

The Trilemma of Work: Why Great Jobs Are so Hard to Find

When there are a lot of varied options, the chances are strong that you'll find a good fit.

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A student once told me his post-graduation goal. “All I want is a good-paying, stable, low-stress job where I never have to take work home or stay late while getting good benefits and I don’t need any more degrees,” he said. He made it sound so reasonable.

“Good luck,” I said, “because that job doesn’t exist.”

If you think I was harsh, I had to be. That student had just described a job a lot of people would love, which means competition among job seekers would take away something on his wish list. We shouldn’t deceive ourselves into thinking that we can imagine, or force, such perfect jobs into existence. The more good things you demand in one area, the fewer good things you should expect in another. Life is about trade-offs.

California Dreamin’

I recalled that conversation in the wake of California’s [new law](#) requiring all gig employees to be considered full-time workers. Under [Assembly Bill 5](#) (AB 5), these workers will get health insurance, unemployment insurance, overtime pay, and a collection of other perks. With so many gig workers having trouble finding other work, it sounds like a simple way to reduce inequality and make these jobs amazing. These jobs are easy to get, and AB 5 might have even made them perfect.

However, as FEE author Brittany Hunter [points out](#), it’s not so simple. Full-time work comes with responsibilities and inflexibility that some gig workers might not want. A one-size-fits-all approach ignores the divergent motivations for working in the gig economy.

Even the workers who find the legal trappings of full-time work acceptable might be made worse off because the downsides won't be limited to less flexibility. Forcing better perks means employers can make a job less desirable in other ways and still find sufficient employees. There are always trade-offs.

The Trilemma of Work

It's an approach that goes all the way back to *The Wealth of Nations*. Adam Smith noted that enjoyable jobs generate a lot of prospective employees, resulting in relatively low pay. Unpleasant jobs generate little interest, so employers have to offer a premium to attract workers. You can have an enjoyable job that pays little or an unpleasant job that pays a lot, but not a job that's both fun and lucrative. Economists call this "compensating differentials": differences in work are offset by differences in income.

Compensating differentials hold the ease of getting a job, such as education and experience requirements, constant. A more comprehensive approach factors that in, creating a trilemma. Instead of picking one of two things, as in a dilemma, the trilemma of work requires that all jobs have just two of three good things:

- The ease of getting the job.
- The nature of the work itself.
- The expected compensation (includes wages and benefits).

Relatively safe and enjoyable jobs with reliably good pay are difficult to get. Easy-to-get jobs with a fine work life, like gig jobs before AB 5, pay little. Well-paid jobs that are readily available are particularly dangerous or stressful. These are the trade-offs everyone faces.

If you turn any of these desirable qualities way up, you have to give up the other two things. Earning *a lot* of money might mean long hours and a graduate degree. Very easy to get jobs, like the ones high school dropouts end up in, are both unpleasant and have little compensation. Really desirable jobs, like what my student wanted, require advanced degrees and have mediocre pay.

When a college degree was rare, my student's expectations weren't so unrealistic. In 1940, [less than 5 percent of Americans](#) had a college degree or higher. That number is now 35 percent. In 1940, being a college graduate was a big deal, and the lack of competition meant they could expect a relatively cushy job. Now, more graduates mean that a college degree doesn't translate into "highly educated" like it used to.

The trilemma of work follows market trends. Most people want flexible work, so flexible work tends to pay less. Most people don't like working at night, so the night shift tends to pay more. Ignore the simplistic advice of "do what you love" because many people love doing the same things. Choosing a career is more complicated than following dreams.

The trick is to figure out how you're unusual. If you happen to have a weirdly high tolerance for school, pursue a career that requires a lot of schooling. If you have unusually cheap preferences, then cross off the high-paying requirement. Even if you merely like accounting, it's a path you should seriously consider because you'll be paid as if you hate it. When there are a lot of varied options, the chances are strong that you'll find a good fit.

You Can't Improve People's Lives By Removing Options

By pretending the trilemma of work doesn't exist, the California legislature took options away from people who need them the most. Like so many meddlesome laws, AB 5 runs the risk of hurting the very people supporters seek to help.

It's impossible to predict how California's gig economy will adapt to the law ([assuming they don't find a loophole](#)). There will be experimentation, and adjustments will vary by industry and firm. Maybe Uber will remove its surge pricing system and simply require drivers to work at certain times of the day, denying them not just flexibility but also income. Educational requirements might increase, denying low-skilled workers their best option.

There's no such thing as a perfect job. The [scarcity of a person's contribution determines their wage](#), and laws, no matter how loudly they're shouted, can't undo that underlying reality. Forcing "improvements" on an occupation only makes it more attractive, and everyone adjusts accordingly. If there were ever such a thing as a perfect job, it wouldn't last.



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5 Facts about the U.S. Constitution

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This week many Americans celebrated Constitution Day, which is observed every year to remember the Founding Fathers signing the Constitution on September 17, 1787.

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