

Self-employed without employees: managing risks in modern capitalism

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Abstract

One characteristic of the post-industrial labour market is the rise of the self-employed worker without staff. These workers are usually not (fully) included in the welfare system against social risks. Most policy-makers as well as social scientists are convinced that these workers want to develop individual risk strategies, for example on the private insurance market. This assumption regarding their risk behavior has, however, not been subjected to empirical research. Through 40 in-depth interviews with self-employed workers without employees in the Netherlands, this article examines their risk perception and coping behavior. The main conclusion is that the self-employed worker does not show the expected individual risk behavior. Exceptional behavior concerns the risk of unemployment. From a policy perspective, the findings suggest that these 'new' flexible workers may require collective social guarantees in response to risks.

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Introduction

In general, the modern welfare state, particularly the social security system, covers income falls and needs in the appearance of social risks, such as unemployment, sickness, disability or old-age¹. While countries may present different welfare state regimes (Esping-Andersen, 1990; 1999), the social model is largely based on standard, paid employment. Self-employed persons without employees are generally not, or to a small extent, included in the social security system (Aerts, 2005). The self-employed worker without employees seems to be characteristic for the ‘new’ capitalist ideology of adaptable and flexible people on the labour market (cf. Boltanski and Chiapello, 2005). Nowadays, a sizeable part of the European labour force is self-employed. In 2007, approximately 11 percent of all workers in the EU are self-employed persons, not employing any employees (European Foundation, 2009). These ‘atypical’ workers are expected to be autonomous actors who (may) want to protect themselves individually, for example on the private insurance market. In this way, policy makers argue that the risks of self-employed workers without employees are individual risks instead of collective, social risks (Aerts, 2007).

While policy makers seem to assume that self-employed people without staff want to manage risks and uncertainties on an individual basis, social scientists also find that self-employed workers in general, are not inclined to support collective risk strategies, such as collective social security spending (see for example Rehm, 2007; Iversen, 2005; Iversen and Soskice, 2001; Svallfors, 1995). Again, they are portrayed as workers who embody an individualized type of risk management. At the same time,

however, some argue that the self-employed workers without employees operate in the 'grey' area between 'traditional' self-employment with employees and dependent employment (Schulze Buschoff and Schmidt, 2009: 150). In this perspective, they have a less strong position on the labour market and, therefore, might want to develop collective risk strategies. To date, no research investigates these opposing claims among the self-employed without staff. Therefore, the primary objective of this article will be to explore the risk perceptions and coping strategies of 40 self-employed individuals without employees in ICT and construction. I will focus on the Netherlands, because it is one of the European countries with a large increase in the number of self-employed workers without staff over the last years: an increase of 14,9 percent over the period 2004-2007 (European Foundation, 2009). The organization of this article is as follows. First, I will provide insight into the ways in which self-employment is connected to attitudes towards risks. Second, I lay out the data and method and present the empirical findings. Finally, the results of this study will be discussed in light of their policy implications for self-employed workers without staff.

'New' employment and risk management

It is widely recognized that the labour market has changed in the last decades. While we certainly must not overestimate these changes and so-called transformations of work, such as the increase of part-time and flexible work across Europe (Doogan, 2009), a variety of commentators emphasize that the 'job for life' with one employer has disappeared (see for example Bauman, 2001; 1998; Beck, 2000; Sennett, 1998). This

claim also manifests itself in the rise of the self-employed worker. During the 1990s, the growth of self-employment exceeded that of total employment across most OECD countries (OECD, 2000)². More recently, the percentage change in the number of self-employed workers without employees further increased with 4,5 percent at the EU27 level over the period 2004-2007, with a specific upward trend in Slovakia, Slovenia and the Netherlands (European Foundation, 2009)³. According to Sikora (2006), the majority of the self-employed are men and the married ones as well as people with self-employed fathers. Furthermore, self-employed workers have a higher average age than 'regular' employees (OECD, 2009) and being member of an ethnic minority or the presence of dependent children also encourages self-employment (Dawson et al., 2009). The trend in self-employment may have different causes. For example, globalization and international competition increased the employers' needs to externalize labour, while people may also wish for more flexibility and autonomy in employment (Schulze Buschoff and Schmidt, 2009). Furthermore, some of them may actually be 'pushed' into self-employment, for example due to economic recession (Storey, 1982).

In the literature, one can find different perspectives on self-employed workers without staff. On the one hand, self-employed persons without employees are seen as 'free agents' (Pink, 2001) or 'portfolio workers' (Handy, 1994) without any commitment towards an employer or organization (Platman, 2004). In this matter, Beugelsdijk and Noorderhaven (2005: 159) also note that they: (...) 'are more individually oriented than the rest of the population. Individual responsibility and effort are distinguishing characteristics'. As such, these workers can be viewed as 'reflexive individuals' who rely on their own skills on the labour market and are skeptical of public interventions in the

appearance of economic insecurity (cf. Quilgars and Abbott, 2000). Most researchers seem to agree on this idea. Statistical findings on welfare attitudes of self-employed workers (with and without employees) have shown that self-employment has a clear negative impact on preferences for collective social spending (as noted in the introduction). On the other hand, some view self-employed workers without staff as so-called 'new' self-employed workers (Schulze Buschoff and Schmidt, 2009). In this approach, they are seen as people who are 'pseudo employees', because many of them do the same work and operate under the same working conditions as dependent employees (Aerts, 2005). These self-employed workers are usually economic dependent from one or two principals (or former employers) (Schulze Buschoff and Schmidt, 2009) and sometimes labeled as 'dependent self-employed worker' (Blaschke, 2002). If this is true, these more vulnerable workers might want to develop collective strategies in relation to covering risks. In other words, based on individual self-interest, it may well boost the need for collective risk sharing, for example through collective welfare arrangements (social security system) or through smaller communities of self-employed workers. In sum, two contrasting views arise for self-employed workers without employees and their risk management: an individualistic perspective and a collectivistic one.

While some studies have documented the work experiences of self-employed workers without personnel, such as the work and risk perceptions of freelance magazine workers (Ekinsmyth, 1999), the work experiences of older self-employed workers in the media industry (Platman, 2004) or the perceptions of career success of freelance translators (Gold and Fraser, 2002), these studies give little attention to the actual coping

strategies regarding individuals' risks. In the remainder of this article, I will try to shed more light on this issue.

Data and method

In this study, I will examine 40 face-to-face interviews with self-employed workers without employees in the Netherlands. This qualitative design seems to be particularly helpful because we want to understand the risk strategies of individuals. The respondents were chosen from ICT and construction, because especially within these two sectors of the economy one can witness a substantial part of self-employed workers without staff (Schulze Buschoff and Schmidt, 2009). Three different strategies were used for data collection: an e-mailing was carried out by two contract agencies specialized in self-employed workers in ICT and construction, a Dutch trade union for self-employed workers in construction placed information about the research on its website and, finally, a magazine for self-employed workers in construction included a small call for participation. While the aim is, of course, not statistically generalizing to all self-employed workers in these sectors, this diverse research strategy resulted in a variety of people and individual stories. In the ICT-sector, the respondents are aged between 32 and 63 years. Among this group are 19 men and 6 women, most of them with higher vocational and university education levels. The construction-industry includes interviewees aged between 36 and 58 years. In this sample, all the interviewed people are men with generally lower education levels. In both sectors, the number of people with and without children is roughly even. The interviews with the self-employed without staff

in ICT were conducted in 2008, while the interviews with the self-employed in construction were carried out a year later. It is important to mention that the Dutch economy was hit by the economic crisis in 2009⁴. So, in order to avoid possible systematic differences in risk behavior between the self-employed in ICT and construction due to economic conditions (cf. Blekesaune, 2007), most of the self-employed within ICT were re-questioned by e-mail in 2009. In this way, one can detect possible variation in answers due to the economic context. Most interviews lasted 1 to 1,5 hours and took place at home, work or in a coffee house⁵. The interviews were tape-recorded, transcribed and analyzed. First, the transcripts were compared and coded by major themes, such as 'risk management'. Second, these texts were further differentiated to specific risk categories, such as 'disability management', and then compared between the respondents. In this study, the provision of collective welfare arrangements (social security schemes) and/or risk strategies by smaller collective associations (trade unions or small scale networks) are defined as collective risk strategies, while private insurance schemes and/or other strategies by individual workers and their households encompasses individual strategies (cf. Schmid, 2006)⁶.

Results

Being self-employed and making an assessment of the risks

Most participants of the study have been self-employed for a number of years. With a few exceptions, the respondents stated that they made a deliberate choice in becoming self-employed so that they could be their own boss. However, the vast majority of the self-employed have previously been in 'regular' paid employment. Most of the respondents

said that they had not felt as though they had been properly appreciated, that their work no longer offered them any satisfaction, or simply that the terms and conditions of employment were not attractive. They also made mention of ‘always being able to enjoy yourself’, being able to arrange their own working hours and the large degree of autonomy in deciding how to carry out their work. Also of note is that the distinction between the security of a ‘regular’ employment contract and being self-employed would appear to be less and less clearly defined, according to a number of those taking part in the study. This arguably makes it easier for people to decide to become self-employed:

“Even if you have a regular paid job you can still find yourself on the street (...) social security for employees is no longer the great safety net that it once was – nothing is certain, even for employees, so it really doesn’t make any difference.”

(R9)

The respondents obtain their business orders mostly through personal networks. They form part of a household in which the partner is often either employed in a ‘regular’ job or also self-employed. The fact that some partners have ‘regular’ jobs does not appear to be the result of a deliberate risk strategy operated by households, but simply that that is where their preferences lie, according to the answers given by the respondents. However, there are signs that where both partners in a household are self-employed, they are prepared to share the burden of risk (“If things go wrong for one party, the other can always get a regular job, if necessary”).

The actual nature of the work of the interviewees in ICT ranged from IT consultancy and project management, testing, application management and website maintenance to software implementation. In construction, the work included renovation and repair work, demolition work and painting jobs. It also appears that, apart from one or two respondents, nobody was worried about their own position. Almost every interviewee had one long-term or more short-term assignments to work on at the time of the interviews or stated that they had sufficient human capital to be able to 'sell' themselves in the long-term. However, most ICT-interviewees who responded to the 'follow up' round in 2009, report that the consequences of the economic crisis are more noticeable than a year before:

“I am worried, because you notice that the self-employed are the first victims when companies start cutting their spending.” (R9)

In construction, the respondents also seemed to worry about the economic crisis, although a clear distinction has to be made between workers in the small scale construction market (residential painting and renovation jobs) and workers in the large scale construction market (construction of new buildings or large scale renovation work). The latter group is often hired for longer periods. The first group of workers is not worried at all, particularly during the economic crisis, there is a constant demand for small scale renovation work and painting jobs:

“Particularly at this moment, people do not move but, instead, start renovating their houses. Consequently, self-employed workers on the small scale

construction market benefit, they are highly attractive now. I have no problems in finding work, I am booked till next year!” (R29)

For most respondents in the large scale construction market, however, several work projects are ending. A 57-year old construction worker echoed this:

“My working is ending in two weeks. After that, I will see. Right now, it is difficult to find new projects. I do hope my contract agency is able to ensure work (...) but I am worried.” (R38)

Furthermore, it appeared that the respondents in the large scale construction market were more dependent upon one principal and/or one contract agency, and seemed to have less freedom than other respondents in the construction industry. For example, one of the interviewees told that he was forced to work on hours set by the project manager and was doing more work than was actually agreed on. Also, for most respondents in this sub-sector a lack of prosperity ‘pushed’ their transition into self-employment. In this way, these respondents can be seen as ‘dependent self-employed workers’ and it questions whether these workers really enjoy the autonomy and satisfaction that self-employment entails⁷.

It was striking that everyone who participated in the study was aware of the risks associated with being self-employed, such as the lack of social security provisions. The possibility of being unable to work as a result of disability or long-term incapacitation and having no welfare state provision was deemed to be the worst potential problem –

after all, being ill for a long time means loss of income and perhaps bankruptcy in due course. However, it emerged from the interviews that self-employed people with young children considered the financial consequences of such risks to be greater than those without:

“You think about it more because you also have your children to consider. My partner is not working now but if I were to find myself without work she would have to go out and look for work, or I would have to take a regular job again, even though I rather would not.” (R3)

What is illustrated in this section, is that self-employed workers without employees recognize that self-employment embodies risks, such as the lack of social security rights. These risks are both felt in ICT as in the construction sector, while the feelings of insecurity seem to be stronger among individuals with young children and more vulnerable workers in the small-scale sub-sector of construction. In the following, we will examine in more detail the different ways of dealing with risks.

Dealing with risks

In the Netherlands, the self-employed have to pay premiums towards the AOW (old-age pension), to which they gain entitlement on reaching the age of 65 and they are insured for the costs of medical care. These social security arrangements are obligatory for ‘regular’ as well as self-employed workers. As a matter of self-interest, there seems to be support for collective intervention in these policy areas. As they are all paying towards

particular schemes, they also expect to be entitled to cover against the relevant risks. This is true for respondents belonging to ICT as well as construction. Others said that they are simply not thinking about different strategies in avoiding risks. Therefore, these respondents feel comfortable with the basic collective welfare schemes as their main risk strategy. Further, I found that several interviewees perceived collective arrangements to be less expensive than other risk strategies. Or, as one puts it:

“I think the social security system offers me a relative inexpensive possibility of insuring against risks.” (R9)

While the collective coverage of the risks of old-age and health care by a national insurance scheme is highly appreciated, some interviewees build up supplementary pension rights through investments, life insurance or private savings. Others participate in a collective pension scheme on the basis of a Dutch trade union membership for self-employed workers ('FNV Self-employed') and certain groups in construction (such as painters and carpenters) are insured by a collective, mandatory pension scheme. From the interviews, it becomes clear that most respondents are relying on collective ways of dealing with risks, such as the risk of old-age. While some, indeed, develop (supplementary) individual risk strategies (such as individual savings and investments), almost all the self-employed interviewed for this study embrace the basic collective arrangements by the government or collective insurance schemes by a smaller community (pension schemes by 'FNV Self-employed' or obligatory pension schemes for certain categories of self-employed workers). An important reason is the perceived

lower cost. This is particularly true for the self-employed who have not built up supplementary pension rights. Most of them are working in construction (in both sub-sectors):

“For me, pension coverage on the private insurance market is too expensive. I am pleased there is at least some basic coverage at my retirement age”. (R40)

A particularly prominent feature of the interviews is a sense of community feeling shown by a large number of the self-employed as justification for collective risk schemes. In this way, the self-employed are willing to pay premiums and engage in collective schemes. The statements are made as expressions of community feeling without there being any discernible trace of self-interest. Central to this concept is an experienced emotional connection or empathy among citizens of a country⁸. One respondent says:

“Social security is precisely for those who are in a vulnerable position, if they fall ill for a time, for example. In my opinion there should always be a wide enough safety net. Fortunately, we have a good social security system in place in our society.” (R3)

Others describe the social security system as follows:

“The welfare state is ultimately a form of civilization that you should not curtail – you have to dare to be generous to the weak.” (R8)

In the Netherlands, the self-employed are not covered by social security provisions when it comes to inability to work through illness or disability⁹. Most of the respondents in ICT have taken out private disability insurance, with one or two having continued their cover with the UWV (the Institute for Employee Benefit Schemes) on a voluntary basis. There were just two respondents who had not taken out any cover whatsoever: in one case, the value of the house of the person involved was to provide any cover that may be needed in case of disability, while the other person was simply unconcerned about the matter. In our sample, it appeared that most construction workers (in both sub-sectors) are not insured against the risk of disability. The main problem is that they cannot afford private insurance¹⁰. Those in the study who complained about the high premiums payable for private cover are – as a matter of self-interest – particularly inclined to the introduction of a state-run disability insurance scheme for the self-employed, as long as the premiums are lower than those expensive private schemes, as one ICT-worker said:

“Collective disability insurance schemes would definitely be worth considering, as long as it would work out cheaper for me than what I pay now.” (R15)

Or, in the words of a 58-year old carpenter:

“For most of us, private disability insurance is usually too expensive (...) a public scheme is very welcome.” (R30)

Several self-employed people, in both economic sectors, also wonder in particular why no state disability insurance scheme is available for them, based on a sense of community:

“I find it strange that as a group we are not entitled to a basic state scheme for certain risks such as disability insurance. Whether you are in regular employment or not, we all face the same risk. It should not be forgotten that we are real people too!” (R9)

In sum, in line with previous research on motivations to support collective welfare schemes among ‘regular’ workers (see for example Van Oorschot, 2002; 2007), support for collective risk strategies among self-employed workers without staff can be grounded in self-interest as well as in a sense of community feeling. While the economic self-interest argument is particularly important for the self-employed in the construction sector, a collectivistic orientation was remarkably visible across the heterogeneous sample of self-employed workers. Although some self-employed workers develop individual risk strategies, the findings clearly show that an individualistic perspective is a too restrictive way of looking at the risk behavior of self-employed workers without staff: the majority emphasized that collective strategies are necessary in minimizing risks. Hence, one has to conclude that the supposedly typical notion of an individual risk taker going it alone without any attachment to society is difficult to sustain.

Given that this study was largely conducted in 2009, it might be suggested that the economic recession simply spurs a demand for collective social protection. Therefore, I have compared the data of the self-employed within ICT who were questioned in 2008

and 2009. The key question is whether opinions on risk sharing change during a period of economic decline. From the results of the interviews, this does not seem to be the case. In both periods, there is a high level of approval for collective intervention, with the benefits of a basic pension scheme and a (new) publicly run disability insurance scheme being prominently aired:

“Our society is still firmly focused around a social system that is based on the employer/employee relationship. It is still difficult for the self-employed to get insurance, such as for disability.” (R13)

Implementation of publicly funded disability insurance

Although the majority of the self-employed people whom I interviewed is not hostile towards collective schemes, various respondents did express concern about how social security policies are implemented. This became clear when they were questioned further about the need for a state-run disability insurance scheme. While it is true that most interviewees had a positive attitude to a collective scheme for insuring against this particular risk, they were of the opinion that it should be implemented with as few rules as possible – a view that has its roots in their experiences with the regulations associated with doing business generally (such as the hated procedures for applying for a ‘VAR declaration’ – an official document stating the nature of the relationship between the self-employed and their clients for tax purposes) and with the now-abolished Self-Employed Persons Disability Insurance Act scheme (the ‘WAZ’):

“In practice, the WAZ was terrible: expensive premiums and rules that weren’t clear – not how a scheme should be run at all.” (R9)

These concerns were very similar in ICT as in the construction sector.

The risk of unemployment: a manufactured risk

As soon as I started discussing questions relating to the degree to which the risk of unemployment should be a collective matter, I noticed that the interviewees suddenly became much more reluctant. The predominant feeling is that they prefer less expenditure in this area. Regardless of whether the respondents were to the left or right of the political spectrum¹¹, they felt that the risk of unemployment is something that can be controlled by individuals themselves – in other words, it is a manufactured risk (Giddens, 1994). Here are two typical quotes:

“I favour a system that rewards hard work (...) whether you are unemployed is largely down to yourself. Of course, you can always find people who are genuinely unable to help themselves, but my view is that anyone who wants to work, can. The role of the government should be minimal.” (R8)

“It sometimes gives me the shivers when I see how the government spends money. I am of the opinion that you do not have to be unemployed. There are some women in my street who are supposedly unable to work. It’s too easy to claim

social security in the Netherlands. And I'm not referring to those who are genuinely unable to work but those who are simply unwilling." (R5)

Given that the current welfare state is fundamentally based on the idea of external risk management (that is, it provides collective protection against risks that are *not* the result of choices that people make; cf. Giddens and Pierson, 1998), a further increase in the proportion of the working population that is self-employed could place a strain on the level of support in society for protection against this risk. In other words, in the perception of our interviewees, unemployment is not something that simply happens to people. However, this does not mean they do not advocate any protection against unemployment, but that *extensive* social security benefits in this area are not desirable in their view:

"I support a basic safety net for people who find themselves out of work as a result of circumstances, but the aim should be that they start work again as soon as possible." (R3)

In contrast to their position regarding the risk of disability, the respondents have no wish to see a publicly funded scheme for insuring against the risk of unemployment for the self-employed. Most of those taking part in the study have built up a financial reserve on which they can call, should it be necessary. Although they are conscious of the financial risks associated with a temporary absence of orders, none is in favour of a scheme to help

the self-employed who find themselves without work. Various respondents, such as this 34-year-old man, regard it as an occupational hazard:

“Being self-employed is sometimes a question of sinking or swimming. You run risks if your order book is thin, but that’s all part of the game.” (R16)

Exceptional case: ‘the individual entrepreneur’

By analysing the qualitative data material, there were some respondents within the ICT-sector who were not typical of the descriptions given above. For example, three claimed to have no need for social security provisions at all, and pointed out to others the need for individuals to take responsibility wherever possible. The respondents concerned are former employees in ‘regular’ paid jobs who have now become self-employed. Being their own boss is, for them, the most important reason for their choice, and all three emphasize their desire to be free of the constraints of an employer and immediate colleagues. Using their high-value ICT-knowledge and skills they see only opportunities in what is a flexible employment framework. These respondents have never had any dealings with social security. The interviewees appear to match the description of a ‘new’ type of employee who has more affinity with an individualistic social system:

“I am allergic to unions and government bodies – they are just relics from a bygone age. It’s no surprise that so many people are self-employed. No longer can it be said that ‘we know what is good for you’ (...) It is not the government that should be active, but people themselves.” (R20)

“What I think we are seeing is a shift from a collective to an individualistic system. An excellent development. I am anti-collective in fact: I look after myself, I don’t need other people to help me.” (R24)

It seems that these respondents have a wish to have as much choice as possible – in accordance with their particular phase in life – in deciding whether or not to insure themselves against the various risks associated with loss of income:

“The government should stop seeking to organize everything. You often notice that everything is averaged out to the same level from which it is difficult to stray. That’s not something you want in today’s society: that does not benefit anybody.” (R14)

Although the above group of respondents does not yet appear to be a particularly large one on the Dutch labour market¹², there are self-employed people who have a clear individualistic view on risk management. Given that such opinions cannot easily be traced back to certain personal requirements or relevant aspects of the backgrounds of the people concerned, it seems more likely that they are based on motives of justice principle.

Conclusions

In this research, I have investigated how self-employed workers without employees in the Netherlands manage different risks. While some researchers point to the possibility of collective risk strategies, most of the literature is focusing on an individualistic approach to risk management among the self-employed without staff. This study contributes to the discussion.

First, it can be concluded that there is a widespread approval of collective risk strategies, such as social security or insurance through trade unions, among self-employed workers in the ICT-sector and construction. While some develop (supplementary) individualistic risk strategies, there is in most cases a strong popularity for collective guarantees. The source of motivation can be self-interest and/or a sense of community: collective risk strategies are perceived as cost-beneficial, while the self-employed are also convinced that helping one another is a collective responsibility. The results of this interview study are highly consistent across a variety of workers (different ages, education levels and economic branches). The motive of self-interest is, however, most strongly true for self-employed workers in the construction sector of the labour market. For most of them, private insuring against risks, such as old-age or disability, is too expensive. In this way, they can be seen as 'outsiders' who will promote collective risk strategies, for example through collective welfare schemes or through trade unions, which benefits their interests.

Second, the interviews indicated that the self-employed workers without staff have no desire for collective strategies in relation to the unemployment risk. Not for

themselves, and only to a small extent for 'regular' workers. Rather, they develop individual coping mechanisms in relation to the unemployment risk, such as building up financial reserves. The interviewees ascribe this specific risk largely to factors that are controllable: in their view, being unemployed is not simply a matter of bad luck and, therefore, a matter of individual responsibility. A possible explanation for this opinion is that the idea of unemployment runs counter to the traditionally strong work ethic of the self-employed (Claes, 1995).

From a theoretical point of view, the self-employed without staff seem to favour collectivist risk strategies, but not for employment-related risks, such as the risk of unemployment. In their perspective, employment-related risks are 'manufactured' and, therefore, must be calculated by the individual. In summary, I suggest a distinction between employment-related risks and other risks in understanding the nature of coping by self-employed workers without staff.

The results have implications for social policy-making as well. I would argue that policy makers should place more emphasis on the collectivistic nature of risk strategies by self-employed workers without employees. It is clear that self-employed workers enhance innovation and economic growth in a country (Audretsch and Keilbach, 2004), but these workers, at the same time, face different income risks and have fewer social rights than 'regular' employees. Apparently, collective solutions are being appreciated by the self-employed to cope with these insecurities. This research study, but also the increased collective interest representation of self-employed workers without staff by trade unions (Pernicka, 2005; EIRO, 2002)¹³, supports this argument. Following this logic, new

collective guarantees may well boost a further increase in self-employment (cf. Hemerijck, 2002). In other words, individuals want to participate in a flexible labour market, as long as there is a basic level of collective protection to manage risks. For political parties, the results seem to indicate that the time is ripe for a renewed discussion about a basic package of social insurance schemes for the self-employed. This would not extend to risks that are inherent to being self-employed, such as unemployment, but cover only those risks over which they have less influence, such as disability and old-age. While the self-employed are largely covered by the same (basic) pension schemes as 'regular' employees (OECD, 2009), in many countries they are entitled to less generous or no social rights in the case of disability (cf. European Foundation, 2009). Drawing on the theoretical argument of this study, self-employed workers without staff may well demand a public insurance scheme against this risk.

Nevertheless, more research is needed in order to improve a number of the limitations from this study. First, representative survey data on self-employed workers without employees and their attitudes towards risks is needed to extrapolate the results. Second, social democratic countries, such as the Netherlands, emphasises collective intervention and less market dependency (Blekesaune and Quadagno, 2003). It is possible that this institutional context influences the findings on support for collective risk management. Therefore, cross-country research is relevant in order to reveal possible national differences in values towards risks and coping strategies among the self-employed. Finally, with respect to the relationship between public opinion and public policy, public opinion is only one determinant of policy-making. The position of political parties,

sudden shocks external to the political system and the influence of the media may be associated with policy-making as well (see for example John, 2006).

Notes

¹ Risks can also be covered by the market and/or family (see for example Taylor-Gooby, 2004).

² This refers to self-employed workers with and without employees.

³ These countries are also above the average EU27 level when looking at the percentage on total employment.

⁴ While the unemployment rate is relative low at 3,9 percent in 2008, unemployment has risen to approximately 5% of the Dutch labour force in July 2009 (CBS- Statistics Netherlands, 2009).

⁵ Four people were interviewed by telephone or by e-mail.

⁶ One could argue that an individual decision to join a collectivity is an example of individual risk management. However, collective risk strategies are dictated by the idea of collective interests of all the individuals involved (such as trade union membership or the social security system), in contrast to individual risk schemes.

⁷ See Andersson (2008).

⁸ See for other uses of the concept 'sense of community', McMillan and Chavis (1986).

⁹ A separate collective scheme – governed by the Self-Employed Persons Disability Insurance Act – existed until 1 August 2004. The rationale behind its abolition was that the private market was better placed to meet the needs of the self-employed (see Aerts, 2007).

¹⁰ There are possibilities of insuring against disability through, for example, a trade union. However, these schemes do not have the same advantages as a public disability scheme.

¹¹ We asked all respondents to fill in their political ideology, using a 10-point scale ranging from 1= "left" to 10= "right".

¹² From large-scale questionnaire-based research among the adult population of the Netherlands, the Dutch Institute for Social Research (SCP) has concluded that there is limited support for a system of social security benefits that involves greater individual choice (SCP, 2002).

¹³ In the Netherlands, the trade union 'FNV Self-Employed' represents more than 10,000 self-employed workers without staff in 2009 (see www.fnvzpp.nl).