Industrial relations issues outside North America are discussed in Morley Gunderson and Anil Verma's chapter, "Industrial Relations in the Global Economy." The authors see globalization as IR's most pressing challenge and its greatest opportunity. Based on their consideration of the rationale and role of labor standards, the ILO, codes of fair competition, and international labor federations such as the International Confederation of Free Trade Unions, Gunderson and Verma conclude that international legislation for collective bargaining is unlikely. They expect international industrial relations to be shaped by an interplay between market and social forces, as the three core actors in IR (the union, the state, and employers) negotiate the changing status quo.

Internationalization is also a theme high on Paul Adler's agenda in "Towards Collaborative Interdependence: A Century of Change in the Organization of Work." Adler argues that a trend toward collaborative interdependence is evident in the progress from welfare work to scientific management, human relations, system rationalization, employee involvement, and, finally, the current stage of Business Process Re-Engineering. Adler observes, however, that "[there is a] gap, often a huge one, between the rhetoric of work organization as expressed in management literature and the reality of work organization as experienced by workers" (p. 392).

The third section starts with Richard Beaumont, Carlton Becker, and Sydney Robertson's "HR Today and Tomorrow: Organizational Strategy in Global Companies." This study of nine multinational corporations addresses the question of how HRM adds value to the business. The authors urge the HRM field "to work out if and when it needs to be an employee advocate, the conscience of the institution, provoker of modified managerial behaviors, a sociological soothsayer predicting the effects of external forces on the business, or some combination of all these" (p. 416). The two remaining chapters in the book's third section, both discussing a wide range of HRM issues, are William Brown, Geoffrey Latta, and Roderick Mullett's "Selected HR Issues" and Richard Beaumont's "Challenges and Balance."

In the final chapter of the collection, "Transiting from the Past to the Future," Richard Beaumont identifies several stages in the development of labor relations over the 75 years since the inauguration of IRC, outlines present conditions, and makes recommendations for the future. His historical summary sketches the conflicts between labor and capital that led to the Ludlow Massacre, a key event that resulted in a changed approach to the "labor problem"; the professional "humanistic" approach that subsequently took shape; the achievement of a balance of power between management and labor; and the shift in focus, in recent decades, from conflict to integration and interest alignment. Despite the broad trend away from conflict-prone practices, Beaumont observes, some managers still follow short-term goals with little concern for workers. He acknowledges that HRM must support business goals, but calls for continuing efforts to achieve a balance between business and employees. IRC, he says, has played a vital role in this development.

The considerable space devoted in this volume to examination of how two management support functions, IR and HRM, have developed over the past 75 years contrasts with the brevity of the authors' attempts to predict the role of HRM in the 21st century. The last two chapters, both by Beaumont, concern themselves less with prediction than with admonition: Chapter 14 outlines ten challenges to HRM, and Chapter 15 draws lessons from the past. Perhaps the apparent reluctance to play oracle is attributable to the underdevelopment of theory in IR and, even more so, in HRM. In both fields, John Dunlop once said, "mountains of facts have been piled up on the plains of human ignorance" (*Industrial Relations System,* 1958, pp. vi–vii). The mountain-building continues.

Thomas Klikauer
Professor of Employment Relations
College of Law and Business
University of Western Sydney, Australia

Economic and Social Security and Substandard Working Conditions

Low-Wage Workers in the New Economy. By Richard Kazis and Marc S. Miller. Washington, D.C.: Urban Institute Press, 2001. 360 pp. ISBN 0-87766-705-5, $32.50 (paper).

Welfare reform, which culminated in the passage of the Personal Responsibility and Work Opportunity Act in 1996, represented a dramatic shift in public policy away from an income support approach toward a work-based approach to poverty reduction. Coupled with a strong economy in the late 1990s, welfare reform re-

duced welfare rolls by over 50% and increased employment among the disproportionately low-wage, low-skilled population served by welfare. Although the articles in this book are not strictly limited to welfare-to-work transitions, welfare reform—and the policy shift it symbolized—was clearly the impetus for *Low-Wage Workers in the New Economy*.

Most of the papers in this volume summarize evidence—much of it qualitative—on the effectiveness of various approaches in reducing poverty through employment and draw policy implications from the evidence. As Richard Kazis freely admits in his introductory chapter, however, the evidence on these issues is often thin and subject to varied interpretation. Therefore, anyone looking to this book for definitive research on the efficacy of work-based anti-poverty programs and a tidy set of policy prescriptions will be disappointed. What the book does do, however, is to nicely compile available evidence, underscore the many gaps in our knowledge on the subject, and present a wide range of informed opinion on best practice and policy from a diverse group of researchers and practitioners.

A common premise of the articles in the book is that it is not difficult for welfare workers and other low-wage, low-skilled workers to find employment. The problem is rather that many workers fail to retain their jobs or, when they do retain them, they receive compensation that is insufficient to pull them out of poverty or near-poverty. Although this premise arguably needs to be tempered in the current economic climate, emphasis on job retention and low wage levels is still well placed.

The book begins with discussions of just how extensive the phenomenon of the working poor is. Two thoughtful articles, one by Gregory Acs, Katherin Ross Phillips, and Daniel McKensie and the other by Paul Osterman, illustrate the sensitivity of the estimated size of the low-wage work force to assumptions about what constitutes a "low wage" and who is a "worker." Osterman argues that some imprecision and flexibility are needed when defining the population.

The contributors in this book offer a wide range of policies to help the low-wage work force, broadly defined. The "work first" approach embraced in welfare reform emphasizes rapid placement in jobs and services that enhance job retention. Citing evidence from random assignment studies in Canada and the United States, Charles Michalopoulos finds support for the notion that sustained employment can lead to substantially higher wages, particularly if that employment is full-time. Yet there is little concrete evidence on just how programs may foster job retention among low-wage, low-skilled clients. Anu Rangarajan reports that the Post-Employment Services Demonstration, a large-scale demonstration project designed to increase retention among welfare clients through more intensive case management, better access to services, and the lowering of bureaucratic obstacles to support services, failed to find any significant impact in any of its treatments. Rangarajan speculates that an important flaw of the demonstration was its failure to adequately test for differences in client needs and to tailor services to those needs. Carol Clymer, Brandon Roberts, and Julie Strawn offer a number of pragmatic suggestions for Work First program administration based on observations of innovative state policies designed to foster steady employment among welfare clients.

Although welfare reform, with its work first approach, deemphasizes formal education and training for low-wage workers, several authors—most notably Anthony Carnevale and Stephen Rose—argue that further education and training are necessary for low-wage workers to advance. Colleen Dailey and Ray Boshara advocate the development of asset accounts, which would receive favorable tax treatment and could be used by workers for specific purposes, including education and training. Dailey and Boshara view such asset accounts as an important mechanism for encouraging the poor to save and to invest these savings in education and training. Other authors are more circumspect about the role of education and training in reducing poverty. Community colleges are the leading providers of education and training for low-wage, low-skill workers, and articles by Norton Grubb and by Edwin Melenedez and Carlos Suarez provide interesting critiques of the community college system. Grubb, in particular, points to many shortcomings of the system and calls for improvements in teaching, remedial education, guidance counseling, financial support, and social services for students.

Even when well-tailored education and training programs are in place, low-skilled workers are often poorly poised to take advantage of them. Although Julie Strawn and Karin Martinson see education and training as crucial to the advancement of low-skilled workers, they note that many of these workers already have enough difficulty coping with the stresses of work and family. Thus, they advocate short training segments offered at convenient times.

Less intensive programs, while perhaps better attended, risk being largely ineffective, however. For those who might see greater on-the-job training for low-skilled workers as a solution to this dilemma, Amanda Ahlstand et al. offer some sobering evidence from the ASTD Benchmarking Survey. The results from this survey of 2,500 employers show that the least educated are the least likely to receive employer-provided training, which, as the authors point out, further contributes to income gaps.

Many of the authors advocate the extension of subsidies—including the earned income tax credit and child and transportation subsidies—to support employment among low-wage workers. The oft-cited rationale for such subsidies is to "make work pay." In order to work, individuals incur costs, such as transportation and child care costs, and the wages they earn are often insufficient to cover these added costs or to provide much incentive to those on welfare to find employment and get off public assistance. Ideally, individuals, given appropriate incentives, will find and retain jobs, gain skills, and advance in their careers, so that the need for providing such subsidies to any individual will be temporary. A more pessimistic view holds that, for various reasons, the need for subsidies to many of these individuals is more permanent.

The view that "supply side" policies focusing on skill development and putting people to work are inadequate to deal with poverty and that policies to address fundamental labor market problems on the "demand side" are needed is expressed by several authors. For instance, two articles, one by Vicky Lovell and Heidi Hartmann, the other by Harry Holzer, point to discrimination as a serious impediment to labor market advancement among women and minorities and call for better enforcement of EEO laws. Sonia Pérez and Cecilia Muñoz call for reform of the nation's immigration laws, which, they argue, allow employers to disregard labor standards for illegal immigrants. Norton Grubb maintains that even with supply-side policies designed to improve workers' education and skills, many of the same workers will still be found at the bottom of the occupational hierarchy earning relatively low wages. Implicit is the argument that wage levels are driven by the occupational structure of jobs, that the occupational structure either does not adjust or adjusts slowly to changes in worker skills, and that existing wage structures will keep many in or near poverty. Grubb advocates full-employment macroeconomic policies, antidiscrimination policies, and, as in the chapter by John Foster-Bey and Beata Bednarz, state-level economic development policies designed to attract higher-paying industries.

Historically, possibly the most common collective response to a perceived problem of low wage levels has been to raise them directly—either through union action or through minimum wage laws and other labor standards. It is somewhat ironic and no doubt a sign of the political times that very little mention is made of unions or minimum wages in a volume devoted to policies for low-wage workers. The exceptions are articles by Vicky Lovell and Heidi Hartman, Brian Turner, and, most notably, Paul Osterman. The intellectual argument against raising wages directly through unions or minimum wage laws is that, in competitive labor markets, such increases will result in significant unemployment among low-wage workers. Certainly, this is a valid concern in many instances. The counterargument, briefly sketched in Osterman's article, is that labor markets are imperfectly competitive, there is considerable latitude in the setting of relative wages within organizations, wage outcomes are heavily influenced by norms, and minimum wages and union bargaining can influence the equilibrium wage structure through their influence on wage norms. The most compelling reason for more serious debate on labor law and unions, labor standards, and other demand side policies is the observation made by many of the book's authors that while supply side policies focusing on employment and training help some workers, they leave too many behind.

Susan Houseman

Senior Economist
W.E. Upjohn Institute for
Employment Research

The Economics of Work and Family. Edited by Jean Kimmel and Emily P. Hoffman. Kalamazoo, Mich.: W.E. Upjohn Institute for Employment Research, 2002. 191 pp. ISBN 0-88099-246-8, $35.00 (cloth); 0-88099-245-X, $15.00 (paper).

Child care policy, family leave policy, and other work/family issues have become increasingly important as mothers' labor force participation has increased. The labor force participation of married women with children under one year old doubled between 1975 and 1998 (Su-