

## Relations industrielles Industrial Relations



*Trajectories of Neoliberal Transformation: European Industrial Relations since the 1970s*, By Lucio Baccaro and Chris Howell (2017) Cambridge, New York, Melbourne, Delhi and Singapore: Cambridge University Press, 261 pages. ISBN: 978-1-107-60360-1

Braham Dabscheck

Volume 73, numéro 1, hiver 2018

URI : <https://id.erudit.org/iderudit/1044434ar>

DOI : <https://doi.org/10.7202/1044434ar>

[Aller au sommaire du numéro](#)

Éditeur(s)

Département des relations industrielles de l'Université Laval

ISSN

0034-379X (imprimé)

1703-8138 (numérique)

[Découvrir la revue](#)

Citer ce compte rendu

Dabscheck, B. (2018). Compte rendu de [*Trajectories of Neoliberal Transformation: European Industrial Relations since the 1970s*, By Lucio Baccaro and Chris Howell (2017) Cambridge, New York, Melbourne, Delhi and Singapore: Cambridge University Press, 261 pages. ISBN: 978-1-107-60360-1]. *Relations industrielles / Industrial Relations*, 73(1), 210–211.  
<https://doi.org/10.7202/1044434ar>

Tous droits réservés © Département des relations industrielles de l'Université Laval, 2018

Ce document est protégé par la loi sur le droit d'auteur. L'utilisation des services d'Érudit (y compris la reproduction) est assujettie à sa politique d'utilisation que vous pouvez consulter en ligne.

<https://apropos.erudit.org/fr/usagers/politique-dutilisation/>

é  
rudit

Cet article est diffusé et préservé par Érudit.

Érudit est un consortium interuniversitaire sans but lucratif composé de l'Université de Montréal, l'Université Laval et l'Université du Québec à Montréal. Il a pour mission la promotion et la valorisation de la recherche.

<https://www.erudit.org/fr/>

### **Trajectories of Neoliberal Transformation: European Industrial Relations since the 1970s**

By Lucio Baccaro and Chris Howell (2017)  
 Cambridge, New York, Melbourne,  
 Delhi and Singapore: Cambridge University  
 Press, 261 pages.  
 ISBN: 978-1-107-60360-1.

In the 1960s and 1970s, a number of Western style economies introduced incomes policies in attempting to respond to problems associated with inflation, rising unemployment and deteriorating balance of payments. A literature developed concerning whether nations that made use of incomes policies had a superior economic performance compared to those that had not. By the 1980s, it morphed into discussions concerning 'corporatism' versus market based systems. Canadian scholar Leo Panitch defined corporatism as "a political structure within advanced capitalism which integrates socioeconomic producer groups through a system of representation and cooperative mutual interaction at the leadership level and of mobilisation and social control at the mass level".<sup>1</sup>

Scholars experienced difficulties in determining whether or not, and the degree to which, respective nations were corporatist or not. One of the games they developed was slipping backwards and forwards between scales of centralized/decentralized and coordinated/uncoordinated. The problem was taking account of societies which moved away from centralization, and the desire/need of scholars to nonetheless describe them as corporatist. They 'scored' highly on the coordination scale.

A problem with both these scales is knowing how to attach scores to the so-called objective measures that underpin them. Attachment of scores is highly subjective. Overseas scholars have had different scores than I would attach to the Australian situation due to their inability, in my view, of understanding the nuances associated with the changing dynamics

of Australia's tribunal system.<sup>2</sup> This is the case with Baccaro and Howell's *Trajectories of Neoliberal Transformation: European Industrial Relations since the 1970s* (p. 34-41). I disagree with virtually all of their measures, or those that they rely on, concerning Australia. This, in turn, induces a lack of confidence in other measures and their subsequent econometric analysis based on these 'manufactured' numbers (p. 41-53).

Baccaro and Howell focus on developments in Britain, France, Germany, Italy and Sweden, and maintain that in the last 35 years employers have been given more discretion in decision-making, a process that they describe as liberalization. Have you noticed that their book has *Neoliberal* in its title rather than *Liberal*? Is this odd? Do we really need to worry about it? Throughout the book, they switch between liberal/liberalization and Neoliberal, and another concept, more of which will be examined below. On page 16, they say that: "A discussion of the meaning of neoliberalism and its difference from classical liberalism is beyond the scope of this book". Given that they use these terms—and after all the term *Neoliberal* appears in the title—is it incumbent on them to enter into a discussion of classic liberalism and neoliberalism? If they are using terms interchangeably and readers are unsure what meaning the authors attach to them, how are readers expected to follow their analysis? Are defining terms and sticking to them something basic to scholarship?

Neoliberalism is usually defined in terms of non-interference with or in market mechanisms: the economists' notion of *laissez-faire*. Despite their decision to not discuss the meaning of neoliberalism, they state: "it is not about limiting state intervention and returning to some form of *laissez-faire*" (p. 16). Really, the phrase "some form of *laissez-faire*" can cover a multiple of sins. The authors would be well advised to consult Nancy MacLean's

*Democracy in Chains* to see what can in fact happen when it is decided to return "to some form of *laissez-faire*".<sup>3</sup> Baccaro and Howell then say neoliberalism is "about using state power to bring about (and institutionalize) a market order, that is a society in which individuals conceive and relate to one another as providers of specialized services in all spheres, and coordinate their interactions through the principle of competition and the associated price system" (p. 16). Their 'definition', especially the notion of 'state power', is closer to that of Panitch's definition of corporatism than notions of *laissez-faire*.

Panitch had a 'pessimistic' view of corporatism, in that union leaders would find themselves increasingly giving into the demands of business, with their role being transformed to gaining 'acquiescence' from members for these 'necessary' changes, culminating in a demand for the destruction of unions.<sup>4</sup> Baccaro and Howell's examinations of Germany, Italy and Sweden are more consistent with corporatism than Neoliberalism. In both the Italian and Swedish cases, they employ corporatist jargon, rather than Neoliberal, which returns us to their problems with theoretical concepts. On the basis of what they have actually done, their book should be retitled to *Trajectories of Corporatist Transformation*.

*Trajectories of Neoliberal Transformation* suffers from a number of other problems. It is repetitive. It is riddled with tautologies (a decline in union power has resulted in an increase in employer power). There is a reliance on secondary, rather than primary sources, even with respect to publicly available data, especially in the early chapters. There is an unpreparedness and/or inability to update data. It reveals extensive, if not overuse, of acronyms and the absence of a glossary, as well as an unevenness in the quality of chapters. Nevertheless, those examining Germany and France are well organized, have a clear and logical rhythm, and avoid the problems identified above.

The authors maintain that increases in employer discretion are explained in terms of the breakdown of a Fordist model, which they define as "the institutionalisation of collective bargaining and the increase in trade union power that went with it" (p. 200). This discussion occurs in the concluding chapter; it is not integrated into the respective country case studies. It is difficult to see its relevance for both France and Italy, which have historically had numerically weak unions, especially at the workplace level. Economists would argue that the labour market/industrial relations changes which began in the 1970s resulted from problems with, and/or the inability of, governments to pursue Keynesian economics, which had 'worked' so well after World War II, rather than 'pressures' resulting from the breakdown of Fordism. They have confused cause and effect. Then again, Baccaro and Howell tell us that: "Capitalism is not the same as a market economy" (p. 199). I doubt if there is an economist in the world who would agree with this statement. Baccaro and Howell are unaware that markets can be more or less imperfect, something that is well known to first year economics students.

The stylistic problems identified above make *Trajectories of Neoliberal Transformation: European Industrial Relations since the 1970s* a difficult read. I had to force myself to finish it and I doubt if others will have the stamina to go the full distance. It does not offer anything new. It suffers more than minor problems with the understanding of and use of theoretical and conceptual insights. The authors would have been well advised to cut back substantially on their overly repetitive descriptive material and spend more time overcoming the book's theoretical and conceptual weaknesses.

#### **Braham Dabscheck**

Senior Fellow  
Melbourne Law School  
University of Melbourne, Australia