

an elucidatory text on Rosa Luxemburg's political economy, its merit is *much* more doubtful. And certainly one wonders what purpose is served, in 2015, by its publication in English.

Note

1. The most well-known interpretation of *Accumulation of Capital* as an under-consumptionist text is in Joan Robinson's introduction to the 1951 English translation. But although this is referenced in the endnotes, it does not rate a mention in the text, let alone any analysis or critique.

David Farnham, *The Changing Faces of Employment Relations: Global, Comparative and Theoretical Perspectives*, Palgrave Macmillan: London, 2015; 650 + xx pp.

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David Farnham's book enters the market as competition for comparative employment relations texts has intensified in a context of globalisation of labour market patterns. The task faced by all of these texts has been to find a viable balance between comparative analysis and providing sufficient detail on individual countries as a basis for comparison. One of the two main approaches to these issues has generally been adopted.

The first, more common, approach is characterised by Bamber et al. (2016). It provides a number of country-based studies that describe the main actors and processes in each country, with an introduction and conclusion that draw out the main themes in a conceptual framework such as convergence/divergence.

The second approach, characterised by Bean (1994), has been to select key themes (collective bargaining, trade unions, etc.) as a comparative lens. This approach is less common, and arguably more demanding in providing sufficient country-based data in which to ground the comparative themes without overwhelming the reader with detail. It is this approach that Farnham has undertaken, and done well.

Neither approach is ideal. The thematic focus is constrained by the choice of themes, and the lack of background detail on individual countries hinders a full understanding of their contribution to particular themes. Country-based studies offer detail with limited comparative analysis as a rule. They have also been constrained by the choice of countries, which has usually focused upon developed countries that have been the inspiration for most industrial relations theory. Recent examples, however, have attempted to broaden the range of countries studied to take account of globalisation, and have extended the theoretical framework, notably with Bamber et al. (2016). Some have achieved this through paired country comparisons, usually of similar countries (Barry and Wilkinson, 2011).

Nevertheless, both main approaches also share two further fundamental constraints. First, the unit of comparison, insofar as it occurs, is the nation state. This assumes that regulation and processes are mainly determined at this level. However, global forces and institutions have increasingly shaped the nature of employment relations. Other levels of comparison are also important within a global context, notably at industry or regional

level. Second, employment relations texts as a whole focus on the employment relationship, which is usually taken as definitional for the discipline. However, as these texts begin to take account of developing countries, it is necessary to broaden the focus to their large 'informal' sectors.

Farnham's book remains based on the employment relationship, but in many other respects successfully broadens the scope of its focus, as well as providing a remarkably coherent and approachable synthesis of theory and empirical detail for different countries. This is achieved within a modified systems theory based framework which is used as a heuristic device. A major modification of this framework is the combining of processes and outcomes, although it has to be acknowledged that this works well. The modified framework particularly takes account of globalisation, the growing impact of human resource management (HRM) approaches to labour regulation, the ascendancy of neo-liberal policy settings and the decline of regulated labour markets.

Farnham is strongly focused on the process of economic globalisation and its impact on employment relations, as the book's title indicates. Transnational corporations receive significant attention. In terms of the systems framework, the focus on globalisation means the inclusion of international agencies, such as the International Labour Organization (ILO) and European Union, as actors ('players' in Farnham's words) in the employment relations (ER) system. Globalisation is also evident in the scope of the countries examined, particularly taking account of rapid economic market development, and the emergence of institutional and regulatory regimes.

Theoretically, Farnham extends the liberal market versus coordinated market dichotomous paradigm to develop three ideal types: *laissez-faire*, social and developmental states. The *laissez-faire* countries broadly correspond with what have been identified as liberal market countries – the Anglo-Saxon dominant countries, particularly Australia, the UK, the USA, Canada and New Zealand – characterised by the dominance of market individualism with an emphasis on individual contracts and common law. As he notes, the state in these countries in recent times has re-regulated ER systems, rather than deregulated them, to ensure the pre-eminence of market individualism, although this has started and ended at different points in individual countries, with strong remnants of more collective approaches in cases such as the tribunal system in Australia. The social states broadly correspond with what have been identified previously as coordinated market economies, although it is somewhat broader in application. It refers to a model that seeks to de-commodify employment relations, at least to some extent, broadly characteristic of the 'European social model' of the European Union (EU). This has spread from Western to Eastern Europe as the EU has expanded its membership, although the actual content of the European social model is strongly contested, conceptually and in practice. Finally, the developmental states in East Asia, and more widely in Asia and South America, are characterised by a strong state role in rapid development of market economies, frequently under authoritarian regimes where labour is highly regulated. This has occurred in the first instance through a phase of exploiting the benefits of low-wage regimes with weak labour protections and suppression of union militancy, to attract foreign capital to export-oriented industries. In notable cases such as Japan, Malaysia and now China, this has shifted to a more value-added phase driving high wages and a consumer-oriented domestic market.

Broadly, Farnham indicates how income inequality at a national level reflects these types of economic states. Income inequality is lower for the social state types than the others, although many of the laissez-faire states share with them a high ranking in a democracy index, which is associated with established ER systems and institutions. However, he also stresses the importance of history and of the institutional and cultural contexts from which different systems have faced global trends, such as the decline of collectivism and trade unionism, and the influence of HRM. In addition, he identifies regional clusters of HRM practices and variety in management approaches. All of this leads to considerable diversity in ER systems still.

Consistent with this, Farnham's considerable achievement is to weave sufficient level of detail into the themes of globalisation reviewed in this book with a wide range of countries. Japan and Korea receive considerable attention along with the western European and Anglo-Saxon dominant countries with their well-established, but changing, institutional frameworks. In addition, the BRICS (Brazil, Russia, India, China and South Africa) countries – particularly China and India, as well as Malaysia and the eastern European post-Communist countries – receive substantial attention in relation to the growth of regulatory regimes and trade unions. China receives special attention for the emergence of a significant minimum wage system (although Malaysia's equally significant system does not). The evidence regarding the impact of Confucianism on workplace relations in China (and elsewhere), a subject of considerable debate in recent years among ER scholars, is substantially reviewed, as is a distinctive Indian HRM paradigm. In addition, the significant role of non-union forms of employee voice in eastern and western European countries is covered in detail.

The modified systems framework also takes account of the impact of HRM in expanding the players traditionally identified. Non-union employee voice receives substantial attention alongside the role of trade unions. The expanding role of both direct and representative forms of non-union employee voice across different legislative contexts is charted, often associated with HRM initiatives. Alongside that development, Farnham acknowledges the decline in union membership density as a global phenomenon. Accordingly, he includes worker participation and mediation, as well as worker resistance (informal and formal; collective and individual), among his processes and outcomes. However, he fails to take account of union membership growth in Asia, notably in Malaysia and China; in the latter case, this is because he discounts the independence of the Chinese unions, although at a local level this has grown in recent years.

The breadth and scope of Farnham's achievements are nonetheless considerable, at a conceptual as well as an empirical level. The text is also very accessible in style, language and layout. It deserves success as a text for senior employment relations students.

References

- Bamber GJ, Lansbury RD, Wailes N, et al. (eds) (2016) *International and Comparative Employment Relations: National Regulation, Global Changes*. 6th ed. Sydney, NSW, Australia: Allen & Unwin.
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