COMPARATIVE POLITICS

Receding Power: Tactics for Mobilizing Tech Workers.

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The widespread weakening of working-class organizations was in many ways the most consequential fallout of the neoliberal era. In political terms, we know that union members are more likely to participate in elections, to vote for the political Left, and to have higher preferences for redistribution than non-unionized working people. As they lost members among the lower strata, unions became a less powerful force for redistributive policies, which paved the way for a decline in electoral turnout and an increase in radical right voting. In economic terms, the decline of trade unions contributed to increased income inequality, both at the top end (increasing the share of the super-rich) and at the low end (increasing the proportion of people in poverty). To be sure, organized labor did manage to mitigate precarious employment and welfare standards, on various occasions, in industrial relations (Virginia Doellgast et al., Reconstructing Solidarity: Labour Unions, Precarious Work, and the Politics of Institutional Change in Europe, 2018) and policy making (Philip Rathgeb, Strong Governments, Precarious Workers: Labor Market Policy in the Era of Liberalization, 2018).

Overall, it is nevertheless fair to say that working-class organizations saw themselves confronted with a myriad of Sachzwängen (“constraints”) operating in favor of employers, managers, and financial elites. But the material underpinnings of neoliberal reform are by no means omnipotent: labor agency can—and, at times, does—trump capitalist constraints, as we learn from the excellent books by Virginia Doellgast, Exit, Voice, and Solidarity, and Sydney A. Rothstein, Receding Power. By focusing on the real-world struggles of working people in contesting precariousness and layoffs, they provide fresh insights on the causal conditions of union success and failure in the age of globalization.

Receding Power starts from the premise that the force of neoliberalism is not necessarily structural in nature; its power stems, at least in part, from the hegemonic discourse deployed by managers to appease workers. In this view, managers mobilize their power through a discursive strategy of “market fundamentalism”: a religiously laden belief in market forces that discounts open debate at the expense of working people (see Fred L. Block and Margaret R. Somers, The Power of Market Fundamentalism: Karl Polanyi’s Critique, 2014).

The key argument of Receding Power is that once workers unite around a view that calls into question the seemingly inevitable nature of mass layoffs and develop a coherent workplace discourse that challenges managerial accounts on noneconomic (“reciprocity”) or economic (“rational reconstruction”) grounds, they have a chance to reassert themselves and put constraints on capital’s offensive. Rothstein demonstrates this argument of how to “recode” discursive power by analyzing the struggles of tech workers against layoffs. The focus on the tech sector is an important contextual condition because the workers employed there are often seen as part of the “labor aristocracy” or, in more contemporary terms, the “winners of globalization.” Because these workers have much-needed skills in today’s knowledge economies, they tend to worry little about job security. Hence, the tech sector puts the question of labor agency and solidarity to a hard test. Indeed, the mass layoffs prompted by the bursting dot-com bubble in the early 2000s initially caught tech workers relatively off-guard. Faced with a sector-specific economic downturn, they needed to bolster their associational power, because they could no longer rely on their market power.

Its research design is one of Recording Power’s key strengths. Drawing on a most-similar systems/different-outcomes design (MSDO), the empirical chapters trace stories of success and failure in relatively similar labor-friendly institutional contexts (Germany) and labor-hostile institutional contexts (United States). By controlling for the national-level institutional contexts of worker representation, the case selection can zoom in on the role of company-level labor discourses in explaining variations in the outcome of interest, such as the prevention of mass layoffs. Rothstein shows how the construction of a different “common sense” makes layoffs appear less inevitable than structuralist accounts would suggest, comparing worker struggles at IBM in the United States and Siemens/Infineon in Germany. For reasons of space, I can say much less than I would like about the individual chapters, but it suffices to say that they demonstrate the strengths of substantively committed qualitative research: they draw on a reflective methodological approach that assembles a rich empirical basis of interview evidence with original documents. The author must be commended for the reflective and insightful discussion of the methodological choices made during the research process, as presented in the appendix.

The argument developed in Exit, Voice, and Solidarity speaks in many ways to the agency-oriented approach in Receding Power. Drawing on previous work with colleagues, Doellgast’s analysis highlights the role of both institutional and associational union power in curbing...
precarity. The analogy in the title to Albert Hirshman’s seminal work (Exit, Voice, and Loyalty, 1970) sets the stage for the book’s argument: whereas “exit” from prevailing regulatory constraints is the preferred option of employers, workers want to be involved in management decisions as a way of exercising their “voice.” The design of labor market institutions and collective bargaining arrangements shapes the extent to which unions can derive the institutional power needed to constrain exit options for employers, such as layoffs and outsourcing, and give voice to workers; for example, by sitting on company boards. Doellgast thus places more emphasis on institutional forms of power than Rothstein, but the third central factor of her analysis—inclusive solidarity—adds contingency and complexity to the argument in ways that complement rather than compete with the causal logic of Recoding Power. Put simply, labor-friendly institutions certainly help workers represent their interests, but without a shared sense of a common fate, employers can still pit them off against each other.

Doellgast demonstrates the confluence of institutional and associational power in labor management dynamics in the telecom sector across 10 countries in Europe and the United States. The telecom sector offers fertile ground for Doellgast to investigate how working people resist liberalizing demands in a particularly challenged environment characterized by enhanced global competition, increased shareholder value orientation, declining market shares, and (partial) privatizations that caused radical job restructuring plans to move forward across the board. The case studies’ focus on company-level dynamics accounts for the diverse national-level labor market institutions and sectoral industrial relations in which unions find themselves.

The comparative overview of the book highlights the power-distributional implications of institutional legacies in favor of workers. However, even in labor-friendly institutions, unions had to be creative in developing the solidarity needed to respond to employers’ attempts to escape from prevailing regulatory arrangements, leading to the conclusion that institutionally derived “structure was not destiny” for the fortunes of workers (246). Across the empirical chapters, employers use any possible interpretations and levels of discretion available to overcome institutionalized barriers to their managerial prerogatives. This leads Doellgast to conclude that it takes strong trade unions to restore good jobs and working conditions, rather than “enlightened” employers who discover the virtues of labor-inclusive management, or inclusive skill formation systems aimed to promote market-based rewards for social concerns.

These two books have many different individual merits, but what they have in common is that they contribute to our understanding of labor agency and organizing in hard times. Comparativists have been wary before of “one size fits all” stories of unidirectional neoliberal change at the expense of working people. Even those who argue that liberalization is the only game in town have been quick to endorse that it is a “protean project” (Lucio Baccaro and Chris Howell, Trajectories of Neoliberal Transformation: European Industrial Relations since the 1970s, 2017) and that there are “varieties of liberalization” (Kathleen Thelen, Varieties of Liberalization: The New Politics of Social Solidarity, 2014).

However, the workplace focus has the advantage of revealing the microlevel dynamics contributing to variation in workers’ fortunes, illuminating the contingencies and decisions taken (or not taken) from a shorter distance than macrostudies of industrial relations or public policy. Beyond the methodological merits of microlevel case studies, the workplace perspective recenters the sphere of work as more than an occupational category. “Class” may be back in much of comparative political economy, welfare state research, and comparative politics, but the conventional focus on opinion polls obscures the institutional contexts (Doellgast) and workplace discourses (Rothstein) that mediate how working people develop their problem perceptions, policy preferences, and modes of interest representation. In this way, Recoding Power and Exit, Voice, and Solidarity hold important implications beyond the disciplinary confines of employment and labor relations scholarship, especially for scholars of political science and political economy.

The big takeaway of these two books may be that the fortunes of trade unions have never been as doomed as they seemed under neoliberalism. The question for future research arising from the microlevel approaches taken by Doellgast and Rothstein is how the emerging post-neoliberal order reshapes the opportunities and constraints faced by labor agency. To be sure, liberalization has shifted the balance of class forces in more enduring ways, but there is reason to believe that unions are starting to find themselves in a different macro-political context. For example, recent EU directives have aimed to enhance minimum tax levels for multinational companies, strengthen minimum wage and collective bargaining regulations, provide fiscal grants and loans instead of imposing member state austerity (NGEU), and introduce greater environmental and social regulations for corporate supply chains. The economic thinking seems to have changed not only in Brussels but also in Washington, DC, as evidenced by the return of massive industrial policies and union-friendly policies. By showing how working people can organize and succeed even in hard times, Recoding Power and Exit, Voice, and Solidarity will stimulate debates about the fortunes of trade unions in the years to come.