



Flying under the radar: The impact of plantation workers' job insecurity on perceived labour agency

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The expansion of export horticulture in the South has generated new employment opportunities in many rural areas. However, commercial pressures have contributed to the increased use of flexible labour in export horticulture hereby reducing worker's job security. This paper seeks to understand the influence of job insecurity on perceived labour agency in the case of pineapple workers in Costa Rica, a context dominated by migrant labour and weak unionisation. Survey data was collected among 385 pineapple plantation workers in 2016. The results of the multinomial probit models indicated that job insecurity, by using both an objective and subjective proxy, reduced the likelihood of engaging in forthright actions (such as protests, voicing concerns or joining a union), while it increased the likelihood of evasive (such as leaving the job) or repressed actions (such as doing nothing). The analysis complements previous evidence of a preservation mechanism, which means that job insecure workers avoid the risk of losing their job by flying under the radar (preferring evasive and repressed actions to forthright actions). This reflects the constrained voice of job insecure workers and has implications for unions, employers and policymakers who play a role in shaping the potential for labour agency.

Acknowledgment: This study was funded by a Special Research Grant of Ghent University. We highly appreciated the willingness of pineapple workers, unions, managers, government officials and other stakeholders to participate in the study. Special thanks go to the local enumerators of Universidad de Costa Rica who helped conducting the surveys and Centro de Estudios para el Desarrollo Rural who facilitated the logistic organisation of the fieldwork. The support and suggestions of Deborah Martens, Eline D'Haene, Jan Orbie and Katharina Krumbiegel were invaluable for this article.

JEL Codes: Q17, J81

#199



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Abstract

The expansion of export horticulture in the South has generated new employment opportunities in many deprived rural areas. However, commercial pressures have contributed to the increased use of flexible labour in export horticulture hereby reducing worker's job security. This paper seeks to understand the influence of job insecurity on perceived labour agency in the case of pineapple workers in Costa Rica, a context dominated by migrant labour and weak unionisation. Survey data was collected among 385 pineapple plantation workers in 2016. The results of the multinomial probit models indicate that job insecurity, by using both an objective and subjective proxy, reduces the likelihood of engaging in forthright actions (such as protests, voicing concerns or joining a union), while it increases the likelihood of evasive (such as leaving the job) or repressed actions (such as doing nothing). The analysis complements previous evidence of a preservation mechanism, which means that job insecure workers avoid the risk of losing their job by flying under the radar (preferring evasive and repressed actions to forthright actions). This reflects the constrained voice of job insecure workers and has implications for unions, employers and policymakers who play a role in shaping the potential for labour agency.

Keywords: *Job security, trade unions, labour agency, export horticulture, plantation workers*

1. Introduction

In the last decades, the horticultural export sector in the South has expanded and generated new employment opportunities, mainly on large-scale plantations destined for Western export markets. The integration of these plantations in global value chains has also increased pressure on labour as companies are subject to strict retail standards and timely orders (Barrientos and Kritzinger, 2004; Krumbiegel et al., 2018). Plantation workers at the bottom of these global value chains are often bearing the risks and facing inferior working conditions such as lack of written contracts, low wages, limited coverage of social security and weak unionisation levels (Alford et al., 2017; Staelens et al., 2016). Moreover, these commercial pressures caused an expansion of flexible labour relations including temporary, seasonal, informal subcontracted jobs. Many agricultural workers do not have a permanent contract and risk to lose their job (Barrientos, 2008).

Job insecurity may constrain worker's ability to act and improve working conditions, referred to as labour agency, because temporary workers often feel reluctant to voice their concerns or join a union out of fear for losing their job (Schreurs et al., 2015). Moreover, the increased reliance on temporary and migrant workers poses challenges for traditional forms of union organisation and recruitment (Coe, 2012). It is in this light that providing a secure source of income can be a crucial driver for empowering workers to take action and improve their conditions.

This paper seeks to understand the influence of job insecurity on perceived labour agency in the case of pineapple workers in Costa Rica, a context dominated by migrant labour and weak unionisation. In a country where pineapple production boomed tremendously in the last two decades, becoming the second largest national agricultural export sector and providing many jobs in remote rural areas, it is relevant to consider job insecurity and labour agency.

Moreover, the assessment of working conditions from the worker's perspective provides valuable insights into worker's agency potential and constraints.

The paper contributes to literature on worker welfare in export horticulture in the South by focussing on the impact of job insecurity (Ehlert et al., 2014; Krumbiegel et al., 2018; Van den Broeck et al., 2016), in particular for migrant agricultural labour markets (Barrientos, 2008). Previous studies in Western employment contexts showed how job security can positively contribute to job outcomes such as well-being, workplace safety behaviour, turnover, job satisfaction, work effort (Shoss, 2017; Sverke et al., 2002). Less is known about how job security affects *process rights*, enabling workers to negotiate improvements and take action, for example by joining a union. Job security might be an essential condition to sustain improvements from within the workers themselves. Hence, it is relevant to consider the impact of job security on process rights, because these rights are paving a path for workers to improve their working conditions through raising their voice and collective bargaining.

Also studies on private certification standards distinguished between outcome and process rights. Private standards often employ a checklist approach for job outcomes such as minimum wage, working hours and occupational health and safety. However, studies showed that these standards fail to improve process rights and guarantee respect for trade unions (Barrientos and Smith, 2007; Egels-Zandén and Merk, 2014; Riisgaard, 2009).

Since the focus in most studies lies on job outcomes such as job satisfaction, occupational health and safety, we redirect attention to process rights and address the concern about limited bargaining power and labour agency of agricultural workers at the bottom of the chain. The paper gains insights into how job security influences worker's ability to act, referred to as labour agency, which is relevant in the broader perspective of commercial pressures causing labour flexibilisation in global value chains.

The paper is structured as follows. The literature review engages with Hirschman's framework for responses to job insecurity and couples it to the concept of labour agency. The job preservation mechanism is explained as a theoretical basis for the formulated hypotheses. The methodology section outlines the data collection, variables and analytical approach. The findings describe the institutional constraints on job security and labour agency in the context of the Costa Rican pineapple sector, which serves as a qualitative background to interpret the model results. Finally, we conclude by discussing the influence of job insecurity on perceived labour agency and list practical implications for unions, policymakers and management.

2. Theorising the link between perceived job insecurity and labour agency

Job insecurity is generally defined as an individual's subjective perception of a threat to the continuity of his/her job and it reflects employment stability (Sverke et al., 2002). Job security can also be objectively measured by the contract type being temporary, seasonal, subcontracted or permanent. However, two workers with the same contract type may perceive their job security differently due. For example, a casual worker might feel job secure if the subcontractor provides work year after year (Barrientos and Kritzinger, 2004). It is therefore relevant to consider both the workers' experience and objective contract type in the context of job security.

The framework of Hirschman (1970) is often used to explain worker's responses to job insecurity (Sverke and Hellgren, 2001). According to this framework, discontented employees can choose for two active options, to quit and look for another job (exit) or to improve the situation (voice). Workers can also behave more passively and stay and support the organisation (loyalty).

The exit option has been operationalised as job withdrawal, referring to looking for another job, leaving the company, getting transferred to another job within the organisation (Farrell, 1983). Voice refers to union membership (Sverke and Goslinga, 2003), protest involvement

(Klandermands et al., 1991), talking to supervisor to try and make things better, putting a note into a suggestion box (Morrison, 2014; Ng and Feldman, 2012) or workers' participation in decision making (Berntson and Näswall, 2010). Loyalty is manifested in higher work intensity and commitment to the organisation by quietly doing one's job assuming things will work out (Sverke and Hellgren, 2001; Farrell, 1983).

This exit, voice and loyalty typology can be coupled to the notion of labour agency adopted from the field of labour geography (Coe, 2012; Carswell and De Neve, 2013). Labour agency is commonly defined as the workers' ability to act and improve their current situations. These actions can be "informal or formal, individual or collective, spontaneous or goal directed, sporadic or sustained" (Coe, 2012, p.3). Most studies on labour agency focus on collective forms such as union organisation and examine what impedes collective agency (Arnold, 2013; Carswell and De Neve, 2013; Riisgaard and Hammer, 2011). However, a worker can voluntarily decide to leave his/her current job when not feeling satisfied (Staelens et al., 2016). This turnover intention or exit option can be interpreted as an individual, evasive form of labour agency. Apart from this exit option, two other types of labour agency can be distinguished: 1) forthright actions refer to protests, joining a union, complaints directed to management as in the voice option of Hirschman's framework, and 2) repressed actions which include organisational commitment and silent behaviour as in the loyalty option (Schuster and Maertens, 2017).

Against this theoretical background, we develop three hypotheses to test how job insecurity relates to labour agency in terms of forthright, evasive and repressed actions. All three hypotheses are based on the job preservation mechanism (Shoss, 2017), namely that job insecurity may motivate workers to act in ways that prevent them from losing their job.

HYP 1: Job insecure workers are less likely to adopt forthright actions (voice option).

Temporary workers might be reluctant to join unions out of fear for losing one's job or reduced prospects for future employment. The proliferation of temporary contracts, which means that jobs are less secure, has direct effects on the workers' negotiation strength (Arnold, 2013). Temporary workers are often in a weaker position to voice concerns, because they lack knowledge on the grievance procedures, they do not have strong support networks or are afraid of reprimands. Literature points to a negative relationship between felt job insecurity and voice, meaning that job insecurity hinders workers from speaking up to management (Berntson and Näswall, 2010; Chen and Chan, 2008; Schreurs et al., 2015; Sverke et al., 2002).

HYP 2: Job insecure workers are more likely to adopt evasive actions (exit option).

Job insecure workers might proactively cope with the situation by looking for another job, following additional training or increasing savings to buffer against potential income loss (Shoss, 2017). The intention to leave is higher among workers who are not satisfied with extrinsic organisational rewards offered in the job, such as job security or wage (Staelens et al., 2016). This is also exemplified by strawberry harvesters who "walked of the field for greener pastures" to work on plantations where more berries grow as they are paid piece rate wages and thus can increase their earnings (Guthman, 2017).

HYP 3: Job insecure workers are more likely to adopt repressed actions (loyalty option).

Job insecure workers might pursue more passive, less risky strategies in an attempt to fly under the radar and refrain from behaviour that would draw attention to them. They might prefer to remain silent and conservatively accept the intimidated employment relation than to speak up and challenge it (Probst and Brubaker, 2001).

These hypotheses are tested for workers on pineapple plantations in Costa Rica.

3. Methodology

3.1. Case selection and research context

The pineapple sector in Costa Rica has been selected because of its recent expansion, large-scale plantation based production, weak unionisation and flexible labour relations (Bananalink, 2013). The insights are interesting for other horticultural export value chains characterised by labour intensive plantation work and dominated by multinationals and retailers, such as sugarcane, tropical fruits or palm oil. The case can be exemplary for similar trends of labour flexibilisation in global value chains (Alford et al., 2017).

The pineapple sector in Costa Rica has been flourishing in the last two decades turning Costa Rica into world's leading exporter of fresh pineapple¹ (Vagneron et al., 2009). Pineapple cultivation expanded from 6064 ha in 1995 to over 45 000 ha in 2016, mainly in the Huetar Norte region bordered by Nicaragua. This expansion has created about 28 000 direct permanent jobs and 110 000 indirect jobs in 170 pineapple export companies. Pineapple production is all year-round and thus should provide a stable source of employment as consecutive cycles of planting and harvesting are implemented from month to month. However, there is some flexibility since labour demand peaks in May due to the natural flowering process that requires 10-30% more labour (Ruiz and Vargas, 2014). Another source of "hidden" flexibility originates from the hiring and firing practices, causing workers to rotate between companies every three months (Voorend and Robles, 2011, p. 62).

Although working conditions in the pineapple fields are harsh because of exposure to insects and pesticides and extreme weather conditions (Voorend et al., 2013), many workers, in particular male migrants from Nicaragua, have seized the working opportunities that the plantations provide² to sustain their families across the border (Lee, 2010). Migrants keep on

¹ In terms of export value it increased from US\$58 million in 1995 to US\$ 808 million in 2015 and became the third largest national export sector (8.4% of total exports) headed by bananas (8.6%) and medical syringes (8.7%) (Comex, 2016).

² Quantifying the migrant population is a difficult task because companies do not provide data and the population is underestimated because undocumented migrant workers are not registered (Voorend and Robles, 2011). CANAPEP (2016) estimated the job creation for the pineapple sector in the Huetar Norte

returning to the plantations every year and some settled permanently. For the majority of these households, work on the pineapple plantations is the only source of income, as alternative income generating opportunities are scarce (Voorend et al., 2013). However, few workers have a permanent contract with the plantation and are covered by social security and work risk insurance³ (Lee, 2010). Moreover, the level of protection through labour unions is limited because it is difficult to mobilise non-permanent workers into labour unions. Only five unions⁴ exist in the pineapple sector having between 8 to 80 members per company. None of them have negotiated a collective bargaining agreement, because they fail to reach sufficient members to pass the legal threshold of 33% unionised workers.

It is in this context of temporary contracts, weak unionisation and vulnerability of migrant workers that we seek to understand the influence of job insecurity on perceived labour agency.

3.2. Data collection

Empirical data were collected between January and June 2016 in the Huetar-Norte region of Costa Rica, bordered by Nicaragua. The study area consisted of six districts (Los Chiles, Pital, Pocosol, Rio Cuarto, Sarapiquí and Upala). We randomly sampled 385 workers across the districts to conduct face-to-face worker's surveys in their homes after work, asking them about their living and working conditions at one of the plantations in the region. The sample includes 10 companies, nevertheless 38 surveyed workers did not know the name of the company employing them or worked for a subcontractor. Because of difficulties to access companies, only 6 of the 10 companies provided us with some plantation characteristics (Table 1). However, all companies are similar in nature since they are large-scale plantations producing for Western

region at 15,000 jobs. No data was available for the number of migrant workers in the pineapple sector. Aggregated data at the regional level of the Labour Ministry indicate that 27% of the agricultural workers (representing 15,050 individuals) are migrants in the Huetar Norte region.

³ According to the Labour Ministry, 28% of the agricultural workers in the Huetar Norte region are not covered by social security. This share augments to 47% accounting for only migrant agricultural workers.

⁴ We identified the unions SITRASEP, SITAGAH and SINTRAPEN (COSIBA-CR), SITRAP, UNT, SINTRAPIFRUT (SINTRASTAFSCOR).

export markets and are certified with GlobalGAP. The largest plantation has a cultivation area of 1386 ha and employs 955 workers.

In addition, five focus groups were organised, one with migrant workers (seven participants) and four with different pineapple unions (between four to eight participants) to identify the major challenges for migrant workers and union members. To gain insights in the institutional context, face-to-face expert interviews were conducted with eight government officials (Vice Minister of Labour, department head of Labour Migration, regional labour office, three labour inspectors, pineapple platform coordinator of the Agricultural ministry, legal advisor of a legislative assembly deputy) and the president of the pineapple producers' organisation.

3.3. Analytical approach

The qualitative data serves as background to understand the labour context and interpret the model results. A SWOT⁵-analysis and problem tree are conducted during the focus groups, to identify the constraints on workers' empowerment. The workers identified the following challenges: (1) flexible contractual relations and weak employment protection, (2) vulnerability of migrant workers, (3) limited workers' representation and (4) insufficient enforcement of the labour code. These challenges are embedded in the local institutional context, with certain rules affecting the position of workers in the agricultural sector. Therefore, a document analysis is performed of relevant chapters in the Labour code, ILO reports, OECD reports, and secondary sources of NGOs and unions to gain insights in the institutional context. The expert interviews are used to further clarify the institutional context and implementation in the field.

⁵ SWOT-analysis examines the internal Strengths and Weaknesses and the external Opportunities and Threats to an organisation.

The quantitative data serves to test the effect of job security on perceived labour agency. Two measures are used for job security: a subjective and objective indicator. The subjective/perceived job security is measured by combining two items to which the workers answered on a five point Likert-scale. Both items have a scale reliability score of 0.64. The first item measures worker's satisfaction with job security, ranging between very dissatisfied (1) and very satisfied (5). The second item asks worker's individual perception of how secure or stable the job was, ranging from very insecure (1) to very secure (5). The score on each item is summed and divided by the number of items (2). For the ease of interpretation, a binary variable is constructed with a score 1 attributed to job secure workers that had an average score on the worker satisfaction and individual perception of job security equal to 4 or above. The objective measure for job security is a dummy variable for having a permanent contract.

Perceived labour agency is understood here as the workers' intention to take action, not the realised actions in practice, as this was difficult to trace. Perceived labour agency is captured by the answers to the question "What action would you undertake if you don't feel happy in your job?". Mutually exclusive response options are offered which intend to reveal the workers' intended action, rather than the actual action. Forthright actions (directed at management) include striking, joining a union, talking to supervisor, complaining to management, consulting a permanent committee. Evasive actions (not directed to management) refer to looking for another job, go back studying, moving to another team. Repressed actions are manifested in going back to country of origin, talking to friends, doing nothing, asking God for advice, working harder, not knowing what to do. The occurrence of answers in one of these three categories are then used to create a multinomial variable, receiving a score 1 if the action belonged to the forthright category, 2 for actions belonging to the evasive category and 3 for repressed actions.

Multinomial probit models are run in Stata with the `mprobit` command assuming that all individuals faced the same choice set. We control for job characteristics including wage, working

hours, employability (the ease of finding a new job) and union awareness (being aware of the existence of a union at the plantation), and for socioeconomic characteristics including education, gender, household size, and migrant status. Company dummies and a dummy for companies with union presence are included to test firm level effects. The reference group in the multinomial probit model is the category of forthright actions, meaning that the coefficients are estimated for the two other categories (evasive and repressed) relative to this reference group. The first three models test the effect of perceived job security (subjective measure) and the last three models test the effect of the objective measure for job security (contract type) on perceived labour agency.

4. Findings

4.1. Institutional constraints on labour agency

The focus groups revealed the following challenges: (1) flexible contractual relations and weak employment protection, (2) vulnerability of migrant workers, (3) limited workers' representation and (4) insufficient enforcement of the labour code. In what follows we describe how these challenges are embedded in the institutional context and constrained by certain laws.

4.1.1. Flexible contractual relations and weak employment protection

Employment contracts in Costa Rica have an undefined duration with a probation period of three months, during which the contract can be terminated without prior notice and payment responsibilities (art. 28). These lax rules for contract termination render it easy to fire workers without a cause and re-hire them consecutively, reflecting the light employment protection in Costa Rica compared to other countries (OECD, 2017). This practise of hiring and firing before workers complete the probation period of three months, with the objective to avoid the accumulation of labour rights, creates labour instability for workers in the agricultural sector (Ruiz and Vargas, 2014). Once having passed the probation period of three months, the labour

regulations specify the period of prior notice of dismissal and severance pay depending on the employment duration in case the labour relation is terminated by the employer⁶. The social insurance payroll tax rate is 36.5%, well above the OECD average of 27.2%. This high rate increases formal employment costs and incentivises informal work (OECD, 2017).

4.1.2. Vulnerability of migrant workers

Estimates of the Labour Ministry (MTSS, 2013) indicate that 47% of the pineapple workers are migrants, mainly from Nicaragua. This migrant worker share is 40% on Costa Rican banana plantations and even 90% in sugarcane. These sectors are less attractive for Costa Rican natives because of inferior working conditions and unskilled nature of work tasks (OECD, 2017). Better socioeconomic conditions (including higher wages, social security and work insurance coverage, free access to healthcare and public education) and existing migrant networks are important pull factors for migrants from Nicaragua seeking jobs across the border. The minimum daily wage (8 hours) for an agricultural unskilled worker is set at 9663.04 CRC or 18\$ in 2016, which is four times higher than the minimum wage of 4.5\$ in Nicaragua (OECD, 2017).

Even though the conditions look better on paper, in reality informal migrant workers are more vulnerable to inferior working conditions than the regularised workers and Costa Ricans (Voorend and Robles, 2011). Results of a study about migrant workers in Costa Rica highlighted the perseverance of job insecurity in the agricultural sector (Acuña et al., 2011). Of the 150 agricultural migrant workers surveyed, 69% had a temporary job, 35% changed more than once from job, and 70% had been working on the plantations for less than a year. Incompliance with labour rights exists in several aspects: employment without written contract, lack of a working

⁶ If employed between three to six months, one week pre-notification and severance pay of 10 days salary; if employed between six months to a year, two weeks prior notice and severance pay of 20 days; for an employment duration exceeding one year, one month prior notice and accumulated monthly pay per employed year up till eight years.

permit, lack of protective equipment and capacity training in workplace safety. The workers also signalled that it is uncommon to complain to their boss or submit grievances to national authorities out of fear for reprimands and expulsion of the country.

To circumvent social responsibilities, some companies outsource work to subcontractors employing undocumented migrants (Acuña et al., 2011, p. 92). These migrant workers are not reported in official statistics since they pass the border illegally. They are often worse off in terms of low wages, uncovered risk of work accidents, lack of paid holidays, thirteenth month, dismissal compensation or written contract (Ruiz and Vargas, 2014). The Labour Code remains ambiguous about the shared responsibilities between subcontractors and the employer using the subcontracted services (art. 3). To fill this normative void, an adjustment to article 3 (Exp. 19.772) was proposed by deputies in the Legislative Assembly to clarify the shared responsibilities, but has not been voted for yet.

To tackle this problem of undocumented migrant workers, the Labour Ministry initiated a program to facilitate the regularisation process to obtain a working permit. The system is based on the establishment of quota of temporary workers per sector. The technical report of the Labour Ministry authorised a quota of 2650 foreign temporary workers in the agricultural sector of Huetar Norte, of which 1000 in pineapple in 2015-2016 (DML-439-2015). In order to apply for a working permit, the employer needs to cover social security and work insurance fees as well as offer a written contract to the migrant worker. The Labour Ministry emitted 176 new and renewed 163 temporary working permits in the first half of 2015 in the Huetar Norte region. This limited use of the quota system reflects the huge challenges informal workers face (OECD, 2017). As expressed during the focus groups and interviews, migrant workers often do not have the required documents to qualify for a formal contract, lack support of their company and do not have financial means to pay the working permit (200\$). Companies are not willing to register and engage in the administrative procedures bearing the costs of formalising the employment

relationship (paying minimum wage and social security fees). Moreover, the Migration Office has limited resources to timely respond to the regularisation requests causing delays for migrants and companies during the processing of applications.

4.1.3. Limited workers' representation

Unions in the private sector of Costa Rica are generally very weak⁷ (Frundt, 2002; Robinson, 2010; Sepúlveda and Frías, 2007). These low unionisation rates are historically rooted in the promotion of an alternative organisation called “solidarismo”. Since the 1980s, the solidarity associations gained popularity, in particular in the banana sector, supported by Catholic Church School of Juan XXIII and employers (Riisgaard, 2005). Both the employers and affiliated workers can contribute a share (2-3% of the salary) to the saving fund of the association. Through the association, workers can borrow money and benefit from a Christmas bonus, severance payment, and school material amongst others. Some solidarity movements even own a grocery store and cafeteria to provide food at the company. These tangible benefits of joining the solidarity association and a large defamation campaign against unions, fed the growing negative reputation and resistance to trade unions in Costa Rica (Acuña, 2009). As a result, trade unions have almost completely disappeared⁸, and been replaced by one of the 1400 solidarity associations (Robert, 2008; Riisgaard, 2005). Even though these solidarity associations are not permitted by law to negotiate working conditions and labour rights, they attempt to substitute the role of the trade unions in protecting workers' rights by advancing an alternative worker's organisation called “permanent committee” which does not function independently from management (Mosley, 2008).

⁷ The unionisation rate largely differs between private and public sector (respectively less than 1% vs. 30% unionised workers) (OECD, 2017)

⁸ The percentage of unionised workers in the banana industry fell from 90% in 1982 to 5% in 1987.

Moreover, the migrant and temporary workforce poses additional challenges to unions' recruitment strategies, organisation and representation. Union's recruitment efforts are generally not focused on temporary workers because they have few incentives to represent these workers (Decuyper et al., 2014; Visser, 1995). Migrant workers are also not allowed to be part of the directive boards of unions (art. 345 e).

Another unfavourable legal provision is to be noted regarding collective agreements. The Labour Code (art. 56) stipulates that unions are allowed to initiate the process of collective bargaining with employers to obtain a Collective Bargaining Agreement (CBA) when at least one third of the total workers is requesting it. However, unionisation rates are far below 33% of the workers. This explains why so few collective bargaining agreements are signed.

4.1.4. Insufficient labour law enforcement

In Costa Rica, there seems to be a gap in *de jure* labour code and *de facto* implementation as exemplified by the weak enforcement capacity, slow judicial procedures and lack of political will for a far-reaching labour reform (Acuña, 2009; Castro, 2003; OECD, 2017).

The Labour Inspection is not only understaffed but also under-resourced to enforce labour law. In 2015, 92 labour inspectors were serving the entire country which represented 0.4 inspectors per 10 000 workers, far below the ILO benchmark of 1 inspector per 10 000 workers. Inspectors lack accessibility to rural areas, map locations, cars and digitalisation of records which impedes effective enforcement. The effectiveness is also limited because inspectors are not entitled to collect fines on site. Violations have to be reported to the Labour Tribunal before imposing sanctions. These sanctions should be high enough to incentivise compliance with labour laws, but they often provide leeway to companies for labour law breaches (OECD, 2017, p. 97-98). Notably, companies employing irregular migrant agricultural workers are exempted from paying fines since 2010 in the framework of a regularisation programme (La Nacion, 2015).

Once a dispute is brought to court, judicial proceedings could last for eight years before a final judgement is made. This long procedure discourages workers and unions alike to submit a dispute, such as unjustified dismissals, because it is too costly and the chances on reinstated employment are low.

With the labour reform (Law 9343) that took more than a decade to come into place in 2017, the judicial proceedings were simplified and shortened in time (maximum 6 months). More resources are devoted to the labour inspectorate, trainings for lawyers are organised and some legal provisions are adjusted to promote union organisation. The strike regulation is less strict, requiring now 35% instead of 60% of the workers to engage in a strike and reducing the sanctions for illegal strikes. The ability for employers to set a direct agreement is also restricted when a collective dispute is already brought to court by a union. These improvements are beneficial, but the OECD (2017) still calls for a stronger leadership role of the Ministry of Labour and better coordination between the departments involved in labour issues (Ministry of Labour, Migration and Social Security Agency) to enforce implementation.

4.2. Empirical evidence from the workers' perspective

The analysis of the institutional context highlighted the challenges for job security and constraints on labour agency in Costa Rica. These insights help to interpret the empirical evidence provided in this section about the impact of job insecurity on perceived labour agency.

4.2.1. Descriptive statistics

The sample is characterised by moderate levels of job insecurity: overall 40% of the workers perceived that their job was threatened. In terms of objective job security, 75% of the workers had a permanent contract (Table 2). Amongst those workers having a permanent contract, still

28% of them were feeling insecure. This finding can be attributed to the limited employment protection described above, as a result of which workers can easily be fired according to Costa Rican law. Hence, the value of a permanent contract needs to be nuanced. Among the temporary workers, 75% were feeling job insecure (Table 3). When considered by migrant status, 71% of migrant workers had a permanent contract compared to 80% of natives had a permanent contract. Migrant workers were slightly more temporarily employed than Costa Rican natives (Table 4).

Labour agency is mainly performed through evasive actions (50%); 32% of the workers would engage in forthright actions while repressed actions were less commonly mentioned (19%). The difference between job secure and insecure workers was manifested in the form of labour agency responses (Table 5); 38% of the job secure workers said they would engage in forthright actions, while this share was lower amongst job insecure workers (22%). The share of job insecure workers saying that they would engage in evasive actions was higher than that of job secure workers (55% vs. 47%). The same relation held true for repressed action, where 15% of the job secure workers indicated a preference for repressed actions compared to 23% of the job insecure workers. In other words, the share of job insecure workers saying they would engage in evasive and repressed actions was higher compared to job secure workers. A same trend was found for the objective measure of contract type, where 35% of the permanent workers said to take on forthright actions compared to 20% of the temporary workers; 59% of the temporary workers would prefer evasive actions compared to 47% of the permanent workers; and 21% of the temporary workers would opt for repressed actions compared to 18% of the permanent workers.

4.2.2. Multinomial probit model results

As mentioned above, multinomial probit models are estimated to predict to what extent job security influenced the adoption of labour agency. We hypothesised that job security differently influences the likelihood to adopt either forthright, evasive and repressed actions. Several models are run with each a different set of control variables (Table 6).

The results of the first model indicated a negative statistically significant effect of perceived job security on increasing the likelihood of engaging in evasive (0.60) and repressed actions (0.54) compared to engaging in forthright actions, controlling for job and socioeconomic characteristics. To interpret the coefficients in the regression results table, we have calculated the average marginal effects (AME) by taking the marginal effects at every observed value of job security and averaging across the resulting effect estimates. Job security had a positive average marginal effect of 0.14 on the probability of forthright actions, in other words the probability of workers saying they would engage in forthright actions is 14% higher for job secure workers. On the other hand, job security had a negative average marginal effect of 0.08 and 0.06 on the probability of workers engaging in evasive actions and repressed actions, respectively. Job security thus reduced the likelihood that workers would engage in evasive and repressed actions by 8% and 6%, respectively.

Regarding the control variables, being aware of a trade union had a statistically significant negative effect on the likelihood the worker would chose evasive (0.64) and repressed actions (0.62) relative to forthright actions, given all other variables in the model held constant. The fact that workers were aware of the presence of a union positively influenced their intention to choose forthright actions and to raise their voice. Moreover, the likelihood of choosing evasive compared to forthright actions significantly decreased (all else equal) with age and household size. As robustness checks, models 2 and 3 controlled for firm specific effects. The models confirmed the effects of perceived job security on the likelihood of workers to engage in evasive and repressed actions described above.

Models 4, 5 and 6 introduced the “objective” measure of job security (1= permanent contract) as independent variable. Again, results confirmed the negative statistically significant effect of job security on the likelihood of workers to engage in evasive actions (0.57) compared to forthright actions. However, the coefficient measuring the impact of a permanent contract on the likelihood of engaging in repressed actions was not statistically significant. Thus, having a permanent contract reduced the likelihood of choosing evasive compared to forthright actions, but it had no significant effect on repressed actions. In other words, temporary workers relative to permanent workers had a higher probability of choosing evasive actions compared to forthright actions. Being aware of a union on the plantation also had a negative effect on the worker’s likelihood to choose evasive (0.66) and repressed (0.63) actions compared to forthright actions, all else equal.

The average marginal effect of having a permanent contract on the likelihood to engage in forthright actions was positive (0.13), suggesting that the likelihood of choosing forthright actions increased by 13% in case the worker had a permanent contract. The average marginal effect of a permanent contract was negative for the likelihood of engaging in evasive actions (0.12). Hence, having a permanent contract reduced the probability of engaging in evasive actions by 12%.

Figure 1 illustrates the change in predicted probabilities (marginal effects at means of other covariates) for each labour agency type (forthright, evasive and repressed action) by subjective and objective job security. Confirming our hypothesis, the predicted probabilities for choosing forthright actions were higher for workers that expressed high perceived job security and those with permanent contracts compared to those who felt less job security and/or had temporary contracts. However, conversely, the predicted probabilities of engaging in evasive and repressed actions were lower for workers who felt job secure and/or those with permanent contracts compared to those who perceived lower job security and/or had temporary contracts.

5. Conclusion

The results suggest that job insecurity reduced the likelihood of engaging in forthright actions such as protests, voicing concerns or joining a union amongst workers in the Costa Rican pineapple sector, while it increased the likelihood of engaging in evasive or repressed actions. The analysis provides evidence of a preservation mechanism, which means that job insecure workers avoid the risk of losing their job by flying under the radar (choosing repressed and evasive actions). This suggests that job security is an essential element for engaging in forthright actions, which has implications for unions, employers and public and private governance.

The message to unions is that temporary workers are a valuable group to consider for union membership, but that are very difficult to reach in the current circumstances. Temporary workers experience difficulties to find their way to unions. This may be due to their fear for losing their job or because they move plantations themselves. Workers also lacked knowledge on the unions.

From the employers' perspective, relying on flexible workers may not only reflect a cost cutting strategy in response to commercial pressure, but at the same time be a deliberate tactic to undermine labour agency by keeping workers' voices low. However, investments in training of temporary workers is lost every time they are replaced by newcomers. It may be beneficial to offer permanent contracts to enhance workers' capacity, belongingness and effort, but also to foster communication between workers and managers in order to mutually improve the work environment.

Regarding governance mechanisms, job insecurity needs to be recognised in private certification standards, which generally remain vague in the interpretation of temporary contracts and fail to acknowledge the hindering effect of job insecurity on voice of vulnerable workers such as migrant labour. The state also has a role to play in shaping the potential for labour agency. As described there is a gap between *de jure* labour code and *de facto* implementation of the laws. There is room for improvement in the enforcement and clarification of national legislation

regarding the responsibilities of subcontractors, use of temporary contracts, migrant workers and trade union rights. Obstacles for unions representing plantation workers and legal barriers for migrant workers need to be removed so that they can benefit from the same protection, working conditions and rights as local workers.

An important limitation of the study is that the responses refer to the workers' intention to act. Hence, labour agency in practice might be even more constrained with a lower share of workers actually engaging in forthright actions, and a higher actual number of workers leaving the plantations. Future research should include a comparison of workers' intention and actual behaviour over time in the context of job security and labour agency.

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Appendix: Figures and tables

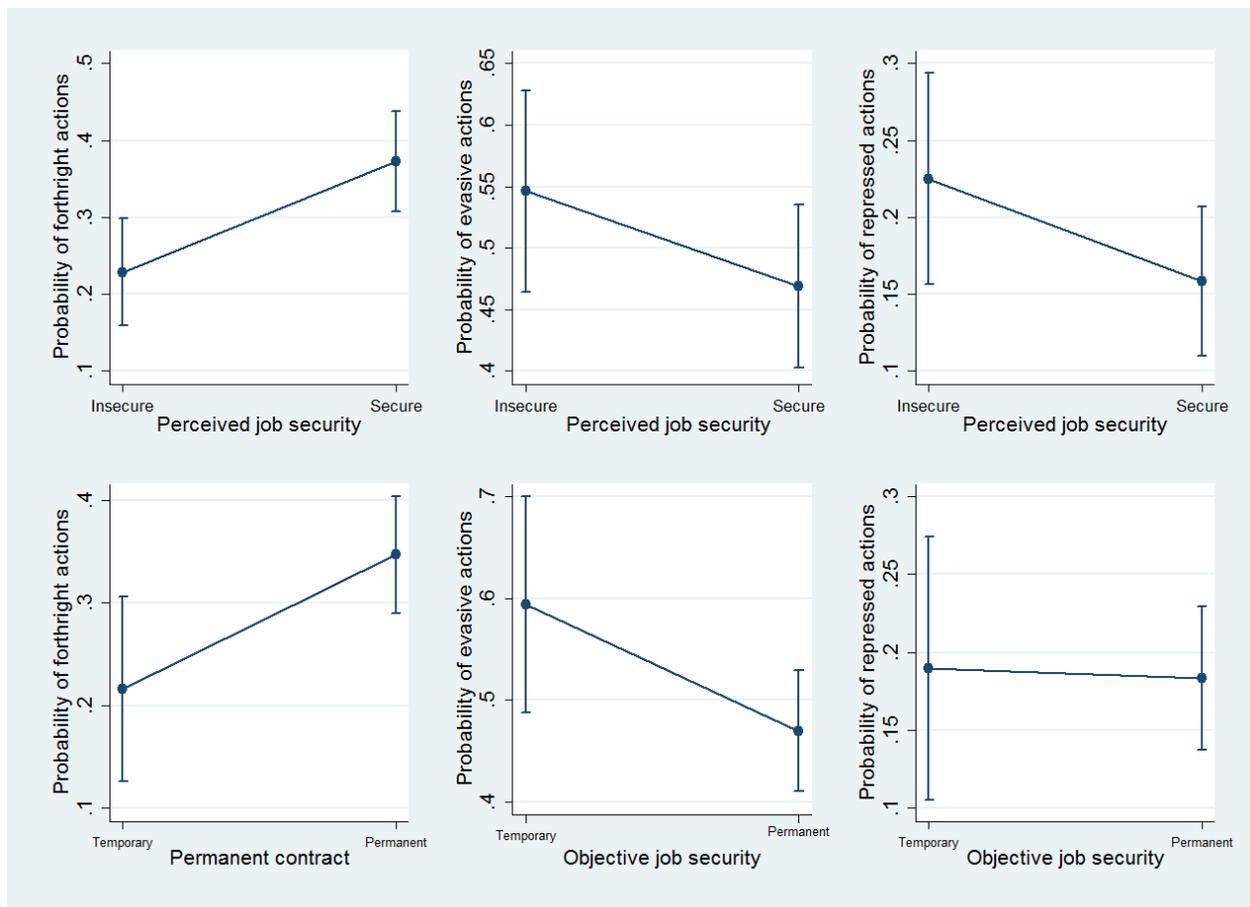


Figure 1. Predicted probabilities for perceived labour agency categories by perceived and objective job security with 95% CIs

Table 1. Company characteristics

	Firm 1	Firm 2	Firm 3	Firm 4	Firm 5	Firm 6	Firm 7	Firm 8	Firm 9	Firm 10	Unknown firm
Number of pineapple farms	2	2	2	1	1	2					
Cultivation area for pineapple (ha)	450	1160	430	443	1386	750					
Number of employees	250	816	368	308	955	370					
Number of employees per ha	1.8	1.42	1.17	1.44	1.45	2.03					
Trade union presence	No	Yes	No	No	No	No	Yes	Yes	Yes	Yes	
Year of GlobalGAP certification	2006	2004	2007	2011	2008	2005					
Foreign ownership	Yes	Yes	No	No	No	No					
On-site packaging facility	Yes	Yes	Yes	Yes	Yes	Yes					
Starting year of company	2007	2003	1989	2008	2004	2009					
Number of respondents	60	32	18	29	36	54	5	32	15	65	38

Table 2. Means, standard deviations and correlation matrix of variables

Variable	Mean	SD	Min	Max	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Forthright actions	0.32	0.47	0	1	1													
2. Evasive actions	0.50	0.50	0	1	-0.67*	1												
3. Repressed actions	0.19	0.39	0	1	-0.32*	-0.47*	1											
4. Perceived job security	0.60	0.49	0	1	0.16*	-0.07	-0.09	1										
5. Permanent contract	0.75	0.43	0	1	0.14*	-0.10	-0.03	0.40*	1									
6. Wage meets basic needs	0.56	0.50	0	1	0.01	-0.01	-0.01	0.14*	0.07	1								
7. Daily working hours	8.86	1.45	5	15	-0.01	-0.01	0.02	0.01	0.01	0.03	1							
8. Union awareness	0.35	0.48	0	1	0.13*	-0.08	-0.05	0.01	0.05	0.01	-0.08	1						
9. Employability	0.26	0.44	0	1	0.01	-0.05	0.06	0.08	-0.07	0.14*	0.08	0.02	1					
10. Migrant	0.54	0.50	0	1	0.01	0.001	-0.01	-0.03	-0.10*	-0.01	-0.10*	0.04	-0.01	1				
11. Years of education	5.40	3.67	0	16	-0.03	-0.01	0.05	-0.05	-0.01	0.17*	0.18*	-0.01	0.11*	-0.28*	1			
12. Age	34	10	14	73	0.13*	-0.08	-0.04	0.09	0.21*	-0.15*	-0.09	0.01	-0.05	0.10*	-0.33*	1		
13. Gender (male)	0.85	0.36	0	1	0.06	-0.08	0.03	0.04	-0.01	0.08	0.01	0.02	0.09	-0.01	-0.02	-0.01	1	
14. Household size	4.20	2.00	1	13	0.06	-0.11*	0.07	-0.03	-0.07	-0.12*	0.04	0.05	0.02	-0.03	-0.02	-0.001	0.01	1

Table 3. Cross tabulation of objective and perceived job security

		Perceived job security		
		Feeling job insecure	Feeling job secure	Total
Objective job security	Temporary contract	71 75%	24 25%	95 100%
	Permanent contract	82 28%	207 72%	289 100%
Total		153	231	384

Table 4. Frequencies objective job security by migrant status

	Objective job security		
	Temporary contract	Permanent contract	Total
Non-migrant	35 20%	140 80%	175 100%
Migrant	60 29%	149 71%	209 100%
Total	95	289	384

Table 5. Frequencies for perceived and objective job security by perceived labour agency categories

		Perceived labour agency			Total
		Forthright	Evasive	Repressed	
Perceived job security	Feeling job insecure	34 22%	83 55%	35 23%	152 100%
	Feeling job secure	87 38%	107 47%	36 15%	230 100%
Objective job security	Temporary contract	19 20%	55 59%	20 21%	94 100%
	Permanent contract	102 35%	135 47%	51 18%	288 100%
Total		121	190	71	382

Table 6. Determinants of perceived labour agency responses with subjective and objective job security measures – multinomial probit models

	Model 1		Model 2		Model 3		Model 4		Model 5		Model 6	
	Evasive vs. Forthright	Repressed vs. Forthright	Evasive vs. Forthright	Repressed vs. Forthright	Evasive vs. Forthright	Repressed vs. Forthright	Evasive vs. Forthright	Repressed vs. Forthright	Evasive vs. Forthright	Repressed vs. Forthright	Evasive vs. Forthright	Repressed vs. Forthright
	Perceived job security (1 = feels job secure)	0.60**	0.54***	0.62**	0.53**	0.61**	0.54***					
Objective job security (1= permanent)							0.57**	0.68	0.62*	0.60	0.55**	0.68
Wage meets basic needs (1= yes)	0.95	0.96	0.94	0.94	0.90	0.95	0.95	0.92	0.91	0.89	0.89	0.91
Daily working hours	1	0.98	0.99	0.99	0.98	0.97	1	0.97	0.99	0.98	0.97	0.97
Union awareness (1= yes)	0.64**	0.62**	0.78	0.65	0.87	0.65	0.66**	0.63**	0.79	0.68	0.91	0.68
Employability (1= easy to find job)	0.92	1.29	0.89	1.43	0.95	1.28	0.85	1.21	0.84	1.34	0.87	1.2
Migrant (1= yes)	0.94	1.03	0.91	1.11	0.9	1.02	0.93	1.04	0.89	1.10	0.88	1.03
Years of education	0.98	1.01	0.99	1.00	0.98	1.01	0.98	1.02	1.00	1.00	0.98	1.02
Age	0.98**	0.98	0.98*	0.98	0.98**	0.98	0.98**	0.98	0.98	0.98	0.98**	0.98
Gender (1= male)	0.67	0.93	0.63	1.04	0.63	0.92	0.66	0.9	0.62	1.01	0.62*	0.88
Household size	0.91*	1.01	0.92	1.03	0.91*	1.01	0.91**	1.01	0.92*	1.02	0.91**	1.01
Firm fixed effects (dummies)			Yes	Yes	No	No			Yes	Yes	No	No
Firm with union					0.56**	0.9					0.54**	0.85
Constant	13.45***	2.32	19.93**	1.05	19.33***	2.45	14.22***	2.2	12.27**	0.86	21.65***	2.45
N		377		377		377		377		377		377
Log likelihood		-369.5		-351.21		-366.95		-371.2		-353.23		-368.31
LR chi2(df)		32.16(20)		63.29(40)		36.97(22)		28.85(20)		59.69(40)		34.32(22)
Prob > chi2		0.0416		0.0486		0.0239		0.0907		0.0901		0.0455

Notes: The reference category of the dependent variable perceived labour agency is forthright actions.

* p<0.1; ** p<0.05; *** p<0.01