The Industrial Relations Section is pleased to announce that this year’s winner of the Richard A. Lester Award is Joseph Anthony McCartin for Collision course: Ronald Reagan, the air traffic controllers, and the strike that changed America.

Blank, Acting Secretary of Commerce and Deputy Secretary of Commerce of the United States, contributes to the current conversation about inequality by looking at changes in the level and distribution of income per person since 1979. Her goal is to show shifts in the distribution of income among working-age adults, by gender and family type, over the last thirty years. She identifies the components of individual earnings and family income that have contributed most to rising inequality. She states that the growth in annual earnings for workers in the bottom half of income distribution per person is due partly to decreasing family size, but primarily to increased hours of work for women. Blank notes that happiness levels and perceived economic insecurity have changed little even as incomes have risen. She concludes by listing factors likely to continue the trend toward increased inequality and those that could stop or even reverse it, depending upon political forces and the actions of the private sector.

Extending their earlier historical analysis of public pensions in the United States into the twentieth century, Clark, Craig and Sabelhaus detail the creation and development of pension and benefit plans for state and local employees. Plans in the early part of the twentieth century offered meager benefits, required lengthy service, and were closely tied to worker contributions. The authors’ empirical work shows that the increased generosity of the plans during the last quarter of the twentieth century produced “lowered retirement ages, reduced . . . number of years of service required . . . and vesting requirements.” (p. 6) Among a number of useful charts is one that compares the changes in employee and employer contribution rates and vesting requirements for each state between 1984 and 2006. (pp. 128-131) Chapter 8 lists the changes in the Social Security Act, which eventually extended coverage to public sector employees, and the impact those changes had on public employee retirement plans. The passage of the Employee Retirement and Income Security Act (ERISA) in 1974 saw the start of the trend away from defined benefit to defined contributions plans in the private sector, but not in the public sector. In the twenty-first century, unfunded liabilities associated with these plans and plan solvency are major policy concerns. Managers continue to balance pressure to reduce the costs of retirement benefits with the need to compete with the private sector for the best hires.

*International Standard Book Numbers (ISBN) are given for each title to facilitate ordering from vendors or other purchasing outlets.
From iron rice bowl to informalization: markets, workers, and the state in a changing China.

In the past thirty years, China has moved from a state-owned system with guaranteed job security, lifetime benefits, and a high degree of equality, to market-determined employment. The current labor market is characterized by a predominance of contingent workers, who work without a contract, social insurance, or benefits. The contributors to this volume document these changes and the role played by government, industry, and the workforce itself. In Chapter 2, Park and Cai estimate that contingent workers make up the 36% of the Chinese urban workforce labeled “undocumented,” as well as the 10% registered as self-employed. In their review of labor law reform, Gallagher and Dong contend that the 2007 Labor Contract Law, which attempts to provide some protection to workers, lacks sufficient means for enforcement, while Mark Frazier’s analysis of public opinion responses indicates that the Chinese public still expects the state to provide workers with pensions and other benefits. Writing about the role of the unions, Mingwei Liu sees local initiatives on the part of regional unions as the most hopeful for workers, since the conservative, national All-China Federation of Trade Unions (ACFTU) is still under the tight control of the Chinese Communist Party and enterprise unions under the control of employers.


Cindy Hahamovitch provides a detailed history of the millions of Jamaicans, who along with workers from Mexico and other parts of the Caribbean, came to the United States in the 1940s as part of the government’s H2 Workers program, which was justified as a “war emergency.” These men were temporary, agricultural employees, working for private employers under contracts that promised them better pay and conditions than domestic workers. What they experienced was very different, living and working under extremely harsh conditions. The workers fell outside the protection of the country’s labor laws and were not free to move from their locations to take different jobs. After World War II, the United States government relinquished its role in negotiating contracts, recruiting, transporting, housing, and feeding guestworkers to the agricultural growers who organized a powerful lobby for reauthorizing the guestworker program. Hahamovitch compares the post-World War II situation between Europe, where guestworkers gradually gained the rights and benefits of unionized workers, and the United States, where the power to deport laborers, “the world’s new whip,” was in the hands of the employers. (p. 238)


Using the Census Bureau’s Longitudinal Employer-Household Dynamics (LEHD) data from the 1990s and early 2000s, which link state unemployment insurance data on individuals and their employers with individual survey data like the Current Population Survey, the authors show that the disappearance of “good” jobs--those that pay well, offer good benefits, and worker protections--is more limited than popularly believed. The losses largely affect less-educated workers, especially those in more traditional economic sectors like durable manufacturing in smaller, local areas. The results from cross-tabulating quintiles of worker effects with quintiles of firm effects, show clustering in the first and fifth quintiles, demonstrating that the best-qualified and the least-skilled workers are better matched to their jobs than workers in the middle quintiles. The data also show rising job mobility and displacement with younger workers primarily benefitting from the change. Even then the authors note that longer periods of labor market slack, like that of 2001, make it harder for workers to find better paying jobs and produce a sense of insecurity even for those who are employed. On the policy side, since most hiring of low-wage work-
ers is done by very few firms, they suggest that governments can provide technical assistance to larger new firms to help create better jobs.


McCartin’s in-depth archival and oral history research, including interviews with participants from both sides, has produced an insightful study of the PATCO strike of 1981 and its aftermath. While the air traffic controllers saw themselves as professionals more than unionists, they organized PATCO (Professional Air Traffic Controllers Organization) in 1968 when their requests for newer equipment, overtime pay, hiring more controllers, and a change in the “hierarchy-bound” work environment were ignored. Its formation also followed shortly upon President Kennedy’s Executive Order 10988, which gave federal workers collective bargaining rights. When the union was unable to win substantial gains through subsequent contracts, PATCO’s more militant activists assumed union leadership in 1980. Having used job actions such as slowdowns and sickouts in the past, these leaders began planning for a possible strike in 1978, three years before the renewal date for the contract. However, the Federal Aviation Administration, too, aware of the union’s activities, created a contingency plan in case of a strike, which it ultimately was able to use to keep the system going. During the 1981 contract negotiations, the relatively inexperienced PATCO negotiating team presented “the most far-reaching set of demands ever made by a union of federal workers.” (p. 240) When the PATCO membership rejected the tentative agreement and went out on strike, they initiated an action they knew was illegal and which violated their no-strike oath. In his speech on August 3, 1981, President Ronald Reagan gave the strikers 48 hours to return to work. The majority of the strikers did not, and Reagan kept his word and fired them. After the union was broken, ways of rehiring at least some of the controllers were proposed by various groups, including some within the administration, but Reagan sought to maintain his tough national and international image and refused to rehire any of the striking controllers. McCartin estimates that breaking the walkout cost the government, the airlines, and the public billions of dollars, and for many years afterwards, marginalized the strike as a tool of labor relations.


The fourteen essays that comprise this volume focus on the relationship between quality of life and service sector workplace policies and conditions in Europe, particularly among lower-skilled workers. This cross-country analysis covers eight countries operating under five different policy regimes and demonstrates “a trend towards convergence between welfare regimes, with higher labour market activity rates, gender equity in paid work and a variety of different institutional support mechanisms for working parents.” (p. 2) In addition to using secondary data, the researchers gathered responses from a detailed survey about aspects of employees’ work and home lives. The quantitative data were supplemented by interviews with employees about the impact of workplace changes. The authors report greater life satisfaction among service workers in more affluent countries, due to greater job security, gender equality in paid and unpaid work, and state support for childcare. They found that satisfaction with the work-life balance is more closely related to workplace than to state or home conditions, with support by supervisors and colleagues playing a critical role.


The opening chapters of this book detail the changes in the unemployment protection systems, between 1990 and 2010, in twelve European countries, describing features such as eligibility and entitlement criteria, administrative divisions, and job-search conditions.
One dimension of the change is the degree to which unemployment benefits are tied to previous wages. Another change is in the number of benefit transfer programs in place, with programs merging in some countries, while proliferating in others. Another trend in some countries is the broadening of the government’s unemployment category for benefits receipt, encompassing support such as disability- and family-related allowances. The third dimension—“activation”—refers to eligibility for benefits being linked to job-search criteria or occupational mobility, a condition that has increased in all countries. It also refers to closer coordination between unemployment benefits and employment services. While national differences continue in structures for unemployment protection, due in part to its division among central and local governments and other parties such as trade unions, the book points to a fundamental “reworking [of] the institutional structures and labour market functions of unemployment protection arrangements inherited from the industrial era” and its prominent place on political agendas. (pp. 344-345)


For the past few decades, research on absenteeism has been guided by the 1978 Steers-Rhodes model, and uses concepts “too vague to be very useful in practice,” according to Treble and Barmby, who examine absenteeism as a labor market phenomenon, using conventional economic tools, such as supply, demand and price or the principal-agent model, to analyze work hours. (p. 14) They note that “observed patterns of absenteeism and sick pay provision will involve consideration not only of the tastes of workers and their proneness to sickness, but also on the technology adopted by their employers” (p.61) and “generates variations in absence rates that depend on the characteristics of workers and firms alike.” (p.103) They review evidence about absenteeism, variations in rates between countries and with age, gender, and occupation as well as “empirical work in which absence is seen as the result of market interactions between firms and workers. . . firms with low absence costs are more generous with their sick pay than firms with high absence costs.” (p. 139) As for further work on the subject, the authors make a number of methodological suggestions including enhancing administrative data that provide costs of an absence with health data.

Veiled employment: Islamism and the political economy of women’s employment in Iran.

The contributors to *Veiled Employment* help fill an information gap, namely the lack of English-language research on women’s employment in Iran and help correct the over-simplified portrayal of the Iranian situation, which tends to emphasize the cultural aspects of women’s experiences in the Muslim world. As some of the authors note, Islamic ideology is only one factor affecting economic activity. The 1979 Islamic revolution, followed by United States trade sanctions and the 1980s war with Iraq, also had negative job opportunity consequences for women. That changed in the late 1980s, and the data show more women in professional, technical, and clerical positions in the service sector. Comparing the situation in Iran to other Middle East North Africa (MENA) countries shows that Iranian women’s participation in the labor force has been rising since the Revolution, mostly in the informal sector, and Iran is ranked third among Middle Eastern countries in overall participation rate.