

## **Anonymous Review of Manuscript**

There is no doubt that this research and its accompanying policy implications should be published, and published soon. Although neo-liberal labour policy, notably the deregulation of labour markets, has been founded on a convincing critique of corporatism, its application has been a travesty, and this study is unique in showing the inner workings of that travesty. Other studies have of course related employment trends to deregulation in general, but they have been subject to too much ideological construction and deconstruction. Kirstin Sehnbruch, in contrast, has shown in detail what the real policy issue should be, namely the creation of proper institutions and of a corps of competent professionals with relevant skills and powers to operate them. This is a highly opportune time to propagate her research, because institutions are a matter of enormous concern in the international development community of policy-makers, who are desperate to make current orthodoxy work in terms of sustainability, the quality of life, human development and other dimensions beyond GDP growth.

Sehnbruch writes about these issues with admirable clarity: it is unusual to find work in this field (Development Studies) which is so direct in its expression and which also puts to one side the ideological tribalism which so often clouds people's judgment. In addition to the policy importance of her work, it also has theoretical relevance, and her exposition and application of Sen's capability approach is excellent. (Nevertheless I think a decision still has to be taken whether to mention Sen in the subtitle: it is a marketing rather than an academic decision).

The core research of the book is about Chile: the case is obviously extremely appropriate and the data presented are remarkable for their originality and for the lucidity of the analysis. In terms of marketing, however, Chile is a very small country (wildly over-represented in research because of the drastic and clear-cut character of its market-driven political economy) and so the main task of the revision (which is recognised in the proposal) is to preserve the research in all its originality and lucidity while accentuating its relevance throughout Latin America, as well as, for example, in China and also in some other middle-income countries.

This book should be marketed aggressively to the policy-making community: academic institutions will buy it, but it will do very well if the publishers get both the price and the marketing right. The tone and style are already suited to this orientation, and the proposed alterations are suitable too. But the book should not be any longer, and the revision requirements should not be so stringent as to delay publication. Development studies are notoriously subject to fashion, so it is important to seize the moment.

Other points: the academic market is in development (rather than Latin America) and comparative political economy. The book complements the literature on Chile but does not overlap with any work that I know. It leads an emerging field of 'studies in the style of Sen' but it is far more successful than others in the careful application of his concepts.