

## The social and economic position of self employed

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## Social classes in the 1970s

	U S A	GB	France	Italy
1. Bourgeoisie	6,0	5,5	3,2	2,6
2. Middle classes	54,0	44,2	52,1	49,5
2.a. Clerical petty bourgeoisie	38,0	34,6	26,6	17,0
- Clercs in private sector	24,1	23,4	19,3	8,9
-Civil servants	13,9	11,2	7,3	8,1
2.b. Petty bourgeoisie (self employed)	9,0	6,4	22,2	<b>29,1</b>
- farmers	2,6	1,4	11,2	12,1
- shopkeepers	2,7	2,3	6,1	8,7
- Craftsmen and similar	4,0	2,7	4,9	8,3
2.c. Others	7,0	3,2	3,3	3,4
3. Working class	40,0	50,3	44,7	47,8
- agriculture	1,4	1,6	2,9	6,2
- industry and building	22,2	31,6	27,8	33,0
- other	16,4	17,0	14,0	8,6

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## Main hypothesis:

- The end of fordism during the 1980s and the increasing effects of a globalised economy since the 1990s have affected the social position of self employed, both in terms of earnings, political influence, and status.

## Distribution of Italian firms by type

Active firms at 31.12.06	N.	%
Joint stock companies	710,445	13,8
Other legal forms	1,011,588	19,6
Individual self-employed	3,436,245	66,6
<b>Total</b>	<b>5,158,278</b>	<b>100,0</b>

Source: Movimprese 2007

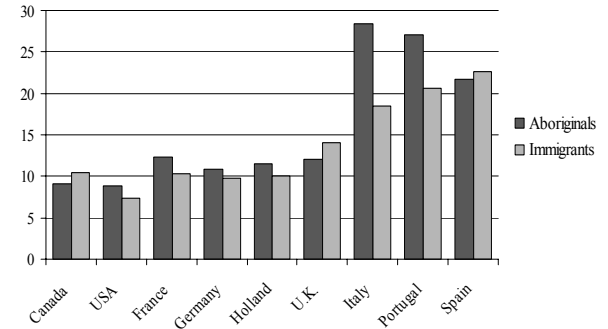
## Firm dimension in some European countries (2004)

	Average dimension UE15 =100	% employed in firms < 20 employees	% employed in firms 50-249 employees
Germany	158	14.9	45.9
United Kingdom	158	18.3	25.5
Finland	106	13.9	22.8
France	98	18.5	22.1
Denmark	97	14.4	26.4
Spain	58	31.3	23.2
Portugal	63	32.8	29.1
Italy	42	40.9	21.0

Source: adapted from Eurostat

## Self-employment rate in aboriginals and immigrants

(EU Labour force survey 1998)



## Explanations of dwarfishness of Italian firms

- Small firms often belong to larger groups via property connections (Bank of Italy 1994).
- Institutional obstacles to dimensional growth (Accornero 1999).
- Structural advantages of being small (Contini & Revelli 1992).
- Sake of keeping firms in the family (Schumpeter 1912).

## Recent transformations of self-employed:

- Blurred boundaries with atypical jobs (direct incoming and outgoing flow to the underclass) (Buzzi et al. 2002),
- Increasing number of foreign immigrants (Caritas Migrantes 2007),
- Self-employed are increasing in low productivity sectors (services to household), and decreasing in high productivity sectors (services to industry and ICT) (Chiesi 1999).

## Changes in real household incomes between 2000 and 2006 (Bank of Italy):

- - 0.3% Employees
- + 13.8% self-employed
- + 6,8% employees under poverty line
- - 7,4% self employed under poverty line

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## Changes in political influence:

- Decreasing effectiveness in opposing European norms on fair competition and open market rules,
- Difficulties in keeping rent positions when domestic economy needs measures to increase productivity and efficiency,
- The government budget cannot any more afford transfers in favor of petty bourgeoisie, due to a huge public debt.

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## Evidence of a declining social status (Sarti & Terraneo 2007):

### Changes in status scores 1985 e il 2005

#### Categories losing more than 10 points

Lavoratori autonomi senza dipendenti dell'artigianato (non artistico)	-17,2
Lavoratori autonomi senza dipendenti riparatori/installatori	-16,4
Alto esercizio del culto religioso con funzioni amministrative	-14,4
Liberi professionisti in attività economiche e amministrative	-13,6
Imprenditori con 15-49 dipendenti del commercio, turismo e altri servizi	-13,4
Liberi professionisti di altri sport	-13,0
Lavoratori autonomi senza dipendenti del commercio al dettaglio e esercenti	-12,9
Lavoratori autonomi con 1-3 dipendenti dell'artigianato artistico	-12,9
Liberi professionisti delle arti e spettacolo senza funzioni di coordinamento	-12,6
Lavoratori autonomi (1-3 dip.) dell'edilizia e dell'industria	-12,2
Lavoratori autonomi (1-3 dip.) dell'artigianato (non artistico)	-11,6
Piccoli imprenditori (4-14 dip.) dell'edilizia secondaria/rifinitura	-11,3
Lavoratori autonomi (1-3 dip.) del commercio alimentare	-11,1
Medi imprenditori (15-49 dip.) del settore primario	-11,1

#### Categories gaining at least 10 points

Lavoratori non manuali della P.A. e della sanità, qualificati	17,4
Impiegati con mansioni di routine del settore pubblico	16,9
Dirigenti del settore privato dell'agricoltura	12,6
Lavoratori manuali del primario, con qualifica	10,7
Dirigenti del settore privato dell'industria	10,2

## But also a less clear cut consent on its position?

Social classes:	Mean	S. D..
Upper class	74,45	19,73
n.	35	35
Self-employed	45,65	20,56
n.	30	30
Middle class (employees)	49,19	20,48
n.	23	23
Lower class	24,82	16,62
n.	13	13
Total	53,76	19,75
n.	101	101

Source: Prin 2005

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## Concluding remarks

- Status inconsistency or social decline?
- Different trajectories inside this heterogeneous category. Need to disaggregate.
- Different social outcomes according to the cohort (old self employed retire in traditional sectors while young self-employed enter the ICT sector).
- The emerging role of immigrants in self-employed categories.