

## *Heterodox Economics Newsletter*

HUMAN RESOURCE ECONOMICS AND PUBLIC POLICY: ESSAYS IN HONOR OF VERNON M. BRIGGS, JR. edited by Charles J. Whalen. Kalamazoo, Michigan: W.E. Upjohn Institute for Employment Research; ix, 305 pages.

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This collection of 11 essays is a festschrift for Vernon M. Briggs, Jr. The essays focus on what used to be called manpower policy and is now called human resource economics, Briggs's specialty. The essays are written by his colleagues and students. All of them are worth reading and unlike many such collections; they maintain a high standard of excellence. This is due not only to the expertise of the contributors but also to the efforts of the volume's editor, Charles J. Whalen, and to the support of the W.E. Upjohn Institute for Employment Research. Whalen provides an introduction describing Briggs's student days and professional career in academia. He also contributes a fine essay on Briggs's human resource economics, with emphasis on both his institutionalist approach to the subject and his practical policy proposals. The book includes a useful bibliography of Briggs's voluminous works.

Vernon Briggs is what a university professor should be. I have admired him for decades because he pursues a noble vision. His vision is to forge ameliorative public policies into weapons to slay the twin dragons that attack American workers – unemployment and poverty. He has shared this vision with generations of students. While he was a college student himself, two events forged the vision that he would pursue for the rest of his life. First, he encountered a long line of unemployed workers in Detroit. Their plight called out to him. Sometime later, he saw John F. Kennedy deliver an inspirational campaign speech calling young people to serve the greater good of their nation. Briggs answered both Kennedy's call and the call of the unemployed by becoming one of America's leading experts in human resource economics.

In human resource economics, emphasis shifts away from Keynesian aggregate demand management, as it should. Economists working in this area more or less take for granted an aggressive Keynesian pursuit of full employment. Briggs is no exception. But Briggs and his associates do not accept the argument that there is a natural rate of unemployment or an inevitable tradeoff between inflation and unemployment such that any attempt to push the unemployment rate below some threshold will inevitably start accelerating the rate of inflation. Instead, his work is predicated on quite the opposite kind of thinking. What he and others like him are trying to do is use public policy to alter labor market institutions so that unemployment can be pushed down. They aim to change the terms of the alleged tradeoff between unemployment and inflation by changing the structure of the labor market. The policy tools Briggs proposes using are anti-discrimination programs, training and education programs, relocation aid, improved apprenticeship programs, stricter limitation of immigration and other programs to facilitate moving more and more unemployed U.S. workers into high-paid, skilled jobs. Another way of putting it is to say that Briggs does not accept as sacrosanct the labor market institutions passed down to us from previous generations. Instead, he wishes to change them to make them perform better and he wishes to use the power and effectiveness of government to do so. His career is focused on reforming and restructuring U.S. economic institutions to better serve those U.S. workers who have been left out and left behind. His activist approach is what makes him an institutional economist of the highest caliber.

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In his student days, four economists greatly influenced Briggs. As an undergraduate at the University of Maryland in the late 1950s, Briggs was fortunate to study with Dudley Dillard and Allan Gruchy. From Dillard, Briggs learned the importance of history to economics. Dillard taught that real problems and real responses come from historical experience, not abstract theory. From Gruchy, Briggs learned the institutionalist literature built by Thorstein Veblen, John R. Commons, John M. Clark, Wesley C. Mitchell, Rexford G. Tugwell, Clarence Ayres, and John Kenneth Galbraith. Gruchy taught Briggs to approach any literature critically, particularly that of neoclassical economics. Gruchy also passed on to Briggs an appreciation for the kind of economic priority-setting and planning practiced in the Scandinavian countries. Professor Dillard encouraged Briggs to go to grad school at Michigan State University. He did and while there, he continued to enjoy good luck in the heterodox professors available to him. Briggs took four courses from one of the world's finest Keynesian economists, Abba Lerner. Briggs wrote his dissertation under Charles Killingsworth, a highly innovative labor economist. It was Killingsworth who helped Briggs to broaden his study of labor economics beyond the usual issues in industrial relations to include the problem of structural unemployment.

When Briggs took a job at the University of Texas, his good luck followed him all the way from East Lansing to Austin where he worked for years on the faculty with F. Ray Marshall, perhaps the world's leading labor economist. He spent a number of productive years at Austin, where he got up close and personal with many of the problems of Hispanic-American workers. Then in 1978 he moved north again where he continued his academic career as a Professor of Industrial and Labor Relations at Cornell University. He is now Emeritus.

In addition to Whalen's discussion of Briggs's human resource economics, the collection includes an essay by William P. Curington discussing the real-world labor economics of Briggs. The prospects of black, white and Hispanic women are analyzed by Marta Tienda, V. Joseph Hotz, Avner Ahituv, and Michelle Bellessa Frost. In his contribution to the collection, Seth D. Harris investigates the employment effects of Title 1 of the Americans with Disabilities Act. Harris finds that the orthodox argument claiming detrimental effects on the employment of disabled workers is wrong. This essay is a gem of a real-world investigation. I highly recommend it. Robert W. Glover and Christopher T. King explain the sectoral approach to workplace development in their essay and Ray Marshall discusses learning systems for a globalizing economy in his.

Included in this festschrift are several essays discussing aspects of Briggs's immigration proposals. Philip L. Martin describes the institutional and historical context of the evolving nation-state system within which contemporary immigration is taking place. Martin points out that most nations discourage immigration. Only four major nations and one minor nation plan for it to occur on an ongoing basis. They are the U.S.A., Canada, Australia, New Zealand and Israel. Larry Nackerud discusses Briggs's stringent policy regarding political refugees. Ernesto Cortes, Jr. discusses training and immigration in his essay. My old friend and co-author James T. Peach suggests in his essay that the U.S.A. pursue two policies with respect to its immigration problems with Mexico. First, provide massive aid and support for the rapid development of the Mexican economy so that it can provide an adequate pool of high-paid jobs for Mexican workers. Second, maintain high income and employment in the U.S.A. so that Mexico has a growing market in its northern neighbor for its exports. Although in line with the policies of most nations, Briggs's

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support for limiting immigration is probably the most controversial aspect of his work on restructuring the U.S. labor market. His work on immigration is also profoundly relevant to many of the issues bedeviling the globalizing economy.

Briggs does not avoid real-world problems. If they have to do with unemployment and poverty amongst U.S. workers, he thoroughly studies them and then fearlessly argues in favor of what he thinks should be done about them. His effort and candor are widely appreciated. This festschrift is well-deserved. The essays it contains should be widely read.