



Global Dynamics of Social Policy CRC 1342

Worlds of Labour.

The Impact of Employment Regulations on Labour Market Inequality and Segmentation.

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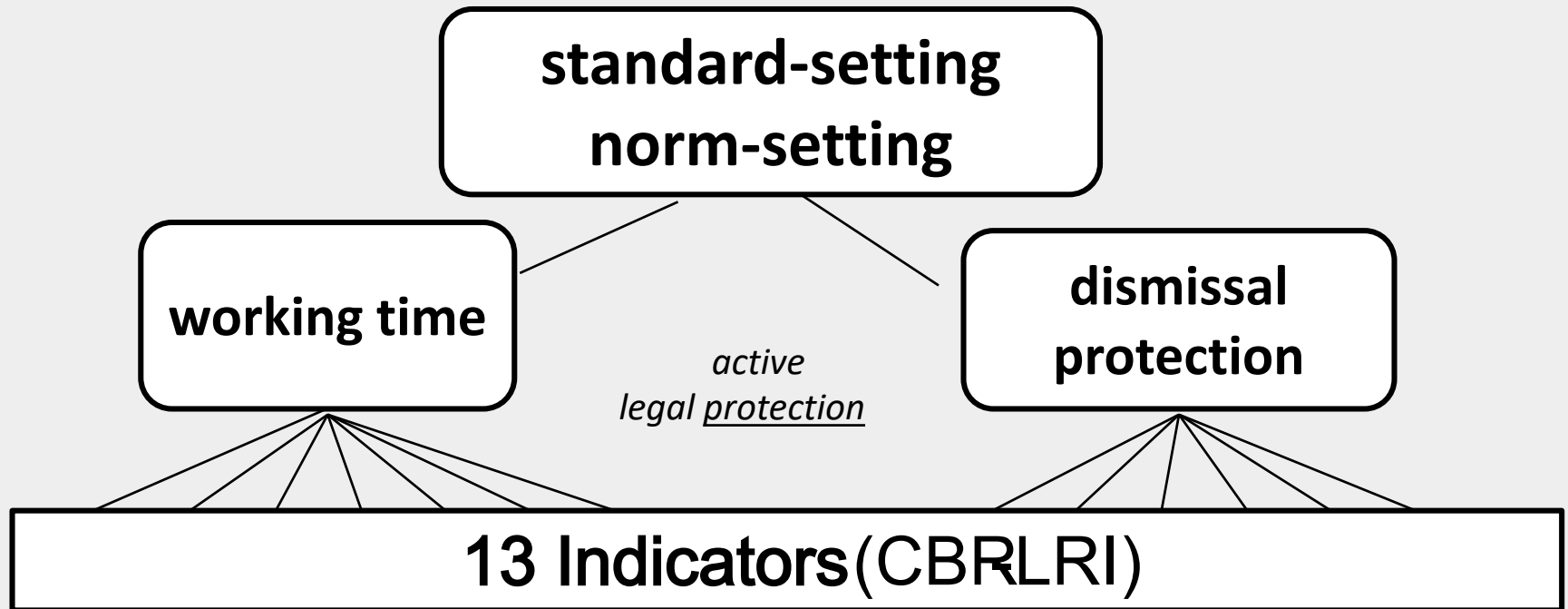
Theoretical background: legal segmentation approach

- » Labour laws regulate employment, addressing power imbalances between employers and employees. They serve three key functions:
 - › **Standard-setting** Ensures basic rights like working hours, wages, and dismissal protections.
 - › **Privileging** Grants selective protections to specific groups based on factors like company size or seniority.
 - › **Equalizing** Reduces inequalities from discrimination or non-standard employment, promoting fair treatment.
- » These functions shape labour laws, determining who benefits from protections and how labour market segmentation develops.

Methodological approach: Leximetrix and data-collection

- » Leximetric approach (see Carlino, Fechner and Schäfer 2025)
- » data from CBR-LRI (Centre for Business Research (Cambridge) Legal Regulation Index)
 - › contractual aspects (standard/non-standard employment)
 - › working time regulation
 - › regulation of dismissals
- » adding 12 new indicators
 - › Seniority rules in employment protection
 - › Selectivity in application of employment laws & protection
 - › anti-discrimination legislation (gender & race)
 - › minimum wage systems
- » adding data for 36 countries
- » Extending data historically 1880 till 2022

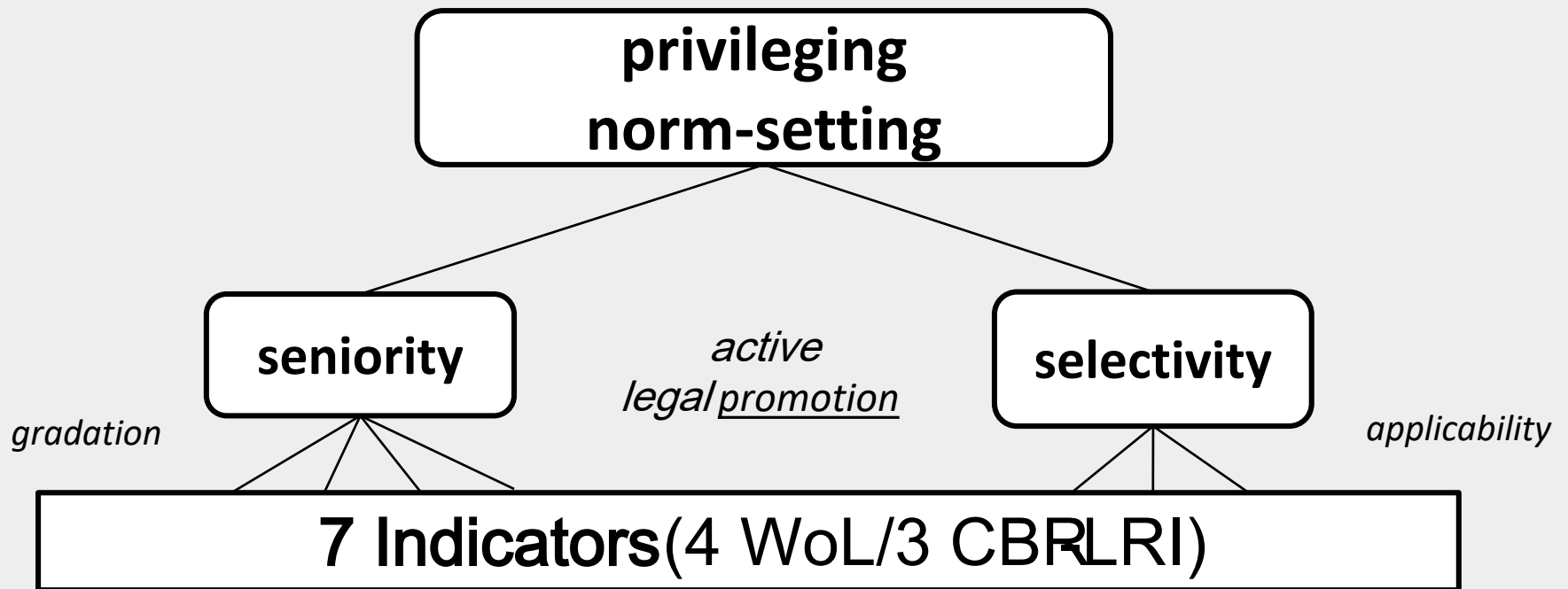
The measurement concept of



Indicators and description can be found in WESIS
[https:// www.wesis.org/indicators/categorize?category=Labour+and+labour+market#Standard -setting](https://www.wesis.org/indicators/categorize?category=Labour+and+labour+market#Standard-setting)

(see Dingeldey et al. 2022)

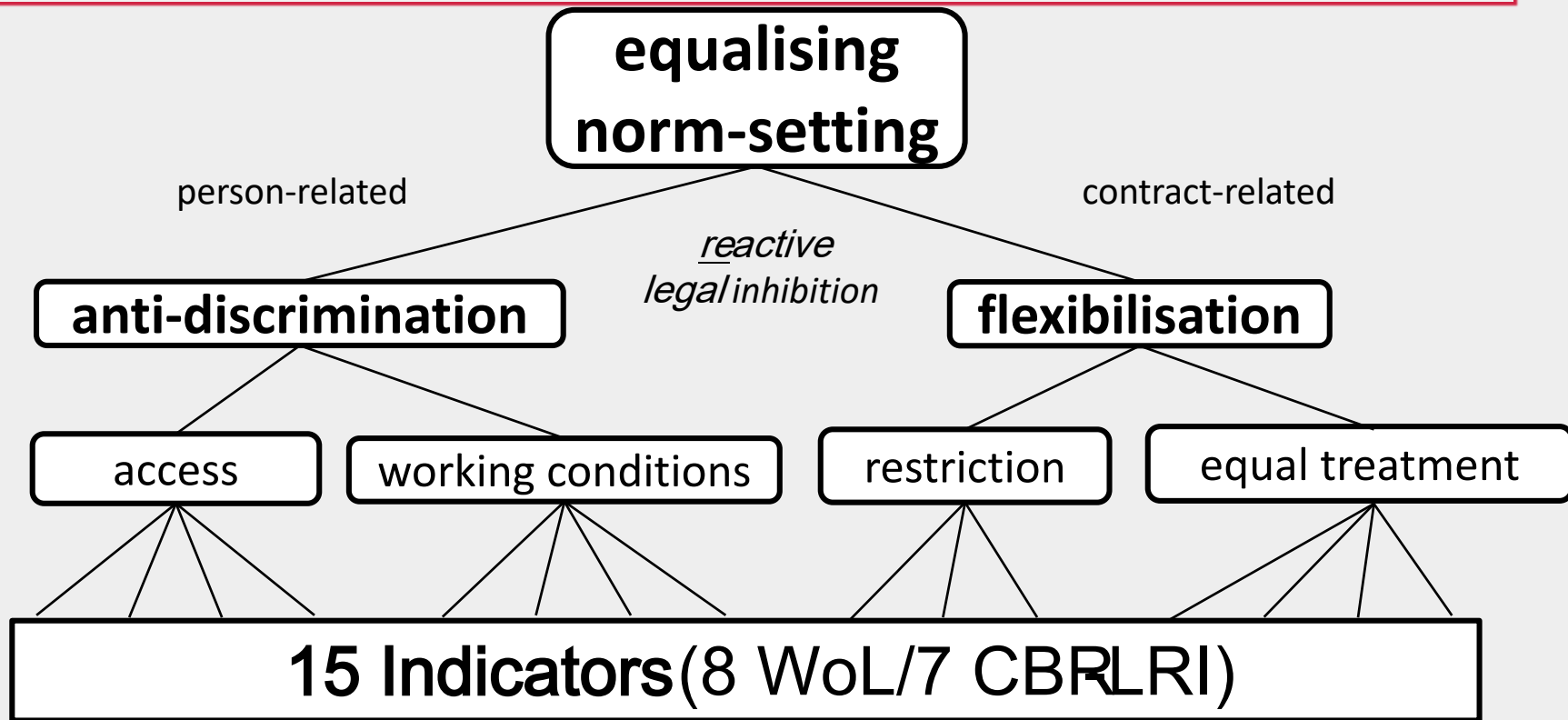
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[https:// www.wesis.org/indicators/categorize?category=Labour+and+labour+market#Privileging](https://www.wesis.org/indicators/categorize?category=Labour+and+labour+market#Privileging)

(see Dingeldey et al. 2022)

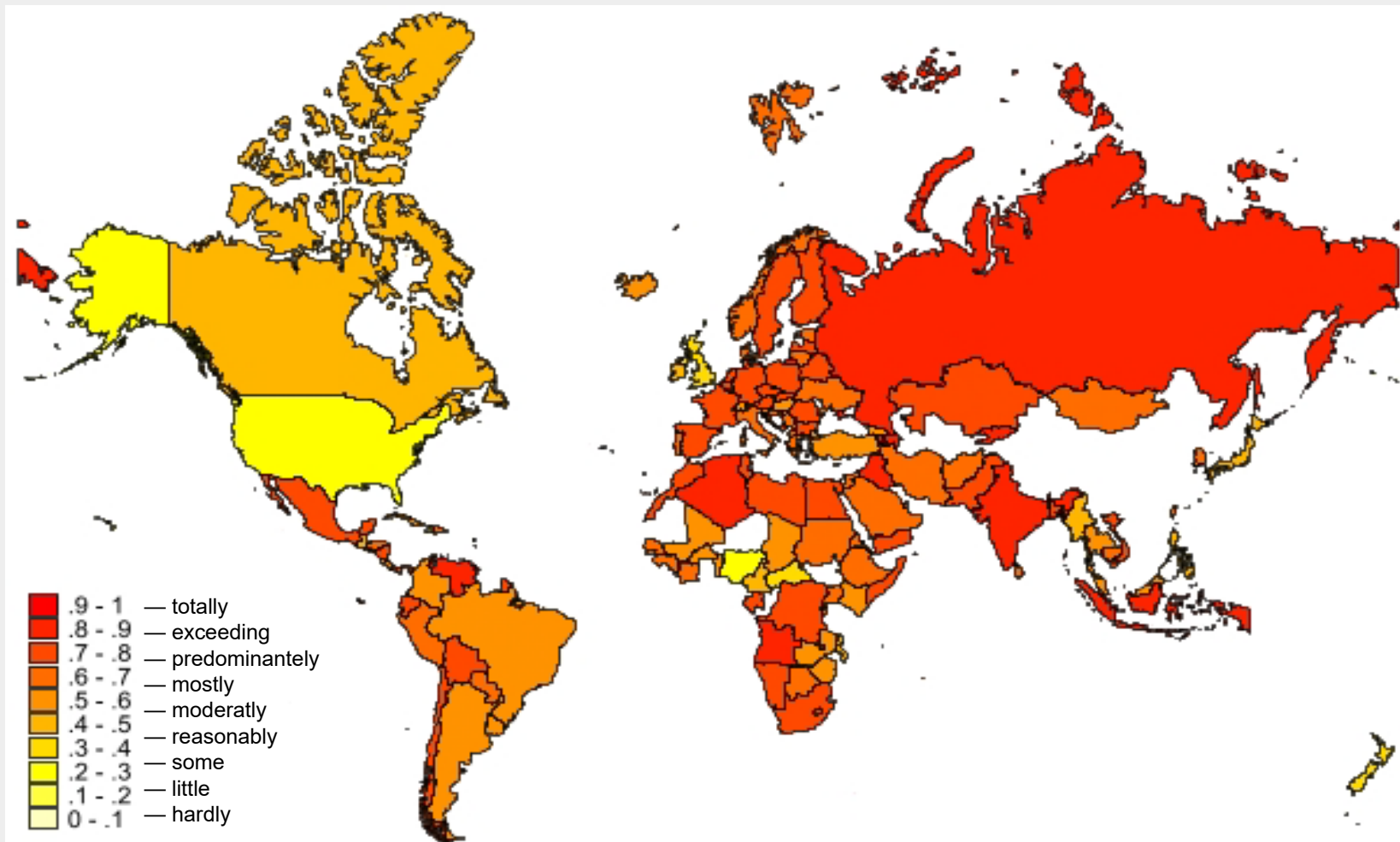
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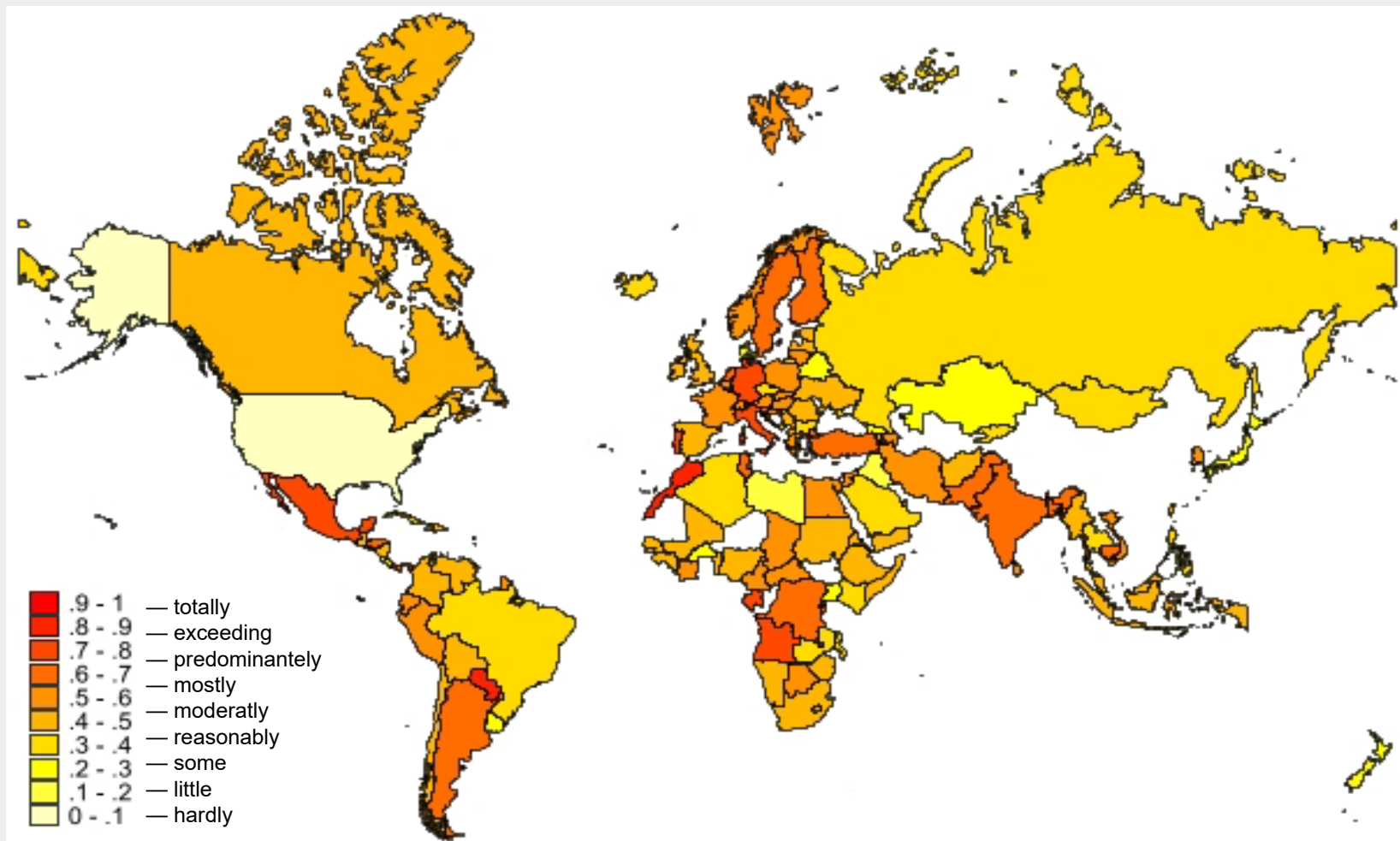
Indicators and description can be found in WESIS
<https://www.wesis.org/indicators/categorize?category=Labour+and+labour+market#Equalizing>

(see Dingeldey et al. 2022)

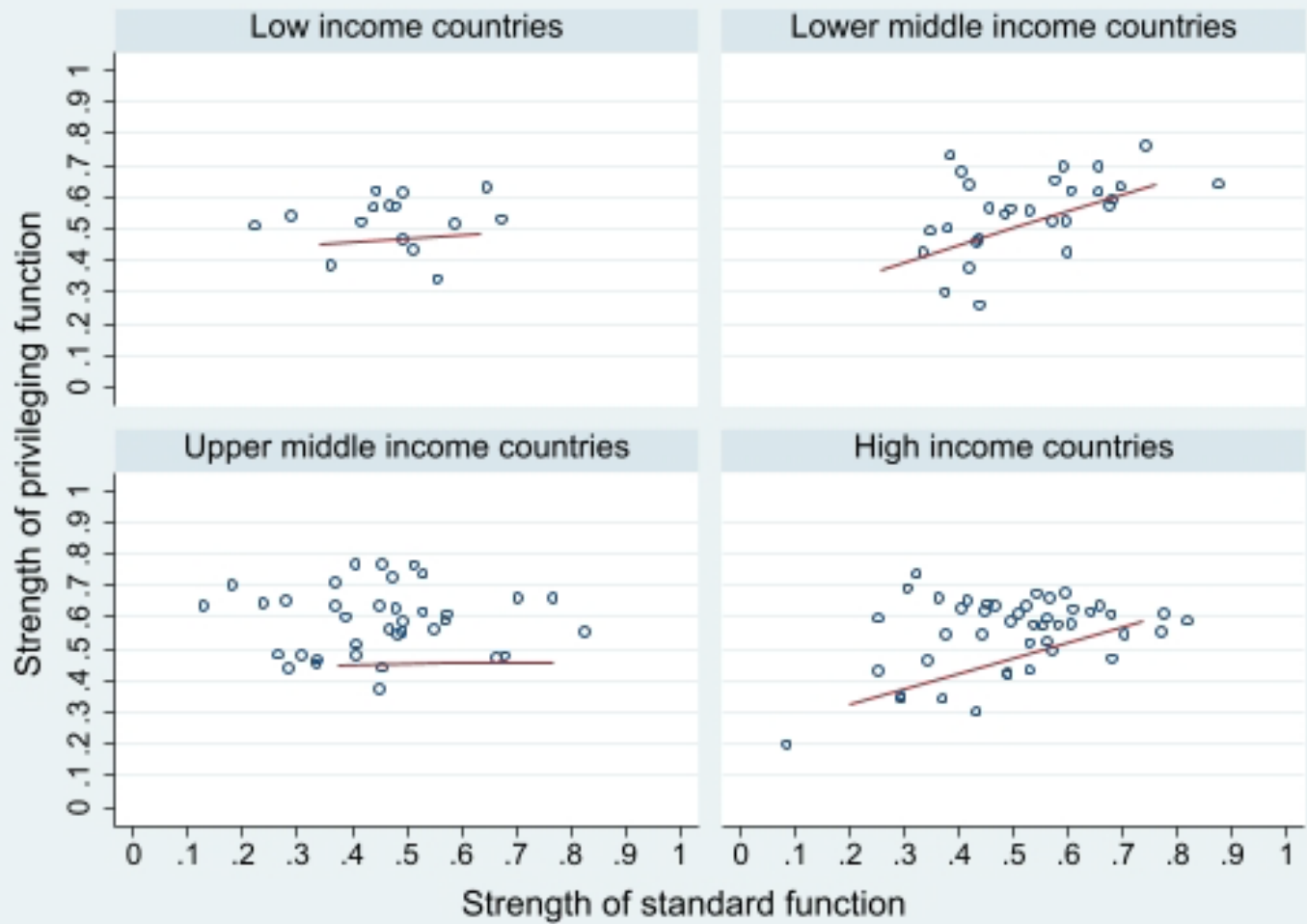
Strength of standard function of labor law in 2022 (index value)



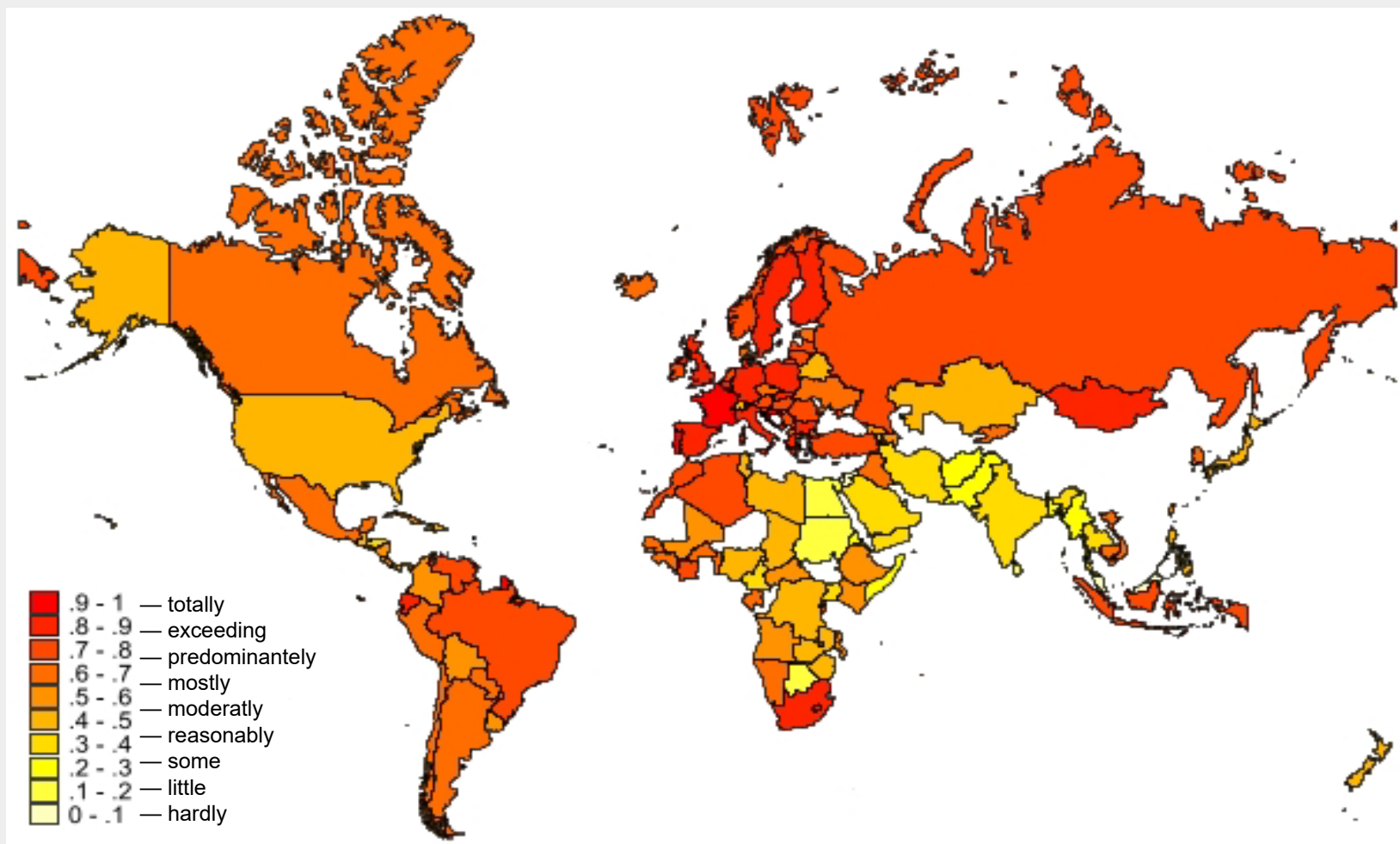
Strength of privileging function of labor law in 2022 (index value)



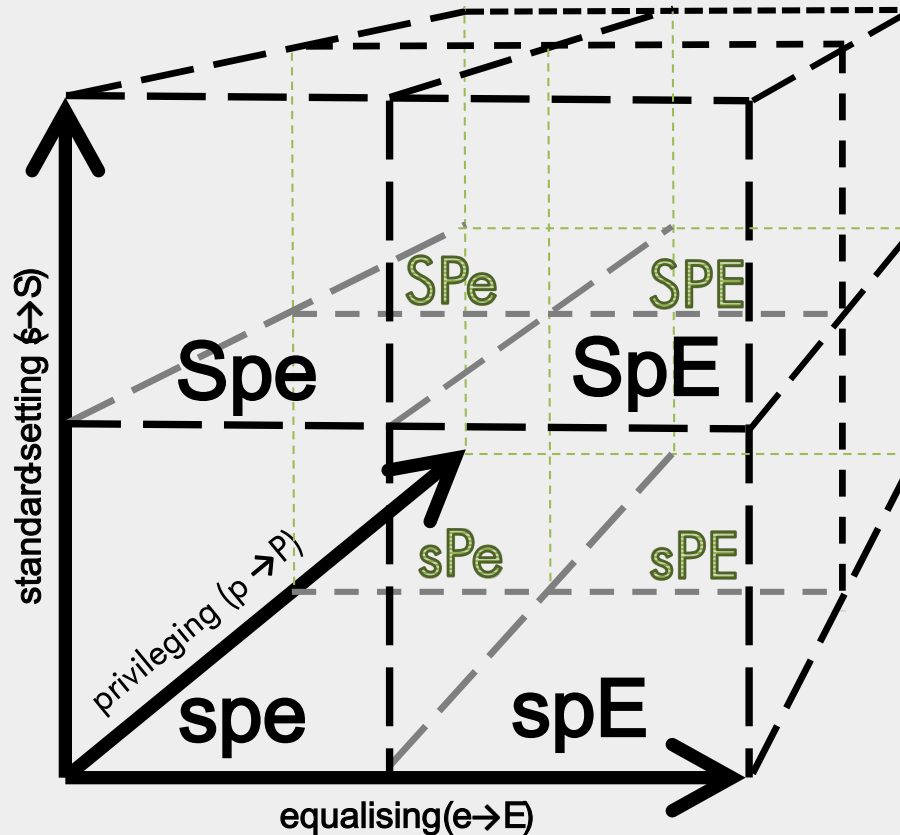
First insights: Relationship between legal frameworks and labour market inequality in 2022



Strength of equalizing function of labor law in 2022 (index value)

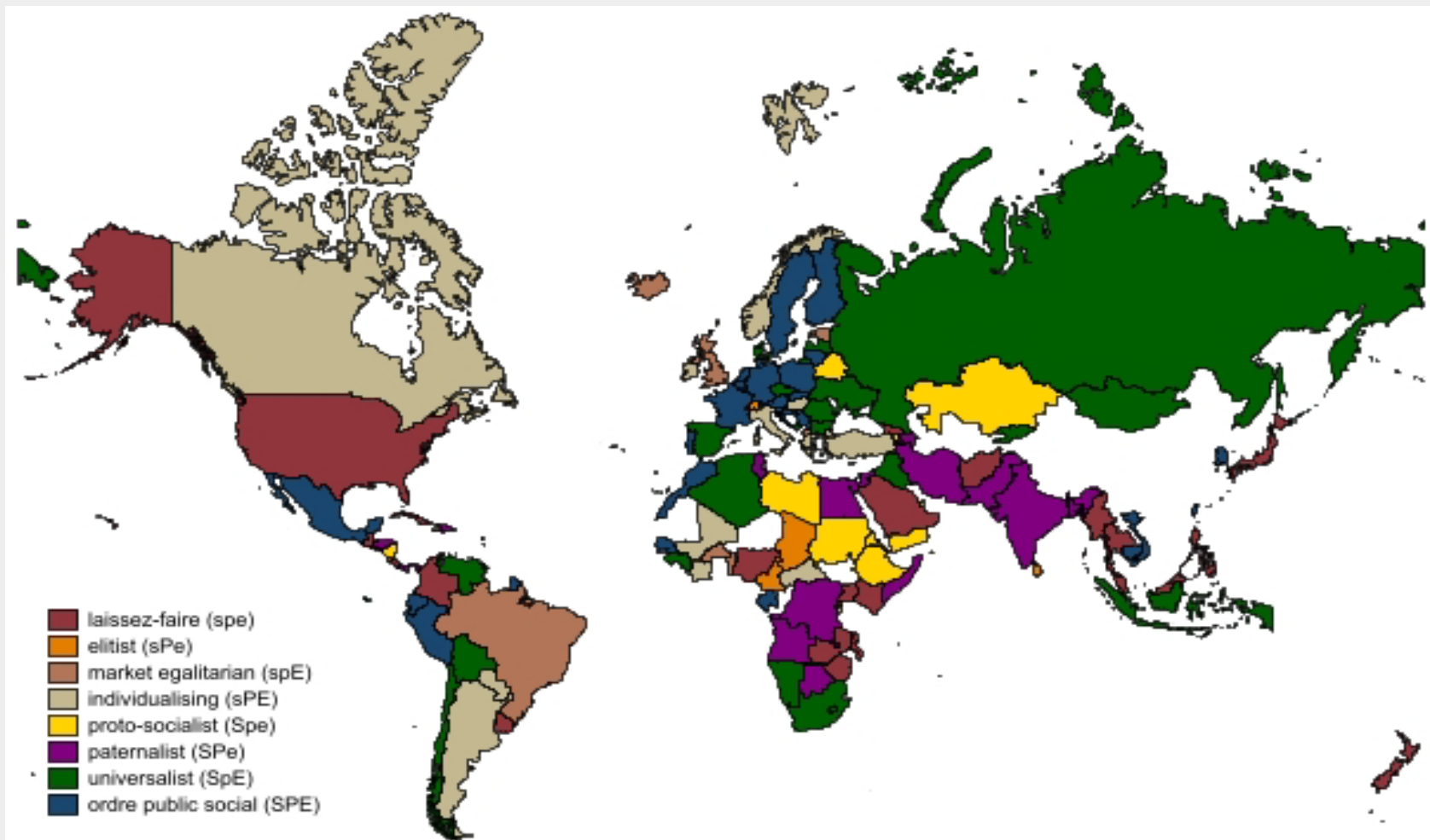


SPE typology of employment law (see Dingeldey et al. 2022)



- spe = laissez-faire
- spE = market egalitarian
- sPe = elitist
- sPE = individualising
- Spe = proto-socialist
- SpE = universalist
- SPe = paternalist
- SPE = ordre public social

SPE typology of employment law in 2022



Conclusion

- Insights on the role of labour protections worldwide
- distinction between standard-setting, privileging, and equalizing functions provides a detailed understanding of how employment laws affect worker inclusion and exclusion
- SPE-typology gives insights on labour law regimes worldwide
- First insights on the relationship between legal frameworks and labour market inequality

Literature

- » Carlino M., Fechner H. & Schäfer A. (2025): Using Leximetrics for Coding Legal Segmentation in Employment Law: The Development and Potential of the Worlds of Labour Dataset. In: Mückenberger, U., Fechner, H., and I. Dingeldey (eds.): Constructing Worlds of Labour. Coverage and Generosity of Labour Law as Outcomes of Regulatory Social Policy, Palgrave/Macmillan (i. Ersch.)
- » Dingeldey, Irene, Heiner Fechner, Jean-Yves Gerlitz, Jenny Hahs and Ulrich Mückenberger (2022). Worlds of Labour: Introducing the Standard-Setting, Privileging and Equalising Typology as a Measure of Legal Segmentation in Labour Law, *Industrial Law Journal*, 51(3): 560–597, <https://doi.org/10.1093/indlaw/dwab016>
- » Mückenberger U. & Schäfer A. (2025): Genesis and Forms of Standard Employment Relationships in Three European Ex-Colonial Powers and Their Former Colonial Territories. In: Mückenberger, U., Fechner, H., and I. Dingeldey (eds.): Constructing Worlds of Labour. Coverage and Generosity of Labour Law as Outcomes of Regulatory Social Policy, Palgrave/Macmillan (i. Ersch.)
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- » Fechner, H., Mückenberger, U. und Schäfer, A. (2024): Non-Discrimination in the Labor Market: Global Progress, Growing Gaps. In: Mossig, I. und Obinger, H. (Hrs.): Mapping Global Dynamics of Social Policy. S. 20-23.