### Relations industrielles Industrial Relations



Partisanship, Globalization, and Canadian Labour Market Policy: Four Provinces in Comparative Perspective, by Rodney HADDOW and Thomas KLASSEN, Toronto: University of Toronto Press, 2006, 390 pp., ISBN-13: 978-0-802090-90-4 and ISBN-10: 0-802090-90-7

#### Ian Robinson

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Construction de nouveaux rapports à l'organisation du travail dans les transitions professionnelles

Constructing New Relationships with the Work Organization in Occupational Transitions

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has, been restructured within widely ranging approaches to dealing with unions. However, it is not likely that uninitiated readers will find this a good first choice for leaping into the subject. Both health care reform and industrial relations across the five jurisdictions are complex and diverse, and it would be impractical to have the authors provide all the background helpful for understanding the true implications of health restructuring on industrial relations. Those hoping for an exploration of the question, "What health care industrial relations system supports the best health outcomes?" will not find an answer, if indeed one exists. In health care, it would seem that this fundamental question must be part of the equation as the health care system and the industrial relations system that operates within it, must be health enhancing to ensure public support of both.

Further, the introduction suggests that the institutionalist industrial relations systems perspective (that of Dunlop and of Kochan, Katz and McKersie) would inform the analysis. The structured frameworks that this perspective offers are well-known to industrial relations scholars. The chapters, however, were somewhat inconsistent in the extent to which the framework was applied. After setting this expectation, a more common structure to the chapters might have more easily allow the reader to compare and contrast the jurisdictions.

Further, the use of charts to help the reader better penetrate the before-andafter health care reforms structure of service provision, bargaining regimes and union amalgamations would have been extremely helpful in light of the jurisdictional complexities and jargon associated with each of these. That said, the authors have done an admirable iob of condensing a massive amount of information and institutional detail into a narrative that is tractable to readers. Unfortunately, with one exception, biographical information on the authors that might better have helped the reader understand their perspectives appears to missing.

Among the major strengths of the book is that it highlights something that professional industrial relations practitioners have always known, but that is a lesson that needs to be learned over and over again by those coming from outside collective bargaining but who seek to reform it – conflict is not something that can be suppressed or regulated away. No management or government policy to suppress conflict is likely to succeed in doing so. This volume appears to have presaged the Supreme Court's decision which, in addition to protecting bargaining rights, acknowledges that conflict suppressed is not conflict averted.

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## Partisanship, Globalization, and Canadian Labour Market Policy: Four Provinces in Comparative Perspective,

by Rodney HADDOW and Thomas KLASSEN, Toronto: University of Toronto Press, 2006, 390 pp., ISBN-13: 978-0-802090-90-4 and ISBN-10: 0-802090-90-7

This book asks two basic questions about the determinants and trajectories of labour market policy in four Canadian provinces since 1990. First, to what extent does the ideological orientation of governing parties (centre-left or centre-right) affect policy outcomes? Second, have the goals and strategies of labour market policy been restructured along neoliberal lines? Six aspects of provincial labour market policy are systematically examined over the period

1990-2004: industrial relations, employment standards, occupational health and safety, workers' compensation, job training, and transfers to employable persons (principally unemployment insurance and "welfare"). The provinces examined are Quebec, Ontario, Alberta and British Columbia. A chapter by Steffen Schneider then offers a wider comparative perspective by examining the same labour market policies in three quite different German Länder – Bavaria, North Rhineland-Westphalia, and Saxony-Anhelt (in former East Germany) – in the post-unification period.

As the book's title suggests, the authors are particularly interested in how economic globalization intersects with the questions they pose. They want to assess the often-made claims that globalization has rendered partisan political differences increasingly irrelevant (Q1) and that labour market policies in all countries are under inexorable pressure to shift in a neoliberal direction (O2). Haddow and Klassen draw on the historical institutionalist current within the comparative political economy literature to generate hypothetical responses to their questions. Following Kitschelt, they predict that political ideology will matter most in the provinces that combine relatively liberal economies with two competitive parties, polarized along class issues (i.e., it should result in the widest policy swings in B.C., followed by Ontario). Extrapolating from Soskice, they predict that neoliberal restructuring of labour market policy will proceed furthest in the provinces that were already relatively liberal before globalization began to reinforce that orientation (i.e., it should change most in Alberta, followed by B.C. and Ontario). They expect political party to matter least, and change from a relatively "cooperative" model of labour market regulation to be least pronounced, in Ouebec.

The authors find that shifts between governing parties do indeed result in larger policy "swings" in British Columbia and Ontario than in Alberta (where the party in government never changes) and Quebec (where the major difference between the PO and the Parti libéral is their stance on federalism, not their position on the best form of market regulation). However, on the question of longer term policy trajectory, the pattern that emerges in Alberta and Quebec is contrary to their expectations. Except for extensive cutbacks in welfare payments and the new "workfare" conditionality, there is no intensification of the liberal orientation of Alberta's labour market policy in the 1990s. Conversely, in Quebec, the authors find Charest's Liberal government pursuing more neoliberal retrenchment than they had anticipated. (This result is presumably reinforced by the growing voter support for the *Action démocratique du Québec* party since 2004.)

In their concluding reflections, the authors offer a number of possible reasons for these differences between predicated and actual results with respect to the degree of neoliberal retrenchment. These suggestions – most importantly, paying more attention to the balance of economic and political power between organized labour and business – are well taken. This power balance is a critical determinant of changes in labour market policy, and to changes in what constant policies actually mean on the ground. This is no small demand, however: a systematic exploration of this sort would require much more attention to the goals, strategies and power resources of labour and business organizations in their interactions with political parties, effectively decentering the book's current focus on policy reforms.

The book would also have been better if the authors had more fully specified the conception of economic globalization they employ. This would require a more detailed discussion and defense of their decision to limit their examination of globalization's impacts to whatever they might be after 1990. This is much

too late. Neoliberal globalization begins with the end of the Bretton Woods system of fixed exchange rates in 1974. It is deepened by the structural adjustment programs (SAPs) of the 1980s, imposed by the International Monetary Fund and the World Bank in much of the global South in the wake of the Third World debt crisis (which began in 1982). The neoliberal trade agreements of the late 1980s (CUSFTA) and early 1990s (NAFTA, WTO) then lock in reforms introduced in the 1980s via SAPs in the global South and by governments committed to the neoliberal model of economic regulation (including Reagan, Mulroney, and Thatcher) in the global North. Thus, we should begin looking for the impacts of neoliberal globalization from the mid-1970s.

If we take the three post-war decades ending in 1975 as our baseline, and start measuring change from there, we arrive at a very different sense of the trajectory of labour market policy reform. Consider, for example, industrial relations. Up to the mid-1970s, the trend in this period is the extension of worker rights, and a corresponding growth of union density and labour movement power, even in the most conservative Canadian jurisdictions. From that point forward, there are (from labour's standpoint) momentary advances in labour laws, but the overall trajectory is erosion. It should also be noted that the erosion of worker rights and union power – as measured by labour market outcomes (e.g., collective bargaining outcomes, the efficacy of strikes) – is much greater than it might appear if we focus solely on legislative change. (The US case is the best illustration of this point: there has been no legal reform to the National Labor Relations Act since 1959, but workers' freedom of association rights are protected much less effectively in the US today than they were in the 1960s.)

By looking at such a short time slice, and by focusing exclusively on amendments to labour laws (in the industrial relations component of their discussion), Haddow and Klassen find plenty of fluctuation but little net change in the legal rights and powers of workers and their unions in the fifteen years that they examine. The implication is that globalization can't be exerting much downward pressure on these policies. But if globalization began fifteen years before the authors begin looking for its impact, this assessment is clearly problematic ... unless globalization had little or nothing to do with the erosion of worker rights and union power that began in the late 1970s.

How would we know whether this is so? For that matter, how would we know whether globalization had anything to do with policy changes over the last fifteen years? To answer these questions, we need to establish causality. Pointing to a coincidence between the onset of globalization - whenever we think it begins – and policy changes does not do this. We need to specify the causal pathways by which economic globalization (however defined) is thought to induce changes in such policies. We can then determine whether changes in the intermediate variables specified by our causal model occured, and if they did, whether they occurred because of the specified aspect of globalization.

For example, one important aspect of globalization is increased international capital mobility. Suppose our model stipulates that the main mechanism by which an increase in capital mobility affects labour market policy is by inducing governments to compete more intensely for private investment. In that case, we should look at data on trends in capital investment in the relevant sectors, and for evidence that the government was responding to the demands for these policy changes made by actual or prospective investors. In reality, economic globalization is a complex phenomenon, connected by multiple pathways to government policy, but the authors never specify a causal model, simple or complex.

In sum, Haddow and Klassen do not provide a satisfactory answer to the second, very important question that they pose. Such an answer requires a much longer time horizon (at least 30 years instead of 15) and a causal analysis that focuses not just on policy changes, but on intervening economic and power variables, and actual labour market outcomes. Haddow and Klassen acknowledge that their time horizon is too short, but seem largely unaware of

this second problem with their analysis. Nonetheless, they provide a systematic and useful analysis of their first question – whether politics still matters – for the 15-year period that they cover and (in the case of industrial relations) the private sector workers that are their exclusive focus. They also provide one important part of what is required for an adequate answer to their second question. For both reasons, their book is well worth reading.

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# Faut-il brûler le modèle social français? par Alain Lefebvre et Dominique Méda, Paris: Seuil, 2006, 156 pages, ISBN 2-020859-70-X

Titre provoquant dans la lignée d'ouvrages parus récemment sur les raisons de la performance décevante de la France, cet ouvrage met particulièrement en cause les politiques économiques, sociales et éducatives inadaptées qu'ont poursuivi depuis vingt-cinq ans les gouvernements de gauche comme de droite. (Notons, à titre d'exemples, les ouvrages de Patrick Artus et Marie-Paule Virard, Comment nous avons ruiné nos enfants. Paris, La Découverte, 2006 et Le capitalisme est en train de s'autodétruire, Paris, La Découverte, 2005; Thomas Philippon, Le capitalisme d'héritiers, Paris, République des Idées, Seuil, 2007.) Ces politiques n'ont pas réussi à venir à bout d'un chômage massif et persistant, ni à dynamiser le marché de l'emploi qui est caractérisé par les faibles taux d'emploi des jeunes, des femmes et des personnes à mi-parcours de la vie professionnelle.

Quelles sont les raisons de ce constat sans complaisance? Les auteurs se demandent si ce sont les responsables politiques qui n'ont pas su définir des politiques pour faire fonctionner le modèle français ou si c'est le modèle social français qui est en crise. Et, dans ce dernier cas, s'il est possible de changer de politique sans toucher aux principes fondamentaux qui sous-tendent le modèle de protection sociale et le droit du travail.

Sur la deuxième question, ils répondent dans l'affirmative, constatant que le modèle social français (notons que les auteurs définissent le « modèle social » comme « l'ensemble des principes, règles et arrangements institutionnels qui organisent les relations sociales ») subit une crise majeure attestée par tous les indicateurs du marché du travail, notamment les taux élevés de chômage, y compris de longue durée, bien supérieurs à la moyenne européenne, et ce malgré quelques baisses entre 1997 et 2001 (et, ajoutons, en 2006-7). Le chômage affecte de façon disproportionnée les diverses catégories de la population, touchant davantage les jeunes, les seniors et les personnes peu qualifiées ; de même, les taux d'emploi français sont parmi les plus faibles en Europe, touchant là aussi davantage les jeunes, les plus âgés et les femmes de tout âge ; et l'emploi lui-même a changé de nature, avec une forte croissance des emplois temporaires et précaires, à faible productivité, sans avenir, offrant peu de sécurité d'emploi et des faibles