these articles that performance-based pay is universally effective irrespective of national cultures, institutions, and economic conditions. But four country studies are clearly an inadequate basis for such a generalization, and thus a more systematic international study is necessary. For instance, a cross-national study investigating the effectiveness of each type of performance-based pay system might tell us which types are contextually sensitive and which are not. Multinational corporations would greatly benefit from such a study, because compensation management is a critical issue in international human resource management.

One subject absent from this book that I think would have improved it is stock-based compensation. Though stock options have been rapidly growing in popularity all over the world, stock-based compensation is not addressed by any of the authors except Kato, who studies the diffusion of ESOPs in Japan.

I recommend *Paying for Performance* both to international human resource management researchers and to practitioners. It is of considerable value not only for the information it offers on compensation systems of specific countries, but also for the illuminating cross-national comparison of performance-based pay it affords.

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Created from NAFTA: The Structure, Function, and Significance of the Treaty's Related Institutions. By Joseph A. McKinney. Lebanon, Pa.: M.E. Sharpe, 2000. 272 pp. ISBN 0-7656-0466-3, $60.95 (hardcover).

In *Created from NAFTA,* Joseph McKinney sets out to provide an overview of the "structure," "functions," and "significance" of the institutional structures created under the North American Free Trade Agreement (NAFTA), the most important of which are the Free Trade Commission and the commissions on labor and environmental cooperation. He partially succeeds. McKinney outlines how NAFTA's "related institutions" and structures came into being and summarizes some of their activities and proceedings extensively. He fails, however, to make a compelling case for their significance or effectiveness. Moreover, the terms "effective" and "significant" are never clearly related to particular goals or outcomes.

The book's core assertion seems to be that the institutional structures created by NAFTA will attain greater stature and influence as "dispute settlement" mechanisms and "cooperation and consultation" procedures come to "overshadow" the imperatives of regional trade and investment liberalization, which in time will culminate in a true "free trade zone." Given a widespread perception of the NAFTA labor and environmental side accords as ineffectual, and in light of growing criticism abroad of U.S. trade policy due to continued government subsidies and support of U.S.-based transnational corporations (such as in agriculture and steel), one wonders what McKinney's positive vision is based on. McKinney does not explain. Based on what recent evidence or historical precedence, and under what future circumstances, would NAFTA-related structures become more "significant" and "effective"? And on behalf of which social groups or political interests? These questions are insufficiently explored in *Created by NAFTA.*

McKinney seems to assume that gains derived from the neoliberal economic integration policies imposed by NAFTA are, for all practical purposes, universal. The notion that trade and investment liberalization produces "greater prosperity" is presented uncritically and without differentiation as to who benefits. "Labor abuses" and the prospect of "pollution havens," while acknowledged, are attributed to "disparities" in development between nations. Their relationship to neoliberal policy prescriptions or to systemic properties of laissez-faire capitalism, both of which transcend national borders, are left unexamined. Certain groups have indeed gained from neoliberal policies, but others have lost. There have been worldwide demonstrations protesting the effects of such globalization policies as privatization, deregulation, and trade and investment liberalization. Yet McKinney refers to widespread demands for guarantees of labor and environmental protections as "fears" or "concerns" over what "might" occur, not as a reaction to real trends of intensified exploitation, unemployment and economic upheaval, and environmental destruction that issue largely from liberalization policies—for example, the exploitation of mostly female labor in maquila export-processing zones, the economic devastation of industrial communities due to plant closings, the routing of unionization campaigns (in both developed

and developing nations) through the transfer of production, and the widespread contamination of soil, air, and water supplies due to industrial waste disposal and wildlife clearing. Whatever arguments can be marshaled for the ultimate wisdom of globalization policies, there is no ducking the fact that they have done and are doing serious harm.

McKinney's implicit denial of power imbalance and social conflict in his analysis of NAFTA-related institutions is consistent with, and perhaps stems from, his reliance on game theory concepts, which presuppose relative power equilibrium among nation-states and relative independence of political leaders from the interests of dominant socio-economic classes. In apparently embracing a modernist representation of nation-states as self-contained political and economic units, McKinney also ignores the global interconnectedness of capitalist development historically. This analytic approach leads McKinney to interpret U.S. multilateralism and NAFTA as an alternative to a U.S. geopolitical strategy of "hegemony." At least as strong a case could be made, I would argue, that U.S. multilateralism and NAFTA are a *manifestation* of that strategy.

Capitalism in the United States, Mexico, and Canada, as can be said for Central and South America and beyond, has developed interdependently over the course of several centuries. Today, the United States embodies the first truly global hegemonic power in history, and Mexico is viewed by many as a "semi-peripheral" zone of foreign transnational corporate domination. I believe that McKinney's portrayal of NAFTA-related institutions as a set of structures that brings together disparate economies and societies in a fundamentally unprecedented fashion fails to take into account the impact of this colonial past and neocolonial present. His emphasis on the difficulties in integrating countries with vast disparities in "culture, legal traditions, labor histories, and levels of economic development," as well as "size," "income levels," and "regulatory regimes," in my view misses the point that national economies have developed in relation to each other and that "disparities in development" reflect the historic predominance of powerful transnational economic interests.

McKinney attributes the shortcomings of NAFTA-related institutions, particularly those created in response to labor and environmental concerns, to their "early stage of development." Over time, he affirms, they will become more "robust" and effective. But many working people, social movement activists, and academics believe that NAFTA's *raison d'Ítre*—neoliberal trade and investment liberalization—directly conflicts with the goals of decent wages, decent working conditions, and ecologically sustainable development. McKinney's argument would be stronger if he acknowledged and responded to these perceptions.

For those looking for a summary of recent activities, functions, and procedural norms of NAFTA-related institutions, *Created by NAFTA* will prove a valuable resource. The reprinted labor and environmental side agreements, in addition to other appendices, are a useful reference. However, this work falls short of a critical engagement of the "significance" of NAFTA and neoliberal "free trade" policies. Such a discussion would have arrived in opportune fashion, given the profound social inequality and economic crises that beset our times.

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History

Culture of Misfortune: An Interpretive History of Textile Unionism in the United States. By Clete Daniel. Ithaca, N.Y.: ILR Press (an imprint of Cornell University Press), 2001. x, 327 pp. ISBN 0-8014-3853-5, $39.95 (cloth).

Clete Daniel's fine history of the failures of textile unionism in the United States during the middle decades of the twentieth century runs counter to the dominant tendencies in the writing of contemporary labor history. During the past two decades an enormous burst of historical scholarship has focused on textile workers, especially in the American South, and their struggles to secure a more stable and prosperous life. Among these studies—several of which are brilliant in their conception and execution—most have examined the culture and everyday lives of textile workers; some have described in detail the quotidian aspects of life and labor in small communities; some have analyzed the triumphs and failures of local unions; and many have either dissected the general failure of unions in southern mills or the deindustrialization of northern textiles. Daniel, however, is the first scholar in more