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*Comparative Political Economy of Work*, by **Marco Hauptmeier & Matt Vidal** (Eds.). Basingstoke: Palgrave MacMillan, 2014. 358 pp. \$46.00 Paperback. ISBN: 9781137322272

In *Comparative Political Economy of Work*, the editors and contributors examine various aspects of labor relations among advanced capitalist countries in the immediate post-crisis period. In a well-written and highly informative introductory chapter, editors Matt Vidal and Marco Hauptmeier articulate the key goal of the anthology, which is to initiate a dialogue between “comparative political economy” (CPE) and “labour process theory” (LPT) [sic]. While the “dialogue” proceeds more often than not as a frontal assault on one variant of CPE (Varieties of Capitalism [VoC]) and different underlying assumptions of CPE (VoC) and LPT necessarily produce alternative research programs, the collection rightly diagnoses a tension in political economy (broadly conceived) that, if addressed, could help to reorient the field.

Vidal and Hauptmeier’s introductory review traces the historical development of the two bodies of literature. American readers will recognize LPT as the intellectual offspring of Harry Braverman and further elaborated by Michael Burroway’s classic analysis of shop-floor dynamics. LPT provides a distinctly Marxist account of labor-relations insofar as any particular instance of firm level governance is a solution to the common tensions produced by capitalist relations of production: the conflicting interests of capital and labor *vis* control and remuneration. For Vidal and Hauptmeier, CPE emerged in the 1970s as a backlash against the post-war hegemony of neoclassical economics and modernization theory. Beginning with the concept of neo-corporatism in the 1970s, progressing through cross-national comparisons of industrial relations by Ronald Dore and Wolfgang Streeck and climaxing with Hall and Soskice’s *Varieties of Capitalism* (VoC), CPE focuses “on national institutions and politics in structuring and shaping social and economic life” (3). That is, CPE eschews general notions of capitalism and instead focuses upon the ways in which the form and function of national economies depart in significant ways from the pure capitalist archetype, and can only be comprehended by attending to variation in key institutions across countries.

Space constraints preclude a discussion of each chapter, so I instead focus on several individual chapters that together offer a representative picture of the book’s major themes. Jason Heyes, Paul Lewis and Ian Clark tackle the causes and consequences of the “great recession.” Openly hostile to VoC, the authors begin by locating the causes of the financial crisis in the incompatibility of two contending models of growth: financialization (occurring primarily in liberal market economies [LME]) and export-led growth (occurring primarily in coordinated market economies [CME]), which lead to interdependent current account imbalances such as the US/Chinese trade deficit/surplus. Consistent with LPT, the authors argue that both models have in common a tendency to weaken the position of labor *vis-à-vis* capital. The data marshaled present a rather nuanced portrait, however, insofar as there remaining yawning gaps in union density, income inequality, collective bargaining and social spending between CMEs and LMEs, with no clear pattern in relative changes over time.

A manifest and latent critique of the VoC perspective is a common theme in the book, as is a failure to find empirical evidence consistent with VoC expectations. In examining the effect of employment flexibility on unionization and strikes in the European Union, for example, Jansen and Akkerman find little evidence that these effects vary across VoC. Tackling the key VoC insight that

particular national capitalisms generate particularly types of competitive advantage, Kirchner and Beyer compare the trajectories of flexibilization and innovation of German firms to an ideal-typical diversified quality production model. The authors find elements of the traditional German model among the heavy manufacturing firms, but that even this model has undergone a transformation towards greater flexibility through outsourcing. Moreover, the authors argue there is more (sectoral) diversity than might be expected by the VoC perspective. Lillie, Wagner and Berntsen examine the construction industry in three select CMEs (Finland, Germany and the Netherlands), and contend that EU regionalization erodes national industrial relation systems through the promotion of “spaces of exception” via labor posting. Such spaces occur when firms in one EU country post contract laborers in another EU countries, who are then subject to the industrial relations systems in the home rather than the host country. This process creates competitive pressures in the EU, as domestic firms in the host country must now compete with firms utilizing (cheaper) posted labor. In turn, these competitive pressures undermine a key mechanism of institutional stability in CMEs—the support of capital for labor friendly industrial relations policy—because individual firms face a choice between using this form of “insourcing” to circumvent national labor policy, or suffering a competitive disadvantage by choosing not to.

So what can be learned from the dialogue between LPT and CPE as advanced in the chapters of this anthology? For one, varying explanandum will naturally produce varying explanans. For example, while it is true that comparative political economists (VoC scholars) have “failed to develop an understanding of capitalism as a system,” and labour process theorists have failed to advance “a systematic understanding of how institutions structure and affect workplace dynamics and employment relations,” it is also true that American football players have failed to develop an appreciable skill for pitching and base running and baseball players have failed to master tackling and the forward pass (16; 18). But in articulating the LPT and CPE in this way, the authors have diagnosed a key problem in contemporary political economy: how can we explain significant political-economic changes happening in advanced capitalist countries *vis-à-vis* the immediate post-war period, where liberalization appears to advance everywhere with perhaps slightly different flavors?

The clearest attempt to address this tension is the much less conciliatory solo-chapter by Matt Vidal, who articulates a defiant (to VoC) Marxist Institutional program for CPE that is rooted in Regulation Theory (the European sister to the American *Social Structures of Accumulation* school). Taking Wolfgang’s Streeck’s recent call for political economists to remember the commonalities of capitalism as a point of departure, Vidal reverses the causal salience of capitalism and institutions—“it is better to begin with [capitalism and] to understand how [it] is institutionalized in specific times and places” than to conceptualize the world as consisting of varying, institutionally determined capitalisms (75). While this may at first seem like a distinction without a difference, it represents a significant theoretical departure from the simplifying assumptions of the VoC perspective. Economic change should not be analyzed as the product of distinct configurations of national institutions. Rather, countries experience common pressures emanating from the prevailing “generic accumulation regime” (Fordism, then post-Fordism), but economic dysfunctions (e.g. crises) will vary across countries because the particular institutional configuration in a given country makes some types of responses more likely than others for both political and economic reasons. For this reader, this would be a refreshing change of course indeed.

Understanding the common pressures exerted by an ideal-typical model of capitalism would allow us to understand *why* countries are changing in particular ways without the need for untheorized “exogenous shocks.” Attending to the particular constellation of national institutions at any point in time would allow us to predict *how* they are likely to change in the future without the need to presuppose that a particular constellation will reproduce itself over time.