

Agenda Session #8, October 30, 2002:
Duane Swank, *Globalization & the welfare State*

1. **Skepticism about the core thesis: globalization does not significantly erode the welfare state** (Keedon). If capital can freely move wherever it wants, it seems, contra Swank, that this must erode the capacity of states to raise taxes and fund the welfare state. Note Pablo's comment: Swank's argument accepts the globalization view that globalization universally imposes *pressures* on the WS, but that institutional configurations determine the *response to pressures*.
2. **The indirect effects argument.** There is considerable skepticism about this – especially viz-a-viz the macroeconomic management issue – than the direct effects. The problem of inflation reduction and fiscal deficits seems closely linked to global financial markets. Is the fact that everywhere there was fiscal strain in last decades linked to globalization? (Cesar, Landy, Matt Nichter)
3. **The Social Dependence of the State on capital (SDCS) thesis:** Does Swank's argument contradict this core claim of Przeworski and others? What would have to be true for the two arguments to be compatible?
4. **Potential Institutional metamorphosis:** It may be the case that institutional configurations mediate globalization effects, but it can also be true that these institutions are changing: solidarity is eroding, centralization declining, inclusiveness is eroding, etc., and won't this mean that these buffers will weaken over time? (Sun Jing, Landy, Christine)
5. **lagged effects?** Could part of what is going on here be lagged effects – capital mobility, with some lag, making fiscal; conditions deteriorate which, with another lag, erode the WS? (Sarah)
6. **Relevance to less developed countries.** What are the implications of Swank's arguments for the third world? (Robyn)
7. **The neoliberalism ideology argument** (Pablo, Matt Vidal, Amy) how is this mechanism linked to globalization? That is: how does globalization enhance neoliberal orthodoxy in ways that then (potentially) constrain welfare states? (Pablo) What explains the variability across states in neoliberal ascendancy? (Amy) And, more generally, what is the relationship between (a) *globalization* and (b) *neoliberalization*? (Matt Vidal)
8. **The comparative state institutions argument:** if the SDP state impedes dismantling the welfare state because it requires consensus, shouldn't this have impeded its development also? If the fragmentary US state creates many veto points for the development of the welfare state, why doesn't this also create veto points for its dismantling? (Keedon)
9. **possible spurious effects?** Might it be the case that both enhanced capital mobility and welfare state rollbacks are both the effects of institutional variables? (Pablo)
10. **Social corporatism as a buffer:** is this really just about union strength? Does the effectiveness of social corporatism depend upon anything concerning the internal structure of unions? (Theresa)
11. **The decentralization argument:** this isn't entirely convincing. Decentralization can foster experimentation, innovation, etc. (Landy)
12. **Strategic implication** (Theresa): do Swank's arguments suggest that anti-globalization struggles in the US should really be directed at institution-change – PR, etc.?
13. **The impact of changes in job structures:** if globalization leads to the decline in manufacturing jobs, won't this in the long term erode the capacity of universalistic & corporatist systems to "compensate" for globalization risks? (James)