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Sustaining the New Economy: Work, Family, and Community in the Information Age

Martin Carnoy*

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some Japanese react to [day laborers] with disgust expressed in physical violence. There have been countless incidents of day laborers being beaten up, especially when they are sleeping rough, and even murders are not uncommon. (p. 176)

Essentially, their low numbers and different lifestyle make them an easy target for a notoriously conformist mainstream society. "A nail that stands out, gets hammered in," goes a commonly invoked adage in Japan (p. 171); but no amount of hammering has availed to drive down this anomalous subculture.

Tom Gill concludes his excellent field study by noting a steady decline in day laborers, as well as in the yoseba. He assigns three main causes to this decline: the advent of prefabricated units and other innovations on building sites, which has eroded jobs in construction; a structural change in Japan away from heavy industries toward the service sector; and a shift from Japanese labor to migrant labor, which has tended to weaken the classical yoseba arrangement (see Y. Debrah, *Migrant Workers in Pacific Asia*, 2002). The author concludes, "A decade of recession has eaten away employment security across the board, and all too many workers have discovered that industrial relations based on mutual trust lasts only as long as it suits management's side" (p. 193).

Men of Uncertainty not only is a brilliant case study of Japanese day laborers, but also eloquently demonstrates that the Japanese industrial relations system as a whole is far more complex than some have led us to believe. To the unitarist picture of that system as one based on trust, mutual understanding, seniority, lifetime employment, and enterprise unionism, it is hard to imagine a stronger empirical antidote than the one provided by Tom Gill in this book.

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Labor Economics

Sustaining the New Economy: Work, Family, and Community in the Information Age. By Martin Carnoy. Russell Sage Foundation (New York) and Harvard University Press (Cambridge, Mass.), 2000. 238 pp. ISBN 0-674-00373-X, \$43.00 (cloth); 0-674-00874-X, \$19.95 (paper).

My first encounter with Martin Carnoy's work was by way of his 1980 book, *Economic Democracy*,

co-authored with Derek Shearer. The synthesis of findings from across a host of disciplines, the writing, and the policy conclusions were all impressive and sensible. The book was marked by a belief in "small d" democracy, and a sense of optimism that many of us found refreshing and invigorating.

In reading Carnoy's latest work, *Sustaining the New Economy*, I was wondering what had happened to his thinking in the two decades since publication of the earlier work. Surely his sense of optimism would have been tempered? After all, the Reagan revolution had effectively reduced the bargaining power of unions, the number of union members, and governmental supports for the poor. The Berlin Wall had fallen, leading to increasingly successful challenges to even minimal public works and welfare programs, particularly in the United States. And the people who were, in Carnoy and Shearer's earlier vision, supposed to form democratic teams inside the American workplace had been increasingly differentiated. Dramatic increases in income inequality emerged, along with downsizing and outsourcing or the credible threat of their occurrence, while a culture of comfort with frequent movement from one job and one employer to another appeared among young workers. The conditions underlying the arguments found in the earlier work had changed, undercutting the premises for those arguments, and making the conclusions sound slightly silly in retrospect.

In the newer book, Carnoy not only recognizes these sea-changes in society; he details them at length. A chapter on technological innovation and employment provides a careful review of the evidence and concludes that new technologies are, on net, creating jobs. The most telling argument here proceeds from the observation that every one of the developed economies has absorbed a massive influx of women into the labor market during the past few decades, a point conveniently ignored by analysts who focus on the continued loss of manufacturing jobs in developed economies. Carnoy underscores the indisputable fact that many jobs and the vast majority of good jobs now carry high knowledge requirements.

A chapter on work reflects on some implications of these new technologies. Carnoy describes both the increasing isolation of workers from one another, their employers, and their communities, and the simultaneous development of a global economy wherein workers, ideas, and markets operate within increasingly

connected, integrated, and fast-paced environments. Work has become connected internationally while the internal bases for worker solidarity have disintegrated.

Another chapter outlines the increased diversity of family circumstances in tandem with the disappearance of the single-earner-with-homemaker family, along with the difficulties and opportunities associated with increasingly demanding and flexible jobs. A chapter on communities details the well-known breakdown of many local organizations and the local bases of broader institutions, including unions, churches, civic organizations, and volunteer service groups. The main argument here is that the need for such institutions has risen while the resources and reach of these institutions have dwindled, twin phenomena that have similar roots in the globalized economy and new technologies.

As in his earlier work, Carnoy demonstrates an amazing ability to synthesize a broad range of research. He has also maintained his sense of hope regarding possibilities for democratic reforms. The current sources of hope lie in the enhanced value of knowledge and life-long learning in the new economy.

That understanding leads him to focus on the continued prevalence of community-controlled, public schools. His vision of the locus of progressive social change has thus dramatically shifted from the factories of the past, with their clangor of machines, to the schoolrooms of today, ringing with the laughter and cries of children. Carnoy's readiness, when confronted with fresh facts and reasons, to fundamentally change his perspective is admirable.

To strengthen the case that public schools are indeed of central importance in society's adjustment to changing economic realities, the final chapters cite evidence that communities are increasingly recognizing the myriad ways schools can support our ability to adapt. Some relevant initiatives are the provision of child and after-school care, the implementation of school-readiness programs for preschoolers, adult learner programs, enhanced parental involvement, and, in some places, the opening of schools to community activities and functions.

Carnoy's latest vision fits hand-in-glove with the Accelerated Schools initiative, founded by another co-author of his, Henry Levin. Accelerated schools currently exist in over 1,400 school districts in the United States, and promote the active involvement of students, teachers, administrators, parents, and community members in decisions regarding schools' operations, cur-

riculum, and activities (Gene Chasin, "Accelerated Schools on the Move," *Imagine... Accelerated Schools Project Newsletter*, Vol. 10, No. 2 [Spring 2001], pp. 1-2). This empirical base for Carnoy's latest vision is indeed substantial and has a successful track record.

If I have any worry regarding *Sustaining the New Economy*, it is that the successful implementation of its vision may involve placing an even heavier load on already overworked teachers in understaffed schools that are suffering from shrinking resources. That concern is far from minor, but these problems can be surmounted if the will is there.

Carnoy has identified a set of opportunities that many individuals and organizations are actively pursuing. He has built on his earlier work while recognizing the massive changes that have occurred since its writing, and has once again given us reasons for hope and ways to move forward. He should be applauded for this work, and I hope that its impact is broad and strong.

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International and Comparative

Beyond Sweatshops: Foreign Direct Investment and Globalization in Developing Countries. By Theodore H. Moran. Washington, D.C.: Brookings Institution Press, 2002. 196 pp. ISBN 0-8157-0616-2, \$46.95 (cloth); ISBN 0-8157-0615-4, \$18.95 (paper).

Well written and thought-provoking, Theodore Moran's *Beyond Sweatshops* offers a comprehensive introduction to critical issues of labor standards in global commerce, especially in connection with foreign direct investment (FDI). Moran fails, however, to account for important developments in international labor law and too quickly dismisses prospects for strong, enforceable labor standards in trade regimes.

Moran begins by asserting that labor exploitation in FDI facilities occurs when FDI is limited and, therefore, few alternatives for employment are available and little attention is paid to quality standards. This view generates the troubling implication that, in nascent stages of FDI, labor abuses should be expected but little can