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The impact of class coalitions, cleavage structures and church–state conflicts on welfare state
development

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Abstract

Comparative research on religion and the welfare state has been incomplete because it has fairly exclusively, but mistakenly, focused on the role of political Catholicism in the development of social protection systems, wrongly interpreted or simply ignored the role of Protestantism, failed to differentiate between different strands of Protestantism, and put an undue emphasis on the impact of religious ideas on welfare state institutions. This paper proposes an alternative account of the impact of religion on the welfare state. It offers an adapted model of political class coalitions that takes into account societal cleavage structures to show how contrasting church–state constellations and conflicts in the north, centre and south of Europe, and variation in the party-political representation of those cleavages has led to different coalitions between lower and middle classes. This, in turn, led to distinct institutional paths of welfare state development in the West.

1. Introduction

Most comparativists who study welfare state development agree today that religion has played a role in the development of modern social protection systems. The early protagonists of the power resources approach, however, had only stressed the causal impact of Socialist working class mobilization on modern social policy (see Esping-Andersen and Van Kersbergen 1992). In their view it was the working class and its socialist organizations that had been the driving force behind the ‘social democratization’ of capitalism via the welfare state. To them it came as a surprise that not only Social Democracy but also (Social) Catholicism promoted welfare state development. John D. Stephens (1979: 100), one of the leading spokesmen of this approach, put it in prudent terms when he argued that ‘it seemed possible that anti-capitalist aspects of catholic ideology – such as notions of fair wage or prohibitions of usury – as well as the generally positive attitude of the catholic church towards welfare for the poor might encourage government welfare spending’. Similarly, Schmidt (1980, 1982) asserted that Social Democracy and Christian Democracy were functionally equivalent for welfare state expansion, at least during periods of economic prosperity. Wilensky (1981) argued that the two movements overlapped considerably in ideological terms and that Catholicism indeed constituted an even more important determinant of welfare statism than “left power” did. Catholic social doctrine called for a correction of the most abhorrent societal effects of the capitalist order. The Catholic principle of subsidiarity, moreover, posited that in the last

instance the (nation) state had a duty to intervene to correct for morally unacceptable market outcomes. At the centre of the doctrine was not the type of workers' social *rights* and *emancipation* argument that one finds in Social Democratic ideology, but rather the conviction that people have the Christian *obligation* to help the poor and that social policy can help protect a stable and fair social *order*.

However, it was not only the moral obligations defined in social doctrine and the preoccupation with the problem of social order that determined the pro-welfare stance of religious political parties. Stephens also suggested that there were more straightforward political reasons why Christian Democratic parties were supporters of the welfare state. These parties operated in the political centre were seeking the working class vote, and hoped to cooperate with the powerful Catholic unions. Social policies promised to secure the support of the Catholic working class. Admitting the possibility that other political movements could be attractive to the working class, however, implied that one of the constitutional assumptions of the power resources model had to be relaxed; namely, that the political identity attached to wage labour in capitalism is inherently, and of necessity, Social Democratic. But apparently workers could be mobilized and organized as Catholics, too. Of course, much of the apparent contempt for the continental European welfare state in the comparative literature stems from Marxian notions of a 'false consciousness' attached to all forms of political mobilization that do not follow class-lines.

Through an elaboration of the power resources approach in Esping-Andersen's (1990) regime approach and a specification of the association between Christian Democracy and the welfare state (Van Kersbergen 1995; chapter 2 of this book has an extensive review of the literature), the literature posited that it was the combination of Christian Democracy and Catholic social doctrine that explained why Christian Democratic welfare states were as generous in terms of social spending as the Scandinavian ones. At the same time, it was also posited that they were not designed to counter market pressures (to de-commodify labour) to the same extent as the Social Democratic welfare states. Christian Democracy-cum-Social Catholicism rather produced and preserved a traditional, patriarchic, status-oriented model of society.

It is this reading of the history of the western welfare state, that owes much to the power resources and regime approach, which is challenged in this paper. It seems at best incomplete. First, an exclusive focus on the labour question and on worker mobilization ignores other highly contentious issues, particularly whether state or society should be responsible for protecting workers, but also mothers and families, against the vagaries of life.

And here ‘society’ often had to be read: the church. Church and modern nation state also waged bitter conflicts over who should be the central agent of socialization, as exemplified by the Dutch ‘schoolstrijd’ or similar conflicts over education in France. These conflicts over education exerted a profound impact on early welfare state building as well.

Second, taking into account not only the capital–labour conflict due to the industrial revolution but also the state–church conflict over education and social policy due to the ‘national revolution’ (Stein Rokkan) is key to our understanding of modern welfare state development. Only in those countries where in the last quarter of the 19th century bitter state–church conflicts were waged did parties of religious defence form. These parties later became so decisive as political actors that mobilized workers and the middle class *not* just along class lines, but along cross-cutting lines of denominational belonging as well. To explain why parties of religious defence formed in continental Europe as opposed to Scandinavia or England is a precondition for understanding why the continental welfare state developed into such a different direction compared to the Nordic and Anglo-Saxon regimes.

Third, it is not easy to reconcile the historical facts with the power resources and regime narrative about European welfare state development. For instance, it was Liberalism and anti-clericalism, as opposed to Catholicism or Christian Democracy, which prevailed in the formative period of the Italian and French welfare states. In fact, in these countries much of the early social legislation had an obvious anti-clerical momentum, since the aim was to establish central national state responsibilities in a domain for which the church had always claimed exclusive competency. Yet, in spite of their obvious Liberal and anti-clerical pedigree several countries such as Italy, Belgium or France are regularly classified as belonging to the Conservative–Catholic welfare state regime type. Therefore, the dominant reading in the literature, which explains the specific features of the continental welfare state as a manifestation of Catholic social doctrine, is historically inadequate and blurs the decisive causes for the institutional variance among West-European welfare states.

Fourth, an exclusive focus on Catholic social teaching and Christian Democracy also neglects the influence of Protestantism. For instance, a review of historically oriented studies of the social and political role of Protestantism and Protestant political parties led one of us (Van Kersbergen 1995: 254, footnote 1) to reject the idea that Protestantism has had any positive contribution to either Christian Democracy or the welfare state. But this conclusion is only warranted in a limited context. That is, when one indeed focuses on the direct impact of political parties on the emergence and development of social policies, and, at the same time, disregards the differentiation between Lutheran and reformed Protestantism, we have to

conclude that this universal statement is unjustified on the irrelevance of Protestantism for welfare state development. Historical evidence suggests two things: First, reformed Protestantism substantially delayed and restricted the introduction of modern social policy and therefore had a *negative* impact on welfare state development. Second, the Lutheran state church in Germany or in the Scandinavian countries held no major reservations against the state playing a dominant role in social protection, namely, they did not mount a substantial resistance against the nation state taking over these new responsibilities. Indeed they even often supported and welcomed this development. Lutheran state churches, therefore, *positively* contributed to welfare state development.

In our view, the differences between Catholicism and Protestantism *and* between the major variants of Protestantism are very important for an accurate understanding of the different directions nations went in their social policy development. On the one hand, the Protestant free churches and other reformed currents (Dissenters, Calvinists, Baptists, et cetera) held a strongly anti-étatist position, whereas, on the other hand, Lutheran state churches never questioned the prerogative of the central state in social policy and education. In contrast, when workers in Southern Europe fought for their political and social rights and when Liberals in these countries tried to establish modern nation states, they consistently had to fight against the Catholic clergy as well which were closely attached to the ruling elite of the ancien régime. Bitter conflicts between the church and the Liberal elite in the new republican nation states of Southern Europe were the consequence. It is for this reason that Liberal parties in these countries often introduced new social legislation with explicitly anti-clerical motives. This clearly speaks against any unqualified statement that Catholic social doctrine was dominant in the development of the Southern or Continental welfare state. Christian Democratic parties, which to a large extent were the unintended offspring of the church's political fight against Liberalism, did play an important role, but only much later. Moreover, these parties did not always exactly play the pro-welfare state role that the literature imagines, as in the case of the Italian Democrazia Cristiana that used the welfare state primarily as a clientelist resource in its effort to mobilize voters and as a means of becoming more independent from the official church hierarchy.

In sum, according to the power resources and regime analysis Protestantism has played no significant role in the modern welfare state development, and Catholicism did so but only insofar as Christian Democracy possessed a Catholic social doctrine and was successful at organizing and mobilizing Catholic workers. We argue that the impact of political Catholicism and of reformed Protestantism on welfare state development in the

western world was quite different from what the literature so far has suggested. The role of religion in the development of the western welfare state is far more than just a variation of the dominant ‘strength of the worker movement’ theme or a question of doctrine influencing policies.

In this paper we start by reviewing how the impact of religion on modern welfare state development had been conceived first in modernization theory – both in its ‘bourgeois’ and its Marxist variants (Section 2). We then continue by positing our own argument of the role of religion in modern welfare state development within the broader political economy literature, which explains the welfare state as the outcome of different political class coalitions (Section 3). We end by pointing to further implications of our argument for the comparative welfare state literature and for the renewed interest in the role of religion in modern welfare state development (Section 4).

2. *Protestantism, Secularization and the Welfare State*

The issue of the relationship between religion and the development of social policy came up in the context of the theory that pointed to modernization as the root cause of the welfare state. Generally speaking, the origin of the welfare state and its development were largely interpreted as effects of modernization, which encompasses industrialization and democratization. The ‘question’ to which the welfare state was an answer concerned the increasing demands for social and economic equality, that is the demands that completed the Marshallian trias of civil, political and social rights. In catering for such demands, the scope of state intervention was increased tremendously and the nature of the state was transformed:

With the structural transformation of the state, the basis of its legitimacy and its functions also change. The objectives of external strength or security, internal economic freedom, and equality before the law are increasingly replaced by a new *raison d’être*: the provision of secure social services and transfer payments in a standard and routinized way that is not restricted to emergency assistance (Flora and Heidenheimer 1981: 23).

The increased demand for socioeconomic security came from a system of industrial capitalism that dislodged masses of people and made them dependent on the whims of the labour market, thus rapidly destroying traditional forms of social protection. Welfare state development was related to the problem of social disorder and disintegration that was created

by the increasing structural-functional differentiation of modern societies. Such differentiation ‘involves a loosening of ascriptive bonds and a growing mobility of men, goods, and ideas. It leads to the development of extensive networks of exchange and greater disposable resources. As differentiation advances and breaks down traditional forms of social organization, it changes and exacerbates the problem of integration (...)’ (Flora and Alber 1981: 38).

Modernization caused social disintegration and reinforced the functional requirement of intervention by social organizations and the state. Modernization involved rapidly changing working conditions, the emergence of the free labour contract, and the loss of income security among weak groups in the market and through unemployment. The market did not provide the collective goods needed to cope with these problems. At the same time, large parts of the population were mobilized and organized as a consequence of the increasing concentration of people in factories and cities and the extended means of communication. Mobilization was expressed in public protest and violence or in social and political organizations, thus making the spectre of disorder and disintegration directly visible and perceptible for the state elites. In addition, there emerged a pressure generated by the power of organization itself, especially the organization of workers.

The causal link between industrialization (or modernization more generally) and welfare state development was not always elaborated well theoretically. The theory that modernization (especially industrialization and its correlates) is the root cause of the welfare state is a functionalist theory that understands the growth of the welfare state in developed nations by and large as the response of the state to the growing needs of its citizens. This theory stresses that industrialization generates demands for social security that can only be met by rational means of state intervention. Similar problems demand similar rational solutions. Consequently, social welfare was seen as a function of industrialization, which created the preconditions for welfare state development in the sense of generating both the need and resources for intervention. It was technical rationality rather than political conflict that governed this response to the transformation of societies.

We think that modernization theory is right in constructing a causal link between industrialization and the growing need for social policy, with two crucial modifications: 1) the association must be understood in a somewhat different manner and 2) it is not the only link of causal importance. First, it is not industrialism *per se*, but the establishment of a full-fledged labour market which links the modern market economy to the welfare state. Second, not only the industrial revolution, but also the national revolution has been of extreme importance for the advent of modern systems of social protection. Here we focus on the first

aspect, the labour market–welfare state nexus and inquire into the national revolution as a root cause of modern welfare state formation in section 3.

According to the original theory a ‘normal’ development would be that modern social policy, usually conceptualized as social insurance, originated as an effect of the dislocation that industrial capitalism caused. The theory pointed to societal problems that emerge from the wide disruption created by the industrial revolution and the advent of capitalism. However, theoretically the reference to ‘industrialism’ was not always well thought-out. In our view, the root cause of the demand for modern social policy does not lie in industry but in the advance of a full-fledged and self-regulating market on which labour could be bought and sold as a commodity. This, of course, is the single most important characteristic of industrial capitalism as Karl Polanyi (1944 [1957]: 40–41) understood it:

(...) once elaborate machines and plant were used for production in a commercial society, the idea of a self-regulating market was bound to take shape (...). Since elaborate machines are expensive, they do not pay unless large amounts of goods are produced. They can be worked without a loss only if the vent of the goods is reasonably assured and if production need not be interrupted for want of the primary goods necessary to feed the machines. For the merchant, this means that all factors involved must be on sale, that is, they must be available in the needed quantities to anybody who is prepared to pay for them. Unless this condition is fulfilled production with the help of specialized machines is too risky to be undertaken both from the point of view of the merchant who stakes his money and of the community as a whole which comes to depend upon continuous production for incomes, employment, and provisions.

Polanyi’s point was that such conditions did not exist in agricultural society, but had to be brought about. The transformation needed was fundamental and required that the economic market logic took over all other social motives – gain rather than subsistence – and all other social institutions. A market *economy* could only function in a market *society*. Highly regulated markets as places for trade and barter, of course, existed everywhere and since long, but a self-regulating market *system* was a new and unique phenomenon. ‘Self-regulating implies that all production is for sale on the market and that all incomes derive from such sales. Accordingly, there are markets for all elements of industry, not only for goods (always including services), but also for labor, land, and money (...)’ (Polanyi 1944 [1957]: 69). This implied that land, money and labour were assumed to be produced for sale. Thus they could be bought and sold, functioning as commodities.

Polanyi stressed that labour was obviously not produced for the sole purpose of selling. It was a fictitious commodity; it was forced to function as if it were a commodity. It was therefore also subject to the forces of supply and demand, embodied in the price mechanism, and nothing (and especially not state intervention) ought to prohibit its functioning as a commodity. But labour could simply not function as a commodity, because if it really did so on an unrestrained market, it would destroy society.

For the alleged commodity 'labor power' cannot be shoved about, used indiscriminately, or even left unused, without also affecting the human individual who happens to be the bearer of this peculiar commodity. In disposing of a man's labor power the system would, incidentally, dispose of the physical, psychological, and moral entity 'man' attached to that tag. Robbed of the protective covering of cultural institutions, human beings would perish from the effects of social exposure; they would die as the victims of acute social dislocation through vice, perversion, crime, and starvation' (Polanyi 1944 [1957]: 73).

Labour had to be adapted to the demands of the market system. And this implied a complete reorganization of society itself, as a result of which human society became an 'accessory of the economic system' (Polanyi 1944 [1957]: 75). The result were disastrous and 'human society would have been annihilated but for protective countermoves which blunted the action of this self-destructive mechanism' (idem). Although Polanyi nowhere used the words, his thesis is, of course, that the commodification of labour was necessarily followed by its decommodification. This, then, is the 'double movement' that Polanyi identified as being so characteristic for the social history of the nineteenth century: 'society protected itself against the perils inherent in a self-regulating market system (...)' Polanyi 1944 [1957]: 76). Following Polanyi, it is the timing of the industrial transformation and the development of a self-regulating market for industrial labour (the first movement) which determines whether the countermovement in the form of social protection arises in a country.

We can understand nineteenth century developments in social legislation in terms of the creation of a self-regulating market, the social dislocation this caused and the counteraction in the form of social protection this provoked. This is the *common experience of all countries* in which the self-regulating market did its destructive work. This is Polanyi's brilliant analysis of the double movement of commodification, also of labour power, under capitalist markets and of decommodification as the inevitable response to this. In fact, Polanyi (1957 [1944]: 147) made a historical-comparative statement to this effect:

Victorian England and the Prussia of Bismarck were poles apart and both were very much unlike the France of the Third Republic or the Empire of the Habsburgs. Yet each of them passed through a period of free trade and *laissez-faire*, followed by a period of antiliberal legislation in regard to public health, factory conditions, municipal trading, social insurance, shipping subsidies, public utilities, trade associations, and so on. It would be easy to produce a regular calendar setting out the years in which analogous changes occurred in the various years (...).

The supporting forces were in some cases violently reactionary and antisocialist as in Vienna, at other times 'radical imperialist' as in Birmingham, or of the purest liberal hue as with the Frenchman, Edouard Herriot, Mayor of Lyons. In Protestant England, Conservative and Liberal cabinets labored intermittently at the completion of factory legislation. In Germany, Roman Catholics and Social Democrats took part in its achievement; in Austria, the Church and its most militant supporters; in France, enemies of the Church and ardent anticlericals were responsible for the enactment of almost identical laws. Thus under the most varied slogans, with very different motivations a multitude of parties and social strata put into effect almost exactly the same measures in a series of countries in respect to a large number of complicated subjects.

Polanyi's theory of the double movement explains why *all* nations, irrespective of regime-type or the political-ideological leanings of the ruling elites, developed social protection against the social disruption caused by the creation of the capitalist labour market.

However, neither the theory of industrialism nor Polanyi's theory of the double movement appear satisfactory when it comes to explaining the varying forms the welfare state countermovement took. Their incapability to explain why the state responds to the challenges posed by the full 'marketization' of modern societies varied so much is due to their lack of a micro-foundation, since they never detail how exactly pressures of social misery and dislocation were actually translated into some social policy response or 'the' welfare state. In both the modernization approach and the Polanyian explanation it remains obscure how needs and demands can create their own fulfilment. There is little or no account of the causal mechanisms or the societal actors producing the political responses. This is why – implicitly or explicitly – they are also theories of convergence, arguing that societies were increasingly becoming alike as they approached a certain level of industrial development and as they developed a self-regulating labour market. Therefore both theories have little to say empirically about cross-national variation among developed nations, or why the responses to the social disruptions caused by modern capitalism were so different from each other with such long lasting socio-economic effects for these societies.

In our view, it mattered a great deal who exactly executed the countermovement. It is here that political actors (such as political parties) gain relevance as organized expressions of social cleavage structures. Among those cleavages that have structured the party systems of

Western Europe, the religious one has been of particular importance. This cleavage resulted from state–church conflicts that occurred in the wake of the national revolution when state building elites challenged the position of the church in domains perceived crucial for the creation of modern nation states (particularly in education, but in social protection as well). Of course, the 1970s generation of welfare state researchers, inspired by the (functionalist) theory of modernization and masterly represented by Peter Flora, already claimed that religion influenced modern welfare state development, but again they rather emphasized the role of religion as a structural factor and in the *longue durée*. Modernization theory cherished the claim that *secularization* (as a correlate of industrialization and urbanization or as a phenomenon of modernization in general) and *Protestantism* were a source of welfare state development. It was the decline of religion, the impact of Protestantism and the rise of the secular nation state – as a consequence of the ‘surrender’ of the church to the state or as a result of the retreat of the church into the ‘private’ realm – that governed the development of the welfare state.

Secularization was taken to refer to the decline of the categorical impact of religion on human conduct (Chadwick 1975) and pointed to the increasing powerlessness of organized religion in temporal affairs, coupled with the decreasing plausibility of the religious interpretation of the world (Martin 1978). Or in Bruce’s (2002: 3) summary of the secularization paradigm:

- a) the declining importance of religion for the operation of non-religious roles and institutions such as those of the state and the economy; b) a decline in the social standing of religious roles and institutions; and c) a decline in the extent to which people engage in religious practices, display beliefs of a religious kind, and conduct other aspects of their lives in a manner informed by such beliefs.

Religious institutions lost their dominance over society and culture and Protestantism ‘served as the historically decisive prelude to secularization’ (Berger 1990: 113).

Christianity was thought to be related to welfare capitalism only so far as Protestantism involved a first step in the process of secularization and individualization, because this belief caused ‘an immense shrinkage in the scope of the sacred in reality’ (Berger 1990: 111). Protestantism qualitatively changed church–state relationships which, in turn, facilitated the construction of the welfare state. Protestantism and secularization influenced the transformation of traditional societies into mass democracies and this process affected the

institutional arrangements of modern welfare states. Thus Flora's generalization of the Rokkan macro-model of European history asserted that

the protestant nationalization of the territorial culture in the North favored the mobilization of voice 'from below': the early development of literacy encouraged the mobilization of lower strata into mass politics, and the incorporation of the church into the state apparatus reduced one potential source of conflict and produced a clear-cut focus for the opposition of the dominated population. By contrast, the supra-territorial influence of the catholic church favored a mobilization 'from above': the late development of literacy retarded spontaneous mass mobilization and the conflicts over the control over the educational system led to efforts by the church to mobilize against the state (Flora 1983: 22).

In nations in which the reformation had a lasting impact and in which state–church relations gradually developed, the conditions for collective welfare services were argued to be most favourable, especially as the decline of religion was believed to facilitate the growing political salience of class. In contrast to the argument that the power of (Calvinist) Protestantism delayed welfare state development (cf. Manow 2004), the modernization scholars were convinced that in those nations where Catholicism continued to shape culture and politics, the conflict between state and church inhibited or at least retarded the emergence of a welfare state. This contrast between the Protestant and the Catholic nations was then taken to explain the difference in *timing* and variation in the *quality* of the welfare states. These latter differences concerned the degree of 'stateness' (the level of centralization; the level of state–church integration; the degree of state intervention in the economy) and the degree of institutional coherence (universalism versus fragmentation).

The ideal type of the welfare state that Flora and others at the time had in mind referred to a historical combination of universalism and stateness and was taken to comprise characteristics such as political centralization, nationalization of the church, cultural homogeneity, advanced agriculture, the lack of (or limited) absolutism, smooth democratization and a limited division of state and society. This ideal type of welfare state development was found in Europe's periphery, specifically, in Scandinavia where the physical distance from Rome was greatest. In other words, what Peter Flora discovered as the *differentia specifica* of the 'Protestant welfare state', was later rediscovered by Walter Korpi and his followers (notably Gøsta Esping-Andersen) as the 'Social Democratic welfare state'.

In an important article, Heidenheimer (1983) focused on the relationship between religion and secularization patterns on the one hand and what he called the 'westward spread' of the welfare state on the other. His article was in the form of two imaginary dialogues, the

first between Max Weber and Ernst Troeltsch, taking place in 1904, and the second between Ernst Reweb and Max Schroeltt, the modern impersonations of the two great sociologists. The birth of the welfare state was dated 1883, the year of the introduction of the first workers' insurance in Bismarckian Germany. The question to Weber and Troeltsch was 'whether the spread of social insurance is at all related to the religious ethos prevalent in different countries and if so, how do the different branches of Christianity compare in the degree to which they have welcomed or opposed this trend?' (Heidenheimer 1983: 6).

In the Weberian perspective it was expected that the adoption of social insurance occurred in an early stage in Protestant countries because both doctrine and the intimate relationship between state and church were favourable to paternalist types of social policies. Catholic countries were expected to be laggards because Catholicism inhibited economic development. In the account of Troeltsch, on the other hand, there was a crucial difference between Calvinist and Lutheran countries, the latter probably more willing to accept social insurance as a tolerable intervention, the former, because of the association with liberal capitalism, probably even slower in their embracing of the welfare state than the Catholic nations.

Secularization patterns were assumed to affect national experiences by altering the velocity with which social insurance schemes were introduced (cf. Manow 2004). In the Weberian perspective secularization was assumed to accelerate the development of the welfare state because it was viewed as a concluding phase of western rationalization. According to the Troeltschian interpretation, however, secularization was a multi-dimensional process by which religion lost its influence entirely in some domains, whereas in other domains traditional values were transplanted into secular structures and processes (Heidenheimer 1983: 9).

The link between religion and the welfare state that Van Kersbergen (1995) advanced consisted of four theses: 1) Christian Democracy is the heir of the (social) Catholic parties that mobilized roughly between 1870 and 1914; 2) Christian Democracy fostered a *distinctive* welfare state regime labelled 'social capitalism'; 3) this regime was both the medium and outcome of Christian Democratic power mobilization through the 'politics of mediation'; and 4) the specific configuration of interests (including denominational interests) representation and accommodation within Christian Democratic parties explained different outcomes in terms of social policy performance, that is *within* regime variations. The explanatory problem did not concern the possible association between religion(s) and welfare state emergence, timing or development. Rather the question was to what extent an institutionally distinct

welfare state *regime* could be explained in terms of the impact of Christian Democratic power mobilization, and to what extent the successful founding of ‘social capitalism’ implied increasing returns for Christian Democratic power mobilization. In the wake of this argument, the thesis of the irrelevance of Protestantism came to refer to the issue of the distinctive regime and to the minimal contribution of Protestants to Christian Democracy.

The main argument was based on the conviction that it was in the social motivation or concern that we find not only the origins of the distinctiveness of Christian Democracy (especially *vis-à-vis* conservatism), but also the root cause of the movements’ success in terms of electoral competition and policy performance. The religious inspiration of Christian Democratic parties distinguished them from conservative or secular centre parties, but also from Liberal and Social Democratic parties (Van Kersbergen 1994; 1995; 1999). The social concern of Christian Democratic parties was related directly to its main historical ancestor, Social Catholicism. Even where the Protestant influence was discernible (Germany, the Netherlands), Catholic social teaching was core to the political ideology of Christian Democratic parties and through the social policies of these parties impinged on the welfare state.

To sum up: in contrast to Polanyi we argue that it *did* matter who politically executed ‘the countermovement’. And following Flora, Heidenheimer and others we emphasize the importance of religious cleavages when it comes to the question which kind of class or party coalitions were able to formulate the welfare state response to the Great Transformation. In the following paragraph we outline two possible narratives of how political class coalitions have shaped the welfare state response to the challenges posed by the industrial revolution. We then continue by developing the outlines of our own cleavage theory of political class coalitions, emphasizing the importance of the religious cleavage in continental Europe as well as the importance of *the absence* of a religious cleavage in Scandinavia for the diverging paths of welfare state formation and development in these two regions.

3. *The Party Political Correlates of the Countermovement*

It is important to account for the kind of political coalitions that were behind the national formulations of the Polanyian countermovement. For this reason we look at national party systems and how they have led to different strengths of the left and the right. The power resources approach in the comparative welfare state literature argues that the welfare state was

a project of the left, of Social Democratic parties and unions. Where the left was strong, the welfare state became generous and encompassing. Where the left was weak, the welfare state remained residual. Yet, Social Democracy nowhere was able to achieve an electoral majority on its own (Przeworski and Sprague 1986). The left always remained dependent on coalition partners who would join them in their struggle for more social justice and equality, for workers' better living conditions, and for the decommodification of labour. Therefore, 'the history of political class coalitions [is] the most decisive cause of welfare state variations' (Esping-Andersen 1990: 1). In the first chapter of his seminal *The Three Worlds of Welfare Capitalism* Esping-Andersen (1990) himself sets out to provide us with such a stylized history of political class coalitions. He highlights three elements of such an account: the 'nature of class mobilization (especially of the working class); class political coalition structures; and the historical legacy of regime institutionalization' (Esping-Andersen 1990: 29). With respect to the mobilization of the working class, he is quick to add that working class strength itself does not help explaining much of the history of welfare state development: 'It is a historical fact that welfare state construction has depended on political coalition-building. The structure of class-coalitions is much more decisive than are the power resources of any single class' (p. 30). He then goes on to stress the importance of the pro-welfare state support coalition between Social Democracy and agrarian parties in the Nordic countries, a coalition which could be expanded after World War II to include the middle class. Esping-Andersen explains the specific success of Swedish Social Democracy in building a generous welfare state with the fact that it succeeded to broaden the political support for a new kind of welfare state that 'provided benefits tailored to the tastes and expectations of the middle classes' (31). Without pointing out possible causes, Esping-Andersen goes on to state that in Anglo-Saxon countries 'the new middle classes were not wooed from the market to the state' and therefore these countries 'retained the residual welfare state model' (31). 'In class terms, the consequence is dualism. The welfare state caters essentially to the working class and the poor. Private insurance and occupational fringe benefits cater to the middle classes' (31). The continental welfare states, finally, also depended on the support of the middle classes, but out of 'historical' (ibid.) – again not particularly well explained – reasons the outcome was different. 'Developed by conservative political forces, these regimes institutionalized a middle-class loyalty to the preservation of both occupationally segregated social-insurance programs and, ultimately, to the political forces that brought them into being' (Esping-Andersen 1990: 31–32).

As valuable as the distinction of the three regimes has proven for the comparative analysis of welfare states and as critical as the emphasis on the importance of ‘political class coalitions’ is, Esping-Andersen does not provide us with an explanation why these groups of countries followed such different institutional trajectories of development. His account rather ‘comes across as a post-hoc description’ (Iversen 2006: 609), in particular since Esping-Andersen gives no systematic reasons why some welfare states were able to include the middle class while others were not.

In a recent paper Torben Iversen and David Soskice (2005) have proposed a different version of a political class coalition theory of welfare state formation and growth. They start from the basic observation that in multi-party systems the left is in government more often whereas the right more often governs in two-party systems. Why is this so? At the risk of oversimplification their argument may be summarized as follows: In a simple model with three classes – the lower, middle and upper classes – and a system of (nonregressive) taxation and redistribution the middle class votes together with the lower class in a multi-party system more often than in a two-party system. In a multi-party system the lower and the middle classes together can tax the rich and share the revenue. In a two-party system the middle class can either vote for a centre-left party or a centre-right party. If the left governs, the middle class has to fear that the left government will tax both the upper and the middle class for the exclusive benefit of the lower class. If a right party governs, the middle and upper class will not be taxed and redistribution will be marginal. Therefore, in a two-party system the middle class has the choice either to be taxed and to receive no benefits, or not to be taxed and to receive no benefits. Obviously, it would then prefer not to be taxed. In a multi-party system, however, the middle class’s choice is different. If the middle class party enters into a coalition with the left party, the lower and middle class can tax the rich and divide the revenue. If the middle class party goes together with a right party, taxation as well as redistribution will be marginal. From this simple and highly stylized account it is clear that the middle class will more often vote together with the lower class in multi-party systems – or to be more precise: middle class parties will more often enter into coalitions with lower class parties in multi-party systems than in two-party systems.¹

¹ The crucial assumption in the Iversen/ Soskice model is that centre-left parties in a two party system cannot credibly commit themselves to a political agenda tailored to median voter interests. Problems of credible commitment are more easily solved in coalition governments. There is ample evidence that indeed a ‘coalition of parties’ functions differently than ‘coalition parties’ (Bawn and Rosenbluth 2003).

As in Esping-Andersen’s sketch of different welfare state coalitions, Iversen and Soskice also develop a class-coalitional approach, but they provide us with a clearer mechanism that explains the formation of different class coalitions. The authors stress electoral rules as the most important mechanism, as these either lead to multi-party systems-cum-generous welfare state or two-party systems-cum-residual welfare state. The critical analytical distinction therefore is the distinction between plurality and proportional representation (PR). In essence, Iversen and Soskice provide us with a very elegant explanation for the fact that the left more often governs in countries with PR systems (and it is here the welfare state tends to be bigger and more redistributive), whereas the right more often governs in countries with majoritarian electoral rules – countries in which the welfare state tends to be less generous and more residual (see Table 1; Iversen and Soskice 2005: 3, 47).

Table 1: Electoral systems and the number of years with left and right governments (1945–1998)²

		Government Partisanship		Proportion of Right Governments
		Left	Right	
Electoral System	Proportional	342 (8)	120 (1)	0.26
	Majoritarian	86 (0)	256 (8)	0.75
Number in parenthesis: number of countries that have an overweight (more than 50 %) of centre-left or centre-right governments during the 1945–1998 period				

But ever since the seminal contribution of Esping-Andersen we know that the level of spending per se is not what should interest us most, but rather the profound differences in the

² Whether ‘years in government’ is a good measurement for the effects of electoral rules remains an open question. Since one of the effects of PR in Scandinavia is the frequent occurrence of minority governments, where parties supporting the government nonetheless can have substantial policy influence, the measure might underestimate the importance of informal party coalitions between left and centre parties. Therefore, also vote shares can be considered when assessing the potential for policy influence of different parties, which, however, does not alter the picture substantially (see Manow 2006). The reason for the unequal success of left and right parties in PR and majoritarian systems respectively may have a cause different from the one to which Iversen and Soskice point (vote choice of the middle-class). In a recent paper Jonathan Rodden has shown that plurality systems disadvantage the left, since regionally concentrated votes are translated into fewer seats than more dispersed votes. This works at the disadvantage of workers in the industrial centres (Rodden 2005). The malapportionment of districts, when the rural population declines and the urban population increases, adds to this problem. For our context, however, it is more central to stress the difference between two-party and multi-party systems with respect to the representation of societal cleavage lines.

institutional setup of European welfare states with their substantially differing socio-economic effects. However, is there a way to combine the class-coalition model of Iversen and Soskice with the three regimes approach of Esping-Andersen? Yes, there is such a link or nexus, but it is one which becomes apparent only once we give due credits to the importance of societal cleavage structures and especially the religious cleavage.

Our argument runs as follows. We agree with Duverger and Iversen and Soskice that majoritarian electoral rules lead to a two-party system and that here the middle class more often votes for conservative parties. In such a two-party system mainly one societal cleavage is present, namely the one dominant in all advanced industrial countries, the left–right or labour–capital cleavage. All other cleavages are absorbed, latent or ‘incorporated’ in this basic cleavage.³ A good example would be the fierce conflict between the Anglican high church and the Protestant dissent in Britain in the last quarter of the 19th century. This was a virulent conflict line between the Tories and the Liberal Party (Parry 1986), but quickly receded into the background once the Labour Party crowded out the Liberal Party in the last decade of the 19th century and the first two decades of the 20th century. The religious dissent then lost its own strong political representation in the party system and subsequently Nonconformism became influential *within* the Labour party, exhibited by corresponding changes to Labour’s social policy program (see Pelling 1965; Caterall 1993). It is here where the basic mechanism described by Iversen and Soskice seems to apply: where the middle class more often votes for Conservative parties, the welfare state remains residual.

In PR systems, by contrast, there exists a larger (effective) number of parties that represent more than the one dominant cleavage dimension (the labour–capital cleavage) (Neto and Cox 1997; Clark and Golder 2006). Which kind of additional cleavages are represented in the party system depends on the cleavage structure of the country in question. Here the distinction between the Nordic and the Continental countries and their welfare states achieves particular relevance. In the north of Europe a religious cleavage did not become politicized and ‘particized’ (see Stoll 2005) because these societies were neither religiously heterogeneous, nor did the ‘national revolution’ (Rokkan) lead to strong state–church conflicts within them. ‘All the Nordic countries belong to (and, indeed, collectively constitute) Europe’s sole mono-confessional Protestant region’ (Madeley 2000: 29). The northern Protestant churches as Lutheran state churches, in contrast to the Catholic church in

³ The analysis of the impact of religion does not become irrelevant in this context, however, since it is of interest how the religious cleavage has played out itself within the dominant left–right divide. The role of Christian Socialism and Nonconformism within the British Labour party and the substantial influence of these currents on the social policy program of Labour is an example.

southern Europe, did not feel fundamentally challenged when the new nation state started to take over responsibilities which previously had fallen under the responsibility of the church. Anti-clericalism never became a strong political current in the Scandinavian countries.

A cleavage that did become politicized and partitized was the cleavage between agrarian and industrial interests. It is in Europe's north where strong parties of agrarian defence emerged and where they received a substantial share of the votes over the entire post-war period. The Finnish Agrarian Union (Malaisliitto), renamed Centre Party in 1965, won between 21 and 24 percent of the vote in all elections between 1945 and 1970. Even in the 1970s and 1980s the Centre Party never received less than 17 percent of the vote. In the general elections of 1991 the agrarians even became the biggest party with a vote share of almost 25 percent, three percent more than the Social Democrats (see Caramani 2000: 275–289).

Electoral less successful, but still with an impressive electoral record, was the Swedish agrarian party, the Bondeförbundet, renamed Centerpartiet in 1957. It gained between 12 and 16 percent of all votes in the 1950s and 1960s, and then even increased its vote share substantially in the 1970s, gaining up to 25 percent thereby becoming the second largest party behind the Social Democrats. In the 1980s and 1990s, the agrarian party then again lost much of its former strength and had a vote share of 15 percent in the early 1980s and went down to 5 percent in the late 1990s. The Norwegian Bondepartiet (since 1961 Senterpartiet), smaller than its Finnish or Swedish counterparts, received around 9 percent on average throughout the 1950s and 1960s, had slightly more than 10 percent of the vote in the 1970s, and then fell back a bit and remained between 6 and 8 percent in subsequent elections (with the exception of the 1993 election where the agrarian party got 16.7 percent and was the third largest party in the Storting) (see Caramani 2000: 762–775).

In Denmark the agrarian vote was very much concentrated in the Liberal party, the Venstre or 'Agrarian Liberals' (Johansen 1986: 351), established in 1870 as 'a derivation of the Bondevennerne, the peasants' friends' (Caramani 2000: 204). The Venstre always won more than 20 percent of the vote in the elections between 1945 and 1966, and became the second largest party behind the Social Democrats. It was only in 1968 that the Liberals fell back on third place behind the Conservatives. After a spectacular comeback in the 1975 elections (23 percent vote share) the party gained around 11 and 12 percent in subsequent elections of the 1980s, only again to experience a strong increase in strength in the 1990s (with 23 and 24 percent in the 1994 and 1998 elections respectively). As a split from the Venstre/Liberals, Det Radicale Venstre was established in 1905. Whereas the Liberals

represented the interest of large farms, the Radicals defended small farm interests (Huber and Stephens 2001: 141).

In sum, the distinguishing feature of the Scandinavian party systems is the strong role that agrarian parties play in them. Over the entire post-war period from 1945 to 1999 agrarian parties in Finland, Norway, Sweden, and Denmark gained on average 20.6, 13.9, 8.9 and 18.5 percent of the vote. No comparable figures can be found in any other European party system except in Switzerland, where the Schweizerische Bauern-, Gewerbe- und Bürgerpartei (since 1971 Schweizerische Volkspartei) gained more than 10 percent of the votes in each election in the post-war period (cf. Caramani 2004: 181).⁴ In all other European countries ‘the urban–rural cleavage was incorporated into other party alignments – state–church and left–right in particular – and did not give rise to specific political parties’ (Caramani 2004: 184). Given the strong position of the agrarian parties, it comes as no surprise that almost all accounts of the historical development of the Nordic welfare state stress the importance of red–green coalitions for the formation and the subsequent expansion of the welfare state (see Olson 1986: 5, 75; Esping-Andersen 1990: 30) or see agrarian parties even as *the* driving force of early welfare state development (Baldwin 1990: 55–94). The influence of the agrarian or centre parties was due to their pivotal position within the Scandinavian party systems. When not itself a part of the government coalition, centre parties tolerated the minority governments often led by Social Democrats, especially in Norway and Sweden (see Narud and Strom 2000; Bergman 2000). Social legislation depended on their consent and therefore was tailored to the agrarian needs and interests.

Thus the political space occupied by agrarian parties in the north could be said to be occupied by the Christian Democratic parties on the continent. The German CDU, the Dutch CDA, the Austrian ÖVP, the Belgian CVP/PSC (Parti Social-Chrétien or Christelijke Volkspartij), the Italian Democrazia Cristiana or the Swiss Christlich-Demokratische Volkspartei are parties with their roots in political Catholicism. They are the offspring of the fierce state–church conflicts in the last quarter of the 19th and the first quarter of the 20th century (in the Belgian case, the CVP/PSC is the offspring of the national independence movement of the Catholic southern provinces against the Protestant northern provinces of the Low Countries).

The continental-European countries, each of which introduced PR no later than 1919, have party systems with a relatively high (effective) number of parties in which the religious

⁴ The Bauern-, Gewerbe- und Bürgerpartei, however, is much more regionally concentrated and much less nationally dispersed than the Nordic agrarian parties.

cleavage is represented in the form of Christian-democratic parties. The religiously mixed or homogeneously Catholic countries (like Belgium or Austria) all witnessed fierce state–church conflicts in the last quarter of the 19th century. These conflicts led to the formation of parties of religious defence, a type of party that is absent in the religiously homogenous (Protestant) north.

Both with respect to vote shares and with respect to time in government, the Christian Democratic parties have been dominant (if not hegemonic like the Italian Democrazia Cristiana) in the continental countries. Since Christian Democratic parties combined the religious and large parts of the bourgeois vote, their electoral fate was better than that of the Nordic agrarian parties. Only counting the vote shares of the Catholic parties like the Österreichische Volkspartei, the Christlich-Demokratische Union, the Democrazia Cristiana, the Christen Demokratisch Appèl (and its former member parties like the Katholieke Volkspartij)⁵ and the Parti Social-Chrétien or Christelijke Volkspartij of Belgium (and ignoring the Protestant parties in these countries for a moment), it becomes evident that Christian Democracy was much more successful than the agrarian parties in Scandinavia. On average, the Belgian PSC or CVP received 34.9 percent of the vote in all elections that took place between 1945 and 1999, the German Christlich-Demokratische Union gained on average of 44.2 percent of the vote during this period, the Katholieke Volkspartij (and later the Appèl) gained on average 28.6 percent of the vote in the same period, the Austrian Volkspartei received 41.5 percent, and the Italian DC received 33.8 percent of the vote. And if we do not count the elections after the breakdown of the first Italian republic – that is if we discard the elections after 1992 – than this share rises even to 37.9 percent. The Swiss Christlich-Demokratische Volkspartei won around 20.9 percent of the vote. At the same time, parties of agrarian defence remained largely absent in continental Europe. The urban–rural cleavage dimension remained latent and was not politicized and participated in the continental welfare states.

Put pointedly, according to our history of political class coalitions we find liberal welfare states in countries with a majoritarian electoral system in which only one political cleavage dimension is present (exemplary case: the UK). The Social Democratic generous welfare states, which we find in the Nordic countries, however, have been the result of a coalition between Social Democratic parties and parties of agrarian defence (red-green

⁵ Since part of the joined Christen-Demokratisch Appèl were the Anti-Revolutionary Party and the Christlijk-Historische Unie, since 1975 we cannot speak of a purely Catholic party. Numbers from before 1975 however refer to ‘purely’ Catholic parties, mainly the Katholieke Volkspartij.

coalition). One important precondition for this coalition has been the absence of a strong religious cleavage in the Scandinavian countries. On Europe's continent, in turn, we find welfare states that are the product of a coalition between Social and Christian Democracy (red-black coalition). This is due to the fact that the second cleavage represented in the party systems of continental Europe, besides the dominant left-right or labour-capital cleavage, has been the religious cleavage, a cleavage inherited from the state-church conflicts in the wake of the national revolution, in which Liberal state elites challenged the church in its former domains like education or poor relief. What we propose here, in other words, is a Rokkianian complement to the Iversen and Soskice model of welfare state class coalitions. In our view Iversen and Soskice are perfectly right in stressing the importance of a class coalition between lower and middle class, but once we look at the party political coalitions behind the Nordic and the continental welfare states, we are also able to identify which type of middle class has entered into a coalition with Social Democracy. This insight will also allow us to explain the type of welfare state to which these party political class coalitions have led. Similarly, the variation in Christian Democracy on the European continent – sometimes being hegemonic like in the case of the Italian DC, sometimes having vanished over the course of the post-war years like the French MRP – allows us to address systematically the question of the within-type variation in the case of the Conservative, Christian Democratic welfare state predominant on the continent.

To be clear, there have been and still are religious parties in the Nordic countries – such as the most important and electorally successful Norwegian Kristelig Folkeparti founded in 1933⁶ – and there have been agrarian parties in continental Europe. But both remained marginal, without political influence and impact, especially when it comes to welfare state formation and growth. We also would like to emphasize that we do *not* claim that the PR electoral systems can explain the *formation* of either agrarian parties or parties of religious defence. In numerous cases these parties were founded before the introduction of PR, which in most countries occurred only after World War I. However, in contrast to the simple majority system in force in Britain, the two-ballot or two-round majority system in place before the Great War in almost all other European countries has the non-Duvergian tendency to sustain a higher effective number of parties, despite its 'Duvergian drive' towards the formation of two blocks or party camps. This was a crucial difference between Britain and the rest of Western Europe in the period of suffrage extension.

⁶ The Finnish Christian League, Suomen Kristillinen Liitto, was founded in 1958; the Swedish Kristen Demokratisk Samling was founded 1964; the Danish Kristeligt Folkeparti was founded in 1970.

Within this broader picture France is an outlier case and we would like to address this particular case shortly here.⁷ France is a peculiar case since its welfare state is Bismarckian (cf. Palier 2004). It shares many features with the social insurance states of other continental European nations. However, in France a Christian Democratic party did not emerge in the critical period of mass democratization (Kalyvas 1996), and then, after its late foundation (MRP in the year 1939), proved to be only very short-lived. The party dissolved in the 1960s, but already in the 1950s had only a marginal vote share (cf. Caramani 2004: 182; Elgie 2005; Alexander 2004). Today the secular–confessional cleavage seems largely absent from the French party system (notwithstanding the conflicts between laïcists and Islamic immigrants in contemporary France). If one considers the continental or conservative welfare states to be a product of a coalition between left Social Democrats and centre-right Christian Democrats, then the French case obviously does not fit particularly well into this broader picture.

Closer inspection, however, helps to explain the peculiarities of the French development. During the Third Republic, a secular–confessional divide was clearly present and extremely important in the French political system. Therefore, the state–church cleavage, which gave birth to Christian Democratic parties on Europe’s continent, was enormously virulent in the early period of welfare state formation despite the nonformation of a Christian Democratic party. Kimberly Morgan (2002, 2003, 2004) has convincingly argued that this conflict was of importance in the field of family policy, early education and schooling. There is also ample evidence that the strong position of the French state in social assistance has to be interpreted against the background of the intense state–church conflicts in the last quarter of the 19th and the first quarter of the 20th century. While all the political heat in the period from 1890 to 1910 was where state and church struggled over the responsibility for education and poor relief, the so-called ‘worker question’ figured less prominently in the political controversies around the turn of the century, also because this problem still loomed less large for late industrializing France. This allowed voluntary arrangements to dominate the field, whereas the state claimed predominance over the church in education, social assistance and, increasingly, also for the hospital sector, leading to the side by side development of étatist regulation in some sectors and corporatist solutions in others which is so typical for the French *état providence*. But whereas the state–church conflict had been virulent in the formative period of welfare state formation in France, ‘by 1958 the confessional–secular cleavage has disappeared’ (Elgie 2005: 127).

⁷ The other obvious outlier – Switzerland – is explained by its strong federalism, which itself was a way to pacify a fierce religious conflict.

Electoral rules, we contend, are again part of the explanation. When France went back to the two-ballot system in 1958 (substituting for the PR electoral rules of the Fourth Republic) the formation of two camps or ‘Lager’ – a left and a right block – was the effect (Elgie 2005: 126–127). But with only two Lager, societal cleavages other than the socio-economic left–right or labour–capital cleavage line tended to disappear from politics.⁸ In an electoral system like the French, there is one type of societal interest, however, which does get represented, namely local, territorially based, that is especially agrarian interests (Rogowski 1987). The poor electoral performance of the MRP before 1958 probably has much to do with the ‘regime cleavage’ (Kalyvas 1996: 137–141), which already in the late 19th century had hindered the foundation of a Christian Democratic party in France and which had fundamentally delegitimized such a project for many years to come.

In this paper we do not deal with the many institutional consequences which the different welfare state coalitions in Europe’s north and on its continent had. We restrict ourselves to simply mentioning some of the more important ones. One important difference is evident from the outset: agrarian parties in the North voiced resistance against the income differentiated social benefits that Social Democrats favoured (cf. Olson 1986; Johansen 1986). Instead they preferred universalist, flat rate benefits since many small landholders had no long histories of steady income and therefore feared that they would be actually unable to benefit from welfare entitlements which were contribution financed with contribution related benefit levels (cf. Baldwin 1990: 55–94). Christian Democratic parties, on the other hand, which mobilized workers as did their Social Democratic counterparts, had far less reasons to object to differentiated, wage-based contributions and entitlements. Social insurance contributions promised to ease the party-internal conflict over social policy between Catholic workers and the middle-class, since contributions ‘naturally’ seemed to limit the extent of welfare state redistribution. Moreover, during the severe economic crisis of the late 1920s and early 1930s, which had particularly affected Scandinavian agriculture, many farmers became less interested in unemployment payments, which would bridge the spells without work. Rather, they demanded active labour market policies to ease the transition to the second and third sector. The problem was perceived as one of structural change, in which the loss of employment in the first sector had to be compensated through employment growth in the

⁸ We think it is revealing that in the reform debates of 1956–1958, which led to the substitution of PR with the majoritarian two-ballot system, the ‘Christian Democratic’ MRP strongly favoured proportional representation, whereas the Parti Radical, which had collected the local, especially agrarian vote was ‘sympathetic to a restoration of majority rule which had benefited them historically so greatly’ (Alexander 2004: 210).

industry and services. Other important differences were the integration of the churches in the continental welfare states in the provision of social services (hospitals, old-age homes, kindergartens et cetera) as compared to state provision of these services in the Nordic countries. Agrarian parties were also strongly in favour of financing the welfare state through indirect taxes because this promised to shift ‘the expense of meeting risk from the most progressively assessed levies of the day – the direct land taxes they (the agrarians) paid to underwrite the poor-relief system – to the consumption habits of their urban political opponents’ (Baldwin 1990: 64). It is therefore in the most crucial dimensions of the welfare state – the mode of financing, the benefit structure, the structure of the provision of social services – that we see the varying impact of the different party political coalitions in the North and on the continent.

4. *Outlook*

As of yet, the comparative welfare state literature has tended to neglect the role of religion and religious cleavages, the impact of parties of religious defence and the legacies of fierce state–church conflicts. Where addressed at all, the influence of religion was perceived as largely restricted to political Catholicism, and here most of the emphasis was put on the influence of Catholic social doctrine. We acknowledge the importance of social doctrines, but stress that parties of religious defence were the central political actors that translated religious concerns into the realm of modern democratic politics. In those party systems in which parties of religious defence are present, namely on Europe’s continent (without France, Spain and Portugal), they backed a specific type of cross-class compromise which became manifest in a specific type of redistributive regime.

With this we do not mean to say that we see the impact of religion on modern welfare state development restricted to work through this party-political cum electoral channel. As one important ‘transmitting’ channel however, parties were never simple *porte-paroles* of religious doctrines (or other ideologies), but above all interested in maximizing votes, seats or office. Parties need to attract an electorate and have to satisfy specific societal interests if they want to be elected. A welfare state regime then represents a political compromise between different electoral and societal groups, and this is particularly true for PR electoral systems in which coalition government (or minority government) is the rule and one-party rule the exception. Specifically, we have argued in this paper that a compromise between farmers’ and

workers' interests was behind the formation and development of the welfare state in Scandinavia, whereas the continental welfare state is the institutional expression of an (inter- and intra-party) compromises between workers and the Catholic middle-class. We contend that in order to understand which kind of political class-compromises were struck in the different European countries, we need to analyze systematically the presence or absence of different societal cleavage lines. This perspective directs attention to the different logics of redistributive politics in different party-system settings – something we hope to analyse in some more detail in future work.

Our re-assessment of the impact of religion on western welfare state development is an invitation for a renewed debate on the causal sequences behind the different institutional setups of contemporary welfare states. It implies that the threefold categorization between Social Democratic, Conservative and Liberal welfare states rather hides than elucidates the causal factors in the development of the various welfare state regimes as we know them today. This paper has introduced an adapted model of political class coalitions that takes into account societal cleavage structures. Moreover, it has shown how contrasting church–state constellations and conflicts in the north, centre and south of Europe, variation in the party-political representation of those cleavages, and differences in the social and political teachings of Catholicism, Lutheranism and reformed Protestantism, have led to different coalitions between lower and middle classes. These in turn manifested themselves as distinct institutional paths of welfare state development in the West.

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