This chapter discusses the emergence of downgraded and informal sectors of European labour markets staffed by socially marginal migrants and ethnic minorities. These parts of the economy and the labour market seem to represent a ‘pre-modern’ regression in terms of organization and management. Yet the processes through which this occurs are part and parcel of advanced capitalist strategies of deregulation for the enhancement of ‘flexibility’ in terms of a networked economy and society and a fragmented labour market. This point is illustrated by case studies of industrial restructuring from Britain, the Netherlands, Spain, and Portugal. These examples exhibit advanced corporate strategies heading the ongoing restructuring of the political economy and European societies, and reflect processes typical for different economic sectors. The cases also demonstrate the impact of the different national institutional contexts and welfare regimes in which these strategies of restructuring are embedded.

This chapter analyzes the economic ‘push’ factors that lead to early exit from work. Some firms co-sponsor early retirement via occupational
pensions in order to facilitate restructuring. Deindustrialization, mass unemployment, and privatization have increased structural push, with early exit spreading widely across sectors. Two varieties of capitalism can be observed: early exit is used by firms to adapt to regulated labor markets in Continental coordinated market economies, it is more cyclical and infrequent in Anglophone flexible labor markets, while Japan and Sweden are exceptional cases that integrate older workers.

Summary
Scott Barrett
in Environment and Statecraft: The Strategy of Environmental Treaty-Making
Published in print: 2005 Published Online: October 2005
Item type: chapter

This chapter briefly summarizes the book, by developing ten key points.

Managing Corporate Growth
Jordi Canals
Published in print: 1999 Published Online: October 2011
Item type: book

As economic growth in Western countries shows signs of fatigue, companies are battling hard to discover how to generate and sustain corporate growth. The restructuring and reengineering processes of the early 1990s, and the massive lay-offs they brought about, have only given an additional boost to the need for expansion. Corporate efficiency is indispensable, but is not a sufficient condition for corporate survival. Firms need to think about their future growth. This book provides a comprehensive overview of the phenomenon of corporate growth, offering a multi-functional, general management approach and a full discussion of main theories and approaches.

Chapter 4
Georgina Waylen
in Engendering Transitions: Women's Mobilization, Institutions and Gender Outcomes
Published in print: 2007 Published Online: September 2007
Publisher: Oxford University Press
The final part of the book deals with the relationship between transitions to democracy, women's substantive representation, and policy outcomes. It completes the analysis of the circumstances under which a transition to democracy can alter different women's access to policymaking and with what results. After examining women's access to policymaking and gender policies under state socialist and authoritarian regimes, it moves on to look at post-transition outcomes. It focuses on the machinery of the state with regard to women, constitutional/legal frameworks, and codes, before turning to look at gender policy outcomes in three different areas: divorce and family law, domestic violence, and reproductive rights, particularly abortion. The final section examines how the social and economic transitions that have so often accompanied transition to democracy are gendered through an exploration of market reforms and welfare structuring.

Introduction
Jochen Clasen

in Reforming European Welfare States: Germany and the United Kingdom Compared

Published in print: 2005 Published Online: February 2006
Published by: Oxford University Press
DOI: 10.1093/0199270716.003.0001
Item type: chapter

This introductory chapter reflects on the need for in-depth historically sensitive research on the development of advanced welfare states. Contrasting the diverging trends and social and economic fortunes in the UK and Germany since the late 1970s, it argues that the two countries have all but undergone a role reversal in terms of their efficiency and sustainability as models of modern social capitalism. The chapter introduces the aims of the book, i.e. empirical investigation into, and causes for, the development of three major social policy domains in the two countries over the past 25 years or so. In order to comprehend similarities and diverging trends, multi-causal accounts at programme level are required.
Welfare state reform and restructuring
Jochen Clasen

in Reforming European Welfare States: Germany and the United Kingdom Compared

Published in print: 2005 Published Online: February 2006
Item type: chapter

Publisher: Oxford University Press
DOI: 10.1093/0199270716.003.0002

The chapter puts the book into the context of the contemporary discussion on welfare state reform, and reflects on major concepts and guiding notions, such as retrenchment, re-calibration, and restructuring. It argues in favour of a robust conceptualisation and operationalisation of the ‘dependent variable’, combining both quantitative parameters, such as social spending, with qualitative ‘social rights’ indicators. Furthermore, the chapter underlines the interest both in capturing changes in policy direction (expansion or retrenchment) as well as in assessing policy profiles or patterns of change.

Conclusion
Jochen Clasen

in Reforming European Welfare States: Germany and the United Kingdom Compared

Published in print: 2005 Published Online: February 2006
Item type: chapter

This chapter reviews the results of the empirical chapters in the light of conceptual and theoretical discussions in earlier chapters. It argues that historically sensitive diachronic comparisons of policy programmes are particularly suited for a systematic empirical welfare state analyses. Reviewing factors which impinged on policy change, it argues for a multi-causal accounts of change taking account of institutional variation and diverse actor constellation across welfare state programmes. It concludes with an assessment of the EU on national policy making which has been fairly modest in the three domains covered, but it likely to gain relevance in all of them.
Dealing Comprehensively, and Justly, with Sovereign Debt

Jack Boorman

in Sovereign Debt at the Crossroads: Challenges and Proposals for Resolving the Third World Debt Crisis

Published in print: 2006 Published Online: May 2006
Item type: chapter

This chapter discusses ideas for resolving debt crises. It argues that a narrow focus on debt relief in HIPCs is insufficient and that the activist community and lenders must look to finding broader measures of foreign aid and creating a fair trading environment. In the end, finding the “right” level of debt relief is impossible and ignores the more important aim of delivering a better life to impoverished people. Support is given to a proposal floated by the IMF for a sovereign debt restructuring mechanism (SDRM) to resolve pending debt crises in developing countries.

The IMF's SDRM—Simply Disastrous Rescheduling Management?

Kunibert Raffer

in Sovereign Debt at the Crossroads: Challenges and Proposals for Resolving the Third World Debt Crisis

Published in print: 2006 Published Online: May 2006
Item type: chapter

This chapter argues that that the IMF's sovereign debt restructuring mechanism (SDRM) is misguided in several ways. Most importantly, the SDRM proposal leaves the IMF itself in the position of having to make two crucial decisions: whether to endorse a stay of payments to creditors, and what amount of debt is “sustainable”, i.e., how much debt should be written off. This decision-making capacity creates a conflict of interest, as the IMF itself is almost always a creditor to countries experiencing debt crises. As an alternative to the IMF's SDRM, a mechanism modeled on Chapter 9 of the US bankruptcy code is proposed, which applies to municipalities and resolves some of the knotty problems of dealing with public (as compared with private) insolvency. This approach would rely on ad hoc panels formed by the debtor and creditor committees and therefore would not require that the IMF serve as arbitrator.
This chapter looks at exchange rate management and other policy options for an open economy. It begins with an introductory discussion of overall macroeconomic management for open economies, including the issues of internal and external balance and inflation targeting. It then examines how countries can attempt to manage the exchange rate. Topics covered in this section include the benefits of maintaining an undervalued exchange rate in some developing countries, government interventions to smooth out exchange rate fluctuations, and the trade-off between stability and flexibility when choosing an exchange rate regime. The chapter concludes with an analysis of other policy options in open economies, including heterodox microeconomic interventions, public sector liability management, and debt restructuring.

Brazilian Firms and the Challenge of Competitiveness

Thomaz Wood Jr and Miguel P. Caldas

Since the late 1980s, Mexican firms have faced a variety of environmental changes including the privatization of state-owned firms, opening of markets to foreign trade and investment, increased domestic and foreign competition, political change, and economic crises. Mexican firms have increasingly undertaken new strategies: many have expanded into foreign markets while others have ‘restructured’ their portfolios of diversified subsidiaries. This chapter examines the degree to which increasing international and sector diversification is related to improved firm performance. Interviews were conducted with executives from over a dozen of the largest firms in Mexico to obtain answers to the research question. The results indicate that, in general, expanding businesses
across sectors and outside of Mexico led to more stable and sustainable performance.

The New Politics of the Welfare State
Paul Pierson (ed.)

Published in print: 2001 Published Online: November 2003
Item type: book

The welfare states of the affluent democracies now stand at the centre of political discussion and social conflict. In this book, which grew out of two conferences held at the Center for European Studies, Harvard University, in November 1997 and October 1998, an international team of leading analysts reject simplistic claims about the impact of economic ‘globalization’. Whilst accepting that economic, demographic, and social pressures on the welfare state are very real, they argue that many of the most fundamental challenges have little to do with globalization. In contrast to many popular accounts, the authors detect few signs of a convergence of national social policies towards an American-style lowest common denominator. The contemporary politics of the welfare state takes shape against a backdrop of both intense pressures for austerity and enduring popularity. Thus, in most of the affluent democracies, the politics of social policy centre on the renegotiation, restructuring, and modernization of the post-war social contract rather than its dismantling. The authors examine a wide range of countries and public policy arenas, including health care, pensions, and labour markets. They demonstrate how different national settings affect whether, and on what terms, centrist efforts to restructure the welfare state can succeed. The 13 chapters of the book are arranged in four main sections, each with three chapters, and a concluding section: I. Sources of Pressure on the Contemporary Welfare State; II. Adjustment Dynamics: Economic Actors and Systems of Interest Intermediation; III. Adjustment Dynamics: Parties, Elections, and Political Institutions; IV. Comparing Policy Domains; and V. Conclusions.

France Directing Adjustment?
Jonah D. Levy

in Welfare and Work in the Open Economy Volume II: Diverse Responses to Common Challenges in Twelve Countries

Published in print: 2000 Published Online: November 2003
Item type: chapter
The Bismarckian welfare state in France is financed by social security contributions to an even greater degree than is true in Germany. During the oil-price crises of the 1970s and early 1980s, job losses could be contained through an expansion of nationalized industries and subsidies to private firms. This changed with the end of dirigisme in industry after 1983. Thereafter, early retirement was expanded to absorb the massive job losses caused by industrial restructuring. Since rising non-wage labour costs impeded job creation in the private services, the government has shifted part of the burden to a special income tax, whereas attempts by successive governments to reduce the generosity of welfare benefits were typically blocked by large-scale public protests.

Michael Bruno

in Crisis, Stabilization, and Economic Reform: Therapy by Consensus
Published in print: 1993 Published Online: September 2006
Publisher: Oxford University Press
Item type: chapter

This chapter analyzes the efforts to establish the credibility of both fiscal and nominal anchors in the aftermath of sharp stabilization as well as the ongoing structural reform process. It begins with an analysis of the initial stabilization phase, and then considers various alternative interpretations of the business-cycle phenomenon. It defends the real fundamentals, namely the establishment of credible fiscal discipline. This is followed by an analysis of the struggle led mainly by the Bank of Israel, over the defence of the nominal anchor, including the evolution of the exchange-rate regime in the aftermath of stabilization, and the gradual and costly learning process it entailed in wage and labour-market behaviour. The successful introduction and gradual phase-out of price controls, financial restructuring in ailing enterprises, financial market reform, and structural reform in the real economy are discussed.

Any Way out of ‘Exit from Work’? Reversing the Entrenched Pathways of Early Retirement
Bernhard Ebbinghaus

in Welfare and Work in the Open Economy Volume II: Diverse Responses to Common Challenges in Twelve Countries
Published in print: 2000 Published Online: November 2003
Publisher: Oxford University Press
After the first oil-price crisis, many (but not all) OECD countries used early retirement as an adaptation to industrial restructuration, mass unemployment, the social needs of older workers, and the employment needs of young and female job seekers. As the costs of an increasingly inactive population rose, however, while expected employment effects failed to materialize, reformers sought to reverse the course of ‘welfare without work’. Besides blocking the pathways of early retirement, disability, and long-term unemployment, welfare states are now stressing new forms of part-time pension, extension, and equalization of normal pension age, and they are trying to shift responsibilities and costs to individuals and firms.

Beyond Corporatism: New Patterns of Representation in the Brazilian Auto Industry
Scott B. Martin

in The New Politics of Inequality in Latin America: Rethinking Participation and Representation
Published in print: 1997 Published Online: November 2003
Publisher: Oxford University Press
DOI: 10.1093/0198781830.003.0002

Between 1991 and 1993, metalworkers’ unions, automotive firms, and state agencies in Brazil engaged in an institutionalized, comprehensive negotiation of industrial policy issues in auto manufacturing, in the ‘sectoral chamber’ of the auto industry. The two national accords that were negotiated helped re-activate slumping demand, assist productive modernization, and protect job security and enhance wages for autoworkers. This chapter finds that, despite superficial similarities, the sectoral chamber experience cannot be explained with reference to the ‘societal corporatist’ framework, most closely associated with post-war Western Europe. The author finds that key preconditions for successful, sector-wide negotiations were (1) the prior establishment of representative unions and business associations with legitimate negotiating authority and (2) incipient bonds of labour-management trust that had emerged through iterative encounters over productive restructuring issues. Social network ties, along the lines elaborated by the co-editors in the concluding essay in their ‘associative network’ model, were fundamental to the rise, evolution, and ultimate decline of the auto sectoral chamber.
This chapter examines the fundamental effects related to the evolving dominance of capital markets. By the end of the 20th century, the proportion of all financial assets held by banks had declined to approximately 30% from 45% in 1980, with the difference transferred to global financial markets that had developed to an extraordinary, completely unprecedented size with market capitalization of stocks and bonds exceeding $72 trillion in 2000. These markets contained powerful forces that could quickly move funds in large quantities around the world to jump into (or out of) a suddenly discovered investment opportunity. These forces were energized by enormous turnover volumes — the value of consolidated world stock trading in 2000 was more than $47 trillion, one and a half times its market capitalization. About half of this trading occurred outside the United States, in stock markets in Europe, Asia, and Latin America.

The 1997 Asian financial crisis principally affected Thailand, Indonesia, Malaysia, and Korea, as well as other East Asian countries heavily dependent on intra-regional trade. Banks and other financial institutions quickly became insolvent, and heavily indebted industrial firms went bankrupt. Many of these firms were affiliated with the business groups of this region, yet most groups did not immediately collapse, indeed they proved remarkably robust, some surviving and even prospering. This book examines these East Asian business groups and their subsequent restructuring following the Asian Crisis. East Asian nations embarked on very different trajectories in response to this common external shock. The Asian Crisis affected the inter-relationships among the socio-cultural environment, the state, and the market of each country quite differently and had distinct effects on the operations of
these countries’ business groups. This slow yet divergent pattern of
development counters globalization theorists’ arguments about rapid
global convergence. Yet East Asian business groups face an uncertain
future. The influence of foreign investors has increased substantially
since the crisis. Governments supervise banks more closely and
have loosened restrictions on mergers and hostile takeovers, further
strengthening the discipline of the market. Various entry barriers that
had inhibited foreign multinationals from competing in national markets
were lifted. Under these new conditions, business groups in East Asia
should reconfigure their business structures and adjust their corporate
governance systems to regain momentum for further growth. This book
concludes that business groups will continue to be important vehicles for
the sustained future growth of East Asia.

Shifting Boundaries of the Firm
Mari Sako

Published in print: 2006 Published Online:
September 2007
Item type: book

All firms wrestle with restructuring that involves consolidation through
mergers and acquisitions on the one hand, and fragmentation through
outsourcing and spin-offs on the other. Corporate restructuring is a
major driver in transforming labour markets, engendering concerns
about employment security. The framework introduced in this book
analyses shifting organizational boundaries, i.e., structural changes
within corporations resulting from a series of strategic interplays
between management and labour unions. This framework is used to
investigate the symbiotic adjustments in firm and union boundaries
in the automobile and electronics industries in Japan. The book draws
upon interview and survey evidence to show how the strategic interplay
between labour and management led to incremental changes in Japan's
national institutions, including lifetime employment, coordinated wage
bargaining, and enterprise union networks. The gradual introduction
of diversity and flexibility in markets is thus linked directly to the role
management and labour played in bringing about institutional change.
The book also demonstrates that adding labour to the Chandlerian
analysis of corporate strategy and structure leads us to a view that
boundary decisions are often contested.