

## Book Review

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### Recommended Citation

(1976) "Book Review," *Cornell International Law Journal*: Vol. 10: Iss. 1, Article 8.  
Available at: <http://scholarship.law.cornell.edu/cilj/vol10/iss1/8>

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## BOOK REVIEW

**International Labor and the Multinational Enterprise.** By Duane Kujawa (ed.). New York: Praeger Publishers, 1975. Pp. 213. \$16.50.

Multinational corporations have become important and probably indispensable institutions in the contemporary world economy. They initiate international investment flows, promote technology transfers, affect employment opportunities, and contribute decisively to the development of international markets for products and services. But as their number and the scale of their activities have increased, so has the criticism of their power, their apparent ability to avoid national controls, their influence on price structures, their alleged manipulation of national currencies, and their skill in minimizing tax obligations.

No group has been more critical than organized labor at national and international levels. Its concerns are broad but tend to concentrate on two main issues: (1) the unstabilizing effects of MNC policies on labor markets and individual job security, and (2) the threat of MNC expansion to the established balance of bargaining power between management and labor.

One could hardly maintain that labor's criticisms or those of others have been ignored. On the contrary, within the past decade MNCs have been the object of a United Nations inquiry,<sup>1</sup> several studies by the International Labor Office,<sup>2</sup> a major report by the United States Tariff Commission,<sup>3</sup> and more hearings before Congressional committees than can be listed here. Innumerable articles have appeared in the press, and there has been a steady stream of scholarly monographs and of reports in professional journals. The point has about been reached where one must ask whether the market for studies of MNC activities is not becoming saturated.

Professor Kujawa evidently does not think so, for he has put together a second collection of essays on the general theme of labor and the multinational corporation.<sup>4</sup> His contributors include representatives of

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1. UNITED NATIONS, DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS, REPORT OF THE GROUP OF EMINENT PERSONS TO STUDY THE IMPACT OF MULTINATIONAL CORPORATIONS ON THE DEVELOPMENT PROCESS AND ON INTERNATIONAL RELATIONS (1974).

2. INTERNATIONAL LABOR OFFICE, WAGES AND WORKING CONDITIONS IN MULTINATIONAL ENTERPRISES ON EMPLOYMENT AND TRAINING (1976). INTERNATIONAL LABOR OFFICE, SOCIAL AND LABOUR PRACTICES OF SOME EUROPEAN-BASED MULTINATIONALS IN THE METAL TRADES (1976). INTERNATIONAL LABOR OFFICE, MULTINATIONAL ENTERPRISES AND SOCIAL POLICY (1973).

3. U.S. TARIFF COMMISSION, IMPLICATIONS OF MULTINATIONAL FIRMS FOR WORLD TRADE AND INVESTMENT AND FOR U.S. TRADE AND LABOR (1973).

4. For the first collection, see AMERICAN LABOR AND THE MULTINATIONAL CORPORATION (D. Kujawa ed. 1973).

labor and management, scholars, and officials of international agencies, and while one must welcome the variety of viewpoints, it is disappointing to find so much repetition of what has already been discussed in other publications.

Oliver Clarke, a senior official of the Organization for Economic Cooperation and Development in Paris, presents a concise but comprehensive and balanced review of the major issues dividing labor and the multinational corporations. His is the most lucid essay in the collection, an excellent introduction to the subject. Elizabeth Jaeger of the AFL-CIO gives a competent but by now well-known account of the hostile views of her organization toward MNC activities. Her chief concern is the continuing loss of American jobs attributable to MNC overseas investments and technology transfers, but on this very issue Robert Harkins and Michael Jedel of New York University and Georgia State, respectively, arrive at a rather contrary conclusion. They emphasize, quite properly, that certain types of American investments overseas are job-creative rather than job-destructive even in the domestic market, and they make a point which deserves much more attention than it usually receives, namely, that the interests of wage and salary earners in their totality are far too complex and too contradictory to be adequately represented by a single labor organization.

In his own contribution Professor Kujawa examines the current state of transnational bargaining and finds, as others have before him, that it does not yet exist and that the prospects for its development are dim. He arrives at his conclusion by demonstrating, at greater length than I think necessary, that the terms of employment which might conceivably be subject to transnational bargaining in Western Europe are treated so differently and so distinctively in the British, French, and West German industrial relations systems that they could not be fitted into an overall bargaining structure. Two management spokesmen express their wholehearted agreement with this prognosis. Frank Angle, in charge of labor relations for General Motors overseas, restates the well-known and frequently proclaimed opposition of virtually all MNCs to transnational bargaining. P.L. Dronkers of the Philips Company in the Netherlands expresses virtually identical views. On the other hand, Hans Günter of the International Labor Office is more reserved about the future of transnational bargaining, as perhaps befits the representative of an international agency anxious to be regarded as neutral. He suggests that various circumstances, including concerted international union pressures, could "make industrial relations latently transnational." What such pressures might consist of is spelled out by Professor Kassalow's review of the activities of one of the most active international union bodies, the International Metalworkers' Federation. Unfor-

tunately, Kassalow concentrates on the IMF's Latin American and Asian forays rather than on its efforts in North America and Western Europe. The latter would have linked up much better with the Western Europe-oriented essays by Kujawa, Dronkers, Angle, and Günter.

It is regrettable tht Professor Kujawa has made no attempt to integrate the essays. There is neither a unifying theme nor even an effort to explain why such a theme would be inappropriate or impossible to formulate. The reader is left to construe his own synthesis. Considering the steep price for this rather slender volume, that doesn't seem quite fair.

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