with temporary labor hired for the duration of a task or project. Thus, the number of workers employed by temporary help agencies almost doubled between 1982 and 1986, and by the end of the 1980s, 95 percent of American corporations were using temporary workers (Kanter, 1993).

Assessing the prevalence of temporary or contingent employment is difficult not only because different researchers employ different definitions of contingent, but also because different data sources yield conflicting evidence (Abraham et al., 2021). If one adopts a broad definition of contingent labor that includes part-time workers, on-call workers, employees of temporary help or staffing agencies, independent contractors and people who find work through online platforms such as UBER, Taskrabbit and UpWork, then somewhere between 30-percent and 40-percent of Americans currently work contingently (Gallup, 2018; The Federal Reserve, 2019). Adopting a narrower and potentially more reasonable definition of contingent work, Katz and Krueger (2019) report that contingent employment grew from roughly 11 percent of American workforce in 1990 to 16 percent in 2015.\textsuperscript{5} Independent contractors, platform workers, and contingent workers placed through staffing agencies almost never qualify for employment benefits such as health care, vacations, or retirement savings programs. Indeed, avoiding such costs is a primary reason that firms have turned to contingent work.\textsuperscript{6} Moreover, the pay in some contingent firms is abysmal partly because they are not subject to minimum wage regulations (Hara et al., 2018; Schor, 2020).

\textsuperscript{5} Katz and Kruger counted temporary help agency workers, on-call workers, contract workers, and independent contractors (or freelancers) as contingent workers.

\textsuperscript{6} See Barley and Kunda (2004) for a summary of firm’s motives for hiring contingent labor.
Second, firms sought to reduce the fixed costs of employment by eschewing hiring in favor of purchasing labor and services from domestic and foreign suppliers. Workers in manufacturing firms were hit particularly hard by the shift toward outsourcing and offshoring labor (Bhagwati and Blinder, 2009; Boehm et al. 2020; Urry, 2014). But with the evolution of computerized communications, computer aided design, computer aided manufacturing and a host of other digital technologies that facilitate nearly instantaneous global communication and the routinization of conceptual tasks, even knowledge work lost immunity to offshoring (Bailey et al., 2012).

Finally, many employers ceased even implying that employees could anticipate long-term employment and, instead, began to make ambivalent and limited promises, as the following excerpt from the contract (entitled the “Apple Deal”) that Apple provided employees during the 1990s clearly states:

Here’s the deal Apple will give you; here’s what we want from you. We’re going to give you a really neat trip while you’re here. We’re going to teach you stuff you couldn’t learn anywhere else. In return...we expect you to work like hell, buy the vision as long as you’re here...We’re not interested in employing you for a lifetime, but that’s not the way we are thinking about this. It’s a good opportunity for both of us that is probably finite (see Cappelli, 1999:26).

Nor was Apple the first or only firm to warn its employees about the changing nature employment obligations. A decade earlier, for instance, General Electric had issued a similarly explicit but less “hip” statement: “The only job security is a successful business...If loyalty means that this company will ignore poor performance, then loyalty is off the table” (see Cappelli, 1999:25).7

Together, the expansion of contingent work, the offshoring of work, and more precarious employment contracts coupled with the decline of large corporations generated increasing

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7 At the time Jack Welch was the CEO of General Electric. Welch was known within GE and beyond as “Neutron Jack”: Like the neutron bomb he eliminated people but left the buildings standing.
economic inequality. To ensure managerial stability and to respond to unions’ demands while avoiding further unionization, large corporations had historically paid (and continue to pay) higher wages to their lowest-level employees and lower wages to their highest-level employees, when compared to smaller employers (Cobb and Lin, 2017). Davis’s (2016:132) calculations show that between 1950 and 2006 the correlation between income inequality in the United States and the number of Americans employed annually by the 10 largest American firms is astoundingly large and negative (-.90). As Davis (2016) noted: “[Around 1970], income inequality reached its lowest level in American history. An entry-level job at a growing corporation provided a straight path to the middle class and growing prosperity.” One would expect, therefore, that as employment in large enterprises slipped income inequality would grow.

Although it is difficult to determine how much of income inequality can be attributed to the demise of large corporations, Figure 1 shows that US median family income ceased tracking the rise in per capita GDP around 1980. Although Americans continued to get richer, wealth primarily accumulated to those at the top. Nor was the development exclusively American. Piketty (2020:30) found that income inequality in Europe and Japan also rose precipitously after 1980, precisely the period when financiers began dismantling corporations and the traditional employment bargain began to unravel.
What is clear is that growing inequality reflected ballooning executive compensation, flat or declining wages for the average worker, and cutbacks in employee benefits. During the last quarter of the 20th Century, men at the 50th percentile of the income distribution in the U.S. at best saw their average hourly wage stagnate. The average hourly wage fell from $15.20 in 1973 to $13.93 in 1995 before rising again to $15.04 in 2003. By contrast, workers in the 95th percentile experienced a 30-percent increase over this same period (Levenson, 2006: 88). The ratio of CEO-pay to average-worker-pay increased from 24-to-1 in 1965 to 185-to-1 in 2003 and to almost 300-to-1 by 2018 (Mishel et al., 2005; Mishel and Wolfe, 2019). In fact, since 1978, a typical worker’s compensation has risen only 12 percent while CEO compensation grew 940 percent (Mishel and Wolfe, 2019). In other words, with the demise of the age of security the rich got much richer while the rest struggled to stay even.

At the same time, salaried workers found that their income was increasingly tied to bonuses that might or might not be given. The percentage of salaried jobs that were subject to bonus pay...
provisions almost doubled between 1978 and 1998, moving from 30-percent to 50-percent (Levenson, 2006). The use of bonus pay tied to individual or firm performance had the effect of shifting risk from the employer to the employee. Moreover, because these incentives were typically limited to salaried “first-tier” employees, non-salaried workers, whose pay remained flat, experienced no benefit from the shift to bonuses.

Due to both the decline in collective bargaining and Internal Revenue Service rulings on the tax implications of defined contribution plans, after 1981 the number of firms offering pensions (defined benefit plans) to their employees shrank. In 1979, roughly 40 percent of private-sector employees had an employer-sponsored pension (Davis, 2016). By 2018, only 17 percent did (Bureau of Labor Statistics, 2018). Similarly, although less dramatically, the percentage of Americans covered by employer-sponsored health care plans fell from 69 percent in 1979 to 55 percent in 2006 (Mishel et al. 2009:123). In short, for many Americans, the terms of employment have changed dramatically over the last four decades. Careers have become less secure, jobs less permanent, and employment benefits less generous.

It is easy to see how employers benefitted from the unravelling of the traditional employment bargain and the shift to an emphasis on entrepreneurship. As the statements by Apple and General Electric indicate, firms now view it as appropriate to demand diligence, effort and performance, while offering little more than experience and a chance to learn new skills in return. Moreover, these transitory engagements, whether they be uncertain stints of employment or temporary work, shifted more of the uncertainty and risk of employment from the firm to the worker, further benefitting employers.

What is less clear is why employees might willingly accept, much less embrace, the change. Unlike a career managed by a corporation – such as the system of “blue sheets” once prepared for
young managers at General Motors, which laid out their advancement over the next 20 years – the new employment bargain asks workers to shoulder the burden of their future with little hope of advancement and in many instances without benefits or even an occasional vacation (Schor et al. Forthcoming).

Undoubtedly many people have resigned themselves to the “new deal at work,” as Cappelli (1999) called it, because they have no better option (Cook et al., 2019). But others have eagerly scrambled to work for companies that offer no security (Neff, 2012), embraced contingent work (Kunda et al., 2002), and flocked to start-ups where researchers have repeatedly shown that wages are significantly lower than those offered by larger companies and which are very unlikely to survive even a few years (Block et al., 2017; Decker et al., 2014; Lin et al., 2000; Van Praag and Versloot, 2007). In Silicon Valley, for example, some estimates indicate that 40-50 percent of the workforce at some high-tech firms is now contingently employed (Wakabayashi, 2019).

Explaining why a growing number of people accept the new employment bargain as the way things are, and even treat it as legitimate, entails investigating how new institutional orders emerge. The full story surely involves changing power relations in society and the economy, how those changes manifest themselves in changing laws and regulations, how practices diffuse over time, and how new ideas, understandings and interpretations emerge to justify, if not bolster, the new regime of employment. The remainder of this essay focuses on the latter, changing ideas, for as Piketty (2020:1) recently put it: “Every human society must justify its inequalities: Unless reasons for them are found, the whole political and social edifice stands in danger of collapse.” In our interpretation, the rhetoric and ideology of entrepreneurship has provided just this justification. In the following sections, we trace this change in employment ideology and how it
has undergirded a massive – and mostly negative – shift in employee well-being that employees often embrace.

**Ideologies of Employment Prior to 1980.**

Reinhard Bendix's (1956) *Work and Authority in Industry* remains the most thorough exegesis of how people in authority have mustered ideas to frame and rationalize their right to control those on whose labor they depend on and why the latter owe allegiance, if not obedience, to the former. Bendix maintained that ideologies – systematic bodies of ideas about life, culture, and socioeconomic regimes – were essential for maintaining social order in the transition from feudal, agricultural economies to modern, industrial economies:

In the West industrialization has been defended by ideological appeals which justified the exercise of authority in economic enterprises. Qualities of excellence were attributed to employers or managers which made them appear worthy of the position they occupied. More or less elaborate theories were used in order to explain that excellence and to relate it to a larger view of the world. The exercise of authority would also be justified in terms of the “naturally” subordinate position of the many who obey. To this a further reference to the social order was usually added, holding out a promise to the many who with proper exertion might better themselves or even advance to positions of authority…these ideas have also had a strong appeal for those who spend their daily life under the authority of the very employers whose achievements are celebrated. Indeed, that authority has been defended on the ground that each man is free to enjoy what he can acquire on his own, and the promise of freedom based on exertion has excited the human imagination… the ideological defense of industrialization has helped to structure our image of the social world. (p. 2-3, italics added)

Bendix recounted how the ideas that Anglo-American elites espoused to justify their era’s employment relations had morphed from the time when early industrial entrepreneurs first challenged the power of the landed aristocracy until the mid-20th century when large corporations came to dominate the economy. Throughout the 18th and 19th centuries, employment ideologies mixed religious doctrines, to varying degrees, with more secular and moral notions of striving and
indolence. Industrialists reputedly deserved their station in life not only because of fortune or divine providence, but because they exhibited character traits that underwrote success: diligence, forethought, abstinence, determination, and self-reliance among others. The poor may have been placed in their position by fortune, but they remained there because of their laziness, intemperance and depravity. The arc of managerial ideology before the 20th century traced a shift from the feudal notion that industrialists bore some responsibility for the less fortunate, to arguments that blamed the less fortunate for their own station in life while absolving industrialists of any responsibilities for their workers, to self-help philosophies that held out the promise of success for anyone who cultivated the right perspectives and attitudes.

It is important to recognize that until end of the Gilded Age most employers were entrepreneurs who founded and owned their own businesses and that by today’s standards these businesses were comparatively small. But as firms and their markets became larger in the latter half of the 19th Century, it became more difficult for entrepreneurs to manage their enterprises either alone or with the help of a few trusted friends or relatives. Accordingly, owners began hiring managers, administrators, and technical staff to oversee their establishments. In the process, firms became more routinized, rationalized, and bureaucratic to address the growing complexities of scale and scope (Chandler, 1977). Stock ownership became more distributed, which further separated the owners of a firm from those who managed it (Bearle and Means, 1932). As ownership and management diverged, the cultural and legal conception of an employer became detached from an individual. For most workers, the employer was no longer an entrepreneurial owner, but the firm itself or, more concretely, the firm’s cadre of managers.

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8 Although we do not explore it in this essay, it is worth noting that popular celebrations of and academic research on entrepreneurs also argue that entrepreneurs exhibit traits that distinguish them from ordinary people.
The shift to managed firms and the advent of administrative careers within bureaucracies posed a significant challenge to the ideologies that earlier industrialists and their spokespersons espoused to justify employment relations. The authority that now required legitimation was no longer the personal power of the successful entrepreneur but the authority of an impersonal, legal entity and those who administered it by virtue of the offices they held. By the mid-1950s, in the wake of scientific management and industrial psychology and, perhaps most importantly, the human relations movement, Bendix claimed that a critical ideological transition had occurred. Emphasis on the superiority of “self-made men” and their right to command gave way to a celebration of less heroic leadership cast in terms of trust, teams, aptitudes, and behaviors — much of which could be taught to and learned by those who sought to advance. Importantly, this shift relied in large part on social scientific research rather than on religious tenets or social Darwinist notions of the survival of the fittest (Guillén, 1994). Managers and workers alike now became “members” of the organizations for which they worked, and if workers would offer loyalty, employers would at least provide security, if not loyalty, in return. In short, by the time Bendix wrote, the sharp distinctions between those in control and those who obey was being softened (although hardly eliminated) by promises of careers, by the conception of a firm as a social collective, and by an emphasis on cooperation and collaborative teamwork that, at least rhetorically, applied equally to leaders and the led.

Bendix completed his analysis of ideologies of employment time just as the human relations movement neared its apogee. In the same year William H. Whyte (1956) published *The Organization Man* which offered a critique of life and striving in bureaucratic corporations where both cooperation and conformity were the order of the day and where individualism and creativity were relegated to the background. Although several scholars sought to extend Bendix’s analysis
beyond the human relations movement (see Barley and Kunda, 1992, Guillen, 1994, Abrahamson, 1997), most did not focus explicitly on the employment relationship or the worker’s role in an economy dominated by corporations.

An important and much overlooked exception is Nicole Biggart's (1983) analysis of success and self-help manuals published in 1950s, 1960s and 1970s. Biggart argued that success and self-help manuals counseled individuals on how to grapple with a world in which one’s life chances were tied to roles and careers (or the lack of them) in corporate and bureaucratic environments. Based on an analysis of books that stayed on the *New York Times* best-seller list for at least eight weeks, Biggart identified four genres of discourse aimed at helping employees cope with their circumstances: (1) books that promoted success through striving, (2) entrepreneurial schemes, (3) manipulation manuals, and (4) displacement books. Books on striving, published primarily in 1950s and epitomized by Norman Vincent Peale's (1952), *The Power of Positive Thinking*, sought to convince people that their mindset determined their chances of success. Such admonitions resembled the stance of adherents of the New Thought Movement in the early 20th Century who also argued that workers would get ahead if they only wished hard enough and cultivated confidence (see Bendix, 1956: 259-263). Entrepreneurial schemes, most prominent in the 1960s, focused not on starting a business *per se*, but on accumulating wealth by investing in stocks or real estate. Manipulation manuals of the 1970s, such Ringer’s (1973, 1977) *Winning Through Intimidation* and *Looking Out for Number One* were Machiavellian takes on Goffman’s (1959) *Presentation of Self in Everyday Life* that offered cynical advice on how to manipulate the micro-dynamics of interaction to gain power over others. In sharp contrast, displacement books, also prominent in the 1970s, urged employees to seek satisfaction and
meaning outside of the workplace and to view employment merely as a way of supporting the quest for personal fulfillment elsewhere.

Importantly, none the success manuals written from the 1950s through the 1970s imagined employment outside an organization. Calls to strive or to manipulate took corporate employment for granted and offered advice on what it takes to the succeed as an employee. Even books that promoted entrepreneurial schemes or finding self-actualization in other arenas assumed the persistence of the corporation and argued for extracurricular courses of action. Work might be stultifying, and success might be elusive inside a corporate bureaucracy, but the presumption that people would remain employees was never seriously questioned, unless they became independently wealthy though investments. However, the events of 1980s and 1990s, outlined in the previous section, altered the ideological lay of the land. Workers who once made their living and found security inside an organization suddenly found themselves on the outside of an organization looking in, either perpetually moving between employers or thrust headlong into the labor market with no steady workplace to call home. In the face of these developments, the old ideologies of employment became inappropriate. New ideas were required to justify a radically new ethos of employment. Thus, by the 1990s two ideas emerged to explain and legitimate a world of work in which organizations were at best transitory waystations: entrepreneurialism and employability.

A New Ideology: Entrepreneurialism and Employability

It is worth noting that by the 20th Century the glamour of entrepreneurs who had once been hailed as heroes, such as Cornelius Vanderbilt, John D. Rockefeller, and Andrew Mellon, had begun to tarnish. Under the banner of restraint on trade, progressive politicians began mounting increasingly successful legal attacks on the trusts and monopolies built by financiers and
industrialists, culminating in the founding of the Interstate Commerce Commission in 1887, the passage of Sherman Antitrust Act in 1890, Congressional authorization of the Bureau of Corporations (the predecessor to the Federal Trade Commission) and the Clayton Antitrust Act in 1914. It was during this period that pundits first began to refer to extraordinarily successful entrepreneurs as “tycoons,” and to call railroad magnates “robber barons.” By the 1950s, Whyte (1956:76) would write in The Organization Man: “the entrepreneur, as many see him, is a selfish type motivated by greed.” Indeed, as business historian Margaret Graham (2010, p. 403) writes, “For much of the rest of the century [after the 1920s], the term entrepreneur took on a negative connotation, signifying the eccentric individual who was all too likely to be disruptive to the well-integrated organization.”

The latter half of the 20th century, however, witnessed the rehabilitation of the entrepreneur across institutions in business, government, academia and popular culture. During the 1960s and 1970s neo-liberal economists associated with the Mont Pèlerin Society resuscitated Schumpeter’s claim that innovations championed by entrepreneurs were the economy’s engine of growth and, perhaps more importantly, promulgated the idea that all individuals were capable of entrepreneurial action. Only by encouraging entrepreneurialship in all venues would capitalism triumph over socialism (Plehwe, 2020).

Business authors, such as Peter Drucker, who had previously espoused the collective ideals of the human relations school began to hail entrepreneurialism as a cure for bureaucracy’s ills of as well as the economy’s ills (Burgin, 2018). By 2005, economist Edward Lazear proclaimed, “The entrepreneur is the single most important player in the modern economy” (Lazear, 2005:649), and business professor Donald Kuratko (2005) declared, “Entrepreneurship has emerged over the last two decades as arguably the most potent economic force the world has ever experienced”. 
Influenced by such thinking, governments began developing policies and programs to support and encourage entrepreneurship and innovation (Aldrich and Yang, 2012). For instance, in 1980 the United States Congress passed the Bayh-Dole Act, which focused on commercializing federally sponsored research in ways that favored small businesses and startups. The US Small Business Administration (SBA), formed in 1953 and initially charged with the support of small businesses, added an Office of Entrepreneurial Development, focused specifically on starting new businesses. Similarly, the US Economic Development Administration created an Office of Innovation and Entrepreneurship in 2010, aimed at “empower[ing] communities so that entrepreneurs can launch companies, scale technologies, and create the jobs of tomorrow” (U.S. Economic Development Administration, 2021). One of the three primary foci of the Obama administration’s efforts to respond to the recession that started in 2008 and that led to the loss of millions of jobs was to emphasize “promoting competitive markets that spur productive entrepreneurship” (Chopra, 2010.). Although the effectiveness of government programs to promote entrepreneurship is contentious, with many scholars noting that they have little effect, the efforts nonetheless represent a new perspective in which governments believe that they can best support businesses, economic growth and job creation by stimulating entrepreneurship (Lerner, 2009).

Beginning in the 1980s, a new industry – venture capital – emerged to provide the financial underpinnings for an entrepreneurial economy (Aldrich and Ruef, 2018). Fueled by a 1979 change in regulations that allowed pension funds to invest, by proxy, in high-risk startups, fund managers steered public money towards private venture-capital firms that focused on disrupting incumbent companies (Florida and Kenney, 1988). With the change, new commitments in venture capital funds grew from less than $1 billion in 1978 to more than $12 billion in 1982. In 2020, the National
Venture Capital Association reported that VC funds had raised $74.5 billion “to deploy to promising startups” (all figures in constant 2020 dollars) (National Venture Capital Association, 2021; Gompers, 1994).

Even the nonprofit sector is not immune from this perspective. In recent years nonprofit organizations have started to adopt language and metrics associated with entrepreneurship. At the same time, donors have pursued a new “venture philanthropy” modeled after the venture capital sector and under which they give money not as a donation but rather as an investment to be leveraged and scaled (Powell and Bromley, 2020).

New foundations have emerged to push the ideology of entrepreneurship and think tanks also amplified their efforts in the space. For example, the Ewing Marion Kauffman foundation was established in 1966 with a broad mandate to improve education and innovation in Kansas City. In 1992, the foundation established a new Kauffman Center for Entrepreneurial Leadership, focused on shaping entrepreneurship curricula, developing national entrepreneurial networks, and shaping policy environments to favor the creation of new businesses. The foundation directed half of its endowment payout to this new focus (Kauffman Foundation, 2021).

For their part, universities began teaching entrepreneurship and founding entrepreneurship centers. By the late 1960s, only four universities offered courses in entrepreneurship. Yet by 1995, this number had grown to over 400 (Vesper and Gartner, 1997). By 2000 as many 1,200 universities were teaching entrepreneurship. Three years later another 400 universities were doing the same (Katz, 2003; Solomon et al., 2002). Perhaps in response, the academic field of entrepreneurship research grew (Aldrich, 2012).

By the 1980s the popular press had also begun actively touting the importance of entrepreneurship for the American economy. Newspapers, magazines, books, and other media
outlets turned the founders of technology firms, such as Steve Jobs, into cultural heroes. As Aldrich and Yang (2012:2) explained:

In the United States, coverage of business ownership issues began increasing well before the dot-com boom of the 1990s. From 1982 through 1995, the number of articles on business ownership increased by more than fivefold in major national newspapers…The number of magazines and books on entrepreneurship exploded in the mid-1990s, and there were more than 26,000 listings for “entrepreneurship” on the Amazon.com site as of May 2011. Major newspapers now run columns on entrepreneurship (rather than just small business) and although wealthy entrepreneurs are still occasionally portrayed in a negative light, film and television coverage is mostly positive.

The Google N-grams displayed in Figures 2A through 2E reflect the changes. The graphs plot the percentage of books published annually in English between 1880 and 2019 that included nouns associated with the traditional employment bargain (corporation, labor union and retirement) as well as the word entrepreneur. N-grams can be interpreted as the relative importance of an idea in the larger culture during particular eras. By the late 1950s mentions of “corporation”, “union” and “retirement” (Figures 2A through C) were slowly but steadily declining, while mentions of “entrepreneurship” (Figure 2D) and “income” or “economic inequality” (Figure 2E) increased at a pace that became more rapid after 1980.

*Figure 2A Annual Percentage of mentions of "Corporation(s)" In Google Books*
Figure 2B: Annual Percentage of mentions of “Labor Union(s)” in Google Books

Figure 2C: Annual Percentage of mentions of “Retirement” in Google Books

Figure 2D: Annual Percentage of mentions of “Entrepreneur(s)” in Google Books
Media depictions of entrepreneurship often featured two themes. First, they lionized individual entrepreneurs – especially, Silicon Valley entrepreneurs. For example, the February 19, 1996 cover of *Time* magazine featured a picture of Netscape founder Marc Andreesen and the text, “The Gold Geeks. They invent. They start companies. And the stock market has made them INSTANTAIRES” – apparently, a reference to instant multi-millionaires.

Second, the media often hailed startups as a critical source of new employment. For example, a 2010 Kauffman Foundation report that was widely circulated in the media concluded, “without startups, there would be no net job growth in the U.S. economy” (Kane, 2010). The report was not peer reviewed. In fact, in a subsequent analysis of the same dataset, other economists offered a distinctly different interpretation:

While startups contribute substantially to jobs immediately, most startups fail or, even if they survive, do not grow, while a small fraction of high-growth young firms contribute disproportionately to job creation in the United States. These findings pose challenges to policymakers seeking to promote job creation by encouraging entrepreneurship, because *most young and small businesses are not in fact primary creators of jobs* (Decker et al., 2014: 21) (Italics added)
Moreover, high-growth young companies support fewer jobs and/or offer lower salaries than did the larger firms of an earlier era. For example, in 1970 General Motors employed nearly 400,000 hourly workers represented by the United Auto Workers and earning an average of about $68,000 in 2020 dollars (Seibt, 2019). By contrast, Google’s parent company, Alphabet, had just over 135,000 employees in 2020, earning an average of $273,000 – quadruple the average salary, but employing only one-third the number of people (Alphabet, Inc., 2021). Amazon, another high-growth company, had 876,000 permanent employees in 2020, thus accounting for about the same percentage of employed workers in the US in 2020 as GM accounted for in 1970. (The US workforce has more than doubled from 1970 to 2020, largely due to the entrance of women.) But these employees earn, on average, just under $38,000 – about half of the 1970 GM worker with far fewer benefits (Amazon.com, Inc., 2021; Cain and Peterson, 2020).

All of these developments reflected and encouraged a new ideology of employment. By the 1990s, scholars realized that the traditional employment bargain and the security it brought were waning. But without stable internal labor markets, how could people gain economic security and construct careers? Arthur and Rousseau (1996) were among the first to propose the notion of a “boundaryless career.” In the wake of downsizing and the dismantling of corporations, people would need to embrace careers that required moving between organizations or playing out one’s career within an occupation rather than an organization. To be successful in boundaryless careers, people would need to pay close attention to what Becker (1964) had called human capital: acquiring education and accumulating skills that they could sell on open labor markets. Social

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9 The New York Times reported that Amazon also had about 500,000 delivery workers in 2020, but that these workers are contractors and not Amazon employees (Weise, 2020). A more recent article in the New York Times cited a former Amazon vice president who claimed that Jeff Bezos did not want hourly employees to have lengthy tenures at Amazon since company data “showed that employees became less engaged over time.” In fact, Amazon’s turnover is so high that, per the Times, it “had to replace more than the equivalent of its entire hourly work force in a single year” (Ovide, 2021).
capital, whom one knew or could get to know, would also be critical if one were to remain mobile and attractive to potential employers and clients (Raider and Burt, 1996). In short, in the “new economy,” people would need to attend to their “employability” (Kanter, 1993). Going forward, individuals who desired security would have to shoulder responsibility for ensuring that their skills, knowledge, and connections never became obsolete.

The celebration of entrepreneurship and the doctrine of employability merged in the mid-1990s to create a new ideology of employment, which for lack of a better word, we shall call “free agency,” a term popularized by Daniel Pink (2001). The idea of free agency first attracted widespread public attention in 1994 with the publication of William Bridge’s Job Shift: How to Prosper in a Workplace Without Jobs and his article “The End of the Job” in Fortune (Bridges, 1994a, 1994b). Addison-Wesley, Bridge’s publisher, described the book’s promise on its dust jacket:

The bad news, according to this ground-breaking book by top consultant William Bridges, is that jobs are disappearing. The good news is that a job isn’t the only way that people work to earn a good living. In fact, it’s no longer the best way. Our idea of a “job” was invented during the Industrial Revolution and is out of synch with today's technological and economic forces. JobShift shows how we can thrive in our de-jobbed future. Its “Career Guide for the 21st-Century Worker” will help you to rethink your work so you can create your own “job security.”


The ideology of free agency encouraged people to liberate themselves from paternalistic corporations and the confines of traditional employment. Instead of seeking security, people should refashion themselves as entrepreneurs, consultants, or independent contractors and proceed as if they were their own firm. Tom Peters (1999) urged his readers to become CEOs of their own lives. In sharp contrast to the rhetoric of 1950s and 1960s, the tone of free agency was decidedly anti-corporate and anti-bureaucratic. As Pink (2001: 48-49) put it:

> This loyalty-for-security compact forms the foundation of corporate paternalism… the notion that corporations were families turned out to be, at best, an outdated promise, at worst, an outright charade. It was almost as if Ma and Pa Corporation—their mortgage payments increasing, their own futures bleak—looked around one day and saw a bunch of nineteen-year-olds flopped on the family couch watching reruns and munching corn chips. ‘This hurts us a lot more than it hurts you,’” they said. “Now get out of the house!” To which the kids, chastened into candor, replied, “Fine- I’ve always thought this place sucked anyway.” For the American worker, adolescence was over. Adulthood—and free agency had begun.

Several themes resonate throughout the free agent manifestos, the first being a renewed emphasis on Americans’ longstanding celebration of individualism and freedom now portrayed as sources of power against corporate tyranny. This emphasis on individualism was a marked shift from the earlier era. Business historian Margaret Graham (2010, p. 403) notes, “After the shared
sacrifice of World War II, individual power and wealth became suspect, and greater status accrued to those leaders of large organizations, private or public, civilian or military, who knew how to make them productive.” In the entrepreneurial era, by contrast, Pink (2001:16) wrote: “Power is devolving from the organization to the individual. The individual, not the organization, has become the economy's fundamental unit.” Simon Caulkin (1997), a journalist writing the San Francisco Examiner further explained:

At the bottom, the trade of loyalty for security was unsustainable and exploitative. By tying their career and skills to one employer, employees sacrificed mobility and market value in return for a promise that couldn’t be kept. By contrast, in the emerging new deal, the very mobility of career-independent employees provides a powerful incentive to companies to keep their promises – the most important of which…is to provide interesting, motivating work. Otherwise, those valuable staff members will leave. So, the death of the security-loyalty contract has made room for a more durable and satisfying employment relationship – this time based on independence rather than the employer paternalism of the past.

The growing role of knowledge work also amplified individualist tendencies. In a 1988 article in Harvard Business Review, Peter Drucker argued that information-based organizations require and reward individual contributors who “cannot be told how to do their work.” In turn, Drucker forecasts:

Businesses, especially large ones, have little choice but to become information-based. Demographics, for one, demands the shift. The center of gravity in employment is moving fast from manual and clerical workers to knowledge workers who resist the command-and-control model that business took from the military 100 years ago. Economics also dictates change, especially the need for large businesses to innovate and to be entrepreneurs. (Drucker, 1988: 45)

Pushing this idea further, Richard Florida (2002), in his bestseller The Rise of the Creative Class, reflected on the tensions between working for an organization, a relic of the past in his view, and pursuing creative endeavors with autonomy and self-direction.
A second leitmotif was reliance on the vocabulary of finance. Hoffman and Casnocha (2013) argued that individuals are always in competition for a job with many others, so they must discover their competitive advantage. The authors’ message was that people should approach their career, if not their lives, as if they were investing in the stock market. What we have traditionally called skills or experience, Hoffman and Casnocha called, “assets,” a term repeatedly encountered in free agency manuals. Holborow (2018:49) summarized the stance: “Human capital condenses a person’s knowledge and skills into an economic asset with the power to produce wealth for the individual.” Tellingly, Gary Becker (1964: 115-16), a neo-liberal economist at the University of Chicago, expressed the same notion nearly 60 years earlier when championing the notion of “human capital” in economics: “Persons investing in human capital can be considered ‘firms’ that combine such capital perhaps with other resources to produce earning power.”

Pink (2001:92) urged free agents to “diversify” their assets across a “portfolio” of multiple skills and clients to “hedge” their investments:

The downsizings of a decade ago delivered pain to millions of families, and deepened distrust of large institutions, but it was hardly the enduring calamity many predicted. Says Paul Starobin a canny American public policy journalist, “Yesterday’s paternalistic society has evolved into today’s take-a-chance one; the idea that society should shelter the individual from risk has been supplanted by the notion that society should enable the individual to profit from risk. What profiting from risk requires, though, is that individuals begin acting like high-priced financial managers sitting atop billions of dollars and start deploying an array of hedging strategies to manage the intensified risk in their work lives. Diversification – that is, an independent worker spreading her risk across a portfolio of projects, clients, skills and customers – is the best hedging strategy.

This passage highlights the primary reason free agents needed to think like investors. By willfully abandoning the security corporate employment once offered, free agents find themselves managing the risks from which employers previously shielded them. As numerous advocates of
entrepreneurship have claimed, a readiness to shoulder risk is precisely why successful entrepreneurs reap substantial wealth (e.g. Abrams, 2017; Hisrich et al., 2017). That successful people embrace risk with courage, resolve and intelligence is perhaps the most consistent theme that runs across the rhetoric of free agency. For example, Hoffman and Casnocha (2012:173-192) provide a layperson’s tutorial on the difference between uncertainty and risk and why one should not be frightened by risk. In short, success in a world of employability may be stochastic but, as on Wall Street, probabilities can be managed.

The third theme that pervades the discourse on free agency is also to be found in the wider discourse rhetoric on entrepreneurship: One needs to expect and accept failure. In fact, failure, we are told, is an opportunity in disguise. Gartner and Ingram (2013) analyzed eighty-nine talks that Silicon Valley entrepreneurs gave at Stanford University’s Entrepreneurial Thought Leaders seminar between 2001 and 2013. They found that most speakers sooner or later testified that failure is a frequent experience for entrepreneurs and that it should be seen as an opportunity to learn. When a course of action is failing, entrepreneurs and free agents “pivot.” As one speaker admonished the audience, “learn from your mistakes, pivot, and do it again, and iterate and pivot” (p. 6). Gartner and Ingram (p. 6) elaborated, “Pivot is about quick trial and error: an entrepreneur follows a direction and when it is failing, quickly moves in a new direction. Pivot encapsulates the entrepreneurial motto of ‘fail early and often.’”

Addressing free agents, Hoffman and Casnocha advise:

How do you know when to pivot from Plan A (what you’re doing now) to a Plan B? …You’ll rarely know for sure. In general, a lesson from the technology industry is that’s better to be in front of a big change than to be behind it…of course expect both good luck and bad luck along the way that will open and close unexpected windows of opportunity (2012: 70-71).

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10 Fail often and early as a way to learn is also a mantra of design thinking and rapid prototyping.
Gene Simmons (2014:187) echoes the advice:

Those old adages about falling off the horse and getting back on again – those old clichés, “if at first you don’t succeed,” and the like – consider them again, as if for the first time. There is a reason they become clichés – you simply cannot survive in a business without them. If failure discourages you from being productive, you shouldn’t bother becoming an entrepreneur.

Finally, in the world of free agency, employers disappear into the background and reemerge as clients or customers. Free agents don’t work for anyone; they are vendors or suppliers of themselves. If free agents fail to find employment, it simply means they have not developed the right assets or established a sufficiently desirable brand to attract customers or clients. Bridges (1994a:64) wrote:

In a market people don’t have bosses or supervisors…In a market one has customers, and the relationship between a supplier and a customer is fundamentally nonorganizational, because it is between two independent entities. According to the market paradigm, one’s boss is really a major customer rather than an authority in the old sense…In a market…resources can be underemployed, but since there are no jobs to hold, unemployment in our sense is a meaningless term.

In short, within the ideology of free agency employment dissolves into a transaction with few strings attached. The customer provides work, a project or a gig, and a set of goals. Free agents apply their skills to the project until its completion and then move on. Customers owe the free agent coordination and pay for the agent’s skills and time, but only for the duration of the engagement. In return, the free agent owes the customer accountability, nothing else. Pink (2001:74) explained:

Free agents are accountable. Period. Employees are responsible but seldom held accountable for anything. Free agents…are accountable for acquiring marketable
skills and experience that bring value to the clients. They are accountable for the quality of their work. They are accountable for identifying business opportunities and for marketing their services. They are accountable for developing and maintaining satisfying and productive relationships with their clients.

Although the final sentence implies some accountability to clients, accountably in the market trumps everything else.

What evidence to we have that would lead us to believe that people have found the rhetoric of entrepreneurship and free agency persuasive? The Global Entrepreneurship Monitor, which measures attitudes towards entrepreneurship, produced its first report in 1999. That year, 91-percent of survey respondents reported a favorable view of entrepreneurship – a figure that slid to 76-percent in the wake of the “dot com” bust, but quickly rebounded (Reynolds et al, 1999; Zacharakis et al., 2000). Ethnographers of work in the new economy also provide insights into how employees of high-tech firms and contractors make sense of their lives and careers. Gina Neff (2012) studied those who worked for small web design firms in New York’s “Silicon Alley” near the end of the dot-com era. She found that most of her informants not only confronted but embraced the risks of employability. Her informants spoke of their relationship to the firms for which they currently or recently worked in terms consonant with those of free agency’s spokespersons. For instance, Neff recounts the philosophy of a senior producer at a web-design agency:

Sam looked for what he thought “every stock investor would look for in a company” literally comparing his choice of job to a stock investment. For any company that he worked for, he “should be more than happy to invest money and buy their stock…” Sam, like many in Silicon Alley, had an individual-level explanation for managing the risks he faced. In his worldview, each individual is responsible for managing risks: “Some people’s jobs are more expendable than others, and therefore they’re at a higher risk. It’s really up to you to manage that risk, to take precautions, and build up savings, what is psychologically and financially [necessary] to handle that [risk]”…Having what he called a “fast-track career” was another way to manage risk. Fast-track careers, according to Sam, are produced by fast-track companies, which are highly visible companies with
prestigious clients and projects. The “real ‘wow’ factor” on one’s resume can pay off when obtaining the next job. (Neff, 2012:74)

Alan, who had left a corporation for the uncertainty of Silicon Alley, expressed free agency’s view of traditional employment:

Alan chose a start-up out of an explicit desire to be more entrepreneurial. He dismisses “worker bees,” steady employees who seemingly lacked initiative or entrepreneurial drive. “‘Worker bees’ have a ‘standard mentality,’ and constantly ask ‘What are we doing this for?’ They need direction, motivation, and “management.” Alan’s own father who retired early from a large oil company was “just a worker bee” and Alan didn’t want to end up like that. Stock options helped him feel “more committed” to his company and the long hours, as he explained, were good for his career (Neff, 2012:77).

In a study of the rhetoric of personal branding, Vallas and Cummins (2015) interviewed 53 job seekers and employment counselors. Their account of the ideology not only closely maps the one we have outlined, but they tell us that most of their informants viewed employment and careers in terms of crafting a successful brand. A specialist in educational technology spoke for many of Vallas and Cummins’ informants when describing how to find work using what venture capitalists and entrepreneurs would call an “elevator pitch”:

You have to practice it [a branding pitch] all the time. You have to practice it to everybody, even when you’re at the grocery store. If it’s someone you know, you turn around and you tell them your branding statement. You tell them. Because, a lot of people will say “I didn’t know you did that! I didn’t know that that was you!” And “Oh my gosh! So and so works at such and such.” And it can lead you right into that [job opportunity] (Vallas and Cummins 2015:310)

In an ethnography of high-tech contractors, (Barley and Kunda, 2004) confirm that contractors also saw employability as the only path to job security. They quote an informant who spoke for many other contractors:
[Permanent employees] think they have job security. They don’t. In fact, they have practically no job security, especially in California where you can be fired whenever the company likes. Job security is the ability to get a job. [Permanent employees] don’t have job security because they don’t have the networks. They can’t call someone and get a job tomorrow morning. They think they have job security but it’s on paper. Real job security is when you have a network of managers and recruiters where you simply call them and say, “Okay, my contract finished”, and they say, “Great, I can place you somewhere tomorrow morning.” That’s where you have real job security; you’re able to get a job. The social reality is the staff person has no connections to a next job. They don’t have social relationships (p 265).

The death nell for these skilled contractors was to allow themselves to become technologically obsolete. Consequently, they worked steadily and diligently to stay abreast of new technologies and develop new knowledge and skills so that they could pivot when demand for their previous “skill sets” declined. For example, in response to a query about how frequently contractors needed to update their skill sets, one informant articulated a message voiced by most of the contractors the authors interviewed:

Everything I learned in college has been obsoleted now four times over. I’ve had to relearn my trade four times and it’s become much harder over the last few years. Used to be, every couple of years, computers would have a new, faster processor or whatever. Programming tools stayed fairly constant. They’d come out with a new revision of the same old programming product. Now, the Internet has just changed everybody’s timeframe. You’re now talking, like dog years: internet-years. The tools that I’m using now—none of them existed two years ago. Most of the programming concepts I use didn’t exist three or four years ago. All of a sudden, the rapid evolution that happened in hardware, we’re now seeing happen with software. Especially last year, people were like, “I can't take it any more: I can’t learn Java and Web and IP and object-oriented programming--all this stuff--all at once.” We had all these new technologies all coming in all at the same time (Barley and Kunda, 2004: 245-246)

Finally, the new employment ideology provides a new label for those who do become unemployed: entrepreneur. Writing in The New York Times in 2010, Robert Reich puzzled to make
sense of the rise in reported entrepreneurship in the wake of the Great Recession. He writes (p. 25), “why all this entrepreneurship last year? In a word, unemployment. Booted off company payrolls, millions of Americans had no choice but to try selling themselves. Another term for ‘entrepreneur’ is ‘self-employed.’” Reich uses the term “involuntary entrepreneurship” to capture the plight of those people who lost their jobs and have been forced into contingent work arrangements. He relays the account of a person who is “doing exactly what he did before for less money, and he gets no benefits — no health care, no 401(k) match, no sick leave, no paid vacation. Worse still, his income and hours are unpredictable even though his monthly bills still arrive with frightening regularity” (p. 25). But the man claims the title of “entrepreneur” – and, like millions of other American workers, serves as evidence for the persuasiveness of the new employment ideology.

Conclusion

Most employed people in the U.S. are no longer industrial workers carrying their lunch to work. They are service providers such as taxi drivers, cargo plane pilots, coders, software quality managers, retail bankers, plumbers, and teachers, to name just a few examples. These occupations blur the old line between laborer and administrative manager and often require higher skills than jobs in the past. Yet despite these features of modern work, most workers are worse off than they were 40 years ago. They increasingly find themselves cast adrift in short-term and futureless jobs that are not part of a core organization but rather temporarily under contract to complete a task. As a result, they earn less, have fewer benefits, have less job security, and have lower economic mobility than their historical counterparts. Despite the comparative disadvantage, however, there are few attempts to organize or to politically protest this work arrangement. Attempts to unionize are regularly voted down or quashed quietly by management.
In this chapter, we argued that such acceptance of disadvantageous work arrangements is at least partially the result of the co-adaptation of entrepreneurial discourse and a neo-liberal political philosophy (see Caliskan and Lounsbury, Bromley and Meyer, and Vogel in this volume). Both promote and make central the ideas of individual effort, a faith in the efficiency of market outcomes, the allocation of rewards to those of exceptional merit, and a skepticism toward collective social action. What emerges is an ideology of entrepreneurship that convinces the employed that they ought to be – and it is advantageous for them to be – only loosely connected to an employer to reap the social-psychological rewards tied to an entrepreneurial identity and the potential pecuniary rewards of taking risks in a fluid labor market.

Americans are particularly receptive to the ideology because they hold entrepreneurs and entrepreneurship in higher esteem than do citizens of most any other country. Large numbers of Americans view themselves either as entrepreneurs or as capable of being entrepreneurs (Reynolds et al., 1999). Clearly, cultural images of free agency, self-determination, personal branding, employability, and entrepreneurship resonate with many American workers, themes also common in the neo-liberal philosophy of the American right.

We, therefore, submit that the ideology of entrepreneurship serves to enable broad social acceptance of an employment system that does not, in fact, work for many Americans. Of course, employers still exist and from a structural point of view, they retain the upper hand. But the rhetoric of employability and entrepreneurship justifies employers treating labor as a variable cost. It also allows employers to claim that they are providing workers with something many people desire: flexibility, the opportunity to shape their own future. A good example are the claims that platform companies made to encourage people to vote for California’s Proposition 22.\footnote{For an example see one of the commercials that Lyft made to encourage people to vote “yes” on Proposition 22: \url{https://www.youtube.com/results?search_query=Proposition+22+commercials} (accessed 6-10-21).}
The rhetoric of employability and entrepreneurship transcends the long-standing dichotomies of rich vs. poor, authority vs. subject, and boss vs. worker. It camouflages the distinction between those who have the right to control and those who must obey. The ideologies of human relations and organizational culture did this too, by essentially arguing that employers and workers were not all that different, by emphasizing cooperation and a collective orientation, and by claiming that workers and managers were all members of the same family or community (Barley and Kunda, 1992). But the developments of the 80s and 90s undercut the image of the collective family or community such that it was no longer as viable as in the past. By combining a market oriented, vendor and customer imagery with the notion that individuals have the power to shape their own destiny by developing skills and brands that will ensure their prosperity, the ideology of entrepreneurship and employability obscures the fact that those who do the hiring still possess most of the structural power in the employment relationship.

We have now arrived at least a partial answer for why Uber drivers should support legislation that ensured that they would be consigned to precarious employment. Uber drivers, like many other people, have been inundated for several decades by cultural images of employability, entrepreneurship, and free agency that leads people to accept precarity as the way things are and even the way things should be. Like Pink’s free agents, Uber and Lyft drivers could tell themselves that they were involved in a rebellion against an unfair status quo (Dubal, 2019; Vallas and Cummins, 2014). The ideologies of employability and entrepreneurship promise freedom and flexibility as well as the potential for adventure and wealth. But if the promise is unfulfilled there is only oneself to blame because responsibility for work and careers has shifted to the worker.
The purpose of a workplace ideology, in Bendix’s view, was to justify the difference between those who give the orders and those who obey, while holding out the promise that with diligence the later could enter the ranks of the former. The entrepreneurial ideology as described here is the contemporary update of Bendix’s workplace ideology. But instead of legitimizing who gives and who take orders in an enterprise, the modern ideology explains who belongs inside the organization with salaries and benefits, and who belongs outside the organization pursuing careers of short-term commitments with a variety of organizations. To this is added the elevated identity of an entrepreneur which holds out the promise that workers can create their own organization to garner economic security, even if they are the only member. This modern employment ideology based on the confluence of neo-liberalism and entrepreneurialism accomplishes the social purposes of older efforts to legitimate economic authority. It gives a reason for gains to be allocated to the entrepreneurs and those within an organization who can exercise authority over those outside in a way that seems normal, natural, and accepted to those both inside and outside. The emergent entrepreneurial ideology gains relevance in a globally connected world where workplace collectives are less relevant while technology breaks prior organizational boundaries. In a world where shareholder interests are supreme, worker collectives are weakened, and a new technical expert worker emerges, a new employment ideology shapes our current social order. Overall, we offer not an exposition of inequality – that is evident. We offer one reason why growing inequality is so remarkably stable, accepted, and viewed as a natural order of things.
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