

DURABLE GOODS: A COVENANTAL ETHIC FOR MANAGEMENT AND EMPLOYEES. By Stewart W. Herman. Notre Dame: University of Notre Dame, 1997. Pp. 245. \$40; \$20.

What if business management/employee relationships were more "covenantal" than adversarial? What would corporations be like if people viewed their firms as cooperative communities committed to a common good? Herman considers these questions and offers God's covenant with the chosen

people as a model for interpersonal relationships in business.

Proceeding largely from Lutheran convictions about the nature of vocation, mainline Protestant emphases on promise making and promise keeping, and H. Richard Niebuhr's belief that all relations are "triadic" or relative to a cause, H. argues that management/employee relations share certain features with the divine covenant. In both sorts of relationships, participation, high expectation, conflict, vulnerability, and ambiguity are evident, enduring, and essential.

Citing the successful labor relations of General Motors' Saturn plant in the early 1990s, Caterpillar's failures during this same period, as well as a number of thorny issues involving corporate downsizing, re-engineering, and offshore migration, H. argues that traditional hierarchical relations that rely upon noncooperation and coercion, especially tactics involving managerial threat and punishment and employee withdrawal of effort, have left corporations endlessly mired in conflict and shortsighted selfishness. Corporations would be better off, he claims, to adopt cooperative strategies based on trust, loyalty, mutual respect, service, and noncoercion, i.e. covenantal business strategies.

This provocative and thoughtful text is a well-argued analysis of the history and embedded values of U.S. labor relations from the 19th century to the present. It stimulates the reader to think how management/employee relations might become truly free networks of interdependent human action wherein constituents bind themselves—despite the inevitable conflicts—to trust and respect each other and to pursue the firm's best interests.

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