1 / Introduction

The United States has a bad jobs problem, and retail jobs are at the heart of it. For those interested in solving the problem, a global shopping trip could prove very instructive. For example, shopping for groceries is a very different experience in France than in the United States. An American shopper in Paris might be surprised to find cashiers seated, to have to do her or his own bagging, and to find stores closed on Sundays and most evenings. Less noticeably, a typical Parisian store is overwhelmingly staffed by adult women, with many fewer workers in their teens or early twenties. Other divergences, equally important, would not be visible to the shopper: perhaps most striking, the average French nonmanagerial retail employee earns almost 90 percent as much per hour as the economy-wide average, far more than the U.S. ratio of just under 70 percent.[1] And though French retail workers are as likely to work part-time as American ones, they are only half as likely to work fewer than twenty hours (see chapter 6). A perceptive shopper might detect signs of one last contrast: underpinning the higher pay, French retail workers are considerably more productive, as reflected in measures like faster item scan rates and larger amounts of sales per hour per employee (see chapter 6).

Crossing into Germany yields even more contrasts. Cashiers sit, customers bag, and stores are closed on Sunday, as in France, but in Germany retailers are required to give notice of work schedules *six months in advance*. This is a luxury that retail workers in San Francisco and Seattle who fought to get two weeks' advance notice (and for that matter their Parisian counterparts) could hardly imagine. The large majority of German frontline workers—cashiers and stockers—have had a two-year specialized apprenticeship and are knowledgeable about everything from troubleshooting cash registers to ordering merchandise. This level of expertise is unheard of among U.S. retail's entry-level workers. At the same time, a growing number of German retail workers hold extra-short "mini-jobs"; often offering lower pay and fewer benefits, mini-jobs converge with some aspects of U.S. retailing (see chapter 5).

If we round out our global shopping spree with a trip to Mexico City, still more differences emerge. At first glance, the scene would look familiar to U.S. shoppers: cashiers stand and are joined by baggers. However, while Wal-Mart, the country's largest retailer, is a low-wage and 100 percent union-free employer in the United States, in Mexico the giant retailer pays more than its competitors and is largely unionized. Instead of a huge cadre of part-timers, as in the United States, Mexican retail workers overwhelmingly work full-time. Instead of complaining about working too few hours, they complain about being made to stay to work extra hours without pay. And Mexican baggers look expectantly at shoppers for tips, since they subsist on tips only (see online supplement chapter A1).

These differences between countries matter not just for the shopping experience but for job quality. Bad jobs, most would agree, are those with low compensation, few promotion opportunities, and difficult schedules and working conditions. Retail, the largest employment sector in the United States—with millions more workers than manufacturing—fits the bill: this industry offers low wages, fluctuating work schedules, and scant opportunities for earnings progression. Conventional retailers insist (usually after reminding us of how many jobs they create) that they must keep wages low and work schedules variable in order to compete with Wal-Mart. Wal-Mart, in turn, maintains that it is simply finding ways to do business more efficiently in order to deliver affordable goods to large numbers of shoppers. But as the French, German, and Mexican examples illustrate, there are other ways to successfully run a store.

It is worth emphasizing here that the evidence is strong that employment in stores is here to stay for a long time to come, in spite of recent predictions of the imminent displacement of store-based retail by online sales. We review the arguments for stores' durability in chapter 8.

Bad jobs in retail are far from exceptional. Retail offers a window into the tens of millions of U.S. jobs that have seen quality stagnate or decline in recent decades, with weak or no compensation growth, decreased employment security, and in many cases ever more unstable schedules. In current debates over job quality, some observers have rightly directed attention to the pulling away of the top—the "1 percent"—as a result of growing inequality, but fundamentally the most pressing concerns involve those falling behind at the bottom, as well as the increasing number of people in the middle who are slipping toward the bottom.[2] Worries about bad jobs have become a hot-button political issue in the United States, cropping up in the debates in each recent election cycle. The clearest manifestation of Americans' concern and even outrage is soaring support for a higher minimum wage. In January 2015, three-quarters of Americans—including 53 percent of Republicans—supported raising the federal minimum wage to $12.50 an hour by 2020. Nearly two-thirds went beyond that to support a federal minimum wage increase to $15 by 2020.[3]

The "bad jobs" crisis reaches well beyond the United States to encompass much of the wealthy world, though the U.S. problem is particularly acute.[4] At the core of the debate, both in the United States and globally, is not just the task of describing or quantifying low-quality jobs, but the need to seek explanations for variation and change in job quality in order to come up with workable improvements. Our goal, and that of other researchers working in this vein, is to develop strategies to improve bad jobs and narrow the gap between bad and good jobs.

Improving retail jobs does not necessarily mean turning them into unambiguously good jobs; retail jobs in our comparison countries are not terrific, but they are better in significant ways. In this book, we examine how and why retail jobs differ—across companies within particular U.S. retail sectors, across two contrasting subsectors within retail, and especially across countries—to determine how the mechanisms behind these differences could be leveraged to make U.S. bad jobs better. Put in the simplest terms, U.S. bad jobs in retail and other low-wage industries will improve when changes are made in the institutional environment—laws, labor relations structures, and broadly held values—followed by changes in managerial approaches.

THE ARGUMENT FOR INEVITABILITY

Casting a long shadow over public and scholarly debate on job quality is the specter of inevitable decline in job quality. If economic and technological developments have structurally narrowed our options to "one best way" at the level of the firm, the nation, and the organization of the global economy, then, in former British prime minister Margaret Thatcher's pithy phrase, "there is no alternative"—or at least, the range of alternatives has been radically narrowed. This perspective is most visible in debates over raising the minimum wage. Business representatives such as the U.S. Chamber of Commerce and the business-backed Employment Policies Institute have led public opposition to boosts in the minimum wage (as well as the opposition on other emerging policy battlefronts, such as required paid sick leave and advance schedule notification), with backing from a number of academic economists.[5] Laws raising the minimum wage have advanced despite these critiques. But as the economist Paul Osterman has pointed out, large numbers of policymakers and intellectuals—especially economists—have continued to take for granted a broader set of myths about the inevitable limits on job quality.[6]

The basic argument for the inevitability of job degradation is that structural changes in the world economy confine businesses and governments to a limited set of viable options—which they ignore at their peril. Recent research on low-wage work has pointed to five structural forces that seem to contribute to the proliferation and further degradation of low-end jobs, both in the United States and globally.[7]

First, *globalization* has "flattened" the world.[8] Workers increasingly compete with one another across countries, and multinational corporations implant their business models around the world.[9] Given retail's relative immobility, global worker competition is less of an issue in this sector, but transnational companies abound. Wal-Mart, itself an increasingly global retailer, is joined in the U.S. food retail market by a long list of global competitors, including Aldi and Lidl (Germany), Ahold (the Netherlands), Delhaize (Belgium), and Chedraui (Mexico), often selling under names like Trader Joe's, Giant Foods, Food Lion, and El Super.

A second structural force is the spread and intensifying implementation of *information and communications technology* that facilitates the automation of routine tasks, the standardization of practices, and the elimination of "slack" in systems of production. Retail boasts numerous applications of this technology, from simplified cash registers and bar code scanners to Wal-Mart's much-vaunted logistical system (now emulated by every large retailer), to scheduling software.

Third, *financialization* has increasingly compelled corporations to wring out costs and boost payouts to financial stakeholders. By financialization, we mean not just direct company takeovers by private equity firms and the like, but also the widespread shift to a "shareholder value" priority that drives companies to focus on quarterly returns and dividend payouts rather than long-term (or even middle-term) investments in the sustainability of the enterprise. Publicly held retailers are on the firing line just like other corporations, and they have been a frequent target for private equity takeovers.[10]

A fourth factor is *neoliberalism,* a package of ideologies and policies that promote deregulating markets, including those for international trade, shrinking the social welfare, labor rights, and employment rights functions of government, and reducing the influence of bottom-up market regulators such as unions.[11] The United States is the acknowledged heartland of neoliberalism, and a number of neoliberal changes have particularly reshaped U.S. retail and its jobs. Prevailing policies and dominant policy thinking have shifted toward relaxed store hour regulation (with long hours leading to worker-unfriendly schedules), lighter restrictions on commercial development and on the growth of huge, market-dominating corporations (fueling retailers' entry into growing numbers of markets and intensifying low-road competition), weaker enforcement of labor and employment laws, and enfeebled unions.

A final transformative force, one that is harder to observe and analyze, is the *shift in business norms* regarding the treatment of workers. For obvious reasons, it is difficult to distinguish the impact of shifting norms (shared values and practices) from that of other changes. Nonetheless, at least some analysts have argued for the importance of norms as an independent factor.[12] In this volume, we report changes in retail that are consistent with this perspective: a shift away from unionized or paternalistic management structures to more stratified, atomized, and low-commitment systems.

One way of summarizing the argument for inevitability—whether locally or globally—starts with the widely shared view that three main types of structures create the context for business strategy in any particular setting. The first, of course, is the *economic environment* in terms of available resources, technologies, and markets. A second is *national institutional structures,* which consist of the ground rules in terms of laws and regulations, labor relations structures, and social norms. The third is *sectoral structures*—the dominant companies and prevailing strategies that to some extent shape the options for other companies and the viability of other strategies.

The inevitability argument posits that the ubiquity of globalization, computer-driven technological change, and financialization has made economic environments more similar around the world. This reality has thus compelled governments to widely adopt neoliberal policies, propelling convergence in national institutional structures. With global convergence in the economic and policy realms, the nature of retail jobs will increasingly be determined by the dominant business models that best adapt to this environment. In an extreme version of this analysis, we should expect the country's and the world's retailers to increasingly act like Wal-Mart (or, if you prefer, fill in your favorite innovative upstart competitor here)—or to get out of Wal-Mart's way as it sweeps the field.

CHALLENGING THE INEVITABILITY ARGUMENT: EVIDENCE FROM FIELD STUDIES AND NATIONAL STATISTICS

The best way to verify or falsify the inevitability argument is to examine variation both *within* countries (seeking evidence about the latitude for divergent company strategies) and *across* countries (seeking evidence about the space for distinct national institutional influences). Although our goal is to come up with explanations and solutions for the bad jobs problem writ large, we have made this enterprise manageable, yet still fruitful, by focusing exclusively on retail, particularly two of its subsectors.[13] In doing so, we build on a rich ongoing research dialogue probing the relationships between industry dynamics, firm strategies, and job characteristics in specific industries, both in the United States and globally.[14] This book incorporates some of our earlier published work on retail jobs, but it goes further by combining a full range of within- and across-country comparisons in a unified argument tied to policy concerns that are particularly salient in the United States. We consider seven countries in some detail: the United States, Denmark, France, Germany, the Netherlands, the United Kingdom, and Mexico.[15] In an analysis of Wal-Mart around the world, we expand the field of view to include information from other countries, adding selected data points to the cross-national analysis. Retail in all the focus countries—and arguably in all the countries in the Wal-Mart analysis as well—is definitely exposed to globalization, computerization, and financialization. All of these countries have shifted in a neoliberal direction in recent decades, though certainly Denmark's "flexicurity"—combining labor flexibility with a broad and strong social safety net—is not neoliberal in the mold of the United States.

But as we document throughout the book, Wal-Mart and other discounters with similar practices are far from marginalizing other business models in retail. Within the United States and the other six countries, there is significant variation among companies in the main traits of jobs. In the United States, for example, Costco and Trader Joe's persist and grow as "high-road" alternatives to Wal-Mart. Likewise, systematic cross-national differences are alive and well, as we saw at the beginning of this chapter.

The cross-company, cross-sector-within-country, and across-country comparisons actually are a bit more complex than we have so far signaled. We spell out this complexity later in the chapter as we lay out the structure of investigation and preview the contents of the chapters. But first, here is a brief introduction to the U.S. retail industry and a description of how we carried out the research.

Retail, the largest employer in the United States, offers promising turf for exploring job quality issues. Retail wages are low and have trended lower—in real dollars and relative to other industries—over the long run. Retail jobs also have a number of other noxious characteristics: high labor turnover, limited upward mobility, and schedules that are variable, often unpredictable, and largely part-time. The sociologists Thomas Bailey and Annette Bernhardt glumly concluded in an influential 1997 article that even U.S. retailers showing high-road productivity and service practices hewed to the low road in job quality. In addition, a majority of retail jobs, especially at lower levels, are held by women; although, as we shall see, women often choose part-time hours, many of them are nonetheless frustrated by insufficient hours, inadequate wages and benefits, and few promotion options. U.S. retail jobs are also disproportionately occupied by younger workers.

A final trait of retail merits special mention: retail jobs are relatively immobile, in the sense that most retail sales take place when consumers visit stores and pick up goods there. The growing "Amazonification" of retail—shifting sales online and in the process greatly shrinking some sectors of retail such as book and record stores—does call this immobility into question. So far consumers have voted with their feet to continue shopping in bricks-and-mortar stores—especially in food retail, the largest retail subsector—but Amazonification may change retail jobs in the future, as we explore in our concluding chapter. In the meantime, retail's relative immobility has important consequences. Standard approaches to improving job quality, such as unionization and labor standards regulation, may simply impel manufacturers to relocate to less costly environs, but immobile industries lack this option. If there is any industry where policy and collective action levers should be able to improve jobs, it is retail.

Our research is primarily grounded in fieldwork carried out in seven countries around the world: the United States, Denmark, France, Germany, the Netherlands, the United Kingdom, and Mexico. We carried out fieldwork in the United States and Mexico ourselves. We collaborated with teams of researchers in the five Western European countries (who are credited in the chapters to which they contributed). The field research touches a limited number of retailers, so to yield a more complete picture we (and in Europe our colleagues) have also analyzed government-collected statistics, coverage of retail in business and general media, and scholarly and consultant research on the sector and its jobs.

In the United States and Europe, the fieldwork followed a uniform plan. From 2005 to 2007, we and our colleagues conducted case studies of large food and consumer electronics retailers—nationwide companies in Europe and a mix of national and regional companies in the United States, which has a larger and more fragmented market.[16] Groceries and consumer electronics present important contrasts: old and new (for example, "big box") retail formats, varying skill demands, and sharply differing gender composition and wage levels (electronics retail employment being more male and better compensated); we lay out these differences for the United States in chapters 2 and 3. In the United States, we visited sixteen retail companies: eight grocery chains, six consumer electronics chains, and two general merchandise retailers that sell both groceries and electronics as well as a range of other goods. (Each general merchandiser thus counts for two cases for a total of eighteen cases.) In each company field study, we interviewed top corporate executives, then visited at least one store where we interviewed managers, supervisors, and a selection of frontline workers (cashiers, baggers, stockers), for a total of 195 interviews. We asked about how work was organized and why, about competitive pressures, about job characteristics and how they fit into workers' lives, and about how and why all these workplace features had changed over time. To the extent possible, we also obtained corporate statistics on jobs in the stores.[17]

In Mexico, we conducted similar company studies in 2003–04, asking about the same topics as in the other countries and conducting 133 interviews in all. Some differences in the study design are described in the chapter devoted to Mexico (chapter A1, http://www.russellsage.org/publications/where-bad-jobs-are-better).

In short, we dug deep into the retail sector in these seven countries, getting the perspectives of everyone from C-suite executives to baggers and street vendors about the retail sector and its jobs. We say more about what the case studies involved in the chapters about the United States (chapter 3), Europe (chapter 5), and Mexico (chapter A1).

WHY FIVE TYPES OF COMPARISON IN SIX EMPIRICAL CHAPTERS?

In the next six chapters, we set out to puncture the myth of inevitably and invariably bad retail jobs and to explain how and why these jobs differ across and even within countries. To the extent that we explain such contrasts, we develop a framework for thinking about how retail jobs could be improved. Our main practical interest is improving U.S. retail jobs, though what we learn also has implications for other high-income countries. We build explanations at two levels, corresponding to within-country and across-country variation. Within countries, companies follow different paths because of their own strategies and because of the collective strategies of workers. Companies formulate both *product market strategies*—strategies to succeed in selling their goods and services—and *labor strategies*—strategies for compensating and managing their workforce. They must maintain some level of compatibility between the two types of strategies. Workers, meanwhile, exercise their ability to act as a group, termed their *collective agency*. The most obvious form this takes is unionization, and another form is activity around local regulations—such as the wave of revisions to local minimum wage laws, driven by coalitions led by unions and worker advocates, that are under way as we write.

Across countries, we point to both political agency and nationally differing norms as sources of persistent job quality differences. At the level of political agency, cross-national differences in public policies and labor relations systems have proven remarkably durable in the face of economic forces that were predicted to lead to their demise. Perhaps less surprisingly, differences in norms are also durable. It is beyond the scope of this book to explore the political and cultural processes that underlie this durability, or the macroeconomic ones that render it sustainable. What we do undertake is an examination, where possible, that traces differences in job features back to the institutional divergences that gave rise to them or that continue to sustain them. In some cases, we can also point to economic patterns that make differing labor practices sustainable within the retail sector itself: for example, French retail workers are more highly paid than U.S. retail workers, but they are also more productive; Mexican retailers do not have the option of "just-in-time" scheduling of part-timers, as in the United States, but they routinely press their full-time workers to work extra, unpaid hours. One consequence of the continued robustness of institutional and normative differences, termed *national* or *societal effects,* on jobs is that in a particular sector like retail, national and sectoral effects combine to create what we and our colleagues have called a *national-sectoral model*.[18]

As it turns out, one common feature of retail national-sectoral models is that retailers across all the countries studied, not only in

Table 1.1 / Axes of Comparison in the Book

Comparison	Analytical Focus	Chapter(s)
Compare companies within subsectors (groceries, consumer electronics) within a single country (the United States, Mexico)	Managerial strategies	3, 4, A1
Compare subsectors within one country (groceries versus consumer electronics in the United States)	Product markets, gender, skill	2, 3, 4
Compare retail jobs as a whole across seven countries	Institutions	5, A1
Compare grocery cashier jobs between the United States and France—one job in one subsector in two countries	Institutions	6
Compare jobs in one company (Wal-Mart) across twelve countries	Institutions	7

Source: Authors' summary.

the United States, are pioneers in developing and promoting "exit options"—ways, legal or not, to evade the labor standards in place.[19] Thus, retail workers are not to be found in the aristocracy of labor in any of these countries, nor even at the average in terms of pay and other job traits. Nonetheless, they are sometimes much closer to the average, and each negative feature of retail jobs found in the United States is absent in *at least one* of the comparison countries. Thus, the strong sectoral characteristics of retail still play out differently depending on the national characteristics of each retail industry and its leaders (for instance, Wal-Mart for the United States, Carrefour for France, and Metro for Germany).

We flesh out the various parts of this theoretical framework in the following chapters. Empirically, we implement our within-country and across-country comparisons using five axes of comparison, summarized in table 1.1. Each of these axes holds particular factors constant to analyze distinct aspects of how and why retail jobs differ in different settings. Multiple comparisons are necessary because the factors in question are qualitative, sometimes composite, and not reducible to a single indicator. Throughout, our point of departure is the United States.

The first, narrowest comparison holds constant the country (and therefore large-scale institutional contrasts) and the subsector (large differences in the type of market and service involved), comparing companies one-to-one to search for differences in company strategies. These strategies include how the company engages the *product market*—whether it aims high or low, broad or narrow, in the interface with consumers—and how it engages the *labor market*. The key goal is to analyze how strategic choices translate into job quality outcomes. For example, targeting higher-margin products can make room for better jobs.

A second within-country comparison scales up to our two subsectors, food and consumer electronics retail in the United States. Product markets, skill mixes (technical knowledge in electronics, attention and attitude in groceries), and gender compositions diverge between the two subsectors. What are the consequences for job characteristics, and why?

For the third axis, we zoom out to comparisons between U.S. retailers and their counterparts in Europe and, to some extent, in Mexico. Here we focus on the laws, standards, labor relations systems, reproductive institutions, and norms—in short, the *institutions*. The institutions most consequential for job quality include minimum wages and unionization, but also less obvious ones such as skill development systems, store opening hours (as we saw in our "visits" to French and German grocers), and shopping culture. Secondarily, we draw some electronics–food sector contrasts across countries.

To go deeper into the role of institutions and social norms, the next comparison pits U.S. grocery cashiers—the modal retail job—against their French peers, holding the subsector and the job fixed. We limit our comparison to two countries in order to paint a richer picture of how institutional differences play out for corporate strategies and job outcomes. With this finer-grained comparison, we distinguish a wider range of relevant institutional differences, including those mentioned in describing the previous axis, as well as land use, child care policies, and norms.

In our final axis for empirical analysis, we hold the core corporate model and culture constant across a wide geography. We look at a single retail leader, Wal-Mart, across twelve countries to see how the global retailer responds to varying national institutions. Wal-Mart is particularly interesting precisely because it in some ways sets the pattern for others to follow, yet its jobs vary cross-nationally.

THE PLAN OF THE BOOK

Chapter 2 sets the context for our comparative argument with a review of retail job patterns in the United States from standard statistical sources. Far from dispelling a picture of uniformly bad retail jobs, for the most part the evidence compiled in the chapter is favorable to such a gloomy portrait. The message is clear: the average retail job in the United States is a lousy job. But we also show differences between the average job in food retail/grocery, consumer electronics, and general merchandise. The last category covers warehouses, big-box stores, and small stores that sell a *wide range* of goods and are included in our study because so much food and so many electronic goods are sold through these channels. This portrait of U.S. retail jobs leaves open questions of how job quality varies around the average (though we do document variation in compensation), what explains that variation, and what such patterns might be like when we look beyond this country's borders. In the last section of chapter 2, "Looking Back and Looking Forward," we lay out in more detail the questions that motivate the heart of the book, the primarily qualitative chapters 3 through 7.

Chapters 3 and 4 dig into our study of U.S. retail cases, starting with differences between grocery and consumer electronics jobs, but also comparing companies *within* each retail sector. Chapter 3 introduces the U.S. study in greater detail and already starts to reveal cracks in the façade of inevitability. We distinguish between *cost-cutting strategies,* on the one hand, and two product market strategies—*quality- and service-driven strategies*—on the other. We find that cost-cutting prevails, but that there is substantial variation in the relative mix of the two product market strategies when we compare food retailing (which is more oriented toward quality and variety) and electronics stores (which are more oriented toward adding services). These differences characterize product market strategy in each case, but also shape labor strategy and thus job quality. Even more importantly, we find striking differences in job quality and characteristics *within* each of the two subsectors, reflecting differing managerial strategies within the same market. Since our interviews reveal that difficult work schedules are the most acute issue for U.S. retail workers, we close the chapter with a look at "lived job quality," scrutinizing scheduling practices and part-time jobs through the eyes of job-holders.

Chapter 4 continues to highlight and explain differences in human resource policies and practices between broadly similar retailers. It focuses on the tensions that striate every company's combination of product and labor market strategies. We ask whether current U.S. retail business models are sustainable for the companies implementing them and raise serious doubts about longer-term sustainability and consequences for retail jobs.

Having raised questions about the sustainability of U.S. retail models, we turn in the next three chapters (plus the online supplemental chapter at http://www.russellsage.org/publications/where-bad-jobs-are-better) to cross-national comparisons to inquire about the existence and viability of alternative models. Chapter 5 contrasts U.S. retail jobs broadly with those in five European countries. U.S. retail is an outlier in some regards, such as in having higher labor turnover and in assigning highly fragmented and task-oriented job duties to workers. But the United States sits in the middle of the pack in other regards, such as in the percentage of retail workers who fall below a low-wage threshold and the percentage of part-time workers. Looking at these variations one dimension at a time (compensation, schedules, skills, mobility) elucidates how national-level institutions push different job characteristics in distinct directions. A particularly sharp contrast emerges between, on the one hand, the United States and three other countries where most retail workers are low-wage and, on the other hand, Denmark and France, where few retail workers have low-wage jobs. This divergence motivates a more in-depth U.S.-France comparison in the next chapter.

Chapter 6 puts U.S. and French retail jobs, particularly the cashier job in grocery retailing, under the microscope. As we showed at the outset of this chapter, we find striking differences in the troika of pay, productivity, and posture (whether cashiers stand or sit). We trace the institutional roots of these and other differences in the cashier job between the two countries. Important influences are not just differences in labor regulations but also differences as wide-ranging as zoning and store hours restrictions, the length of the school year, and the system of child care.

For those who are interested, the online chapter A1 takes our cross-national comparisons to the global South (but not very far south) to examine differences between retail jobs in the United States and Mexico.[20] Contrasts emerge, especially between the heavy use of part-time employment in U.S. retail and the overwhelmingly full-time employment of Mexico's retail workers. As before, we follow the disparities back to institutional differences in labor law, sociocultural norms, and politics—differences that once again involve both labor institutions per se and other institutions, such as gender roles. But we also uncover and explain ample job quality variations *within* Mexican retail. Finally, Mexico's bustling ensemble of street merchants and micro retail outlets opens the question of informality in retail. In another within-sector comparison, we explore variation within and between informal retail outlets and suggest lessons for growing informal retailing in the United States.

Wal-Mart, the world's largest retailer, takes center stage in chapter 7. Here we argue that *Wal-Mart comports itself quite differently in different institutional environments*. Is it hard to imagine Wal-Mart offering higher wages than its major competitors, cooperating with unions, and being consistently underpriced by retail rivals? We show that all this and more is happening in at least some of the countries where Wal-Mart does business—providing further ammunition for the argument that Wal-Mart will adapt its practices to any changes in U.S. institutions.

Having concluded our round-the-world tour of retail jobs, we turn in the final chapter to our conclusions about retail jobs in the United States and globally, how and why these jobs vary, and what it would take to make them better in the United States. We highlight our key arguments and findings and update the U.S. picture by discussing major changes in food and consumer electronics retail and their environment since our fieldwork ended in 2007 and the impact of these changes on job quality. Fleshing out what it means to modify institutions—to the extent that they can be modified—in order to prompt job improvement, we briefly present promising policy options and grassroots strategies for improving bad jobs in retail (and other low-wage sectors). We close on an optimistic note: the global evidence tells us that inevitability is a chimera and that we *can* make retail jobs better.

WHAT CAN BE DONE TO IMPROVE U.S. RETAIL JOBS?—TWO APPROACHES

Challenging the myth of inevitability opens the door to a variety of responses. The first, which we stress throughout the book, is restructuring institutions to alter incentives. A second response that has achieved considerable traction in public discourse emphasizes enlightened employer self-interest—or, to put it crudely, getting businesses to "be like Costco."[21] The notion here is that making retail or other jobs lousy yields high employee turnover and low commitment, which undermine productivity and customer service, but that if low-wage employers flipped the script, higher-cost workers would pay for themselves in higher productivity, with Costco and Trader Joe's, among others, pointed to as potential models. Since many employers have made a myopic choice, the remedy is to teach them that they can do well by doing good.

We are skeptical about enlightened self-interest as a major lever of job improvement. We readily agree that businesses make ill-considered choices and that the linkage between job quality and productivity is real. But both our within-country evidence and, especially, our cross-country comparative evidence suggest that in the absence of policies that close off the low road (low wages, low productivity), win-win proselytizing will have little effect and the Costcos of the U.S. labor market will remain niche players. Conversely, nothing gets employers thinking harder about ways to increase productivity than blocking the easy low-wage solution—whether because comfortable but incorrect assumptions become self-reinforcing, or because businesses have calculated correctly that the benefits to them of creating better jobs will not fully offset their costs. So while we use head-to-head firm comparisons to argue that there is *some* room for enlightened self-interest, ultimately we emphasize that the widespread upgrading of jobs requires the first approach—institutional change. With its multiple analyses tracing job quality differences back to institutional divergence, this book is centered on making this case.