WEEKLY INTERROGATIONS #7, OCTOBER 23

[Note: The comments this week are from other students, not Erik Wright]

Shamus Kahn Memo [Comments by Amy Lang]

I found Esping-Andersen's emphasis on welfare regimes - the triad of labor markets, family, and the welfare state – to be a compelling approach for exploring welfare systems, and a useful correction to some of the difficulties that I had with his earlier work. However, I am sceptical about his "win-win" argument. GEA argues that due to the disproportionate amount of risk that the young encounter, resources should be dedicated to "youth and young families" (167). Such a proposal favors equality (the social democratic spirit) over equity (the liberal spirit). That is, it would aim at limiting the growing distance between the "haves" and the "have-nots." However, as the baby-boom generation ages, I question whether such a policy would truly generate the effects that GEA expects them to. Is it the case that GEA's measure of equality is determined within the labor market, and not the other social spheres that he makes attempts to extend into? [I think GEA is trying to locate the measure of youth/young families' equality within all three institutional components of the welfare regime. Youth impoverishment is a function not only of poor labour market opportunities, but also of absent state welfare policies and eroded family networks. That said, I also question whether achieving a "win-win" situation by promoting state policies designed to support youth employment and young families is as straightforward as GEA suggests. You can give youth skills and young families the childcare necessary to get out there into the workforce, but if the majority of service-sector jobs are low-or-semi-skilled, I'm not sure this will solve the problem of growing inequality.]

More importantly. I found GEA's continual emphasis on high fertility rates to be disturbing at best. First, he is exuberant about continual progressive consumption without concern for the environmental or social outcomes given such actions (179). [The growth of consumption of services may not have as many detrimental environmental outcomes as increased consumption of material goods, but it could be interesting to explore what kind of "social outcomes" increased consumption of services entails.] Second, while he claims that his argument for encouraging high-fertility rates should not be read as a pronatalist policy (174), it is difficult to read it in any other way. GEA argues that immigration could not provide the kind of support to a welfare regime that more (native-born) children could because they will more than likely be low-skill (179). Third, GEA presumes that the "many children" will come from twoearner households. However, policies that promote higher fertility (while not always successful - changing fertility rates is quite hard) have tended to encourage non-partnered women to have children (the former East Germany is a good example here). This final point reveals how GEA seems unable to think beyond the 2-parent household, even though his model relies upon the premise of its demise. [I think GEA is advocating policy that would support fertility regardless of marital status, but you're right to suggest that the distribution of risks between state and market would likely be different depending on the number of one-parent and two-parent families these policies encourage. More single parents would likely generate greater need for state supports; more two-parent families could rely on markets for a greater share of their welfare needs. The issue is therefore to look at what factors influence the rate of single-parenthood; but I doubt that the state-market nexus would provide an adequate account of this rate. For ex., why does the US have a much higher divorce rate than Scandinavia, given that there are fewer institutional supports for single parenthood?

César A. Rodríguez

Soc. 924

Memo # : Esping Andersen

I would like to raise two related points for discussion on Esping Andersen's treatment of the conservative welfare regime. Although this regime is characterized in detail in *The Three Worlds of Welfare Capitalism*,

for the purpose of this interrogation I focus on the arguments offered by the author in *Social Foundations of Postindustrial Economies*.

1. The first question pertains the coherence of the ideal type itself. One of the compelling features of the taxonomy of welfare regimes offered by Esping Andersen is that there is a certain symmetry and consistency among the various traits of each ideal type. In particular, there is a correspondence between the dominant *mode* of solidarity and the dominant *locus* of solidarity, as shown in Table 5.4. (p. 85). This is clear for two of the welfare regime ideal types, i.e., the liberal and the social democratic ones. While in the former, individualism corresponds to the dominance of the market as provider of welfare, in the latter universalism is accomplished through state provision of welfare. [Although it is not really clear for me why we should call individualism (that I don't dispute is a property of the liberal welfare regime) mode of "solidarity"].

The correspondence, however, is less clear in the case of the conservative regime. For there is no necessary relation between corporatism and etatism as modes of solidarity, on the one hand, and the family as locus of solidarity, on the other —at least not in the same sense that there is, for instance, a necessary correspondence between "individualistic" solidarity and the market. As explained by Esping Andersen, while corporatism creates solidarity among people in similar occupations (who enjoy similar welfare benefits), etatism is intended to enhance loyalty to the state. However, neither seems to necessarily presuppose or reinforce the dominance of the family as welfare provider [I agree that the conservative welfare regime does not exhibit the nice correspondence between mode and locus of solidarity that the liberal regime do — although I am not sure there is a conceptually important problem here, or just a bad choice of labels. Indeed, it seems to me that the idea that there is correspondence between these two attributes does not play an important role in his analysis. If you substitute let's say "regulatory principle" for "principle of solidarity" you are not implying that *necessarily* there is some kind of correspondence between them — beyond the empirical clustering. Moreover, is there correspondence between the state as locus and universalism as principle? I think that depends on how we understand the notion of correspondence ...]

Thus, the conservative model seems to be a mixed ideal type that combines two distinct forms of solidarity, i.e., corporatism/etatism and kinship (as the inclusion of the latter in Table 5.4. suggests). Is this clustering plausible? Is there any conceptual reason —i.e., any reason other than the need to introduce a third ideal type between liberalism and universalism to account for the empirical clustering of Continental European countries— why this combination of corporatism/etatism and familialism should be treated as a single ideal type? Is the mixed nature of the ideal type itself (and its asymmetry vis-à-vis the more consistent liberal and social democratic ideal types) what leads to the difficulties that the typology runs into in explaining the divergence between Southern Europe's and the rest of Continental Europe? [In any case, I agree that the conservative welfare regime ideal-type is the least clear cut of all]

2. The second question is directly related to the previous point, but pertain the empirical more than the conceptual side of Esping Andersen's rejection of the existence of a fourth, Southern European ideal type. As the author himself acknowledges, the correlation between regime type and his measures of familialism is not conclusive (p. 94). Thus, the question for discussion is whether the typology would be enhanced by breaking the conservative regime ideal type into two different types according to the relevance and strength of the family as welfare provider. In light of the momentous effects that familialism has on key variables like job creation —and in light of the fact that the welfare burden of families in a country like Germany differs radically from that in a country like Spain (p. 63)—it seems to me that, also for empirical reasons, the conservative regime ideal type deserves close scrutiny.

Matt Dimick Sociology 924 Theories of the State Weekly Interrogation 7

One of the features that I found very interesting with Gosta Esping-Andersen's *Three Worlds of Welfare Capitalism* (hereinafter, GEA) was his use of Catholic, Absolutist, or pre-capitalist institutional

histories to explain variations among welfare states. (In fact, regimes with a "conservative" bias constitute one of GEA's "three worlds.") His employment of such an explanation contrasts with George Steinmetz' insistence on driving a hard division between feudal and "modern" modes of "regulating the social." Steinmetz criticized the *Sonderweg* thesis, which explained Germany's precocious welfare state in terms of its absolutist and religious remnants. He thought it was ironic that social policies that many foreigners thought were modern about Germany would be considered to have premodern origins.

Yet Steinmetz' four categories of social welfare seem like they could be explicable in terms of GEA's typology of welfare-states. First, as Steinmetz notes, early poor relief emphasized individual responsibility (paupers had to pay back benefits) and was not explicitly aimed at the working class, but at the poor (in GEA's terms it was dualistic and means-tested—so therefore compatible with liberal philosophy). Steinmetz also remarks that the early form of poor relief was linked with local state politics where the bourgeoisie had direct control, i.e., where we might predict a more liberal policy form. He also says that the "form and development" of social policy during this period was most influenced by its local and bourgeoisie character.

Second, Bismarckian worker policy sought to divide workers from the poor (and allegiances to competing interests, such as unions or socialists) and to secure their place in a stable but hierarchical and paternal social order, in line with the philosophy of etatist and absolutist policy that GEA describes. As Steinmetz himself shows, the chief motivation for this policy was social order (rather than the guarantee of a group's basic needs as elaborated with a liberal framework) and was formulated by that institution of the state that was most feudal/absolutist: the Bismarckian central state. (However, Steinmetz also says, I believe, that there was a local dimension to this form of policy.)

Third, Steinmetz' identifies proto-corporatist policy which was, well, corporatist. (In light of GEA's comments, there is an irony calling it *proto*-corporatist—as if corporatism is something modern and merely emergent during this time period.) This social policy included trade unions in its formation and administration, reflecting its links with the guilds, fraternal associations, and that old feudal spirit. Again, its link with a certain form of political institution is interesting. In the case of proto-corporatist policy, it is local and also emerges when the Social Democratic Party and, tellingly, the Catholic Center Party have entered the political scene. GEA notes that the corporate model "clearly penetrated the infant working-class friendly societies" but, of course, "became the dogma of the Catholic Church." That such a policy emerged locally rather from the central state is also interesting: we would expect a more etatist, rather than corporate form had it come from the Bismarckian central state.

Steinmetz' fourth type of social policy is "Scientific Social Work" and doesn't seem to be explicable in GEA's framework. However, as Steinmetz notes, it is very similar to poor relief. Furthermore, those features which distinguish it are either institutional (professional and bureaucratized) or don't appear to be very abiding (extreme notions of public health and eugenics).

Thus, not only can we place Steinmetz' different forms of social policy into GEA's categories, but they are often seen to emerge from the types of political institutions that are correlated with those categories. GEA's framework may require a better tightening of the mechanisms of causation that transmit institutional histories into social policies, but I do not think his explanations should be dismissed out of hand.

Vidal's response:

This is an interesting comparison. The first thing to note is that Steinmetz was discussing different forms of social policy within a particular political economy. So in one sense it seems to suggest that perhaps GEA's comparisons are simply too broad: is the more fine-grained variation within a political economy among its state policies significant enough that broader comparisons at the level of the state are problematic? Or is this a problem of comparing only state policies, rather than the whole public-private (and later –family) mix? Perhaps when we take account of all this overall mix of a welfare regime then it makes sense to have GEA's broader categories.

Nonetheless, the existence of welfare-state policies developing differently within a state, and seeming to fit into his categories for differentiating between states, raising big and interesting questions. Following from this, it may be another interesting puzzle that we see qualitatively different state policies developing out of the same institutional foundation. Is this problematic for GEA's institutional path dependent argument, or does it have to do with the different periodization—GEA

was focused on the later period of welfare regime "maturation" while Steinmetz focused on an earlier period.

Amy Lang Theories of the State

Comments by Shamus Khan – less like what Erik does, and more on the things Amy's comments inspired me to think about.

Comments on Esping-Anderson, Social Foundations of Post-Industrial Economies and The Three Worlds of Welfare-Capitalism

1. My first comments focus on Esping-Anderson's treatment of the family as an important pillar in his "welfare-regimes" concept. I think his engagement with the issue of the family is an important addition to his typology, however I have some questions about the manner in which he theorizes "the family".

I think that E-A conflates two issues when he discusses the family, and that this may stem from the way in which his original model was critiqued. His inclusion of the family in his discussion of welfare-regimes stems from a gender critique of his model for being implicitly premised on a male industrial worker. Thus, Orloff (1993) critiqued the importance of labour "decommodification" for social welfare and equality arguing that for women, labour commodification may represent emancipation from their dependence on the family. E-A sums this up when he writes, "The functional equivalent of market dependency for many women is family dependency. In other words, female independence necessitates "de-familizing" welfare obligations" (*Social Foundations*, 45). Orloff's critique also argued for the interconnectedness of markets, states, and families. That is, they all affect each other in dynamic ways. GEA tends to think of these three as analytically distinct; I'm not sure that his proscriptions think of the effects of changes to one on others.

I think there are really two separate issues captured in this quote. These are 1) the issue of female dependency and employment and 2) the issue of the distribution of the responsibility for welfare production among state, market and family. Within this second point there may also be the distribution of obligations within the realms of market state and family. This is to say that, regardless of the actions of states and markets, one might also seek to more equitably distribute obligations within the family. Reducing women's dependency on the family is not the same thing as "de-familizing" welfare obligations, since "familial" welfare encompasses more than just women's welfare. Thus, when E-A advocates that a "two-earner" family structure may be a "possible 'win-win' solution" to the issue of insuring against potential unemployment and poverty (Social Foundations, 162), it can only be a 'win-win' solution for women (and their families) if there are market or state alternatives to the welfare services families are responsible for producing. I'm not sure it is necessary that there are market or state alternatives. There could also be policies that encourage the redistribution of services within the family. So, families could still be responsible for producing the welfare services they do, but who does this and how they are done within the family could change – being more equitably distributed. Furthermore it is interesting that GEA's "win-win" situation for women firmly places them within the family. Can we imagine a "win-win" situation for women outside the family? In many ways GEA presumes the overall desirableness of the standard western family structure. However, a geneology of this structure may lead us to think that it is in the interest of some more than others.

It is not clear to me that E-A comes up with his prescribed market-based solution to the issues of women's employment and the de-familialization of social risks will work to reduce inequality. His analysis of employment growth underscores that we should place our hopes for the increased employment of women and youth in the growth of service sector employment. But does advocating growth of service sector employment really attack labour-market inequality? Two-earner family demand for services seems to be demand for unskilled or semi-skilled labour. Does this kind of growth address the issue of women's wasted human capital (since they are now at attaining equal and/or higher education levels in comparison to men)?

Furthermore, it is unclear how mobility out of these kinds of low-end service jobs will happen, since E-A does not demonstrate a mechanism between states, families and labour markets that deals with a stimulus for the growth of high-end service jobs (other than the increasingly costly production of jobs by the welfare state itself). I think this is a really good point. It also makes me think about how the local national demand for goods and services may support the further international suppression of non-consuming nations (or better, nations whose production is for the consumption of others). That is, if the economic solution is to increase consumption, the pressures for production will increase internationally. I also like the greater point of how market based solutions may not be the mechanism to produce equitable results, given the necessity on semi- or unskilled labor.

2. My next question has to do with E-A's focus on institutional path-dependency in *Social Formations*. I don't recall this thesis; I'm not exactly sure what you're talking about. Specifically, what, if anything, is the relationship of working-class strength to the changing distribution of social risks among states, markets and families in the Social-Democratic regimes? E-A writes that Social-Democratic regimes (except Norway) responded to massive unemployment in the early 80s with a decentralization of bargaining, which weakened the ability of labour (and perhaps business - it is not clear to whom he is referring) "to strike mutually binding, long-term consensual deals" (152-3). Did this weaken their parliamentary power? Given that E-A previously attributed so much importance to "left power" for the development of this particular welfare regime, such an important change in the institutional framework ought to have some impact upon the regime's welfare policy orientations. Good point. Does his inability to relate this institutional change to the distribution of risks undermine his "path-dependency" argument? Also, if we think back to Swensen, can we imagine ways in which capital might respond to the set of recommendations that GEA comes up with? That is, can we get out of this bind of the loss of power to labor?

Esping Anderson Welfare States [Teresa Melgar comments] Overdevest

In the Social Foundations of Post-Industrial Societies, Esping-Andersen both engages with and departs from his work in the Three Worlds of Welfare Capitalism. No longer underpinned by a structure of stable mass production, the bread-winner industrial worker, and the nuclear family, the 1990s see the welfare state in crisis. Defamilialism deindustrialization and globalization create a disjunction between institutional constructions of the welfare state vis a vis "exogenous shocks". The result is a different Arisk structure@and productive structure that must be understood to keep welfare provision on track.

Some questions:

In Social Foundations, I think perhaps E-A buys into fairly standard economic arguments about welfare states. Whereas in his first book his concern was in equality and universality across welfare states and its labor party power basis, by his second book he seems to take a fairly neoclassical perspective what social welfare is and where its going.

For example, in Social Foundations E-A suggests that one crisis of the social democratic welfare state is that policies that produce equality at the micro level tend to produce lower total social welfare at the macro level. E-A gives the example of high social benefits leading to high reservation wages leading to fewer jobs and stagnant economies as an example, suggesting, it seems to me in fairly laissez faire terms that s.d. welfare states are not efficient, and thus not sustainable. But this is an asocial portrayal of the Swedish system isn=tit? As we read last week, I thought that an important part of the social democratic corporatist model was the negotiation of wage rates to adjust to contingent circumstance like macro economic fluctuations.

Here-s another example: Esping-Andersen suggests that total social welfare will increase with more women entering the labor market, i.e., because empirically fewer children are in poverty in dual wage earner families, and this will offset one of the structural problems putting generous welfare states in a state of crisis -- low labor market participation. Yet he never really examines the assumption that full time work

for both parents in families with children is Agood@ for children or families or society in other than economic terms.

Yes, there are a lot more of these unquestioned assumptions in the book – assumptions that, I agree with you, tend to take a largely "economistic" perspective. There is certainly a lot of perspectives from which to evaluate the impact of this phenomenon, i.e. both parents engaged in full time work, on the parents themselves, on children, on families, and the overall well-being of societies. I suspect that any broad evaluation of its impact will present a fairly mixed picture – it will probably have salutary effects, specially for women, but it may have worrisome consequences as well. Maybe the question is not so much whether full time work is good or not; but in societies where this is increasingly becoming necessary, what kinds of interventions may be important, specially from the state, that will help ensure that this will produce more salutary consequences, than negative ones.

In the Social Foundations book, E-A=s point of analytical departure in assessing the state of welfare states seems to be centered on a concern for the total social welfare in the economistic sense. This is a big departure from his earlier book where his concern was with norms of equality and universal citizenship.

I think that Andersen, in his second book was also concerned with how to ensure the sustainability of social welfare policies given the new challenges being opened up by what he calls post-industrial economies, and the changing profile of the societies to which welfare states address themselves. For instance, in the last part of Social Foundations, he talked a lot about the need for more social policy support directed at the young and young families, and education to help equip workers with different kinds of skills needed for a globalizing economy. I do see that a large part of his concern was in having a productive labor force that will be competitive and flexible enough to meet the challenges of globalization. He was also emphatic on the need for welfare states to address low fertility levels, for this, in his view, was a threat to the continued vitality of the labor force. He was, in this sense, being "economistic," and I do share your discomfort with the seeming narrowness of the parameters he uses for making these assessments. But all in all, I do think that underneath this "economistic" voice, still lies a deep concern for how social welfare policies could be improved, so that they are 1) able to anticipate the emerging needs and changing configuration of this post-industrial society, and 2) able to cast their net wider to benefit those who had hitherto been left out by earlier rounds of welfare state policies

Robyn Autry [comments by Landy Sanchez]

One of Esping-Andersen's primary arguments is that contemporary welfare regimes are in crisis partially due to changes in family structure. His claim that the welfare state should advance policies aimed to 'defamilialize' welfare raises many questions. At times, he seemed to argue for the creation of social policies to drastically divert welfare responsibilities for families; it seems though to make sense that some social risks would be better taken care of by families, some by the market, and some by the state. He argues that in postindustrial societies low fertility is caused by welfare state familialism and threatens the state's financial base. Individual's decreasing desire for children, since industrialization seems to have more to do with changing cultural practices and especially with increasing individualism and materialism. People incomes have actually increased, so that they could better assume economic support for children. Moreover, Esping-Andersen does not discuss increasing fertility could increase environmental risks costs on welfare regimes.

Another aspect of this argument is that inexpensive childcare services, in particular daycare, have been essential decreasing family's responsibility for welfare by transferring it to the state. He makes this argument without any discussion how this increasing demand for cheap care is supplied—through very low-waged workers with little or no benefits. Further, why is it socially better that this care be performed by waged workers, rather than unpaid family? Why is it ideal for individuals to have full economic independence from their families?

I was a bit confused about the logic behind defamilializing individuals so that they could be commodified and then decommodified. In both instances it is the state that eventually provides services and welfare,

rather than insufficient families or markets. Why is it necessary that people be de-familialized and then decommodified—don't both lead to reliance on the state for services?

Landy's comments

I agree with you that he pays little attention to cultural transformations, and how these impact fertility rates. I guess that is because he is remarking how the incentives structure developed by welfare-states shapes women's fertility decisions.

I think you make an important point when you say that state intervention isn't necessarily a better option than families and markets; and that, in fact, the expansion of state service can be through low-paid jobs, which will generate new challenges for the State itself. I guess he has in mind the Scandinavian model where state workers receive social benefits and good wages, but, as you say, that doesn't occur in other welfare-state models.

I think his argument about de-familiarization, commodification, and de-commodification was directly addressing feminists critiques to his previous work. He claims that welfare state policies tend to de-commodificate individuals since they decrease their dependency on markets to sustain living standards. The critique was that his model doesn't hold for women; since in this case welfare-state actually allows their incorporation into the labor market by taking on state hands tasks that were "women's responsibility" (like child and elderly care). He admits that, but says that defamilization is the first step to de-commodification; that is, if welfare state just de-familiarize, women would still being commodificated and then, welfare policies would not accomplish their ultimate goal. [He seems to assume that men are already de-familiarized, at least in the sense of little responsibilities in the ordinary household operations.] I think your comment points out his problematic notion of de-familiarization.

From: Pablo

To: Everyone in Sociology 924 [comments by Cesar]

Some food for thought on Esping-Andersen's arguments on the relationship between employment and female labor participation

It can be reasonably claimed that one of *Social Foundations*' main goals is to reposition households' composition and behavior as a central explanatory factor in political economy. There is, however, a strong tension between two key arguments EA offers in different part of his book, both of which involve households in an essential way.

When explaining full-employment in the post-war period, EA rejects the idea that Keynesian policies played a central role. For instance, he writes that "there is little doubt that post-war full-employment with strong wage growth and earnings compression was less a Keynesian accomplishment than a combination of small cohorts, female housewifery, and impressive productivity gains" (p100). He puts particular emphasis on the role of female housewifery: "Had de-ruralized women – like men – sought employment, it is possible that post-war Sweden, Britain, or America would have looked more like Spain today. Fortunately for the full-employment commitment, there was very little growth in labour supply; in part because of sheer demographics (small birth cohort); in part because of family behaviour: the post-war urban working class embraced the male bread-winner, female housewife model" (27).

However, when explaining why some countries do better today in terms of employment, he argues that one of two main factors (the other is "wage inequality") is women's labor participation. Their participation in paid employment means that more personal services are demanded in the market. This occurs for two reasons. Women's labor participation increases households' disposable income, and – because of time constraints and hubs' unwillingness to contribute their share of domestic labor – reduces families' capacity to self-produce many personal services. More in general, this argument entails that there is no simple link between female labor participation rates and unemployment; because their participation entails changes in effective demand, it is not possible to predict without additional information and a general equilibrium

model of the economy the net effect of that participation on unemployment rates. But if this is true, then EA's simplistic argument regarding the role of housewifery in the achievement of full-employment in the post-war period is more than a little suspect.

[I agree with your criticism and think that there is indeed a potential contradiction —at least within the constraints of the information that he offers—in EA's argument about the role of female employment in different historical periods. For instance, in the quote you take from p. 27, it is not clear why if de-ruralized women had chosen to take up jobs in industry, Sweden and other buoyant countries "would have looked more like Spain today". Had they done so, they may have had a positive effect on employment for two reasons. First, as you point out, they would have boosted effective demand. Second, female participation would have lowered the pressure on employers to pay the kind of high wages that sole bread winners were supposed to earn to support their families. Thus, female labor participation could have brought down wages and thus encouraged job creation. All of this suggests, I think, that the impact of Keynesian policies may have been more important than EA's is willing to admit (César Rodríguez)].

Matt Nichter (commented by Keedon Kwon)

- 1. In his explanation for the divergence of early 20th century welfare state forms in Ch. 1 of Three Worlds, Esping-Anderson stresses the importance of class alliances involving farmers. He says that small family farmers united with workers in the countries that developed a solidaristic welfare regime; big landlords were tied to quasi-absolutist states in countries that developed a conservative welfare regime; and agriculture was marginal in Britain while in the U.S. small farmers were belatedly (and only tenuously) allied with workers during the New Deal, yielding a liberal welfare regime in both cases. Is this argument empirically well-grounded? (He does not pursue the argument across all 18 cases, and his sketches of these cases is fragmentary.) Moreover, in Ch. 3 he explains the development of the conservative model in terms of late development (and hence the persistence of guild traditions and status demarcations) and the strong role of the Catholic Church, which seems to suggest a much more complicated - possibly more contingent? - story. [It seems that he thinks what matters is whether the agriculture was labor-intensive or capital-intensive (p. 30). The latter tended to facilitate the Red-Green coalition that was achieved in Sweden and Norway, and also during the New deal in the US where however, the coalition was blocked by the labor-intensive South. The labor-intensive agriculture in German coalesced into reactionary alliances. I think this coalition argument, when isolated, only explains the arrival of more universalistic regime such as a Swedish one but not the specific regime types a welfare state took. However, when combined with the historical legacy argument, this coalition argument seems to do a good job, I guess. When the working class and/or its coalition with other classes were weak, the design of the regime was committed to the hands of the dominant classes, and it was deeply based on the social configurations of the past. Overall, however, I too have a little bit of doubt about how well and clearly his causation explains the structural differences between the three regimes. In Social Foundations, Esping-Anderson revises his basic account of the conservative model, placing greater stress on the family nexus; does this require a revision of his account of the forces/factors that gave rise to this form? [He argues that the addition of the family nexus in the specification does not do damage to his overall typology, which I cannot accept wholeheartedly.]
- 2. Despite what Esping-Anderson says (Three Worlds p. 31-32) about the importance of the new middle class in the immediate post-WWII period, it doesn't seem to play a very important role in shaping what 'world' a country will have: given the basic form of welfare state that developed in the earlier period, the middle class just cements that pre-existing form. [I think he does justice to the role of the new middle class. Though the overall structures remained the same after the rise of the new middle class, as you say, the new middle class in Sweden did lead across-the-board universalism to universalism with internal differentiation. Is it not important? Do you have in

mind more than that?] Rifts between workers and the middle class are obviously important for understanding the partial crack-up of the solidaristic model later on (e.g. in Sweden), and perhaps that's why Esping-Anderson draws attention to it at this stage. He also mentions in Social Foundations (p.87) that Britain approximated the solidaristic model in the early post-WWII period and only afterwards became 'liberal'; attention to shifting (middle) class allegiances might also help explain this 'anomaly'.

924memo#6-Keedon Kwon [comments by Matt Nichter] (Esping-Andersen)

- 1. Let me begin with an easier question. It seems that Japan is a real pain in the neck in Esping-Andersen's typology. In page 74, The Three Worlds of Welfare Capitalism, Japan's degree of liberalism belongs to the strongest. [It is also ranked 'medium' along the 'conservative' axis there.] But his second book, she is classified as conservative. [On p.92, echoing Three Worlds, he says that it is a 'mix of liberal and conservative traits.']And to my knowledge, Japan has a kind of segmentalist, that is, US-type labor market structure in terms of Swanson's typology, while being the most conservative in terms of family structure. It seems that Japanese welfare capitalism is so highly hybrid that it is more useful to view it as distinct. EA would ask what is the use of an additional regime in terms of analytical parsimony. [He says that even though Japan is an apparent hybrid, it does not deserve its own category because it doesn't have a 'distinct logic' (he also thinks Japan is moving increasingly in the direction of the conservative model proper). Now if a hybrid does not obey the 'logic' of either of the systems it combines, I don't see why a fourth case should be ruled out; parsimony is an all-else-equal desideratum. I just don't know enough about Japan and its welfare 'logic' to weigh in on this. But it did seem like special pleading in Social Foundations when E-A argued that Confucianism was a functional analogue to Catholicism.] At the very least, this developmental-statist (?) regime may capture the generic characteristics of some Asian (to-be-) welfare states.
- 2. Swanson's arguments might be interpreted as connecting a specific labor market structure to a specific welfare regime or as arguing that they have elective affinity: segentalism vs. liberalism and solidarism vs. social democracy. [He seems to intend the former, though I find the latter more plausible.] If this holds, one might wonder with what kind of labor market structure EA's conservative regime has elective affinity. [I'm not sure how many different cases Swenson's basic labor market typology is meant to explain possibly only the difference between the US and Sweden. I don't see why his most general argument (i.e. that in various situations groups of capitalists can have strong interests in welfare states) would preclude him from invoking other factors besides labor market type that affect capitalist interests to explain a wider array of cases, as Amy suggested in her note last week; for that matter he might refine his labor market typology further. P.S. Note E-A's remark in Social Foundations (p. 20) that Italy and Portugal seem to confound Swenson's argument (in Fair Shares) that capitalist centralization explains union centralization...]
- 3. As I just said, Swanson seems to provide us with his own typology of welfare capitalism, though he doesn't talk about other possible types in the book. Besides the capitalists' role, it seems that he gives a causal picture where historically given labor markets, which are in themselves the outcomes of conflicts between rational actors, determines the types of welfare capitalism, whereas EA's picture is the other way around. In Swanson's account of Sweden, a historically given condition for capitalist accumulation fundamentally defines the rational course of capitalists' action, and rational working class' action, too. This represents a powerful path dependency mechanism where the Red-Green coalition, EA's central argument, doesn't seem to matter much. Can we reconcile these two arguments that both are persuasive in their own way? Or am I simply mistaken? [I think Swenson ignores the nature of electoral coalitions in the early period b/c he thinks it is not necessary to explain capitalist behavior, his main focus. I don't see why he would deny the basic factual point that Social Democratic electoral success was based on an electoral alliance of farmers and workers; he would simply deny that this was a 'power bloc' forcing policies on capitalists against their will as E-A and others seem to imply.]

1. In Three World, Esping-Andersen sustains that to explain welfare -state development it is needed to pay attention to three factors: the nature of class mobilization (especially of the working class); class-political coalition structures; and the historical legacy of regime institutionalization. (p.29). In particular, he claims that the construction of a given welfare-state depends on political coalition building, and that "the structure of class coalition is much more decisive than are the power resources of any single class"; even though in his statistical analysis he focuses almost exclusively on the working-class power, and just in some cases explore the "contra-effect" of the presence of other political forces such as Catholicism. To my mind the thesis of "class-coalition" seems more plausible considering the electoral presence of labor parties, or their inexistence as in USA, but I think its 'demonstration' needs the incorporations of a class-coalitions variable, moreover, it needs to show how a particular coalition structure drives the structure of welfare states.

The idea of class-coalitions is almost forgotten in *Foundations*, when industrial relations structures received more attention. But, if we follow Esping-Andersen's original argument it would be necessary to explicit the characteristic of class-coalitions and the nature of class mobilization to account for welfare-states in post-industrial societies. For example, what changes in labor market and families erode coalition bases? Are the new labor market and family profiles building a new coalition? What are the institutional constraints to the formation of new alliances? These are good questions that EA doesn't carry over from his earlier analysis, but that have important implications for his discussion of post-industrial welfare regimes. He does not explain how and to what extent the changing family structure and labor markets undermine cross-class mobilization efforts. EA seems less concerned in Social Foundations with how the welfare

- 2. In the previous topic, in the regressions about welfare-regime stratification, WCS is strong and significant in the liberal and social democratic regimes, but not in the conservative one. To what extent does the fact that WCS is not significant in the later case mean that working-class mobilization is not relevant to explain welfare state? Or is it a case of how the variable is operationalized? That is, is the number of seats in Parliament the best measure? To what extent the Parliament is the main arena in which welfare-state structure is defined? For example, following his own argument, the conservative regime is characterized by high stratification for job category, is that structure defined in the parliamentary arena or in another one, like industrial relations by sector or company?
- 3. The goals of social policy. At certain point, Esping-Andersen claims that all parliamentarian labor movements tend to converge on their principles for social policy and designs for welfare -reforms. To me it seems to over-reduce the differences among labor movements and take their interests as given. In Three Worlds, EA writes that "there is absolutely no compelling reason to believe that workers will automatically and naturally forge a socialist class identity ... The actual historical formations of working class collectivities will diverge" (29)For example, he assumes that working class mobilization will pursue the social-democratization of welfare state, but historical trajectories of labor movements do not seems to follow that path, for example, strong unions (autoworkers in USA or Germany) have in fact support differenced benefits according to job categories(good example in Social Foundations, EA does touch on how the state responds differently to risks that vary according to social strata or occupation). Overall, I agree with your point. Especially in Social Foundations, EA seems more concerned with how the welfare regime handles or counters social risks, rather than with how individuals or groups perceive these risks and their preferences.
- 4. How are social risks defined? It seems to me that it could be interesting to address the problem of how social risks become such, that is, even though there are many social problems, just few of them are considered a "social risk". How are the boundaries defined? How certain representations and fears shape what is considered a risk? (following . Steinmetz's idea). Then, how and why certain risks are included in the political agenda? Is the emergence of new political actors what explains new concerns? For examples, take the environmentalist, pacifist or fe minist movements.

These are all great questions that EA does not address—he does briefly make some distinction between universal and individual risks, but that's is about it. He seems to take these definitions and there implications for granted. He also does not specify how these risks vary from society to society.

- 5. In his discussion about the social democratic state (and regime), Esping-Andersen claims that this state makes and active and explicit effort to de-commodify welfare, "minimize or altogether abolish market dependency". But, to what extent social democratic states really pursue that goal? It seems to me that the State could be interested in keeping incentives to ensure that individuals actually participate in labor markets, in order to secure its own sustainability. This is a good point that he seems to overlook—that state's may not necessarily seek to abolish market dependency. A second point is that several policies seem to create conditions to individuals' incorporation to labor market, and how to keep them on it, and how to increase its productivity.
- 6. Esping-Andersen argues that social-democratic regimes pursue de-commodification and de-familization at the same time. I wonder to what extent is possible to sustain both logics? It seems that de-familization implies commodification (this is what EA seems to argue) (at least in the case of women), and that to sustain welfare -states it is necessary to secure markets functions.

I think he argues that de-familization occurs prior to de-commodification, that is, de-fam. is necessary to commodify individuals by making them dependent on the market for welfare, but the insufficiency of the market leads to de-commodification.

Weekly Interrogation – No. 7 [comments by EOW] Jing Sun

I am not quite clear about the causal weight of familialism in determining the trajectory of fertility rate, which subsequently plays an important role in maintaining welfare regimes. Esping-Andersen seems to argue that it is a myth to construct negative relations between female employment and fertility rate. On the contrary, there are cases where both fertility rate and female employment rate are high. Hence, familialism is not necessarily an antecedent for fertility rate. Actually, it is in those places where the degree of familialism is relatively higher that fertility rate is lower than those places with weaker sense of familialism. Yet at the same time, he also cautions against going overboard by viewing familialism and fertility rate as always positively related. Does he mean that actually the relationship between familialism and welfare regimes is actually spurious and caused by some third variables? His argument that the relationship between female employment and fertility is determined by a tradeoff between careers and children is, to me, a bit circular.

Esping-Andersen suggests in the introductory part that there is a tendency to neglect the causal force of microscopic factors such as household economy. But how autonomous is family vis-à-vis state and society? Furthermore, is such autonomy culturally and historically bound? Can different types of welfare regimes be accounted for by different degrees of family autonomy vis-à-vis state? Should familialism be equated with the autonomy of family?

[I think the issue of the meaning of "autonomy of the family" is an interesting one. I am not sure what it even means to say that the family is "autonomous from society". since onemmight well see the family as a constituent element of the society. It would be a bit like asking "how autonomous are legs from the human body"? A leg could be said to have considerable autonomy from a foot, since you can cut one off without interfering with the functioning of the other, but in what sense could one claim that a leg "autonomous" form the body since they exist in a part/whole relation. Anyway, the family/state autonomy problem is clearer since here one could mean that the extent to which the state intervenes in the family, sets policies with a specific intention of affecting the family, etc. could vary across times and places.]

#7 – TERESA MELGAR [comments by Christine Overdevest]

Anderson: Social Foundations of Post-Industrial Economies.

I appreciate that in his second book, Gosta Esping Anderson takes a careful look at the changes that have taken place in the profile and structure of families since the 1960s and 70s (e.g. more women have taken up work, etc.) . I agree with the author that families are important actors that help manage much of the "risks"

associated with the failures of the market. Therefore, one cannot leave them out in analyzing how societies might face the new challenges in what he calls the "post-industrial economies". [I know that Esping-Andersen's first book was critized for leaving gender out, and this book is his attempt to address the lacuna]. However, while Andersen, in the first part of Social Foundations, demonstrates a gender-informed lens in analyzing the changing structure of the family, and in particular, the changing roles of women, the same cannot be said of his discussion on "alternative strategies." His discussion specially on the problem of low fertility rates and how state policies along the lines of "de-familialization" might be useful in encouraging the "double earner household with lots of children" (and thus generating greater demand for services) in the future, leaves a lot of gender-relevant concerns out of the analysis. In particular, he does not seem to give much room to the question of women's decision-making in discussing these issues. [I agree!] What leads him to assume, for instance, that should the state bear more of the costs for raising children (via more provision of day care, for instance), then families, and more specifically, women, will be more inclined to have more children? (As he puts it, "A social democratic de-familialization strategy can reverse fertility decline if it helps employed mothers square the caring-work circle, and if it is willing to cover a good part of the opportunity costs of having children" p. 179). It is, after all, plausible to think that women, specially in the societies that Anderson examined, consider a good number of factors when making decisions concerning the size of their families. Having adequate incomes, or state support in the absence of such, may just be one of them. Conversely, we cannot assume that women will necessarily want to have bigger families once the state engages in more de-familialization strategies. Indeed, rather than encouraging bigger families, it is plausible that such de-familialization strategies might just as well encourage women to engage in different kinds of jobs, or spend more time for recreation, travel, community service or other activities. These kinds of issues could have been examined more thoroughly if Anderson, to my mind, gave a little more import to the factors that shape women's fertility decisions, and the very conditions that allow them to make those decisions in the first place.

Sarah Swider

Social Foundations of Postindustrial Economies/The Three worlds of Welfare Capitalism Gosta Esping-Anderson [Comments by James Benson]

I am going to focus on some of his "building blocks" because his conclusion seems to be that welfare markets do face, to some extent the "equality-jobs" trade-off (or search for win-win strategy), the ways in which nations deal with this depends on what type of welfare regime is instituted, is heavily reliant on getting the ideal types right (180). Along these lines, his refusal to allow more models into his typology, which is justified on his arguments regarding the parsimony-nuance trade off, leaves his three worlds model which doesn't seem to add clarity to the debate.

Note: I recognize that he also argues that there are new divisions highlighted by his Trojan Horse analogy, however, it just seems that these new divisions are highlighted depending on how the question is set up).

Issue 1) He brings the "family" into his model of welfare regime. However, an underlying assumption of his argument is that women need market to help them become "commodified" (44) so that they can enter the market. However, it seems that when we are speaking of "care work" the desire to have them "commodified" is questionable, particularly when it an either/or option. Along these lines he suggests that welfare states either commification through "lessening the caring burdens of the family" or through reinforcing de-commodification, through male -centered breadwinner approaches of the "family values" right in the US. However, it seems that another approach, quickly dismissed, is that of creating a system in which 1) the burdens of care are more equally shared through 1) both care givers 2) increased compensation (value) for care that is provided, regardless of whether or not the care provider is a family member or hired help (a distinction the welfare state makes, care is worth more when not given by the parent). It seems that this "under-valuing" of "women's work" and the prejudice of the welfare states in compensating outsourcing of this work over providing it "in-house" affects the dynamics of the "cost-disease" problem. Also, the issue of quality versus increased efficiency is not clearly addressed. Care services cannot increase efficiency without decreasing quality, but what we want is increased quality not

increased efficiency, and it seems that the market would/does reward along these lines. This is why child care in US seems so affordable, the very cheap care tends to be much lower quality.

It seems to me that a key issue to consider here is "de-familializing" (45). E-A seems most concerned with pointing out that socialist reformers have taken a decidedly different approach to the relationship between women and their families, as compared to the Catholic Church. For socialists, starting with those in the Nordic countries, Independence for women rests on being freed from familial obligations so that they can participate in the labor market, which means that they do become commodified. My understanding is that this development has boosted the overall output of these economies.

Issue 2) His whole discussion on fertility rates is baffling to me. He suggests that the aging population has created greater need for higher fertility rates, more young people to support the aging, but doesn't this just ratchet up the burden for the next generation? Doesn't this spiral upward of fertility rates and increasing longevity go against our understanding of population growth control and ecological concerns?

Issue 3) Risk Management-

In his discussion as to why the welfare state emerges to deal with risks, he explains how markets and families cannot successful do so. However, could we view the market as creating and defining risks certain ways, ways that enhance marketability through externalizing "bad risks"? Like in some states, why does the mandatory care insurance work, even covering those "bad risks"?

He states, "The more risks are generalized, the more it is likely that the family and market will 'fail' rendering incapable of adequately absorbing risks. The pre-industrial family internalized most social risks by pooling resources across generations. The starting point of functionalist welfare state historiography is that industrialism renders this model unworkable (37)". Why? It seems that families and larger communities pooled risks well into industrialism, and it was only when the market failed on a much larger level was welfare and welfare states as he defines them, introduced.

Would you grant that the size of families, and the denseness of inter-generational ties have decreased during the twentieth century, such that the family has been weakened in its capacity to absorb risk? In other words, the welfare state seems to develop out of large nation or worldwide crisis of capitalism and risk on that level, not on the family level.

I think that this is a good point...perhaps we should discuss the developments toward the formation of welfare states that took place as a result of the Great Depression, as compared to those that took place after the war.

While he suggests that the contradiction of commodifying labor (discussed by Polanyi) is not a strong enough reason to assume that markets cannot deal with social welfare, he goes on to argue that market failures, such as the unequal distribution of social risks, creating "bad risks" have led us to either a Mathusian self-help approach or a liberal r socially pool approach, leading to the welfare state in various forms. However, do "bad risks" just naturally occur or are they socially, though markets and social organizations, created? Markets are arranged in such a way as to externalize "bad risks" whether it be life insurance, unemployment or class.

Here, I think that you and E-A are in agreement. I think that he uses the term 'bad' risk to denote the appraisal of the market concerning people who have real needs. Left to its own devices, the market (when it comes to insuring against risk) will cherry pick and select those that have few needs.

Note: Pg 75-6 gives Milton Friedman credit for the negative income tax (NIT) idea, but this should be shared by a UW professor, Robert Lanpman. Not to mention, he doesn't deal with the problems of NIT.

Matt Vidal [Matt Dimmick comments]

Some general questions and thoughts on the framework of Esping-Andersen's *Social Foundations of Postindustrial Economies*

Is the "inter-causal triad" of state, market and family satisfactory? He wants to suggest a problem of managing social risks, or alternatively, providing welfare. But I'm not sure that he properly specifies the social transformations that took place in the institutional means of providing welfare. In pre-capitalism, we had the feudal manor which he doesn't seem to discuss. He seems to take as given the state-market-family triad, but it's not clear in what sense there is an "inter-causality" here. What exactly is being caused and what is doing the causing? Considering the family and the feudal manor, one could make a convincing argument that it is the development of capitalism that transformed both the feudal manor and the family, while the state as an arena of struggle—part of which is over the management of the social risks of capitalism as such. [I agree that Esping-Andersen (hereinafter GEA) is not totally clear about specifying exactly how his independent variables do the explaining. In the Three Worlds (which, alas, I read much more closely than Social Foundations), he does talk about "de-commodification" and how workers will struggle against it—welfare policy in this sense is at least pretty closely correlated with workers' interests. His discussion of liberal welfare states makes sense in terms of values, but not interests, which is fine, but for those of us who like the gritty detail, especially after Swensen, it feels like something is lacking. As for the triad, I agree with you to the extent you mean that the triad itself needs historical explaining. Under feudalism, the boundaries between these three institutions are pretty blurry, if at all existent. But I do think we can talk about a non-capitalist process of human production and reproduction that at least limits and constrains what capitalists or a capitalist system might want and so has independent causal importance.]

Thus even though the family was formerly a locus of welfare provision, and is currently a target of state activities, is it in any sense an equal partner in the causal triad, given its transformation? Or is its causal significance eroding rather than simply changing? Is the de-familialized family more than simply a unit of consumption, and if not, should a basic unit of consumption play a key causal role in a theory of welfare regimes? Perhaps the changing family transforms the optimum strategy for a public-private (i.e., state-market) mix of welfare provision, but in what other sense is a de-familialized family a source of managing social risk or providing welfare? [I think these are really interesting points. If women are no longer primarily concerned with raising children, taking care of the home, meeting a husbands domestic needs, etc., in what sense does it make to talk about "the family"?—the production that used to take place within "the family" no longer does. I guess we could still say that states and economic systems must take cognizance of the need to reproduce human beings, and that this is a crucial aspect of an politico-economic system that deserves separate attention from either state or market, as long as they can explain welfare state features that nothing else can. I think you dispute this as well, but I will leave it open for discussion]

In a related vein, what exactly does it mean to defamilialize women by commodifying them so they can be de-commodified (p. 45)? What does it mean to "nurture markets and families capacity to maximize welfare" (p. 167)? It seems to me that in the end, this means, contra Esping-Andersen's protestations, focusing on a welfare *state*—an interventionist state that tames market discipline and remedies market failures, guarding individuals against the excesses of capitalism. I agree that we want to study the "broader package of welfare provision and distribution," but if we're serious about that than we're basically studying political economy. Is he saying that political economy should be about welfare regimes? But then it is really everything and not simply the state, family and labor market. Ultimately, I was confused in this book what seemed to be an oscillation between a diagnosis of the problems of advanced capitalism (within his framework) and a normative justification of the welfare *state* in efficiency and fairness terms, and an attempt at causal explanation of welfare regimes.

James Benson [Sarah Swider comments]

Is it possible to reconcile Esping-Andersen's conclusions with Swenson's?

I am basing my discussion on <u>The Three Worlds of Welfare Capitalism</u>. I would like to discuss whether it is possible to reconcile E-A's conclusions -about the relationship between working class mobilization and welfare state formation- with those of Swenson. First, it is helpful to outline some of E-A's main findings:

1) The percent aged in a population is the single most important structural variable in determining the total pension expenditures (percent of GDP) in a society, followed by GDP per capita.

- 2) Working class mobilization is instrumental in shaping the structure of pension systems: where the working class is mobilized and politically represented, a larger percentage of total pension expenditures will be in the form of social security provision, as compared to private or corporatist provision. E-A refers to this as a 'social security bias.'
- 3) Working class mobilization is effective in countering means-tested forms of poor relief, usually associated with liberal regimes.
- 4) Working class mobilization is effective in implementing de-commidifying social programs (programs that free workers from the 'cash nexus').

How do Swenson and E-A explain these findings:

- 1) There seems to be at least one area of agreement between E-A and Swenson. They seem to agree that the magnitude of welfare state spending did not grow significantly until after WWII.

 While Swenson did not address demographic variables, I don't see any great disagreement between Swenson and E-A on this finding. Actually, I think that Swenson deals with the development of the welfare state starting from an earlier point, whereas E-A only deals with the later developed or mature welfare state. Also, while your points are well taken and these are some of the conclusions that can be drawn from E-A, his overall goal is to give us a typology based on various factors while Swenson is a comparison of the development of two different models of welfare capitalism based on very different explanatory factors. I think if we use Swenson's framework, which I am not sure would be appropriate, I think he would disagree because his main point is to show how working class mobilization wasn't instrumental.
- 2) Clearly, they disagree over the importance of working class mobilization in determining welfare state benefits. E-A sees working class mobilization (expressed in representation by a social democratic party) as instrumental and decisive in bringing about welfare state policies with universalistic characteristics. Swenson, however, sees labor market characteristics as being decisive in determining whether a universalistic welfare regime takes root. In Swenson's model, working class mobilization is not truly independent of the labor market and (the needs of) capitalists within that market, while E-A treats working class mobilization as a truly independent variable. I am not clear on what you mean here. For Swenson, the high percentage of unionized workers in the Swedish economy developed because of a collective action problem for the capitalists: they needed an oppositional, but tamed, force that would equalize labor costs across firms. Also for Swenson, the relatively low percentage of unionized workers in the U.S. stemmed from the (primarily) segmental nature of the labor market, and from labor unions' desire to encroach on management authority. Swenson theory explains the 'social security bias' in Sweden's pension provision in terms of the solidaristic organization of the labor market, and in terms of the needs of capitalists. E-A explains the 'social security bias' in Sweden and other countries, in terms of the strength of social democratic parties in these countries. E-A sees social democratic parties as directly resultant from labor mobilization. There is a weakness in E-A's theory, because he does not address the historical roots of labor unions, and social democratic parties, in his theory. This leaves open the question of whether the relationship between working class mobilization and welfare state characteristics is (at least in part), or whether working class mobilization is instrumental in shaping welfare state policies. I like your comparison but not sure where we are going with this...
- 3) and 4): Here, I think that E-A is on solid ground in his explanation of the absence of means-tested programs, and the presence of de-commodifying programs resulting from working class mobilization (through SD parties). Would Swenson try to explain the existence of such policies as beneficial to capitalists because they prevent a bidding war for private provision of such benefits (with firms rushing to provide them in order to lure employees away from other firms)? Probably, along with the fact that they expanded the labor market to include women, remember the problem in Sweden is not to make sure that everyone has their basic necessities met as much as it is to keep wages and benes from shooting up and bring inflation, etc along with it. E-A, on the other hand, provides a coherent model that explains the absence of means-tested programs, and the existence of decommodifying programs, when the working class is mobilized and represented by a social democratic party. If we were to try to develop a typology from Swenson would it look similar to E-A's?