**Peter Michael Doralt: Rationality at work.
Logics of collective action in the labour market
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Peter Michael Doralt addresses the “Austro-Nordic” puzzle: several smaller highly unionized countries have done reasonably well. National unions have strong incentives to take the macroeconomic costs and benefits of their own behaviour into account—unlike sectoral unions. Why, then, do these felicitous institutional arrangements not occur universally? The author relies on path dependence for much of the answer. He warns against creative government intervention: “Unless there is a sharp deterioration in performance, governments should resist the temptation of trying to re-invent the whole system, to which firms, workers and their representatives have adjusted over long periods of time. Changing history is not a matter any government should undertake lightly” (p. 244).

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