The global intensification of labor precarity has caught much scholarly and popular attention. It is often attributed to neoliberal globalization and the increasingly neoliberal state that undermines labor organization and welfare provisions and promotes flexible employment to maximize corporate profits and to shift risks onto workers. Labor precarity today not only applies to temporary and informal workers but also extends to full-time regular workers, as labor’s bargaining and organizing power reduces vis-à-vis capital and the pro-business state. However, the decline of Fordism and the welfare state in the West is not a universal experience. Precarious labor has had a long history in advanced capitalist economies and has always dominated the majority of the world’s population in the Global South. It is thus important to understand the distinctive political, social, cultural, and economic processes of precarization in different parts of the world, as precarity can be shaped by colonialism and the developmental state as much as by neoliberalization.[1] This book, therefore, is a welcome addition to the existing discussions on precarious labor by incorporating the Asian experiences and taking a comparative and institutional lens.

The book integrates “the historical institutionalist and political economy approaches” (p. 12) and analyzes role of the dynamic processes between capital, labor, and the state in Japan, South Korea, and Indonesia “in shaping precarious work and its outcomes” (p. 176). It reveals the three countries’ increasing participation in neoliberal globalization and the governments’ alliance with capital in the hope of raising economic competitiveness and maintaining economic growth—something commonly shared across the three countries and as well as many other countries facing similar issues of labor precarity. In addition to ties with global capitalism, the book further explores each country’s historical trajectories of labor relations and labor markets and changing domestic policies to indicate similarities and differences and how demographics across different genders, ages, and household types have been affected. This book, therefore, adopts a multilevel approach by discussing both global and domestic forces and by presenting the historical changes of labor markets and labor policies in each country.

In Japan and South Korea labor inequality mainly occurs between regular and nonregular workers as labor market dualism has long protec-
ted the “core” of regular workers in large corporations at the expense of nonregular or nonstandard workers, particularly those in small and medium-sized enterprises. In Indonesia, on the other hand, in addition to the regular/nonregular binary, a dualism also exists between the small percentage of workers in the formal sector such as state employees and the large proportion of workers in the informal sector such as in low-skilled service work and agriculture in which workers often do not sign formal contracts. In all three countries, nonregular workers not only earn less than regular workers but are often excluded from social protections and benefits, and they have a difficult time moving into formal and regular employment as there is little state or corporate spending on skill training and other active labor policies. The authors highlight the productivist nature of social welfare in Asia that ties welfare to work and employers and favors business over labor (p. 119). The lack of social and economic support for nonregular workers means that they are often stuck in nonstandard employment and trapped in poverty.

In terms of demographics, women and younger and older workers are more likely to face labor casualization and are more precarious than male workers in their prime years, although there are some country-specific variations despite shared patriarchal values. In Japan, for example, the gendered seniority wage system favors men over women and old men over young men. In South Korea, on the other hand, the seniority wage premium reaches its peak earlier than in Japan (p. 113). In Indonesia, the male workforce participation rate is higher than in Japan and South Korea, and women are about as likely to be in the workforce as their peers in Japan and South Korea, even though women in Indonesia predominate the category of unpaid workers and family workers and are more likely to be employed without pay (p. 97).

Similarly, even though all three countries have experienced neoliberalization—particularly when economic growth slows down and economic crisis occurs—the historical and domestic contexts vary (chapter 3). In Japan, neoliberalization took place with the 1985 Plaza Accord that required Japan to revalue the yen against the dollar in order to reduce the United States’ current account deficit and resulted in Japan’s long period of economic stagnation beginning in the 1990s. As Japanese companies looked to reduce their costs and enhance their global competitiveness, they moved their labor-intensive manufacturing facilities to Southeast Asian countries and to China and replaced their lifelong employment system with the expanded use of nonregular workers and increased labor flexibility. In South Korea and Indonesia, the 1997-98 Asian economic crisis became the triggering point for deregulation and market liberalization. In both countries international organizations such as the IMF influenced policy changes as neoliberal reforms served as the conditionality for a bailout; the difference was that South Korea saw a surge of outbound foreign direct investment (FDI), as Korean companies invested in offshore production in China, Vietnam, Indonesia, et cetera, while the political unrest in Indonesia brought an end to Suharto’s authoritarian New Order regime and the Indonesian government strived to attract FDI by offering a business-friendly environment in the reformasi period. In all three countries, economic downturn has led to the justification of more liberal labor policies that promote labor flexibility and corporate interests, expand nonregular work, and undermine labor unionization and collective bargaining.

In response to the tensions around and negative consequences of labor precarization for workers and their families, the authors indicate that there have been both top-down state policy changes and bottom-up mobilizations from workers (chapter 6). In all three countries, an electoral democracy has incentivized and pressured political parties and politicians to support income redis-
tribution, expand social welfare commitments, and re-regulate labor markets. However, as conservative, pro-capitalist governments work to balance their neoliberal and social agendas, welfare programs often benefit regular workers much more than nonregular workers. Workers’ participation in the policy-making process remains limited, and employers frequently find ways to get around laws and regulations such that the implementation of laws proves inadequate. Although Japan has the highest union density, with a history of labor’s participation in democratization struggles, labor movements are more militant in South Korea and trade unions have played a more significant role in national policies in South Korea than in Japan. As Japan has been dominated by the right-wing, nationalist, pro-business Liberal Democratic Party, civil society organizations have tended to play a smaller role in Japan than in South Korea and Indonesia. In all three countries, unionization has been weakened and the working class is fragmented with laws and welfare programs largely protecting regular workers more than nonregular workers, despite efforts of some unions and civil society organizations to increase solidarity among workers and to promote nonregular workers’ rights.

Precarious Asia provides a thorough overview of the historical and institutional processes that have brought forth the intensification of labor precarity in the three countries by incorporating existing literature and various datasets and by looking at transnational and national forces as well as workers’ struggles. However, the book is not without limitations. First, although the authors briefly explain in the book’s introduction why they compare Japan, South Korea, and Indonesia, readers could benefit from a more thorough discussion of the selection of the three cases and of the comparative lens. Specifically, the authors state that the three countries “represent a range of Asian economies: Japan and South Korea are now developed and quite mature economies, whereas Indonesia is a large economy measured in terms of GDP, but it remains classified as a middle-income country. All three countries are political democracies and capitalist economies, which allows a comparative assessment of their economies (markets, corporations, trade) and democratic politics (parties, parliaments, civil society)” (p. 6). The book is not only built upon a linear and narrow view of economic development (based on GDP calculations and regarding countries as occupying different stages of development, the assumption of which is that there is a clear end goal and trajectory of development), but also assumes that countries are comparable when they are all democracies and capitalist economies, overlooking the diversity and complexity of economic and political institutions. Similarly, by providing only broad strokes of a series of historical events and timelines in each country in chapter 2, it is difficult for readers to gain any nuanced understanding of the three countries, and it renders the comparison (including the discussion on gender and age) stylized, especially given that the book claims to adopt a political economy approach and a historical and institutional approach.

Lastly, even though the book takes a multi-level approach by looking at transnational and national factors and individual and family-level data, the comparative lens largely draws on methodological nationalism, with little discussion on individual experiences, interconnections and intersectionality, and institutional diversity within countries at local and subnational levels. After all, Asia is a constructed and contested concept and so are nations, labor, and capital.

Note

If there is additional discussion of this review, you may access it through the network, at [https://networks.h-net.org/h-asia](https://networks.h-net.org/h-asia)

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