INTRODUCTION

The Temp Economy

It is almost a cliché to talk about the decline in Americans' work lives over the last decades of the twentieth century. Time and again, newspaper headlines have lamented what the *New York Times* called the "downsizing of America":[1] wage freezes and massive layoffs; closed factories and jobs moved abroad; permanent employees replaced by contingent workers. Wages stagnated and access to benefits declined. The possibility of lifetime employment was replaced with the likelihood of chronic job insecurity and episodes of unemployment. Career ladders collapsed, with more and more workers finding themselves stuck at the bottom.

The temp industry has become a classic symbol of this degradation of work. Temping is the quintessential "bad" job: On average, temps earn lower wages and receive fewer benefits; and they have less job security, fewer chances for upward mobility, and lower morale than those with full-time, year-round employment.[2] What's more, by increasing the flexibility of the labor supply, the temp industry contributes to downward pressure on wages, decreased employment security, and limited upward mobility for all workers, not just temps.[3]

By the early twenty-first century, the U.S. temp industry had become a behemoth, sending out some three million temps a day and reaching an astonishing 90 percent of employers each year.[4] This expanding army of temporary workers, and the extraordinary growth of the industry that profits from them, has led to laments about the "temping of America" and the "age of the disposable worker."[5] Although on the surface these pop-culture pronouncements seem overdrawn—after all, temps make up less than 3 percent of the U.S. labor force—there may be more than a kernel of truth in them. In fact, this book argues that the temp industry has been much more than just a symbol of the degradation of work. It has been an active player in the drama. First, the temp industry's business is literally to sell degraded work: The temp industry provides American employers with convenient, reliable tools to turn "good" jobs into "bad" ones (and bad jobs into worse ones). But the temp industry has also operated on another, equally important level—in the cultural arena, where battles over "common sense" about work and workers take place. The temp industry's high-profile marketing campaigns have had a powerful impact on this cultural battlefield, helping establish a new morality of business that did more than sanction the use of temps; it also legitimized a variety of management practices that contributed to the overall decline in Americans' work lives.

These cultural changes in the second half of the twentieth century were indeed remarkable. By the turn of the twenty-first century, even as some corporate executives continued to extol the value of their employees, it became widely acceptable to talk about workers—*all* workers, from the highly skilled to the day laborer—as costly sources of rigidity in an economy that required flexibility. As Berkeley economist Brad DeLong observed in 2009, companies "used to think that their most important asset was skilled workers. . . . Now, by contrast, it looks as though firms think that their workers are much more disposable—that it's their brands or their machines or their procedures and organizations that are key assets. They still want to keep their workers happy in general, they just don't care as much about these particular workers."[6] Or, as management guru Peter Drucker said more bluntly in 2002, "Employers no longer chant the old mantra 'People are our greatest asset.' Instead, they claim 'People are our greatest liability.'"[7]

One example of this cultural shift came in the early 2000s with the emergence of a new catchphrase among corporate executives: "the 7 percent rule." According to this "rule," if a company announced major layoffs, its stock price would jump 7 percent. Although studies proved this to be false (in fact, stock prices often fell with reports of layoffs), business owners continued to expect that cutting people, much like getting rid of old, expensive machinery, would boost profits.[8] It seems that some workers had even come to accept this new attitude: "If I were a business owner and I was not making a profit," one recently unemployed worker told the *New York Times* in 2001, "I would lay people off too."[9]

Of course, not all employers described their workers as costly liabilities, nor did all employers treat them as such. Nonetheless, by the end of the twentieth century it had become sound business sense to cut workers in order to boost the bottom line. Perhaps the most famous example of this was "Chainsaw" Al Dunlap, who gained fame and notoriety in the 1990s by "saving" ailing companies such as Scott Paper and Sunbeam. He did so, in large part, by aggressively cutting thousands of employees. During his eighteen-month stint at Scott Paper, for example, Dunlap eliminated one-third of the company's workforce, some eleven thousand employees.[10] And in his first year at Sunbeam, the "celebrity downsizer" axed 50 percent of the company's workers, reportedly the largest share of any workforce ever laid off; then a year and a half later he laid off another 40 percent of the remaining workers.[11] Although by the end of the decade Dunlap had fallen from grace amidst accusations of fraud, throughout most of the 1990s he was hailed as a corporate star.[12] His 1996 memoir, *Mean Business: How I Save Bad Companies and Make Good Companies Great*, was a national best-seller and his business dealings were regularly front-page news.[13]

Dunlap's hard-hitting management style was perhaps extreme, but he was very much part of a broader cultural milieu in which it was acceptable—even advisable—to treat workers as profit-busting liabilities. Not coincidentally, as we will see, this was the same kind of logic that the temp industry had been pushing for decades. And by the end of the twentieth century, the temp industry was flourishing right alongside Dunlap and the era's many other corporate raiders. In fact, at that time the temp industry was one of the fastest-growing sectors of the economy.[14] On bookstore shelves alongside Dunlap's memoir sat titles such as *The Temp Survival Guide: How to Prosper as an Economic Nomad of the Nineties*, offering workers advice for "survival in the post-employment age."[15]

While much about this business climate was new, the view of workers as liabilities was not. It was just the latest iteration of a long-standing management philosophy that I call the liability model of work. This philosophy dates back to the very beginning of management theory in the 1800s. Its underlying assumption is a zero-sum relationship between workers and profits. Any dollar spent on employees—in terms of wages, benefits, training, and so on—directly subtracts from the bottom line. Labor costs should thus be kept to a minimum: Employees should be paid the lowest possible market wage; jobs should be routinized and deskilled so that workers can be easily (and cheaply) replaced; unions should be avoided; permanent employees should be replaced with more disposable contingent workers; and production should be relocated or outsourced to take advantage of lower wages and labor standards. Today, policy scholars often refer to these as "low road" business practices.[16] The liability model of work, I argue, is the theory behind such practices.

Although the view of workers as liabilities has probably always dominated management circles in terms of prevalence and practice, it has never wholly monopolized management thought. Rather, it has repeatedly collided with a very different business philosophy that I call the asset model of work. This management approach rejects the assumption of a zero-sum relationship between workers and profits, instead proposing that the two can build on each other.[17] Historically, there have been two distinct strands of the asset model. Both are important, so I will take a moment with each in turn.

The first strand is the Human Relations approach—a management philosophy that views workers as key generators of profits because of their company-specific expertise and loyalty. The bottom line is still central, but tending to employee welfare is considered profitable because it boosts workers' commitment, motivation, and productivity. Of course, not all employers who claim to follow this philosophy and call their workers "assets" actually treat them as such. For many, such language has been a barely concealed tactic to avoid unionization—trading real benefits for the occasional employee luncheon or "employee of the month" nomination. But in some cases, employers have genuinely embraced the asset model by making a real investment in workers in the form of good wages and benefits, skills training and the chance to move up, opportunities for input and innovation, generous leave policies and other perks, strong labor relations, and more. Policy scholars often refer to these as "high road" practices.[18] The asset model is the theory behind such practices.

The second strand of the asset model is a labor union philosophy. Instead of relying on the enlightened generosity of employers, this more radical approach relies on union power and labor law to force employers to safeguard workers' welfare. And instead of seeing workers' well-being as good for the bottom line, this union approach seeks to expand the meaning of the "bottom line" to include worker welfare. A company's success, according to this union philosophy, must be measured not only by its profits but also by the success of its workers. Perhaps the best example of this union approach came in the years after World War II when, after nearly two decades of struggle, organized labor managed to institutionalize the asset model for a substantial number of workers in the unionized industrial sector. The resulting contract, famously known as the Treaty of Detroit, has become an iconic symbol of union triumph, economic prosperity, and greater equality. The treaty's reach was far from universal, but, at the time, many hoped that it would serve as a platform to build on—to expand the meaning of a good job by increasing wages, benefits, and job security, while also making such jobs available to greater numbers of workers.[19] And indeed many postwar employers—both union and nonunion—soon adopted key tenets of the Treaty of Detroit, such as annual cost-of-living adjustments and pension benefits.[20]

In fact, in the post–World War II era, the Human Relations and the labor union strands of the asset model converged: Organized labor had institutionalized asset model jobs for a growing number of workers and, at the same time, management circles were generally inclined to believe that tending to workers' welfare was profitable. The result was a strong and growing core of "good" jobs, as well as a powerful collective understanding of what a "good job" was.[21] The cultural strength of the asset model at that time had real consequences for workers: It limited employers' ability to treat them as costly liabilities, even if they were not protected by union power. Of course, it did not prevent employers from engaging in aggressive labor practices—red-baiting, work speed-up, and union busting, to name a few. But even those employers who fully believed that workers were liabilities did not adopt Al Dunlap's openly hard-line approach—not because it was literally unavailable to them, but because it was culturally unavailable.

All this had changed by the end of the twentieth century. Not only had it become culturally acceptable for employers to see workers as nothing more than expensive liabilities; they were often expected to do so, even by some of their own workers.[22] This shift was so profound that corporate executives had come to expect rewards for cutting employees—in the form of increasing stock values or, for Al Dunlap and others like him, fame and fortune. As a consequence, the 1990s witnessed an extraordinary trend: Company after company announced major layoffs, even while reporting record-breaking profits. In the postwar era, this might have provoked an outcry over the betrayal of workers, but by the end of the century it was hailed as smart business sense.

What accounts for this sea change in cultural attitudes toward work and workers? Most explanations point to what economists Bennett Harrison and Barry Bluestone called "the Great U-Turn."[23] In the late 1960s and 1970s, massive structural changes—such as deindustrialization, globalization, and deep economic recessions—heightened competition and put a vise grip on corporate profits. It was this harsh economic climate, the argument goes, that imposed a new reality on American businesses. They had to become "lean and mean" in order to compete.

As Harrison, Bluestone, and other scholars have pointed out, however, the lean and mean route—downsizing, outsourcing, slashing wages, and attacking unions—was not the only way to survive difficult economic circumstances.[24] Yet this was the path that most employers chose. Why? How did employers come to believe that these low-road strategies were the best route out of economic hardship? How did they even learn what it meant to be "lean and mean"? Where did they get their information and how did they put it into practice? And, most perplexing of all: Why did this new conventional wisdom, born out of economic calamity, continue to gain strength even after economic prosperity returned?

Answering these questions leads us to the messy terrain of culture, where labor market players make claims about what is—and is not—"sound business sense." These claims can be found in the pages of popular magazines and books, newspapers and trade journals, on television and radio shows, and in court and congressional hearings. It is in these arenas that CEOs and union organizers, legislators and workers, compete to define the "truth" about work. And it is in these arenas that new ideas about work become established, with profound consequences for American workers. Structural forces set the context for such battles, but they do not determine the outcome.

This book argues that the temp industry became a significant force in these cultural battles over work in the second half of the twentieth century. Starting in the years after World War II, long before it was regarded as a major economic player, the temp industry launched a series of remarkably successful campaigns that helped undermine the cultural strength of the asset model and legitimize the view of workers as liabilities. First, in the 1950s, early industry leaders cast temp work as "women's work" in order to justify an entirely new category of "respectable" (white, middle-class) but marginal work. In doing so, temp leaders were capitalizing on the deep cultural ambivalence about white, middle-class women working. The result was a new and growing sector of the economy that stood in stark contrast to the then-prevalent asset model of work. Whereas increasing numbers of employers in the postwar era were offering workers health insurance and other benefits, temp agencies were not. Arguing that temps were only housewives working for "pin money," temp executives successfully created a sector of the economy that was effectively beyond the reach of a range of worker protections—health benefits, unemployment insurance, and (in the future) antidiscrimination laws—and that would later be resistant to union organizing efforts.

Having gained entrée into the labor market by constructing temp work as women's work, temp leaders then moved from the margins into the primary sector of the economy. In the late 1960s and 1970s, they dropped the Kelly Girl image and sold a new product: a revitalized and fully updated liability model of work. In the temp industry's version of the model, human labor was analogous to machine work—only the product of the labor had any value, while workers themselves were expendable. Through massive advertising campaigns, temp executives sold this model of work to business executives who were already troubled by tough economic times. Their efforts helped forge a new "common sense" about how to manage labor and profits, and contributed to a major shift in American cultural beliefs about work. By the 1990s, the temp industry and its liability model of work were thriving (although, as we will see in Chapter 4, organized resistance to the temp industry had also begun to emerge).

How did temp executives exert influence over such broad and dynamic social practices? In part, it was because they wielded a loud and persuasive bullhorn. Industry leaders published books, advertisements, articles, newspaper columns, newsletters, legal guides, pamphlets, and billboards. They produced radio and TV commercials, held seminars, and spoke at conferences. They conducted national employment surveys and served as expert witnesses in government hearings. They launched literacy campaigns and volunteered to clean up city parks. They sponsored stock car races, held typing contests, created board games—and much more. The targets of this remarkable campaign were both expansive and widely diverse: white, middle-class housewives and their husbands in the 1950s and 1960s, and workers of all stripes thereafter; union leaders in the 1950s and 1960s; business owners in the 1960s and beyond; government officials in the 1980s and 1990s; and the public at large throughout.

To say that this campaign was influential is not to say that temp executives created or controlled such a broad social transformation. Far-reaching and fundamental changes such as these are produced by a range of actors and forces. The temp industry was not the only, or even the most powerful, actor seeking to undermine the cultural strength of the postwar asset model. Nonetheless, it was a persistent, creative, and effective part of a broader coalition working to revitalize the notion of workers as liabilities. Its unique contribution, I argue, was in modernizing the liability model of work and then delivering it in an easy-to-use package to thousands of businesses. This alone did not transform the meaning of work, but it was a crucial element of this change.

It is important to be clear that macroeconomic forces still matter, even in a story driven by the purposeful actions of people. Context always matters. Most importantly, the economic squeeze of the 1970s pushed employers to make difficult decisions about how to survive and compete in the new global economy. And it was at that time that temp industry employment suddenly skyrocketed. Seemingly overnight the industry went from a cluster of small but thriving businesses to become an important economic institution. This historical coincidence has led many observers to assume that the industry's success was simply a case of being in the right place at the right time: When employers needed flexibility, the temp industry was there to provide it.[25] Industry executives themselves encouraged this interpretation of events. For example, in 1994, Samuel Sacco, then executive vice president of the National Association of Temporary Services, claimed that "for the temporary help/staffing services company, the client companies are the primary drivers.

They drive the industry by demanding flexibility in their company's operations."[26] And a year earlier, Mitchell Fromstein, then president of Manpower, declared in characteristically colorful language: "We are not exploiting people. We are not setting the fees. The market is. We are matching people with demands. What would our workers be doing without us? Unemployment lines? Welfare? Suicide?"[27]

However, such attempts to attribute the success of the temp industry and its model of work to market forces overlook important questions about how and why these changes took place. For instance, how did employers come to interpret new economic pressures as a staffing problem? And why did they turn to the temp industry to solve it? Assuming that it was the inevitable outcome of economic change means ignoring a substantial historical record of the temp industry actively creating and shaping employer demand. The notion of workers as liabilities—as a "costly burden" or an "expensive headache"—did not come from economic downturns. It came, at least in part, from the temp industry's countless campaigns to "educate" employers. Temp executives told business owners again and again that the only way to survive downturns was to cut workers; even when times were good, they argued, employers should cut workers to boost profits. In short, workers were costly liabilities.

This campaign to revitalize the liability model of work, along with the provision of temps to implement it, made the temp industry much more than a passive beneficiary of economic change. It was an active player in transforming the meaning of work. Industry leaders were not just in the right place at the right time: They gave employers directions (and, perhaps, transportation) to the "right place," and when employers arrived, they were there waiting.

The temp industry's ideas about work and workers would have had little impact if it had simply implemented them in its own business offices. But the temp industry's survival—and its ability to expand—depended on selling its version of the liability model to other businesses. As Lisa Adler has noted, the success of the temp industry fundamentally depended on "its ability to transform the labor processes of *other* industries."[28] Industry executives, in other words, had to persuade employers that their model of work was a "normal way . . . to do business."[29] This process of persuasion is the subject of this book.

Such campaigns have a long pedigree. From the earliest days of mass consumerism, American companies have created a "need" for products where none existed. The classic example is Listerine's invention of a whole new disease—"halitosis"— in the 1920s to convince the American public that bad breath was a serious problem that required mouthwash.[30] In the same way, the temp industry created a market for its liability model of work. Temp leaders invented their own disease. They called it "overstaffing." The root of the problem, they maintained, was workers who "drain[ed] away profits in salaries, benefits, and overhead." The "cure," of course, was temps. Such notions about the "problem of overstaffing" grew along with the industry, reaching an apex during the corporate downsizing crazes of the 1980s and 1990s. Temp industry campaigns thus penetrated not only the economy but also the economy of ideas. The liability model they sold became such common sense that, by the turn of the twenty-first century, it seemed reasonable to expect the value of a company to rise when its employees were fired.

The story of the temp industry thus offers important insight into broader issues in the contemporary U.S. economy. At the start of the twenty-first century, American workers are struggling with a variety of problems: the outsourcing of jobs to developing countries, corporate restructuring, and a large-scale attack on worker organization. Although debate continues over how these trends have affected productivity, there is little question that workers have suffered as a consequence. In fact, Pierre Bourdieu has argued that insecurity—or *précarité*—has become the source of many social problems.[31] The story of the temp industry offers a unique window into the mechanics of these problems, revealing them as products of human effort rather than simply built-in features of the new economy.

But the temp industry's story is not simply a way to study economic problems; it is also a laboratory for solving them. Knowing how a problem was constructed is the first step in understanding how to fix it. The story of the temp industry reveals that economic "realities" are created by economic actors. Thus, the concluding chapters of this book look to new actors who are trying to build a different economic reality, one that retains the flexibility of the temp industry while eliminating its exploitation. It synthesizes their diverse strategies to begin sketching an asset model of work updated for the twenty-first century. It re-imagines the "workplace" as a site with substantial legal, cultural, and economic significance that counters the growing problems of volatility, insecurity, and vulnerability that affect not only temps but all workers in America today.

To tell this story it is necessary to define some key concepts. First and most importantly, what exactly is the temp industry? In the broadest sense, it belongs to a growing category of employment known as "contingent work." This phrase was coined by Audrey Freedman in the mid-1980s and generally refers to any employment relationship that departs from the standard of full-time, full-year, fixed-schedule, single-employer work. By definition, then, "contingent" or "nonstandard" work includes not only temporary employment but also part-time, day labor, and on-call work, as well as contract-company employment, independent contracting, and other self-employment.[32]

The kind of contingent labor known as "temp work" is defined not by its temporary nature (indeed, many temps work for years at a single job) but by what is called its "triangular employment relationship."[33] In this work arrangement, the temp agency acts as the legal employer of temps and contracts out its workers to various businesses.[34] For their part, workers sign up with one, or several, agencies and are sent out to jobs at a variety of businesses. They might work at a particular job for just one day, or they might work there for a year or more. Although workers are "hired" by the temp agency, they do not receive a paycheck unless they are sent out on assignment.

Temp agencies typically charge businesses about twice the workers' hourly wages. This means that employers sometimes pay more in wages for temps than for regular employees, but their total labor costs still remain lower because they avoid expenses such as recruiting, interviewing, screening, and training new workers. More importantly, employers do not have to provide temps with health benefits, pension plans, or vacation time. Nor do they have to pay workers' compensation or unemployment insurance taxes, which can rise significantly with each claim for benefits. And, finally, employers can dismiss temporary workers with little threat of legal action—and then call them back if needed.[35]

How do temp agencies make a profit if all of these costly expenses are shifted to them? One explanation is simply economies of scale.

Because temp agencies recruit, interview, train, and manage the administrative paperwork for thousands of workers, the actual cost per employee is relatively low. Unlike most other companies, this administrative work is not peripheral to temp agencies' business; it *is* their business. A second way temp companies make a profit is through their expertise in avoiding some of these expenses, particularly workers' compensation and unemployment claims. Drawing on their extensive legal resources, industry leaders have aggressively disputed such claims in the courts and have had remarkable success.[36] They have also sought to avoid worker protection costs by influencing the making of employment law itself. For instance, industry executives lobbied for—and won in at least seventeen states—laws that deny temps' claims for unemployment insurance if they fail to contact the temp agency before applying for benefits.[37] This means that temps can be required to accept any job (at any pay) before qualifying for unemployment compensation, making it far more difficult for them to be considered "unemployed." In those seventeen states, at least, the temp industry has become a key broker of citizenship rights.

Because it seems to embody many of the adverse changes in the U.S. economy, the temp industry has been a central topic of concern for labor market scholars. Although few have attended to the cultural story I tell here, there is extensive literature that my work builds on. In general, scholars have examined three aspects of the industry: its pervasiveness in the American economy and, increasingly, the global economy; its impact on labor market mechanisms; and the experiences of temp workers themselves.

Much of the research on the temp industry has documented its pervasive reach in the American economy—and with good reason. As many scholars have observed, the industry has grown dramatically since the late 1940s when the first modern temp agencies were founded. By the start of the twenty-first century, the temp industry had become an economic powerhouse, sending out millions of workers a day.[38] And recent studies suggest that, instead of using temps to fill in for absent employees or to meet short-term spikes in demand, employers are increasingly using temps as part of a long-term strategy to permanently "temp out" specific jobs or job categories.[39] Although temps are popularly associated with clerical work, numerous studies have shown that the industry has long outgrown its pink-collar days, penetrating virtually every sector of the economy.[40] Not only has the industry expanded across sectors, researchers have noted, but it has also grown vertically with the proliferation of upper-echelon corporate temp agencies and low-end day labor agencies.[41] In addition, scholars have charted the industry's geographical development, from its mid-twentieth-century midwestern origins to its global reach by the turn of the twenty-first century.[42]

A second area of research has examined the temp industry's impact on the fundamental workings of the economy. For instance, Katz and Krueger found that temp employment accounted for half of the reduction in unemployment in the boom years of the 1990s, indicating that the industry has taken on what Jamie Peck and Nik Theodore have called a "quasi-structural" role in the U.S. economy.[43] What's more, according to Peck and Theodore, the temp industry has exerted downward pressure on labor standards for all workers in terms of wages, job security, and advancement, as well as diminished employment growth throughout the economy.[44] Other researchers have added to this picture by arguing that the temp industry exacerbates labor market discrimination and inequality.[45] Looking at the history of the industry, George Gonos has described how temp industry leaders' long-term and ultimately successful legal battle to become the official employer of temps has changed the very nature of the employment relationship. According to Gonos, the traditional employer-employee relationship—the basis for workers' social protection and material well-being since the New Deal—was effectively "severed" by the institutionalization of the temp industry's triangular employment relationship between worker, agency, and employer.[46] Finally, Lisa Adler and Leah Vosko have used gender as a lens of analysis in examining the temp industry and its impact on employment restructuring. Adler found that the temp industry's success came from its ability to take advantage of traditional gender narratives of women, including women as workers, homemakers, and sexual objects.[47] And according to Vosko, the spread of temporary employment relationships once associated only with women's work has contributed to the "feminization" of employment throughout the economy.[48]

A third brand of research has examined temporary workers themselves. Many studies have shown that temps are disproportionately young, female, nonwhite, immigrant, and less educated than their permanent counterparts.[49] And in terms of wages, benefits, job security, upward mobility, and morale, temping is almost always associated with worse characteristics than full-time, year-round work, even when controlling for differences between workers.[50] Yet a number of researchers have pointed out that temporary work may offer a rewarding entrée into the labor force for some, particularly former welfare recipients and other at-risk workers.[51] Other studies have analyzed the motivations for working in temp jobs. Scholars have found that a variety of "push" and "pull" factors—or choices and constraints—lead workers into temporary employment. While some have argued that independence and flexibility "pull" people into temp work, many others have found more mixed results in weighing these factors.[52]

A central premise animating the best of this well-developed literature is that the temp industry has been an agent of change rather than a passive bystander. In this vein, scholars have examined the temp industry's role in actively shaping three different spheres: the market, law, and culture. For example, Jamie Peck, Nik Theodore, and Cynthia Ofstead have examined the industry's market-making efforts by showing how temp leaders' decisions shaped the industry's development against the backdrop of larger structural forces.[53] The location of a temp agency—in inner-city immigrant neighborhoods, for example—influences not only the resulting population of temps but also the job opportunities that are available (or not) to workers.[54] George Gonos has analyzed the temp industry's role in the legal sphere by demonstrating that the expansion (indeed, the very existence) of the temp industry depended on its aggressive legal battle to be recognized as the de jure employer of temps.[55]

The temp industry's role in shaping American culture, however, has been much less examined. In their book *The Good Temp*, Vicki Smith and Esther Neuwirth took a first step in this cultural arena by examining temp leaders' efforts to shape the industry's reputation through the creation of a new product—what Smith and Neuwirth call "the good temp."[56] The cultural scope of *The Temp Economy* is at once broader and deeper, analyzing the temp industry's long-term campaign to define conventional wisdom about work in the worlds of business, politics, and law. Temp industry efforts to legitimize the notion of workers as liabilities, I argue, not only facilitated the growing use of temps but also laid the groundwork for a host of broader changes in the workplace, including corporate downsizing, outsourcing, and the comprehensive attack on organized labor—ultimately making "permanent" employment look a lot more like temp work. In a self-reinforcing cycle, these changes strengthened the temp industry's institutional status and the legitimacy of its liability model of work.

To tell this story, I analyzed two broad categories of data: cultural artifacts that the temp industry produced to sell its model of work from the late 1940s to the early 2000s, and a wide array of cultural responses to the temp industry from other labor market actors. For the first category, I examined some fifteen hundred temp industry documents—articles, newspaper columns, books, and much more—in both business and popular media, as well as more than one thousand temp industry advertisements. For the second category, I analyzed tens of thousands of government papers and court documents from virtually every level of the American legal system, as well as magazines and books written by temps, popular and scholarly coverage of anti-temp activism, and union challenges to the industry. (See the Appendix for a more detailed description of these data.)

This is a substantial body of data, and it tells a remarkable story. But no study could cover every aspect of such a long and complex tale. This book is not about the experience of being a temp, for example, nor does it offer a quantitative analysis of the temp industry. And although I focus on temp industry leaders' campaign to modernize and market the liability model of work, I do not intend to suggest that they were the only set of actors in this drama. Workers, union leaders, business owners, politicians, and many others took part in these battles over the meaning of work, pushing for or against the growing strength of the liability model in the last decades of the twentieth century.

Yet looking closely at one of these labor market actors—the leaders of the burgeoning temp industry—is a valuable task. Beyond telling a largely unknown story about the temp industry, it also drives home two important but often ignored aspects of the American economy. First, it reminds us that the meaning and experience of work are shaped by people, not faceless economic forces. While people's actions are influenced by macroeconomic structures, they are not determined by them. Second, and related, it reminds us that the meaning of work is created by people and can also be changed by people. Even though the liability model of work has found renewed strength and acceptance at the start of the twenty-first century, its permanence is not a foregone conclusion. This has important ramifications for the many activists struggling to protect American workers from its often devastating impact. For this reason, the Conclusion of this book looks to workplace activists as a source for a new model of work—a revised asset model that would reverse many of the problems underlying the "temp economy."

At the broadest level, *The Temp Economy* can be divided into two parts. The first part examines the temp industry's role in cultural battles over the meaning of work, and the second looks at the impact of those battles on the meaning and experience of work. The chapters are arranged in chronological order, each focusing on an important moment in the development of the temp industry.

Chapter 1 illustrates how temp leaders successfully gained entrée into a postwar labor market characterized by widespread support for the asset model of work. This was no easy task. Given the considerable power of unions and the popular association of temp agencies with abusive employment agents, early industry leaders faced an uphill battle in establishing temp work as a legitimate sector of the economy. To avoid these obstacles, industry executives strategically sold temp work as women's work—suitable for white, middle-class housewives with a little extra time on their hands—even though the industry employed substantial numbers of men. Temp leaders thus entered the postwar cultural debate about women and work, often in surprising ways. For example, even as they challenged the myth of domesticity by depicting work as the cure for "housewifeitis," they reinforced gender inequalities by emphasizing the secondary nature of temp jobs—and temporary workers ("extra work for extra women"). This strategy was remarkably successful. The "Kelly Girl"—dress, heels, white gloves, and all—became a popular icon, and, more importantly, the temp industry gained widespread cultural legitimacy.

Chapter 2 looks at how temp executives of the late 1960s and 1970s sought to build on their success by expanding into new populations and sectors, including traditionally male "breadwinning" employment. In order to do so, however, they needed to revamp their model of work; the Kelly Girl strategy would no longer serve. In its place, temp leaders constructed the no-holds-barred "semi-permanent employee," an updated liability model of work in which permanent workers were nothing but a "costly headache." Indeed, it was little more than a modern-day version of the nineteenth-century "Babbage principle," which held that employers should replace skilled workers with unskilled labor wherever possible. If anything, however, the temp industry's version went further, calling for no commitment to workers whatsoever: All workers, skilled or unskilled—including corporate executives—could be replaced by temps. Even though this model of work was not new, it was a dramatic break from prevailing theories of personnel management, which held that worker commitment and innovation were necessary to preserve productivity and profits. Despite the presence of these competing theories, however, the temp industry's campaign was strikingly successful: Temp employment skyrocketed in the 1970s and continued apace in the decades that followed. More importantly, by the mid-1980s the cultural battle had largely been won. Many employers openly declared their workers to be profit-limiting liabilities, not the profit-boosting assets they had claimed just a few years earlier.

With such major battles seemingly won, Chapter 3 turns away from industry efforts to sell ideas about work and focuses instead on the consequences of those efforts. Just as temp executives of the 1970s helped revitalize the idea of workers as liabilities, temp leaders of the 1980s helped companies put this ideology into practice on an unprecedented scale. In the 1980s, a new generation of corporate executives unapologetically laid off thousands of workers, cut training programs, and outsourced jobs. American businesses, they proclaimed, had to be "leaner and meaner" in order to compete in the newly globalized economy. Lean and mean companies still needed workers, however, and they found those workers in temps. The temp industry thus played a fundamental role in the wave of corporate restructuring that swept the business world in the 1980s. Not only did more companies use greater numbers of temps; they used them to create a permanently two-tiered workforce: one group of workers that could expect decent wages, benefits, and training, and another that could not. The expansion of the temp industry thus affected not only temps but virtually all workers, who experienced greater job insecurity, fewer advancement opportunities, and lower wages as a result.

At the start of the 1990s, it looked as though this seemingly limitless expansion of the temp industry would continue unchecked. Manpower replaced General Motors as the largest employer in the United States, and the temp industry continued to grow and gain power like never before. Perhaps it was because of the industry's new cultural and political clout that organized opposition began to emerge on a variety of levels. In the 1990s, temps, community activists, union leaders, and government officials sought to protect workers' interests by promoting permanent jobs and improving temporary ones. Chapter 4 examines their campaigns.

Resistance efforts challenged the temp industry in two important ways. First, they questioned the temp industry's long-standing assertion that the employer–employee relationship was defined by remuneration—that is, by whoever issued a worker's paycheck. They sought to revise the meaning of employment to include issues of place, time, control, and autonomy. In this expanded definition of work, employers could retain flexibility by using temps, but they would not be able to exploit temporary workers by treating them as second-class, full-time employees. Second, some activists argued that temping need not be a "bad" job. By improving temps' wages, benefits, and working conditions, as well as by confining temping to truly *temporary* jobs, they sought to mitigate many of the traditional downsides of temporary employment.

Temp industry executives were successful in fending off most of these challenges, in part because of the growing power of both the industry and the liability model of work. In addition, resistance efforts themselves were isolated and piecemeal. Unable to fully dethrone the notion of workers as liabilities, they could only chip away at some of the industry's more extreme abuses. Yet their efforts were an important first step. Taken together, they can be thought of as creating a blueprint for a new model of work—one that takes the best aspects of the temp industry and adds to them the meaningful acceptance of workers as people. Although such a blueprint is far from displacing the liability model of work, it can be seen as a move toward a new understanding of workers as assets. In the Conclusion, I build on these resistance efforts to propose a new model of work—a revised asset model for the twenty-first century—that seeks to keep the flexibility of the temp industry while eliminating its exploitation.