NOTEWORTHY BOOKS IN INDUSTRIAL RELATIONS AND LABOR ECONOMICS, 2001.*

The Industrial Relations Section is pleased to announce that this year’s winners of the Richard A. Lester Award are Annette Bernhardt, Martina Morris, Mark S. Handcock, and Marc A. Scott for Divergent paths: economic mobility in the new American labor market.


Using a combination of sources, both about and by black railroaders, Arnesen describes their struggle against the industry’s segregation. The book follows the history of the black railroad workers from the antebellum era through the late twentieth century as they moved from enslaved laborers to porters and waiters and finally to skilled positions as brakemen and firemen. Despite this progress, African Americans continued to be excluded from the top-level positions of conductor and engineer. Though jobs with the railroads offered a better life for black workers and their families than many other areas, they were paid far less for doing the same work than their white counterparts. The established railroad labor unions excluded non-whites from membership and used their power to enforce discrimination in the industry. Railroad management encouraged the rift by using the black workers as a strikebreaking tool. Black railroaders fought to end these practices by establishing their own labor unions, which were successful not only in removing the racial barriers in their industry but also in laying the groundwork for the civil rights movement.

Bartik, Timothy J. *Jobs for the poor: can labor demand policies help?* Ithaca, NY 14851. Russell Sage Foundation (c/o CUP Services, P.O. Box 6525). 2001. 475 p. $55.00, cloth; $17.95, paper.

Recent efforts to reduce unemployment have for the most part focused on welfare reform and on increasing the skill level of those who are unable to find work. Bartik, a senior economist at the W.E. Upjohn Institute for Employment Research, proposes instead focusing on the demand side of the labor market. He undertakes a comprehensive review of the low-wage labor market, examining government programs such as Welfare-to-Work and the Earned Income Tax Credit, and determines that employment among the poor can be increased by targeted employer wage subsidies. He also explains how labor demand policies can avoid causing inflation or putting others out of work. Bartik’s proposal includes a program that would give a tax credit to employers in areas with high levels of unemployment and an offer of short-term subsidies to employers who hire people who are unlikely to find other jobs, strategies that would help make employment for all an achievable goal.

* Items on this list should be ordered directly from the publisher. Addresses are given in connection with each reference.

The authors describe how career development and upward mobility have changed in postindustrial society. Using data from the National Longitudinal Surveys (NLS), they compare two groups of young white men at critical points in their careers: during the greatest growth in their wages and when long term attachment to employers occurs. The first group entered the labor market in the late 1960s. The second group was the first to experience the restructuring of the labor market throughout their careers. The authors found that the latter group experienced increased job instability in the early years of their working lives compared to the earlier cohort. The more recent cohort had a 43 percent greater chance of changing jobs than the earlier group, in part possibly due to lower early marriage rates, longer school enrollment, population density shift to the southern states, and the shift in the U.S. economy toward the service sector. The authors also found that there is greater uncertainty and inequality of early wage growth than in the past. Even more important is the finding that upward mobility, defined as long-term wage growth, "has deteriorated for young men who entered the labor market in the 1980s," and is a permanent, downward change for the majority of workers. In examining policy options for career development and upward mobility, the authors focus on the employment relationship directly, recommending the creation of career ladders outside of firms, the strengthening of career ladders within firms, the improvement of low-wage jobs, and the improvement of labor market coordination through a formal structure for matching jobs to workers.


The essays in this volume examine discrimination, civil rights and affirmative action within the context of new immigration to America and international developments. The chapters in the first part of the book discuss the history of affirmative action policy in America, such as Erin Kelly and Frank Dobbin tracing the evolution of employer response to enforcement of anti-discrimination laws from reluctant compliance to the creation of diversity programs for "business advantage." The authors of the two chapters in Part II focus on African Americans and immigrants in the workplace—Lichter and Waldinger discussing the conflict between Asian and Latino immigrants and African Americans in Los Angeles and Jennifer Lee describing preferential hiring of African Americans in New York to act as cultural brokers with the African American community. In Part III Lawrence Bobo and Carol Swain and her colleagues examine the attitudes of Latinos and Asian Americans as well as European and African Americans toward affirmative action. The authors of the chapters in Part IV take a comparative approach, discussing Great Britain, France, and the "reservation" or quota system for lower castes in India. In the last chapter, Deborah Malamud analyzes the legal standing of affirmative action and civil rights, showing that the legal defense of affirmative action for African Americans is becoming more difficult than for women.


The studies in this book address the performance of the markets for labor and human capital in the Middle East and North Africa (MENA). Part I consists of
four studies, which survey labor market conditions for the region as a whole, each focusing on one of the four major characteristics of the region's labor and human capital markets: the high growth rate of the labor force, the overwhelming role of the state in employment and labor markets, the low average level of education and human capital compared to the average for middle-income countries, and the limited role of women in the formal economy. The six studies in Part II use micro-level household data to examine topics in the areas of accumulation of human capital, the efficiency of labor markets, returns to education, and fertility. These studies seek to answer such questions as: How would poor families change their investments in their children were their incomes to greatly increase? How do socioeconomic status, fertility decisions, and child education relate to one another? Is it reasonable to expect the market to compensate workers for decreased job security?


This volume is the sixth in a series of books reporting the results of the Multi-City Study of Urban Inequality. Using face-to-face interviews with 365 employers at 174 firms in Atlanta, Boston, Detroit, and Los Angeles to augment the telephone survey data that were collected for the Multi-City Study, the authors determine how and why hiring decisions are made in lower-skill labor markets. What they found is that stereotypes and prejudices often enter into the hiring and promotion processes. Moss and Tilly point out that the increasing emphasis on "soft skills" such as the ability to interact well with customers encourages subjective assessment and heightens the tendency of employers to rely on their preconceived notions about different ethnic groups. The authors also found that employers hiring workers who will interact with the public often hire with a bias towards matching the race of the employee to the race of the customer. In conclusion, Moss and Tilly suggest strategies such as training programs in interpersonal skills and work-readiness in addition to vigorous enforcement of existing anti-discrimination laws to improve the employment situation for low-skilled workers.


This work considers some consequences of worker participation in production, focusing on the plywood coops and the forestry worker coops in the Pacific Northwest. Pencavel notes that while coops are inherently risky businesses, they also demonstrated long-term viability and the ability to adjust to large and unpredictable product- and input-market shocks. Coops are appealing to workers in a number of ways. They provide workers with the opportunity to shape their work environment, with more security against cyclical layoffs, and are probably more efficient than capitalist firms. Because of the coop evidence, Pencavel suggests that company management be designed with worker participation mechanisms. A change in the National Labor Relations Act would be required to allow this to happen. Another interesting aspect of coops is the way in which the common cultural and ethnic heritage among worker-owners both benefits and hinders their success. Social capital with high levels of trust facilitates worker cooperation and enhances the efficiency of the firm. It is an attribute that is found more frequently in the Pacific Northwest than in other areas of the nation, notably the South, where the plywood industry migrated, but where similar coops have not been established.

The Saturn Corporation grew out of a joint union(UAW)-management(GM) exploration of the possibility of manufacturing a small car competitively in the United States. What resulted was a firm with single-source, American suppliers, a new car design, a new and unique sales and distribution structure, and an organizational structure based on joint consensus-based decision-making and principles of mutual trust and respect, with UAW representatives participating at every level of the company. Rubenstein and Kochan are convinced that the foundation of Saturn's successes and failures is its team-based work units. They note that the offline, problem-solving teams have not been as effective as the team-based work units, and that the decision-making councils at the two highest levels of the organization have also had varying success. When working well, Saturn has demonstrated high productivity and quality production, but there has been difficulty sustaining a high level of productivity. Though Rubenstein and Kochan believe that the local union adds value to the union-management partnership through the participation of leaders with an independent perspective and considerable expertise, they also attribute some productivity loss to declining morale and trust and a softening of the union-management partnership.


Using state-specific cost, benefit, and injury data from forty-eight states, from 1975 to 1995, the authors analyze the impact of deregulation on several principal objectives of workers' compensation: benefits adequacy, affordability, delivery system efficiency, and injury prevention. After providing an overview of workers' compensation, the authors examine the costs of the system to employers. They then explore the relationship between workers' compensation costs and benefit adequacy and affordability. They examine the economic theory of rate regulation and the empirical research regarding deregulation of workers' compensation insurance. Evidence suggests that the workers' compensation market is competitive in the absence of regulation, and that the impact of deregulation depends on the behavior of the regulatory agency, which in turn is affected by the political influence of the parties involved. The authors conclude that a completely deregulated market is a more efficient delivery system than either a partially deregulated market or administered pricing.


The two volumes in this set contain selected papers from the conference "Changes in Working Time in Canada and the United States," held in Ottawa in June, 1996. Volume I consists of four parts. The chapters in Part I give statistical overviews and analyses of the trends in working hours for Canada and the United States. Topics covered in Part II include rising earnings inequality via a vis working time, the underutilization of male labor in the United States in the last quarter century, and the growth of income and employment inequality in Australian cities during the same period. Part III concentrates on issues related to labor supply and hours constraints. The authors of the chapters in Part IV look at short-time compensation programs or work sharing agreements. The chapters in the second volume of this title include overviews of life cycle working patterns and trends in Canada and the United States, the decision to work at key points in the life cycle, payoffs to education among adults returning to school, and retirement and work patterns among older adults.