

Bosses, Workers and Southerners: three recent comparative economic sociologies

Charles Crothers

New Zealand has been included in several recent comparative economic sociologies, with New Zealander academics playing a central role in two of the three reviewed here. My assessment of these is mainly limited to a New Zealand-centred viewpoint, rather than attempting to comment on each overall.

Georgina Murray's (2006) source book of data on the ruling class in Australia and New Zealand is crammed full with a wide array of relevant data, all secured within a broad Marxist analysis – which is laid out in her first chapter. The following chapters each take a particular set of data-sources and present findings related to each:

- historical development in Australia of the rich based on reworking of data from past compilations
- characteristics of Australasian directors based on Business Directories, analysis of Who's Who and Murray's own considerable interview studies;
- characteristics of Australian, and then New Zealand, interlocking directorates, including the very important 'ownership penetration indices of share-holding blocks (based on annual reports and some business statistical compilations);
- Pro-Business ideologies and the role of think tanks in providing these (sources include websites)
- the role of women in the ruling class (various data).

A wider range of data and interpretive material is inserted throughout the book, with the boxed vignettes of various ruling class members providing a useful descriptive backdrop. Georgina rightly rejects the prevailing myths of Australasian societies being classless, although the myths are apparently more correct about the extent of rags to riches experiences, since many fortunes are first-generation. The array of data she has assembled certainly allows the lineaments of the ruling classes to emerge from the partial invisibility in which they are usually obscured. The full extent of the detailed workings of the ruling class is not entirely made clear, however, with a necessary concentration on the more or less

visible aspects of the corporate elite and documentation of it – e.g. Who's Who entries or board membership on publicly listed companies. It is not clear how the whole (in conjunction with overseas capitalist interests) operates or in what areas and how it projects its power, as the limitations inherent in statistical or interview-based glimpses are too great, and the interpretive suggestiveness of the various models available in the relevant scholarly literature are also limited. Not all available descriptive material has been pressed into service: for example, the operations of family dynasties is left to Gilding's complementary research, the thorough documentation provided by McAloon (2002) is not used, while wider topics such as the relationship between elite and the rest of the population are left unremarked.

With very little written on the New Zealand corporate elite over the last two decades, the New Zealand coverage is of particular local importance. However, NZ data is less frequently deployed than Australian data and there is little systematic comparison or consideration of the Australasian regional level of capitalism. With more recent available material the acknowledged gap in the treatment of Maori economic life might now be more readily overcome.

Workers Voice (edited by Freeman, Boxall and Haynes, 2007) is a careful systematic comparative study, based on survey data, of union activity across six Anglo-American countries. The similarities amongst these countries are set-up (and carefully empirically documented) early in the book:

Despite being located in three different geographic areas, the Anglo-American countries have a common language and legal tradition, have close economic and political ties, and are linked by flows of people, goods and capital. Many of the same firms operate in each country. The unions in each pay more attention to their counterparts within the group than to unions in other countries. The Anglo-American brand of capitalism – market orientated and open to competition, with modest welfare states, and income transfer systems – differentiates the countries from [others] (p.1).

It is then claimed that these countries are seldom examined as a group and that useful analytical lessons might be derived from examining differences within it, presumably to hold background constant while

examining the different effects of variations of such variables as employer views, globalisation and state policies. Further, the editors argue, interestingly, that “We further show that adjacent countries – the US/Canada, the UK/Ireland, Australia /NZ – have particularly close institutional arrangements, which justified treating them as pairs in some analyses” (p. 5).

The study examines the union (including joint consultative committees and works councils) and non-union (namely ‘town hall meetings’, team briefing sessions, employee involvement groups, problem-solving teams and more autonomous jobs) voices employees have, and then relate this against what they want. “Participation covers an array of activities in which managers engage workers in work-related decisions, either on the job or off it, and through which workers can exercise some kind of influence in how their work is organised or their workplaces are run” (p.3). Importantly, the editors point out that institutions representing employee interests and those fostering employee participation in management overlap, despite a frequently drawn distinction between them, in considerable part because although set up in particular ways they can then get subverted in practise. This broad view ensures that the topic is well-covered.

The study addresses four core sets of questions:

- union representation gaps
- worker attitudes towards representation generally
- worker attitudes toward participation and styles of voice
- policy/ institutional structure effects on employee voice.

The New Zealand data comes from the *NZ Worker Representation and Participation Survey* (NZWRPS) 2003 – telephone interviews with c1000 employees with response rate of 47.8%. The key cross-national findings are that:

- “Many more workers want traditional, union-based representation than are organized; unfulfilled demand for unionism is greatest among workers who are vulnerable or who have severe workplace problems
- worker needs for representation vary in important ways, no single mode of employee voice, such as unionism can fit the needs of all workers

- by and large workers endorse the growth of management-driven forms of involvement and show a strong preference for the expansion of more cooperative styles of voice” (p23).

The New Zealand context has been one of falling trade union density in the early 1990s, from which it has yet to substantially recover. However, management has often been consultative and innovative in ways of doing this. NZ workers report high levels of employee satisfaction and enjoy low unemployment rates, although the rate of productivity growth, skill shortages and turnover are problems for employers. It was found that Australia and NZ were very similar in terms of

..attitudes of workers toward unions, toward non-union voice and toward labor-management cooperation” [however] the voice regime in New Zealand [because of the different ideologies and policies of the two different governments]..has been evolving into a more stable, more consensual model than in Australia, which has headed into a serious crisis over the shape of its voice institutions (p23).

Key issues, such as the union-related difficulties of young workers and of those in small workplaces, are carefully analysed in detail, with reference to academic articles published elsewhere.

One of the launches of Connell’s rapidly visible book on *Southern Theory* (2007) was in Auckland in late 2007 at the joint Australia/New Zealand Sociological Associations conference, and her positionality of including Australia in the Southern world, should surely stretch across the Tasman to include NZ as well. Raewyn advances a four-prong argument:

- that northern theory does not adequately treat the south,
- that Antipodean (and other Southern) sociologies mainly function as a data-mine for Northern theories;
- that the South has nevertheless developed intellectual ideas even if these are inadequately respected;
- that the South throws up issues not adequately handled in Northern theory.

Although there is much to quibble about with details of her argument, it certainly provides an impetus for thinking about a highly important topic. More attention to New Zealand (and Pacific) material would have

strengthened this book. Extended treatment is provided of the most obvious case of Southern theoretical influence – the impact of Latin American development theorists. However, New Zealand (and Australia) was prominent in world policy thinking about the turn of the last century, and the book fails to register the importance of the Wakefield theory of colonisation as applied in the antipodes, or the major worldwide effect of “New Zealandisation” around the Liberal period of government (Coleman, 1987), not to mention the recent and rather more ambivalent effects of New Zealand’s role as a neo-liberal and then ‘third wave/social democratic’ model as documented by writers such as Jane Kelsey. While these may not be social theory in a narrow sense, neither is some of the material covered in the book.

In the penultimate chapter attention is extended to land issues, extending sociological concern beyond the analysis of the landholding class prominent in earlier social theory to indigenous land issues. Part of this includes reference to the land dispossession processes in Hawaii in which land was lost in a complex process involving lenders and other local agents which is contrasted with the “...direct colonial conquest as in Australia, or in other parts of Polynesia such as New Zealand and Tahiti” (p204: note, the only reference to New Zealand in the index). However, the contrast with New Zealand is far too crudely put, as similar mechanisms which were responsible for the dispossession of much Maori land were in operation here. More generally, inclusion of material generated by the rise of thinking by ‘first nation’ people so prominent in the writings of many Maori scholars, and especially on indigenous methodologies, could have usefully extended the book.

The three books reviewed in this essay fall amongst other recent comparative studies which touch on – or potentially touch on – New Zealand. Such studies are valuable in ensuring that NZ material on a particular subject-area of very considerable importance is covered, with insights gleaned from a comparative context, and moreover that it receives more attention within an international and comparative intellectual context. All three of these books extend the platform of useful material to be drawn on in New Zealand sociology.

References:

- Coleman, Peter J. (1987) *Progressivism and the World of Reform: New Zealand and the Origins of the American Welfare State* University Press of Kansas
- Connell, Raewyn (2007) *Southern Theory: the global dynamics of knowledge in social science* Crows Nest, NSW: Allen & Unwin
- Freeman, Richard; Peter Boxall and Peter Haynes (eds.) (2007) *What workers say: employee voice in the Anglo-American workplace* Ithaca/London: ILR Press
- Murray, Georgina (2006) *Capitalist Networks and Social Power in NZ* Aldershot: Ashgate
- McAloon, J. (2002) *No Idle Rich: the Wealthy in Canterbury and Otago 1840-1914*, 230pp, Dunedin: University of Otago Press, 2002.