

# BOOK REVIEW

## GOVERNANCE PRACTICES AND METROPOLITAN PROCESSES OF EMPLOYABILITY

Sánchez, Christian M. (2021). *Gobernanza y gestión de políticas locales para la empleabilidad en el Área Metropolitana de Guadalajara*. Guadalajara, Universidad de Guadalajara

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The author of the book raises the question of: What are the characteristics of a governance process that enable to generate a public policy that promotes and improves the employability of citizens in the metropolitan area of Guadalajara?

His research recognizes the new forms of organization of neoliberal work, headed by international financial power institutions such as the World Bank (WB), the International Monetary Fund (IMF), the Inter-American Development Bank (IDB), and the Organization for Economic Cooperation and Development (OECD) have been promoted by transferring strategies of public policies to local (metropolitan) level institutions in Mexico.

The context of employability in Latin America is underscored by a structural phenomenon of exclusion, inequality and violence. These problems –particularly in Mexico– paralyze productivity and employment actions in large cities, where working conditions are increasingly precarious and pliant to the workers detriment. Within the Mexican context labor flexibility constitutes a strategy for competitiveness and economic growth of broad corporate groups and political organizations, which use it to push aside obsolete pro-

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ductive apparatuses and favor development and restructuring. However, they do so without the workers social and economic inclusion.

Changes relating to the countries and regions' occupational structure are accompanied by labor flexibility policies that affect the assurance of rights and the countries inner social contract. A series of institutional deregulation processes have deteriorated labor relations, in terms of working conditions, lower wages and minimal welfare for the communities. Sánchez (2021), observes two processes of work flexibility. One internal, related to schedules, destinations and functions of workers in the company; and another external, which aims to reduce costs through hiring, layoff and outsourcing mechanisms, regarding activities by the business community.

The book systematizes a series of labor flexibility policies in Europe, particularly in Denmark and the Netherlands. These examples show the existence of good practices within flexible markets that have positive results in terms of the worker's employment and *flexicurity*. These experiences are built in solid welfare regimes, with a high presence of the State in terms of employment and productivity of social policies. Denmark is characterized by workers and employers' flexible labor legislation, thus, greater employability through a structure of incentives that the State provides. The Netherlands, for its part, has low levels of corruption in the public sector and a labor model based on the moderation of salary expenses, and a partial job schemes that foster a dynamic *flexicurity* with social advantages for the worker, with the accompaniment of policies and strong social programs.

Sánchez (2021) analyzes the Latin American experience, referring to the most prominent capitalisms of Brazil, Argentina and Mexico; globalized economies with expansion processes focused on international trade. The analyzed cases display that social employment protection policies are guided by economic measures characterized by the containment, regulation and management of passive policies for the economy's formal sector. The limited State capacities to respond to informal employment are highlighted, a phenomenon that generates precarious income, without social security, however they contribute to the economic growth of the main cities of the region.

Specially in Mexico, the metropolitan area of Guadalajara plays an important role in regional and local economic development processes. Guadalajara's economy has been modified through modernization and specialization processes that seek to connect with international and local markets. The processes of economic growth throughout the first decades of the XXI century in Guadalajara focus on the services sector (financial, real estate, insurance, science, corporate, tourism and social assistance processes).

According to Sánchez (2021), the economically active population in Guadalajara and its metropolitan area in the fourth quarter of 2019 is 53.7%, and an unemployment rate of 4.0%, slightly higher than the national average (3.3%). The region's problems in terms of employability are related to the increase in informality, the precariousness of employment and low income of the population in the informal economy. These problems are associated with low education, an absence of sub-regional policies regarding employment protection and assistance to small and medium-sized enterprises.

Regarding the metropolitan area of Guadalajara's employment policies, most are aimed at avoiding unemployment, improving job offers and the market's functioning, by increasing job opportunities for workers and employers. The author analyzes and describes the different policies, programs and projects of local level government's (Aclatan de Juárez, El Salto, Guadalajara, Ixtlahuacán de los Membrillos, Juanacatlán, San Pedro Tlaquepaque, Tlajomulco de Zúñiga, Tonalá, Zapopan, and Zapotlanejo). He presents how in each context, either passive (correcting market failures) or active (universal strategies for employment and rights) policies are implemented in terms of employability and fostering economic development.

The metropolitan processes of employability in Guadalajara go in hand with a global economic trend of urban conglomerates that display a diversity of settlements with patent inequities and exclusions, citizens that face new production and commercialization systems regarding goods and services that drive the economic activities in the local environment. Local governments face these challenges, and must find convergence and coordination formulas with public and private stakeholders to favor the protection of employment and the expansion of the economies. Public employability policies must act under the principles of governance and seek employment's cooperation and democratization formulas under new institutional arrangements.

The metropolitan governance models collide with the republican institutions of the XIX and XX centuries that currently Mexico has. Democratic institutions have serious shortcomings to generate governance processes that contribute to solve the employability problems of large urban centers such as Guadalajara. Although the author highlights the creation of institutions and metropolitan coordination laws in Guadalajara aimed to define this metropolitan area or region, and the adoption of agreements and institutions, these are insufficient to address and solve the problems that society needs.

The governance process built to generate employability policies is epidermal, and has not been able –so far– to generate a strategic and participatory planning process at a metropolitan scale. The vision of the system is more institutional than social, which prevents the building of a collective leadership

among social, government and private actors that could generate greater economic development and the strengthening of employability in the local arena. Stakeholders require to be co-producers, co-creators and co-managers in the formulation and implementation of employment policies in the metropolitan area so that the promised governance processes are strengthened.

The conclusions of the study contribute to see how the flexible reforms of Denmark and the Netherlands that in practice seem attractive to the besieged labor markets of the XXI century by competitiveness and the loss of worker rights. This landscape in Latin America is characterized by the construction of dual employment protection systems that massify informality, underemployment and make workers' income precarious.

Employment flexibility measures in countries like Mexico are characterized by being external and passive. This makes it difficult to generate sufficient and necessary instruments to dignify employment and strengthen productive development. In the metropolitan area of Guadalajara, the results show a slight advance in coordination and governance practices between actors, although local measures are weak in terms of economic resources, and the insertion of the global order economies.

Job insecurity and having social employment policies as a commodity in the Metropolitan area of Guadalajara face three main challenges: i) labor informality within broad sections of the population, ii) the absence of convergence mechanisms between actors that allow to strengthen state and social capacities, and iii) the formation and training of the city's population that requires higher levels of well-being, both material and subjective.