

## REVIEWS

*OECD. Flexible Working Time: Collective Bargaining and Government Intervention. Paris: OECD, 1995. 212pp. ISBN 92-64-14316-5.*

Since the 1980s it has become increasingly common to write about the restructuring of labour markets and the reorganization of work through the metaphor of "flexibility". This OECD publication addresses one particular type of flexibility, namely "temporal flexibility". It comprises chapters written by different authors on continuity and change in patterns of working time in three industries within eight OECD countries. Unlike much of the 1980s flexibility literature, which overwhelmingly focused upon manufacturing, this book combines chapters on metal manufacturing and two service industries (retailing and health care). Indeed, one of its strengths is that it is firmly focused at the industry level, which is based on a clear recognition that "restructuring" and "flexibility" involve industry-specific processes and outcomes. In this respect it complements an earlier comparative study on working time prepared for the International Labour Office (Bosch, Dawkins and Michon, 1993) which was focused at the societal level.

Although it is not theoretically sophisticated, the approach the book takes (which is set out in a useful "synthesis report" by Bosch) is a sound one. In short, it is the interplay between the preferences of the key actors (firms, unions and workers) within each industry, in concert with the options provided and constraints imposed by Government regulations and the prevailing system of collective bargaining in each country, that is regarded as resulting in patterns of continuity and change in working time arrangements.

Attempts to achieve greater temporal flexibility involve the use of measures that alter the length or configuration of the working period. They range from averaging and multiple job holder schemes to part-time work and "flexitime", as well as the more familiar practices of overtime and shiftwork. The chapters on manufacturing demonstrate that the new practices associated with attempts to render working hours more flexible are being introduced only on a limited scale. Arguably the most incisive and analytical in the book, Blyton's chapter on British metal manufacturing makes the point that employers in that industry are seeking flexibility on the job (task flexibility) as much as, or in preference to, temporal flexibility. While this strategy is largely a result of the strength of union job controls in Britain, the more general point should not be ignored: particular patterns of "flexibility" and "inflexibility" (of which working time is only one element) vary considerably between sectors, industries and firms. Similarly, Trinczek's discussion of metal manufacturing in Germany demonstrates that the existing practices (overtime, shiftwork, and short-time work) already allowed for considerable temporal flexibility, which together with union opposition to change in this area, has to a large extent forestalled the development of new flexible work time arrangements. The changes that have occurred typically involve new combinations of these existing practices, such as new shift systems. While Sasajima demonstrates that in Japan new arrangements such as "flexitime" and averaging schemes have been introduced, he also notes a continual reliance on more traditional measures such as overtime and shiftwork.

It is in the service industries, however, that the greatest employer-initiated use of flexible working time arrangements is identified. Often there is a tendency in agency-sponsored reports of this nature for authors to "pull their punches" in an attempt to remain neutral. But in general the authors in this report do address the extent to which managerial prerogative has (re)asserted itself, particularly in the retailing industry, in the context of the "new industrial relations" which has marked a shift to decentralized bargaining. For example, Lallement demonstrates that in the retail industry in France, which has weak unions, there has been a marked increase in the use of part-time work and overtime, as well as techniques such as the "self-management" of working time. Bellemare, Molinari and Poulaine-Simon report a similar pattern of employer-initiated change in Canadian retailing. And Gasparini notes that Italian retailing, which like its Canadian counterpart is subject to very low rates of unionisation, is characterised predominantly by various forms of part-time work.

Perhaps the most interesting chapters, where new working time arrangements are identified, are those on the health care sector. De Lange and Van Maanen's chapter on the Dutch health care sector demonstrates that it makes the highest use of "atypical" working time arrangements of any sector in the Netherlands. The authors identify increasing use of part-time, temporary and "on-call" contracts, largely in response to budgetary constraints. While part-time workers' wages and conditions are on a par with those of full-time workers, workers employed under "on-call" contracts are excluded from the prevailing collective agreement and often receive inferior wages. Conversely, as Von Otter and Viklund point out, the considerable influence of national trade unions in the Swedish health care sector has militated against employer-initiated moves toward working time flexibility. However new arrangements (such as flexitime and the "time bank" system) have been introduced at the local level by agreement between employer and employee, sometimes without the involvement or consent of the national union representatives.

Thus this book presents a picture, not of a general trend towards flexibility in working time, but rather of a variety of practices and arrangements which differ between industry, sector and society. The degree to which greater flexibility in working times is a source of enablement or constraint to workers varies in like fashion. Equally variable, however, is the quality of the chapters the book contains. Although the authors were supposed to address a predetermined set of issues, the manner in which they did so differed greatly. While each author usefully contextualises the industry they deal with by setting it within the broader regulatory framework and pattern of working time in the country in question, some of the contributions contain too much description at the expense of analysis. For example, the chapter by Bellemare et al. on Canada simply accepts at face value the key actors' attitudes to temporal flexibility. Also, some of the chapters (notably those by Sasajima and Gasparini) are disjointed, which may have to do with the authors' command of English or something having been lost in the process of translation. Nonetheless Bosch's "synthesis report", which systematically draws together the cross-national comparisons, to some extent makes up for the linguistic and analytical deficiencies apparent in a few of the individual chapters.

Apart from its industry level focus, which is laudable, the book's main strength is that it provides a wealth of detailed statistics, presented in eminently reproducible tables and charts. I would recommend it as a useful source of information on recent changes in working time arrangements.

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*Braham Dabscheck. The Struggle for Industrial Relations. Melbourne: Oxford University Press, 1995. xiv, 194pp. ISBN 0-19-553486 7.*

This book is a sequel to Dabscheck's *Australian Industrial Relations in the 1980s*. It describes and analyses industrial relations developments in the late 1980s and early 1990s.

A distinctive feature of the book is its attempt to analyse the developments in the context of a general theory. For the most part, however, the book is a description of developments under the Accord regime which has governed the key features of Australian industrial relations since 1983. Four elements are reviewed: managed decentralism, attempts to reduce the role of the Industrial Relations Commission, enterprise bargaining and trade unionism.

The first of these chapters, that on decentralism, is largely an historic chapter. It covers periods leading to the particular time period reviewed by the book but does not move beyond the Accord Mark III of 1986. The chapter considers the relationship between industrial relations structure and economic performance. Structure is not seen as static (as implied in much economic analysis). Dabscheck argues that there is a relationship between economic performance and industrial relations structure.

Chapter 3 covers the period from 1987 to 1992. In Dabscheck's view this could be "judged as one of the worst periods in the history of the federal tribunal. The commission not only contributed to a diminution in its own role but also, behind the banner of defending its independence and integrity, found itself embroiled in a struggle over the salaries that should be paid to its members". These observations follow from an analysis of the key developments at this time. The Act and parties were seeking devolution; the commission was retarding such developments. The conclusion also fits in neatly with Dabscheck's previous works on the survival and expansionist proclivity of the commission. In this case, it is difficult not to agree with him that the commission has been its own worst enemy.

The chapter on enterprise bargaining is composed of two parts. The first is an analysis of two Business Council of Australia documents, *Enterprise Bargaining Units: A Better Way of Working* (1989) and *Avoiding Industrial Action: A Better Way of Working* (1991). Much of the analysis in this part has already been undertaken in the pages of the *Journal of Industrial Relations*. A third document, *Working Relations: A Fresh Start for Australian*

*Enterprises* is also briefly reviewed. The second part of the chapter examines the changing federal and state legislation to accommodate a more flexible workforce and notions of enterprise bargaining. Heroically, Dabscheck attempts to convey the importance of the 200 plus pages of the *Industrial Relations Reform Act* in two and a half pages. His first year lectures will need to do much better! This, in my view, is the most demanding and least well executed of the chapters. At a time when students and researchers are calling out for materials on enterprise bargaining and the far reaching changes to the *Industrial Relations Act*, much more could have been expected from this text.

The chapter on trade unionism is very much a stand alone chapter. Its relationship with the rest of the book is not developed. Dabscheck documents the fall in union membership and examines the structural changes and organisational debates which have ensued. The chapter is a useful synthesis of developments.

As a review of developments in the period the book is partially successful. The major criticism is the time frame. The imprecise starting date is conditioned by the fact that the book is a sequel. The closing date is conditioned by publication needs. The interlude is neither sufficiently significant in its own right, nor sufficiently well developed, to provide for a stand alone tract. It is analogous to writing Napoleon's history from the Russian retreat to the Battle of Waterloo - of interest, but hardly conclusive.

As well as developing the major changes in the period analysed Dabscheck has attempted to provide a general framework which helps explain the observed phenomena. Despite Dabscheck's criticism that industrial relations scholars have borrowed or relied upon ideas generated by other disciplines (p.16) his theory is derivative. Dorendorf, pluralist and chaos theory make their contribution, but in essence the theory is a restatement of Dunlop's theory which has served Industrial Relations well as a pedagogical device. Whereas Dunlop identified three main actors, Dabscheck has "n interactors". He lists 23 such "interactors". These include not only unions, employers and tribunals, but also feminists, churches and the media. In Dunlop's schema, the parties interact within an economic, political and technological context. In Dabscheck's approach the "interactors interact in orbits of interaction" - something of a tautology. There is no limit to the number of possible interactors, no specification as to when particular groups become "interactors", nor any ranking in the importance (in terms of outcome) of the many interactors to a particular "interaction". Interactors can inhabit more than one orbit; orbits interact with each other; the motivating force is for interactors to enhance their authority; new interactors and orbits can be created, including by the destruction of existing interactors. It is this theory which Dabscheck would have us believe will enable industrial relations "scholars to escape from (their) theoretical tundra". It is this theory which supposedly explains the changes identified in his book.

Dabscheck's theory is a general one - so general it can accommodate an explanation of anything, any time, in any circumstance. The "anything" does not have to be industrial relations. Dabscheck's theory could be employed to explain the Bosnian war, the fortunes of his beloved St Kilda, the War of the Roses or why Ballroom Dancing rather than Platypus Blues was funded. If capable of explaining all, it is capable of predicting nothing. The Dabscheck theory does not provide a good insight into where the system will develop in the next decade. Nor does it enable researchers to predict the form, shape or context of

enterprise bargaining. Those seeking some guidance as to the form of unions or legislation, the level of wage rates or the role of industrial tribunals would have difficulty doing so on the basis of Dabscheck's theory. In short, Dabscheck can explain everything *ex post*, predict nothing *ex ante*. The enlargement of the number of actors and their orbits of interaction reduce the capacity of the system to predict. Unlike Dunlop who sought to identify the key actors and contexts shaping industrial relations, Dabscheck's enlargement of the orbits of interaction gives rise to an intergalactic constellation whose industrial relations focus is not as clear as that of Dunlop.

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*Stephen M. Hills. Employment Relations and the Social Sciences. Columbia: University of South Carolina Press, 1995. 146pp + References + Index. ISBN 1-57003-035-9.*

While reading the introduction one cannot help but feel a sense of having been someplace very similar a number of times recently. The theme is that unionism has declined in recent times meaning that industrial relations theory needs to be adjusted, and will be very familiar to most that read this book. Hills declares his motives on page 3:

A general theoretical framework is needed to organise the wide variety of concepts and propositions that comprise the field of industrial relations, perhaps one that would complement or extend the systems' view of industrial relations proposed by Dunlop in 1958. This book tries to create such a framework, linking the social sciences with the industrial relations thought that has been derived from them. The framework has been designed to free the insights of industrial relations scholars from the peculiarities of country-specific institutions. It has as its reference point the employment relationship, not the labor union.

Achieving these tasks would be a noble effort indeed. However, Hills adds a more feasible objective on page 5:

This book's central purpose is to demonstrate the connections between industrial relations and a whole variety of social science disciplines whose contributions to the field have not always been fully recognized.

Hills initiates his outline of theory through a description of the employment relationship based around the notion of control. My favourite paragraph which resides on page 20 follows:

Industrial relations scholars argue that too much control in the hands of management is highly undesirable. The most vocal of these, as already seen, are the Marxists with their emphasis on class divisions and conflict. Industrial relations scholars also oppose a concentration of control with labor or government. Some advocate union democracy as a necessary check on the power of union leaders (Sayles and Strauss 1967) and industrial democracy as an alternative to centralized planning (Carnoy and Shearer 1980). Industrial

relations scholars also argue that too heavy a reliance on market control is to be avoided - the institutional school of thought representative of this type of market critique. By taking such positions, industrial relations scholars make explicit a set of values regarding the employment relationship, namely that too heavy an emphasis on any one centre of control should be resisted.

The first chapter is an interesting read although it is rather demanding of close attention. I perceived the general theory to be market driven. That is, institutions struggling in a market for control over the employment relationship. In this way Hills succeeds in demoting the focus upon trade unions. This demotion proved less successful in the second chapter "origins of the field of industrial relations".

This chapter is composed of five very brief descriptions of industrial relations thought: competitive market theory, Marxism, American institutional thought, Fabianism and pluralism, and human resource management. While these reviews succeed in identifying a diverse range of scholarly inputs into the field of industrial relations, I was left unsatisfied that the focus on trade unionism which dominated scholarly industrial relations for the majority of this century was adequately disposed of. The third chapter on Marxism and economics did little to appease this sense of brevity.

The fourth chapter which deals with social systems, conflict and change is the brightest and most educational, consisting of an overview of sociology and political theory in the light of industrial relations. The fifth and sixth chapters are let down by Hills' brief and narrow interpretation of a number of important contributors, most notably Dunlop. However, the sixth chapter which focuses on psychology in industrial relations is generally thought provoking and successful.

Hills concludes with the seventh and final chapter, "Industrial relations and the social sciences: the long view". I was left with the sense that Hills narrow review of the prominence of unionism in industrial relations theory was reflected in some rather simplistic conceptions on the nature of unionism in his conclusions. I did not expect a conclusion based around industrial harmony but this appears to be what Hills is purporting. I was left unconvinced that a focus on the employment relationship using the framework in this book could achieve the first of the objectives outlined at the start of this review. However, the book does achieve the second objective of providing a rich overview of the diverse inputs the social sciences provide to industrial relations. Others should read this book; many will no doubt disagree with my conclusions. The book is a useful contribution and I suspect that it will be most enjoyed by senior students.

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*Jane Jenson and Rianne Mahon (eds). The Challenge of Restructuring: North American Labor Movements Respond. Philadelphia: Temple University Press, 1993. 426pp. ISBN 0-87722-981-3.*

*Stephen Sleigh (ed). Economic Restructuring and Emerging Patterns of Industrial Relations. Michigan: Upjohn Institute, 1993. 224pp. ISBN 0-88099-131-3.*

Though both titles contain the term restructuring, these two collections differ substantially in their approach to the subject. While Jenson/Mahon looks at the response of labour to restructuring at different levels of analysis, ranging from the national political to the workplace, Sleigh dwells mostly on the local or regional level. Moreover, the Jenson/Mahon collection is radical in its approach, focusing on Canada, with some comparisons to the US, whereas Sleigh's collection is more accommodating to the economic change, focusing on other developed countries (Spain, France, etc).

What relevance do these books have for New Zealand? One could answer this question by saying that the contribution of a text is not measured by how relevant it is to daily life. However, I think the issues discussed in these particular books may be of interest, and not only academic interest, to scholars and labour activists in New Zealand. The reason is that the system governing industrial relations in New Zealand has undergone a tremendous change, unions are losing ground, and some even argue that the whole social structure of the country is changing. These changes in the economy and industrial relations in New Zealand were initiated by the government through changes in the laws.

One might look at the differences between the US and Canada as stemming, among other things, from the small, albeit very important, differences in the laws that govern the way unions in these two countries are organised, the laws being embedded in economic, social, and cultural environments that influence the way unions can and want to respond to changes in these environments. Such a discussion could lead to greater depth of understanding of the processes that influence the strengths and weaknesses of labour in this day and age.

The Jenson/Mahon collection broadly discusses the response of labour to the challenges of the economy, employers, and the political system. We should remember that comparing the industrial relations systems in the US and Canada is a "growth industry" in North America. The reason for this is that, close as they are, the industrial relations systems of the two are exhibiting a trend of divergence of union density, which scholars feel needs to be explained. The explanations for the divergence in union density are diverse and cover a great deal of ground. Lipset (1986) hypothesised about values and attitudes; Bruce (1989) argues that the political system has something to do with it (the parliamentary vs. the presidential system in Canada and the US, respectively). Troy (1991) on the other hand looks at the structure of the economy, arguing that the US economy, being more service oriented, is at a disadvantage in organising employees, and that had the economy in Canada been organized in the same way as in the US, union density would have been the same in the two countries.

The Jenson/Mohon book is organized into five sections, each dedicated to a broad issue: (1) The decades of restructuring and political change; (2) The political and legal context of trade unions' action; (3) The challenge of the changing labour force; (4) Workplace restructuring; and (5) The future: strategic continuity or change. The book thus clearly covers a variety of issues that could interest people with different backgrounds and interests. The first two sections, dealing with politics, are directed more toward the Canadian case, which in a sense is more interesting because of the NDP (New Democratic Party) and the linguistically and culturally distinct province of Quebec.

Some of the papers are written by scholars outside mainstream industrial relations, which adds depth and scope to the discussion. Richard Vallely, a labour historian, for instance, sheds light on the alliance in the US between labour and the Democratic party in an era of Republican presidents, an alliance that seems to be doomed in the face of growing global trade favouring the abundant factors in political economy, capital and land. By losing economic strength, labour also loses political influence, which in turn transforms it into a special interest group that is no different from any other lobbying group, in terms of having no special standing with the government and employers.

Chapters 5, 7 and 8 address issues that are specific to Canada. Bernard examines the relations between labour and the NDP in the 1988 elections, in which the NDP was not very successful. Chapters 5 and 8 deal with unionism in Quebec, and the *parti Québécois* and the unions. These chapters are interesting because they describe the tension in alliances between labour unions and political parties that were and are perceived to be natural allies. This discussion of the tensions, successes and failures inherent in cooperation between labour unions and political parties in Canada could well contribute to the understanding of similar alliances in other countries. The UK is a good example of the way labour parties try to distance themselves from unions.

Other papers are specifically comparative. Bruce in chapter 9 compares the treatment in the US and Canada of unfair labour practices. Melts, chapter 10, compares private unionism in Canada and the US. Other articles discuss the challenges that the changing labour force present. In discussing the union response to the feminisation of the workforce, Ruth Milkman suggests that there are grounds for optimism with regard to the future of women in organised labour.

Sleigh's volume is more narrowly focused. The author writes that, "The purpose of the book is to review innovative responses to economic restructuring that have involved the joint efforts of unions, corporations, and government". The main sections of the book report case studies of individual regions and industries conducted in Spain, Italy, France, and the US. For instance, in one of the two chapters dealing with the US, Michigan was the unit of analysis.

Any comparison of the two books may be unfair to the collection edited by Sleigh, because it is more concerned with specific responses to economic restructuring, whereas the Jenson/Mahon collection takes a broader perspective, which is more in line with the way I look at the issue. Nevertheless, readers interested in implementing a specific programme of cooperation would do well to consult the chapters in Sleigh's book which are relevant to their experience.

The essays by Wolfgang Streeck and Charles Sabel (in the Sleigh collection) touch on more general themes. Streeck argues that training and cooperation in training should be a central issue in the new industrial relations. Streeck suggests an alternative to the distributive politics of unions in the Keynesian political economy. The alternative is involvement in skill formation by cooperating with employers in training and human resources policies.

Sabel's approach is broader but more cryptic. Deciphering his message may appeal to readers who enjoy puzzles. This much is clear: he is pessimistic about the future of unions. His "provisional conclusion (is that) there is nothing in the logic of current reorganisation that warrants the assumption that we will have trade unions in the future". To survive, unions must change radically. They may become more political, or run the risk of disappearing and being replaced by new entities with only some union-like characteristics. Organisational theorists may agree that the future of unions is uncertain, especially since the rate of success in adapting new organisations to new environments is rather low generally. This pessimism may be better understood in New Zealand than in countries that have not experienced revolutionary change in their industrial relations system.

Overall I think that the two books demonstrate the complexity of responses to and views of labour unions in the face of restructuring. While some writers see a bleak future for unions, others believe the trend can be reversed. These issues must be dealt with if we are to solve the serious problems now facing working people.

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*Peter Stalker. The Work of Strangers: A Survey of International Labour Migration Geneva: International Labour Office, 1994. 327pp. ISBN 92-2-108521-X.*

A high real wage rate from high productivity boosts economic growth and draws immigrants. But a high real wage rate, from government taxes on labour, monopolistic union behaviour, or hampering government regulations on the labour market, impedes economic growth and encourages emigrants. The New Zealand experiment started as a United Kingdom agricultural supplier with government regulated capital markets, with non-agricultural trade stifled by protectionist quotas, duties, and foreign exchange controls, and with government protected unionism dominating the labour market (see Rodger, 1985). New Zealand lost preferential trade contracts in 1973 when the United Kingdom joined the Common Market; it entered international goods and capital markets in the 1980s by removing agricultural subsidies, floating its exchange rate, eliminating quotas and tariffs, deregulating the finance sector, and lowering its inflation tax towards zero. It diversified its economy further in the 1990s by developing a comparative advantage in leisure tourism and in certain manufacturing (see Hansen, 1994). The Employment Contracts Act of 1991 eliminated the unqualified preference system of mandatory union participation, facilitated an expansion of trading hours and the flexibility of the wage rate and the employment status, and freed up the labour market from government regulation "with the express purpose of promoting an efficient labour market" (Howells, 1992, p.186). The question

remains as to whether New Zealand's immigration policy works to make its labour market function more freely and in line with the opening up of capital, goods, and labour markets, or whether it hampers the labour market and inefficiently keeps wages high.

Peter Stalker offers a useful description of international migration that provides perspective and analysis of New Zealand's immigration record and policy. His 1994 book *The Work of Strangers: A Survey of International Labour Migration*, published by the Geneva based International Labour Office, characterises the world labour market exchange by migration through a discussion shaped around 44 figures and 31 tables. Stalker organises 17 chapters into two parts: the Global Picture of Part 1 sets out major factors that cause migration; Country Experience of Part 2 focuses on the main importers of labour and then summarises migration flows by continent. The text gives the reader a lively broad canvas that covers theoretic elements, historical developments, policy summaries, and current events.

After a brief introduction, *Ancient Paths* in the second chapter starts with the market in slaves in the 15th century and quickly sketches major migration patterns up to the post-war period. The United States, Canada, and Australia constitute the major countries of settlement, accounting for over eight million immigrants from 1946-1963. The chapter introduces the New Zealand experience as "a less active approach" to Australia's recruitment of settlers through "assisted passage" schemes. More broadly the chapter attributes post-war migration to religious, political, and economic motives.

Perhaps the most ambitious, chapter 3 *Why People Move* explains immigration through a proposed theoretical framework and through the major factors that fall within that framework. Stalker describes two major theories: a human capital approach based on individual economic behaviour, and a structural approach based on cultural institutions. He adopts an eclectic approach that combines both, since "individuals cannot make decisions independent of the structure . . . nor do structures exist independent of the individual" (p.22). Not presuming to supply a "unified theory", Stalker proceeds to use elements of these theories to frame what he considers the nine major factors explaining immigration. These are wage and income differences, fertility and death rates, rural to urban migration from modernisation of agriculture, historically established cross-country cultural links, lower cost communication, family income diversification strategies, migrant networks, national recruitment policies, and professionals seeking advancement.

The subsequent seven chapters of Part 1 stress respectively economic issues, legal issues, ethnic conflict, discrimination, the effects of net emigration, a historical review of international immigration policies, and ways to discourage emigration. Part 2 and the latter seven chapters organize the details to describe migration for each of a set of countries.

In critique, the book provides an excellent basis for understanding a particular country's posture in a well-established world labour market. The figures and graphs prove useful for this broad brush. And the details illustrate the complexity of explaining migration. For example, in discussing movement based on wage differentials, the author notes that "In many parts of Africa, the word for 'poor' is synonymous with lack of kin or friends" (p.26). In other words, emigrating to earn a higher wage may include estrangement from family and friends. This estrangement may be what the author has in mind with the title *The Work of Strangers*.

The second part of the title *A Survey of International Labour Migration* seems apt if the reader interprets a "survey" as a "description". In its elements of a survey, the book relies on diverse references that mainly include international government publications. It references some well known academic sources, such as George Borgas' (1990) *Friends or Strangers: The Impact of Immigrants on the US Economy* (see also Borgas 1994, 1995). While the limited academic depth moderates the usefulness of the text for current research, the style promotes an all-encompassing description.

A slight disappointment lingers from an initial prominence accorded to the human capital explanation of migration, but with only occasional references found to this approach subsequently. Further, red flags arise with the author's classification of the human capital approach as an individual perspective in contrast to the structural perspective which "sees people's fate determined ultimately by the circumstances they face" (p.23). In fact, the human capital approach, which dates back to Sjaastad (1962), includes the constraints, or "circumstances" of the structural approach, of the individual in its optimizing approach. Reading through the text, the human capital approach encompasses most of the issues itself and the distinction between the two approaches appears forced. For example, page 24 cites the wage gap as the biggest reason for migration and then, to the reader's confusion, calls these "economic gaps . . . the most significant structural explanation of migration". Sjaastad (1962), in an article that comprised part of the original T.W. Schultz edited supplement to the *Journal of Political Economy* entitled "Investment in Human Beings", explains migration as depending on the difference in the wage rates plus the transaction cost of relocating. In this broad framework, the immigrant incurs the cost of migration as an investment that raises the value of human capital. Structural or cultural factors affect both the wage differential and the costs of relocating. A more rigorous human capital approach advantageously can ask questions such as whether cycles of immigration activity follow cycles of a country's economic growth.

Despite a cursory use of the human capital approach, the tone of the book appeals. The author consistently remains balanced between a sympathetic view towards immigrants and an objective outline of the potential problems for receiving countries. For example, discrimination against immigrants appears as a recurring theme. Chapter 6 (pp.75-79), Chapter 9 (pp.138-141), and Chapter 11 (pp.181-183) discusses the White United Kingdom, White Australia, White Canada, and even the White New Zealand policies towards immigration, and how they lasted up until only 30 years ago. But at the same time, chapter 10 sets out the problems of potentially lower wages to some nationals because of immigrants, and the potentially high cost of the social services that immigrants may use. Study of these problems remains an area of active research (see for example Enchautegui 1995; Friedberg and Hunt, 1995; Razin and Sadka, 1995; and Zimmermann, 1995).

In total, the book's description poses immigration as a generally positive phenomenon for both exporting and importing countries. And so perhaps a more suitable title would be "The Vibrancy of Immigrants: A Description of International Labour Movements". The upbeat book provides essential background for any study of migration. While lacking net immigration data for New Zealand, the book raises many questions for New Zealand policy. Largely a product of a White policy, plus access for Pacific Islanders, yearbook data gathered for Table 1 below shows that New Zealand's net immigration for the last 30 years sums to -64,924. The large outflow from 1977-1990 offset the inflows from 1990-1995.

As seen in Figure 1, the 30 year outflow reverses the post-war trend towards net inflows, with 182,122 arriving in net for the six decades from 1936-1995. The new 1991 immigration policy of a points system has again started a trend towards positive net immigration into New Zealand. But the policy's administration by bureaucratic discretion rather than by set rules may inefficiently limit New Zealand's labour market, its economic growth, and its cultural richness.

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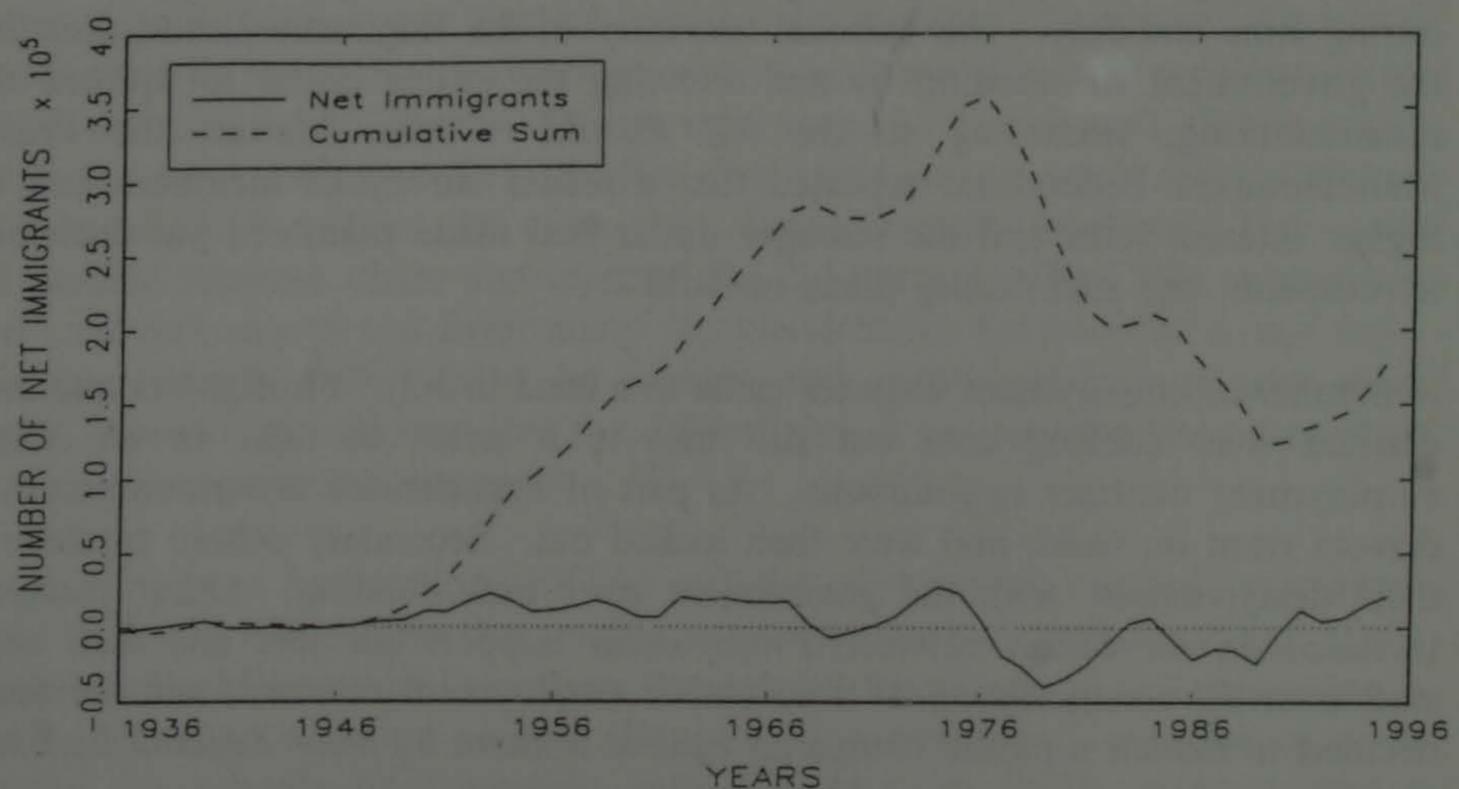
**TABLE 1: NUMBER OF NET ARRIVALS IN NEW ZEALAND**  
for annual permanent and long-term persons

Year	Number	Year	Number	Year	Number	Year	Number
1936	-2416	1951	10446	1966	16710	1981	-24825
1937	-1165	1952	17622	1967	17871	1982	-11482
1938	344	1953	22734	1968	2188	1983	3180
1939	2655	1954	17830	1969	-6577	1984	6558
1940	4186	1955	10441	1970	-2997	1985	-8084
1941	-615	1956	11442	1971	1212	1986	-21613
1942	-543	1957	13810	1972	7533	1987	-14269
1943	-67	1958	18146	1973	19168	1988	-15625
1944	-731	1959	13867	1974	27477	1989	-24708
1945	-688	1960	6874	1975	22439	1990	-4018
1946	10	1961	6576	1976	5300	1991	11616
1947	2055	1962	20078	1977	-19072	1992	4287
1948	3879	1963	18135	1978	-26708	1993	6848
1949	4708	1964	19331	1979	-40200	1994	15587
1950	10815	1965	17287	1980	-34417	1995	21697

Source: *Key Statistics and Statistical Abstracts*, various monthly issues, 1938-1995, Department of Statistics New Zealand.

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FIGURE 1. N.Z. NET PERMANENT AND LONG-TERM ARRIVALS



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