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Boekbespreking van: The New Politics of the Welfare State

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freely chose; and (c) that his choice was truly his and not fully determined by certain antecedents (p.7). Pettit's aim in this book is to unite our talk of freedom in the three domains by prioritizing the responsibility connotation. Responsibility exemplifies the most basic way in which we apply the concept of freedom. The free action, free self and free person are the kind of action, self and person that are compatible with the agent being fit to be held responsible for his actions. To be fit to be held responsible for certain choices "is to be such that no matter what you do, you will fully deserve blame should the action be bad and fully deserve praise should the action be good" (p.12). However, this neat equation between freedom and fitness to be held responsible needs some further qualifications. Agents, for example, are not fit to be held responsible simply because we treat them as if they are.

What further kinds of conditions one must meet to be fit to be held responsible is explained briefly in the first chapter, and is then fully spelled out in the following three chapters. In these chapters Pettit tries to give a more specific outline of what fitness to be held responsible involves by looking at three theories of freedom that have a dominant position in contemporary debates. Chapter 2 discusses and rejects the idea of *freedom as rational control* of which Donald Davidson is one of the more prominent defenders. Freedom as rational control is inadequate as a theory of what makes for freedom in the agent. The fact that we need to be in rational control of our beliefs and desires to act freely, does not guarantee that our beliefs actually tell us what we ought to do. Rational control does not require of us that we recognize certain moral standards. A similar kind of criticism also holds for the idea of *freedom as volitional control* that is discussed in chapter 3. According to this kind of theory it is not enough to be in rational control to be free, we also need to identify with the rational desires that move us. The only theory of freedom that seems to be adequate as a comprehensive and unifying theory is *freedom as discursive control*. Agents are free as persons "so far as they are engaged in discourse by others, being authorised as someone worthy of address, and they will be reinforced in that freedom so far as they are publicly recognised as having the discursive control it involves" (p.73). Freedom as discursive control implies that persons have a voice that needs to be heard and publicly recognized. It is precisely at this point that we can finally address the politics of agency that Pettit tries to work out in the last two chapters of the book.

Strangely enough, Pettit does not develop his conception of freedom as a political ideal from the ideas of mutual respect and recognition that are implicitly presupposed in the concept of freedom as discursive control. Although Pettit starts out by asking which ideal of liberty the state should foster if the idea of freedom as discursive control is to be taken seriously, he almost immediately introduces his ideal of freedom as non-domination as the only viable answer. He does not really consider what kind of implications freedom as discursive control has for the republican political theory that he developed in earlier works. Pettit's stylized 'aversion' to freedom as non-limitation and non-interference (positive and negative freedom in Berlin's dichotomy of political freedom) only leads him to just another account of dominium and imperium. But we have to ask ourselves if freedom as discursive control could not

lead just as well to a different kind of republican political philosophy. This question is especially relevant for the idea of contestatory democracy. According to Pettit a viable democracy rests on two pillars: authorization and contestation. The *authorial or electoral dimension* of democracy points to the fact that the people are the indirect, electoral authors of the policies that legislators put forward in office. In this way democratic institutions will be forced to track the common avowable interests of the people. The *contestatory or editorial dimension* of democracy, on the other hand, deals with the fact that democratic institutions should also provide us with ample opportunity to criticize candidate policies and policy implementation that do not advance common interests.

Both dimensions are necessary to secure a well-ordered democratic society. But by themselves they only sketch an impoverished view of democratic politics. Sound democratic institutions do not only depend on elections and a counterfactual responsiveness to the possibility of contestation, but also on the unconstrained exertion of freedom as discursive control in civil society and the public sphere. Active consent there is just as important as contestability. Without a strong commitment of the state and its citizens to the discursive relations that take place in the informal political sphere, we cannot deal with the democratic deficit of our political institutions (for a similar kind of criticism see Stefan Rummen's contribution in: Xavier Vanmechelen ed., *Afhankelijkheid zonder dominantie. Over de sociale en politieke filosofie van Philip Pettit*, Acco, 2002). Some of these difficulties with this book could have been removed, however, if Pettit had spent more time substantiating the equation he makes between freedom and fitness to be held responsible. Nevertheless, despite this shortcoming, anyone who is interested in the topic of democracy will find *A Theory of Freedom* a worthwhile read.

Ronald Tinnevelt

Paul Pierson (ed.), *The New Politics of the Welfare State*. Oxford: Oxford University Press, 2001, ISBN 0-1982-9753-X, £ 40.

This edited volume is a most welcome corrective to the sweeping globalization literature that argues the general retreat of the welfare state in an era of economic and financial internationalization. Pierson has succeeded in bringing together an impressive range of leading welfare state scholars. The result is a rich collection of essays that represents the cutting edge of political science-oriented welfare state research and constitutes the most important contribution of its kind in the field today.

The contributions display a great variety of theoretical arguments. They share, however, what Pierson summarizes as a sceptical attitude to the "grossly-oversimplified vision of national welfare states under siege from the rising forces of footloose global capital" (p. 104) and the view that this pressure – almost automatically – results in

radical welfare retrenchment and the convergence towards a residualist liberal, US-style, model of welfare provision.

The structure of the book roughly follows the Eastonian input, throughput, output logic of policy making. Yet, the accounts in the different parts are often overlapping. Part I identifies the sources of pressure on the welfare state. Part II and III focus on the two main arenas of welfare state politics: the corporatist arena and the political arena. Part IV analyses three major policy domains: old-age pensions, health care and labour market policies. These four parts are framed by an introduction and a conclusion by the editor. Each chapter is densely written and theoretically relevant in its own right, which justifies a chapter-by-chapter summary of the central arguments.

In the introduction Pierson provides the reader with a careful overview of the book, stressing where the contributors agree and disagree. That there is considerable disagreement soon becomes obvious in the first part of the book. Schwarz claims that the global effects of the deregulation of the US service sectors, in the late 1970s and early 1980s, has been the most effective pressure on mature welfare states. Iversen and Pierson, on the other hand, both emphasize internal pressure. Iversen argues that deindustrialization has resulted in a rapid decline in industrial employment, which in turn has shaped the welfare state agenda. Pierson identifies a broader bundle of what he calls post-industrial pressures. This includes the slow down of economic growth, the burden of past social policy commitments, the budgetary consequences of ageing, and changes in the household structure. Using a counterfactual argument he claims that, due to these post-industrial pressures, even if economic openness had not increased in the last decades, the magnitude of challenges to the welfare state would not have been significantly lower. Pierson also argues that – given the multiplicity of pressures, the cross-national variation of their magnitude and their differential interaction with existing welfare regimes – national reform agendas will vary and the structure of political cleavages is likely to become more complex than the globalization argument suggests. This statement can be seen as the *Leitmotif* of the remainder of the book.

The second part of the book starts with a broad treatment by Huber and Stephens of how and with which consequences welfare state regimes interact with production regimes, in other words the distinctive ways in which enterprises, financial institutions and government are related. One of the findings is that benefit and social service cuts have been mainly driven by high unemployment and that the respective regimes rather than the government party in power condition political responses. More specifically, Manow analyses the logic linking the Conservative welfare state regime with the coordinated production regime. Using a transaction cost argument he maintains that generous welfare state programmes "can be part of a comparative institutional advantage of an economy" (p. 147) even in an era of increased economic internationalization.

Rhodes investigates corporatist relationships in a number of countries and discovers that social pacts have been concluded even in non-corporatist countries. However, these pacts took the form of 'competitive corporatism' trying to achieve distributional deals and productivity gains.

The third part of the book starts with Swank's investigation of the impact of institutions on welfare state restructuring. He argues that institutions "determine the depth and character of welfare state restructuring" (p. 198) because institutions mediate the impact of domestic and international pressures on policy reforms (p. 198). His statistical analysis confirms that institutions do make a difference and suggests that their impact has probably increased in the era of retrenchment.

Bonoli uses comparative case study evidence to show how institutions actually shape welfare state adaptation. He emphasizes that the impact of institutions is contingent upon other factors and that the same institutions may either facilitate or inhibit retrenchment. Despite this complexity, Bonoli provides evidence that institutions have an identifiable impact on adaptation. Countries with institutions that concentrate executive power are likely to experience unilateral reforms geared towards retrenchment, while countries with multiple veto points tend to have a more co-optive approach and are likely to experience *quid pro po*, that is a combination of retrenchment and improvements.

Kitschelt concentrates on the structure of party competition, rather than institutions. He argues that the specific configuration of party competition serves as a strategic context, which shapes politicians' decisions whether or not to choose unpopular social policies. Kitschelt introduces four mechanisms that, in conjunction with each other, are conducive for retrenchment and he illustrates the operation of these mechanisms for four countries that represent distinctive configurations of the presence or absence of these mechanisms.

The policy-oriented contributions of the fourth part have three themes in common: the importance of path dependency, the complexity of actors' preferences, and the multi-faceted character of policy changes. The importance of path dependency becomes particularly pronounced in Myles and Pierson's investigation of pension reforms. They argue that the terms of the current pension debate, the trade-offs policy makers are facing, and the nature and interests of actors involved, are fundamentally shaped by whether or not policy makers have introduced generous pay-as-you-go pension schemes during the golden age of the welfare state. Those who did, the Bismarckian countries, have been locked into a path of expansion and are facing a difficult debate about austerity and retrenchment; those who did not, like Denmark or Switzerland, have to deal instead with regulatory issues concerning the private provision of pensions.

Giaimo, analysing health care reform, continues on the theme, by arguing that employers' and governments' preferences, strategies and capacities with regard to cost containment were contingent upon the properties of the specific health care regime and the political system.

In a similar vein, Woods, comparing labour market policies, makes the case for an employer-centred theory of preferences based upon a carefully developed notion of path dependency, or, more concretely, increasing returns.

In the conclusion, Pierson, arrives at a comprehensive framework for the study of welfare state reform. Based upon the assumption that pressures for austerity meet an enduring popularity of the welfare state, he proposes a distinction between three dimensions of welfare reform and outlines three worlds of welfare state reform. The latter is based on Esping-Andersen's typology of welfare regimes and findings of earlier chapters.

All chapters of the book are informed by recent theoretical developments and are methodologically sophisticated, as they either use advanced statistical tools to analyse many countries or carefully designed comparative case studies to analyse a few countries or sectors. The various contributions powerfully demonstrate that welfare state adaptation does not follow the simple logic claimed by globalization theorists. It is puzzling, however, that so much disagreement still exists despite this level of sophistication. This does not only hold for the relative importance of different challenges to mature welfare states, but also for the explanation of variation in welfare state reforms. Take the impact of political institutions. While the important role of institutional structures seems to be confirmed by quantitative (Swank) and qualitative evidence (Bonoli), Kitschelt argues that institutions "contribute relatively little to the explanation of different pathways of social policy reform" (p. 302). Or, how should one reconcile Swank's finding that institutional fragmentation facilitates the downward pressures of international capital market on welfare states (p. 226) with Bonoli's claim that fragmented political institutions favour restructuring rather than retrenchment (p. 241-242)? There are more of these inconsistencies, and one would have hoped that the editor would have addressed them more explicitly.

The lack of a commonly agreed dependent variable and different operationalizations of the independent variable constitute important sources of theoretical disagreement. Schwarz, for instance, employs a broad definition of the welfare state, which includes not only social transfers and services, as most other authors do, but also the protection of economic sectors from market pressures. Or, to give another example: Bonoli's concept of institutions is confined to formal political institutions, whereas Swank's concept also includes systems of interest intermediation (corporatism vs. pluralism) and welfare state regimes. It is one of the merits of Pierson's concluding chapter that he addresses the issue of the proper dependent variable, though he does not elaborate on what should be regarded as the scope of the welfare state. He develops, however, a three-dimensional scheme of welfare state reforms. Reforms are either directed at cost containment, recalibration (i.e., the adjustment to new social needs), or re-commodification. This is certainly an important step forward. Still, confusion is likely to persist, as the three dimensions are not mutually exclusive. It is difficult, for instance, to unambiguously subsume the partial shift from pay-as-you-go pensions to funded pensions under one of the dimensions.

Another critical point concerns Pierson's claim that we are witnessing a new politics of the welfare state. In his earlier writings, Pierson has very forcefully argued that theories explaining welfare state expansions cannot just be turned upside-down to explain welfare state retrenchment, because the goals and the contexts have been changed. This notion is to some extent treated by Pierson and occasionally pops up in the other contributions, yet it would have pushed the scholarly debate much further if the issue had been discussed in a more systematic way throughout the book.

A final remark concerns the issue of European integration. Though the chapters occasionally refer to the European Union, it seems to me that its effects, in particular of the EMU and the single European market, needed a more systematic treatment. It certainly should be taken into account in the future research agendas, as European integration in this area has intensified in the last couple of years.

Markus Haverland

Anna van der Vleuten, Dure Vrouwen, Dwarse Staten. *Een Institutioneel-Realistische Visie op de Totstandkoming en Implementatie van Europees Beleid* (Expensive Women, Unwilling States. An Institutional-Realist View on the Making and Implementation of European Policy), Nijmegen: Nijmegen University Press, 2001. ISBN 90 373 0598 9, Euro 15.00.

It is a daunting task to analyse empirically why states behave differently from what neo-realism and neo-iberal institutionalism expect and subsequently to deduce from this a theoretical reply. Anna van der Vleuten has done both in her dissertation for which she received the 2001 Dissertation Award of the Dutch Political Science Association (sharing it with Renske Doorenspleet whose dissertation is also reviewed in this issue). *Dure Vrouwen, Dwarse Staten* is a successful and convincing attempt to analyse profoundly the conditions under which nation-states accept 'expensive policies', that is, policies that entail a distribution of expected political, economic and ideological costs and benefits that do not seem to serve the state's interest. In her analysis, Van der Vleuten focuses on the equal rights policies of the European Union. More specifically, she investigates the conditions under which four member states – the Netherlands, Germany, France and the United Kingdom – have approved, rejected and implemented these policies. In doing so, she pays thorough attention to the European Union's institutional environment, to the domestic context of each of these states, as well as to the interaction between these two factors. She does so on the basis of a slightly revised version of Lieshout's institutional realism.

Van der Vleuten follows Lieshout in his attention for both the domestic and the international structure, but she adds a distinction between the international structure and the international environment. The latter refers to Buzan's interaction capacity (and the related institutional density) of the international system. That capacity affects the extent to which the structural characteristics of the international system impact on the behaviour of the nation-states. The international system's interaction capacity can alleviate this impact and therefore the effect of the power distribution in the international system on states' behaviour. How states will behave depends, however, on domestic factors as well. Ranging among these are the extent to which governments