

Book Review

Frege, Carola and Kelly, John (eds.) (2013) *Comparative Employment Relations in the Global Economy*. Oxon: Routledge. ISBN: 978-0-415-68662-4

Reviewed by Albert Wöcke, University of Pretoria, Johannesburg, South Africa

The increased integration of the global economy together with the Great Recession of 2008 has led to far reaching changes in employment relations and worker welfare in most countries. In the last 2 decades we have seen the rapid shift of economic power in emerging economies, none more so than the BRIC economies. These macro-level changes in employee relations have been accompanied by micro-level changes in employee relations and are driven by innovations in management and the expansion of global value chains across countries by MNEs. The expansion of modern management HR practices, most notably performance management and sophisticated remuneration practices, have contributed to individualisation of employee relations and the decline of trade unions in many countries. Economic blocs and transnational NGOs are shaping transnational regulations and standards that create pressure for the convergence of employee management practices across countries.

The macro- and micro-trends are supported by the increased role of MNEs in influencing host-country regulations and the dispersion of economic activities to countries such as China that compete on the basis of distinctive capabilities such as low-cost high volume manufacturing. This differentiation of country-specific capabilities is supported by country-specific economic environments and labour markets, which, in turn serve to buffer the whole-scale adoption of common (liberal capitalist) labour market practices. This tension between convergence/isomorphism of employment practices across countries and national differences that shape employment relations is the phenomenon that this book deals with.

Any analysis of the tension between convergence and national differences in employee relations will by necessity have to make a comparison between countries. One can only understand the importance of the nature and characteristics of a specific country's employee-relations regime when it is compared to that of other countries and international trends. However, the nature of employee relations is complex as the phenomenon covers both macro- and micro-level variables such as economic systems, bargaining arrangements and firm-level management strategies.

The authors of this book take up the challenge by using a Comparative Employment Relations (CER) approach to dealing with this tension. A CER approach is useful in that it explores and identifies overarching and common forces and factors that influence the different countries and allows a rich description of the forces and countries. However, for a comparative study to be of any value beyond the anecdotal, it needs to be grounded in theory and provide a framework for analysis. The structure of the book is relatively unique in its approach to CER. Part 1 introduces the framework for analysis, part 2 (Chapters 3 to 8) combines theoretical perspectives on micro and macro aspects of employment regulation with chapters on issues such as individual employee rights at work and employment relations, welfare and politics. Part 3 describes 11 individual countries'

employee relations' regimes and part 4 discusses selected transnational themes that influence employee relations.

The theoretical framework in Chapter 2 provides the main scholarly. Studies in employment relations are by their very nature multi-disciplinary and have been studied within the fields of human resources, psychology, economics and political science. But, as the editors of this book point out, much of the previous research in employee relations has been of a descriptive nature with little theoretical innovation. The authors/editors argue that comparative research could fill this gap because it addresses the need for an inter-disciplinary approach and rectifies the shortcomings of past studies that focussed primarily on sterile empirical comparisons of national employment models. Any comparative framework will need to deal with macro- and micro-level variables and show similarities and explain differences in employee relations in the respective countries. The challenge for the editors of such a book is to avoid reliance on one perspective at the cost of others and they overcome this through incorporating both market-driven and political-economic theories in their framework. This broadens the appeal of the book and makes it accessible to both scholars and students, both at micro and macro-levels.

The framework is based on the primary assumptions that labour contracts are by their nature indeterminant and dynamic, there is an asymmetry of power between employers and employees, and an acknowledgement of the dynamic nature and co-existence of conflict and cooperation in the workplace. It uses a variant of Peter's (2008) framework of comparative politics and has 5 elements: Employment Actors; the Power Resources of the Employment Actors; Employment Institutions; the International Environment; and Ideas, Ideologies or Identities that shape Actors interests and institutions.

Many comparative studies find themselves confined to a limited theoretical perspective, which is either from a performance perspective or a welfare perspective. This framework manages to avoid this by combining both. The authors suggest that the dependent variables, or outcomes to be explained can be both performance and welfare, dependent on the country context. They acknowledge the difficulty in finding common dependent variables across nations when applying the framework but do not discuss it in more detail.

Part 3 (Chapters 9 to 19) loosely apply the framework described in Chapter 2 to 11 selected countries. The country chapters briefly outline the historic evolution and trends in the respective countries before describing the main actors (employers, unions and government) and processes in the countries, followed by a discussion on the employee relations' outcomes in each country. The chapters conclude with a discussion of future trends and outcomes from a number of theoretical perspectives but loosely guided by the topics raised in the framework in Chapter 2.

The selected countries include the United States, the United Kingdom, France, Germany, Sweden, Japan, and the BRICS countries (Brazil, Russia, India, China and South Africa). The US and UK were selected as the leading examples of liberal market capitalism; France, Germany and Sweden were selected to contrast the varying employment regulation systems in Western Europe, and the Japan was included as Asia's largest coordinated market economy. The BRIC countries were included because of their recent growth and importance economically, and South Africa was included to represent the African continent.

The volume concludes with a further discussion of selected transnational influencers on employee relations such as Globalization, voluntary regulation, and the EU and ILO regulations. These discussions are largely descriptive, which is useful for use in the classroom, but does not articulate with the framework introduced in Chapter 2 and the theoretical contributions vary greatly in this section.

The book concludes abruptly without a concluding chapter. This appears to be a missed opportunity to consolidate the country chapters through a comparison and contrast of the different employment relations' practices and outcomes. Important insights are created in parts 3 and 4 that could have driven the discussion in a concluding chapter but these are not consolidated and presented as propositions or conclusions. While it is undoubtedly a useful framework for description, and the country analyses present in the book are evidence of this, the authors have missed the opportunity to further develop the framework conceptually. Comparative studies by their very nature tend to be static snapshots and have little predictive ability beyond the present. This could be overcome by empirical methods and would require longitudinal data and modelling of the relationships between the five variables of the model. However, this is beyond the scope of this book.

In summary, this is an important book on employee relations, it provides a useful framework for both students and scholars and describes a good selection of employee relations contexts. The theoretical discussions and selected themes make this a timely and useful book for an audience of scholars and post-graduate students at business schools alike.

Albert Wöcke is an Associate Professor at the Gordon Institute of Business Science of the University of Pretoria, Johannesburg, South Africa. [email: wocea@gibs.co.za]