



**WESTERN
MICHIGAN**
UNIVERSITY

The Journal of Sociology & Social Welfare

Volume 21
Issue 3 *September*

Article 12

September 1994

The Effect of Corporatism on Contemporary Public Attitudes to Welfare

Michael Wearing
University of New South Wales - Sydney, Australia

Follow this and additional works at: <https://scholarworks.wmich.edu/jssw>



Part of the Social Work Commons

Recommended Citation

Wearing, Michael (1994) "The Effect of Corporatism on Contemporary Public Attitudes to Welfare," *The Journal of Sociology & Social Welfare*: Vol. 21: Iss. 3, Article 12.

DOI: <https://doi.org/10.15453/0191-5096.2167>

Available at: <https://scholarworks.wmich.edu/jssw/vol21/iss3/12>

This Article is brought to you by the Western Michigan University School of Social Work. For more information, please contact wmu-scholarworks@wmich.edu.



**WESTERN
MICHIGAN**
UNIVERSITY

The Effect of Corporatism on Contemporary Public Attitudes to Welfare

MICHAEL WEARING

University of New South Wales
Sidney, Australia

This article examines evidence for the possible link between public support for increased spending on government welfare programs and the strength of government welfare intervention in six OECD countries; Austria, Germany, Britain, the USA, Australia and Italy. Data is used from a 1985 international survey to question the congruence between the public's support for state welfare and the degree of corporatism as an indicator of state intervention in these countries. The concept of corporatism is limited to an analytic device that indicates the form of state intervention and policy making in particular historical periods and within sectors of state activity. The argument that state welfare action is directly constrained by public attitudes to welfare—the 'popular constraints' thesis—is questioned using this data. Other possible explanations for the lack of congruence between mass preferences and state welfare provision are also examined.

While research into contemporary popular attitudes to the state welfare system has increased in technical sophistication, the level of theoretical development has been somewhat lacking. It is no longer accurate to write, as others have (Myrdal 1960, Wilensky 1975, Coughlin 1979), that there is an acceptance of welfare measures in public opinion across all welfare states. Yet, recent debates on the nature of welfare state development continue to base arguments about the implementation of welfare intervention on the climate of opinion amongst citizens. In the most recent debates in Australia and elsewhere, an association is made between public opinion and the adequacy of coverage of public welfare measures. The argument contends that there is direct correspondence between public attitudes toward welfare and the levels and forms of public welfare spending in advanced welfare states.

Corporatism is broadly defined for the analysis below as those bipartite and tripartite contractual arrangements amongst business, the state and trade unions that lead to consensus building over social and economic policy. Corporatism is used below as a descriptive construct that indicates certain developments in the state welfare sector and not as a prescription for the political development of welfare policy. To use the term prescriptively would over-emphasise, as others have done (Wilensky 1981), the strategic value of corporatist theory. Strong corporatism usually means highly centralised state regulation of social and economic life. A further aspect to corporatist analysis emphasised by Cawson (1986, 1988) is the creation of policy at the meso-corporatist level from bipartite and tripartite arrangements, say between welfare lobby groups and the state, or amongst professional groups, the state and unions. Some implications of this broad definition for the relationship between state activity and welfare policy are included in the analysis below.

In Australia there have been repeated claims that public or community attitudes somehow retard or constrain the development of the Australian welfare state. Gruen (1989:2), for example, has claimed recently that 'in probing the public mind one is trying to characterise a range of sentiments that serve as political constraints for policy makers'. Gruen then goes on to link, or at least suggest a link between, changing mass attitudes to government spending and the political constraints over time on Australian welfare policies created by these attitudes. Similar arguments on the constraints of state action are evident in empirical research in Britain. Taylor-Gooby (1988:13) offers one example, when he suggests that 'over the period since 1979 the policy of constraint in welfare spending has been tailored by the pattern of public support'.

Accounts of the historical development of Scandinavian countries (Esping-Andersen 1985) and the United States (Hecló 1985) contend that their welfare cultures, especially amongst the working class, are particularly significant in the development of welfare provision. Esping-Andersen (1985:88) has argued, for example, that the Nordic Social Democracies have a "well-organized and politically articulate peasantry committed

to democracy". This argument implies that the mass loyalty or support of the organized working class (unions and labour parties) is of major significance in the determination of welfare effort in any advanced democracies. A sophisticated theoretical position on the relationship between mass opinion and welfare intervention is provided by Habermas's (1973:5-6) mass preference or loyalty thesis. This thesis argues that the political-administrative system is legitimated by the "mass loyalty" of the socio-cultural system in late capitalist societies. What is at question is how "mass loyalty" is constituted? Is loyalty represented simply by voting behaviour or other indicators of public opinion? A more fundamental question is how loyalty to social welfare provisions is distributed amongst social groups and whose loyalty is privileged in the polity of late capitalist societies?

Strong empirical accounts have dealt more thoroughly with this relationship between public opinion and welfare policy (Coughlin 1979, Papadakis and Taylor-Gooby 1987a, 1987b, Papadakis 1990a, 1990b). These studies provide plausible explanations for congruence and incongruence in the relationship based either on international economic trends (Coughlin 1979) or Hirschman's influential concepts of exit, voice and loyalty (Klein 1976, Papadakis and Taylor-Gooby 1987a, Taylor-Gooby 1988, Papadakis 1990a, 1990b). It has been noted, however, that such explanations, especially the latter, equate public opinion or the opinions of specific groups with the likelihood of taking action on those opinions (Smith and Wearing 1990:10). Without further study of the relationship between group action and welfare policy it cannot be claimed that investigation of the effects of public opinion on welfare will tell us anything about "some of the constraints on policy makers" (Papadakis 1990b:1).

It is likely that there is an equally weak empirical association between opinions and action on welfare policy as there is between opinions and social location as measured by indicators of social class or occupational status. The latter association is a finding of Papadakis's most recent study of attitudes to welfare in Australia (Papadakis 1990b:126). As argued elsewhere (Smith and Wearing, 1987, 1990), Australian and international evidence suggest that conditions for the development

of welfare cultures remain at a disjuncture to mass preferences in advanced welfare states. Whether they are economic models of "public demand" or the "popular constraints" models, explanations of public opinion's effect on welfare policy have clearly neglected the lack of empirical connection between opinion and policy developments (*contra* Papadakis 1990a:224). This criticism of studies notwithstanding, research on empirical insights into opinions amongst various groupings in relation to specific welfare measures has developed the domain of political explanation for constraints on policy.

A similar "popular constraints" thesis on the development of welfare policy has developed from a social democratic position in line with those claims made above on public constraints of state welfare. A common theme in contemporary social democratic writing (see Wilensky 1981a:189, Mishra 1984:32) on social policy suggests that social welfare policies organised around a national political (party and administrative) strategies of corporatism are more likely to gain support from public opinion than other forms of national political organisation of social welfare provisions. Democratic corporatism is a form of corporatism that is generally open to the pressure of public opinion. It is designed to enhance citizens' support for and consensus over the public legitimacy of advanced welfare states and, thus, to counter sources of popular pressure against social democratic reform. In this process corporatist agreements by-pass normal parliamentary debate and channels of political and social contract. Further, recent comparisons show that there is a significant positive association between the level of spending in advanced welfare states and the degree of corporatism (O'Connor and Bryan 1988:54-59).

The main argument of this paper is that state social and economic policies, especially public welfare policies, are not constrained by the mass preference of citizens in the countries examined. The paper further argues that the pro-corporatist stance of current social democratic thinking which assumes public opinion constraints state welfare intervention has little, if any, empirical validity. There is very little comparative evidence for congruence or correspondence between public perception and the form of actual welfare policies (of Smith and Wearing

1990). The aim of this article is to use comparative evidence on public opinion to assess the impact of corporatism on welfare culture in the development of welfare policies. The range of welfare provisions assessed is limited to public or state welfare activity in the areas of education, health, unemployment, unemployment benefits and aged pensions.

The method adopted is an assessment of the relative degree of corporatism in advanced welfare states. Survey evidence from the 1985 International Social Survey Programme (ISSP) that includes items on public attitudes to welfare spending and provision is used to gauge the effects of corporatism on welfare cultures (random samples were taken for the survey; sample size for each country is given in Tables 1, 2, and 3). It is acknowledged in this method that different factors may be necessary in time and across countries to provide adequate explanations for the development of different forms and types of welfare states.

Corporatism and Welfare Culture

What effect have corporatist tendencies had on the welfare cultures of advanced welfare states? If we focus on similarities amongst the provisions of welfare states, then a concept of corporatism offers a way of understanding the consistencies in welfare state developments across nations. At a comparative level, the problem might well be "how and when corporatism matters" and not merely a corporatism that correlates with periods of social democratic governance (Shalev 1983: 350). Corporatism is one general concept amongst many that may be used to understand similarities in the comparative analysis of welfare expenditure and provision. The problem with this focus is that comparative difference such as in political systems, country-specific historical circumstances and the socio-economic environment can be either ignored or obscured. A multi-dimensional approach to comparative analysis that includes theoretically informed analysis and a diversity of social and political factors should illuminate areas of welfare state development.

Social democratic traditions of welfare are difficult to define under categories of party politics in the United States—liberal

and conservative, Democratic and Republican. Usually the term "social democrat" is associated with a liberal-left perspective on social and economic reforms. These reforms are based on the mobilization of working class interests in the development of the welfare state (Castles 1985:1-9). Corporatist theory confuses the left/liberal versus right/conservative dichotomy by adding a third dimension. Corporatism is seen to develop either under the political conditions of pluralism (Wilensky 1981a, 1981b) or conditions of class conflict (Gould 1982, Panitch 1986, Rothstein 1987). Hybrid versions of these two positions tend to conceive corporatism as a regulatory function of state action that is negotiated or bargained for by "group representatives" (Offe 1984) who in turn stand-in-for or represent relations amongst the three dominant political actors—capital, labour and the state (Cawson 1986).

An empirical focus on the opinions of group representatives assumes a certain correspondence between their opinions and the stringency or generosity of social welfare provision. In this paper public support for social welfare is assessed in several countries to evaluate the impact of corporatism on public attitudes to state welfare. This is an exploration of the general effects of corporatist tendencies on public attitudes to welfare.

Corporatism has not featured as a part of policy and political debate in the 1980s in the United States as it has in several other advanced industrial countries. The literature from Australia and the United Kingdom refer to 'peak associations' such as the Business Roundtable or key organisations in the securities industry whose interests cut across industries and sectors as examples of corporatist strategies in the United States (Stabler 1987: 278, Moran: 207). The American literature has described Australia, the United Kingdom and the United States as 'the least corporatist in their bargaining structure' (Wilensky and Turner 1987: 14-15). The weak corporatism of these countries leaves their political economics fragmented, decentralised and open to interest group pressure—all characteristics of a pluralist polity. Some commentators contend that the New Deal of the 1930s was a critical period for the establishment of limited corporatism in the United States. According to Moran, state regulation of the securities industries in the United States from the

1930s to the 1980s illustrates the outcome of corporatist strategy. He argues that all Federal securities exchange legislation over this period has augmented the authority and control of the peak association, the Securities and Exchange Commission (Moran 1987: 207–208).

As a working hypothesis, strong corporatist welfare states should have more public support for welfare than weak corporatist welfare states. This hypothesis is questioned by the evidence presented. There is no indication in the data that weak corporatist welfare states lack public support for more generous forms of socio-economic distribution by way of state welfare measures. The countries included in the analysis below—Austria, West Germany, Italy, Britain, America and Australia—are placed within the general categories of weak, medium or strong corporatism. These are the categories suggested by Cawson's 1986 analysis. Such categories are contentious in that most comparative policy analysts cannot agree on the strength of corporatism in modern states. Both Esping-Anderson (1991: 60–61, 70–71) and O'Connor and Bryan (1988:62) give slightly different empirical classifications of countries in relation to corporatism from Cawson. Nonetheless, Cawson's classification provides a framework in which to demonstrate both limits to theories of corporatism and counter arguments to congruence and popularist arguments on welfare development. This classification is supported by Esping-Andersen's (1991:70–71) ranking of the degree of corporatism in 18 welfare state regimes.

Support for Public Welfare Spending

What effect has corporatism had on public opinion towards state welfare policies? In the early 1930s Tawney (1964) argued that two arms of "the strategy of equality" had been promoted in policies of social and economic redistribution in these countries. The first arm promoted universal social welfare policies and, the second, the regulation of economic freedoms in the market. This redistributive vision of social-democratic thinking gained intellectual support in post-1945 arguments on the social and economic benefits to citizens of welfare states. In the late 1950s, the Swedish social democrat, Myrdal (1960:121) argued

that redistributive policies of the welfare state—social security, public health, public housing, public education and progressive taxation—had gained the support of national populations in advanced democracies.

More recently Le Grand (1982) has questioned this social-democratic vision with evidence from Britain that most social welfare services except for income maintenance policies are not redistributive. Other writers (Papadakis and Taylor-Gooby 1987) also point to the “islands of privilege” of upper and middle class groupings maintained through occupational as well as social welfare measures in the British class structure. Such problems of distribution were alluded to in Titmuss’s (1958 [1955]) essay on the three-part divisions of fiscal-occupational and social welfare. Similar hidden occupational mechanisms of distribution such as non-wage employment benefits are also lacking in relation to social policy debate on the Australian social wage (for an exception see Graycar and Jamrozik 1989).

The contemporary critics of the redistributive potential of the state welfare have undermined the “purity” of the political project of an original social-democratic strategy to promote equality, a strategy that underlay government funded and delivered social welfare services (of Baldwin 1989). While this intellectual vision for social welfare measures has been found wanting, public support for such policies has not waned as the following evidence will demonstrate. However, lack of public support for the promotion of equality through fiscal-social welfare measures could threaten the possibility of social-democratic reform to income and wealth distribution. The nature of reform would further depend on the form of political economy in each welfare state. As others have recognised, political control of the corporatist economy is a corporatist requirement for social democratic welfare (Shalev 1983:344, Esping-Andersen 1990: Chapter 7). The extent to which this control is not achieved in advanced welfare states reflects a misconception of how political constraints work in these countries.

Table 1 shows that national public support for government to reduce income inequality was lowest amongst Australians and Americans at the time of survey in 1983–84, and high in Austria and West Germany (53.8 per cent and 38.5 per cent

Table 1

Table 1: Public Support for Government's Responsibility to Reduce Income Differences Between the Rich and Poor (percent)
(Total % = 100 N = 7350)

	West					
	Australia	Germany	Britain	USA	Austria	Italy
Definitely should be	24.4	27.7	47.9	17.5	41.2	46.9
Probably should be	29.4	39.7	26.7	21.0	36.8	37.2
Probably should not be	26.4	25.3	14.3	26.6	16.4	10.2
Definitely should not be	19.9	7.3	11.1	34.9	5.7	5.6
Sample Size	(1528)	(1048)	(1530)	(677)	(987)	(1580)

Source: International Social Survey Programme; Role of Government—1985 (Germany)

in the former thought the government definitely or probably should support reductions compared to 78 per cent and 77.4 per cent in the latter). There is, nonetheless, high public support for governments to reduce income differences in weak corporatist countries such as Britain and Italy (74.6 per cent and 84.1 per cent). This may indicate the mismatch between pro-corporatist views on income redistributive policies and the high levels of public support for a general policy of redistribution. Countries such as Austria and West Germany are not the only countries with high levels of public support for income redistribution. Marklund (1988:77) argues that while public support for social welfare is relatively high in Scandinavian countries compared to other advanced welfare states, this support is declining. These general levels of support can be tested against more specific public support for state welfare provisions which may or may not be perceived in public opinion as policies of redistribution.

Table 2

Public Support for More or Less Government Expenditure on Education, Health, Old Age Pensions and Unemployment Benefits (percent)
(Total % = 100 N = 7350)

	West					
	<i>Australia</i>	<i>Germany</i>	<i>Britain</i>	<i>USA</i>	<i>Austria</i>	<i>Italy</i>
Education (a)						
Spend much more	21.9	9.6	22.9	21.3	8.9	17.0
Spend more	42.1	30.5	51.9	43.1	27.4	46.8
Spend the same	32.0	52.9	23.3	31.0	55.0	32.4
Spend less	3.3	6.0	1.8	3.9	7.8	3.5
Spend much less	0.8	1.0	0.2	0.8	0.9	0.3
Health (b)						
Spend much more	21.4	19.1	35.5	13.0	22.2	32.2
Spend more	41.1	33.2	52.5	45.0	38.2	46.9
Spend the same	31.0	40.5	11.2	34.3	37.7	14.2
Spend less	4.0	6.6	0.5	6.1	1.5	5.3
Spend much less	1.6	0.6	0.3	1.7	0.4	1.4
Old Age Pensions (c)						
Spend much more	17.3	10.6	25	12.6	12.6	21.7
Spend more	37.7	35.8	50.1	31.0	38.1	53.5
Spend the same	40.9	49.7	23.7	42.4	47.4	20.5
Spend less	3.3	3.3	1.1	11.2	1.5	3.6
Spend much less	0.8	0.6	0.1	2.8	0.4	0.7
Unemployment Benefits (d)						
Spend much more	3.7	7.9	11.9	8.0	3.2	14.9
Spend more	8.9	26.8	29.1	18.4	11.9	40.8
Spend the same	35.5	52.1	39.7	49.1	43.8	26.6
Spend less	30.1	10.5	14.9	17.0	30.8	10.9
Spend much less	21.8	2.7	4.2	7.5	10.4	6.8
Sample Size	(1528)	(1048)	(1530)	(677)	(987)	(1580)

Source: International Social Survey Programme; Role of Government—1985 (Germany)

Table 2 shows two consistent patterns in public support for government expenditure on the specific state provisions of education, health, aged pensions and unemployment benefits. First, there is strong support for greater government expenditure on education, health and old age pensions in all six countries. These strong levels of support dispute the pro-corporatist arguments of social democrats that weak corporatist welfare states such as Australia, Britain, the USA and Italy do not have the popular mandate to pursue policies of social and economic redistribution. Social democratic thinking on the politics of welfare cultures has created a populist fallacy. This fallacy is that, somehow, these weak corporatist countries are more constrained by the public legitimacy of social welfare measures than countries such as West Germany and Austria. The argument accepts a teleology that asserts mass public support or mass loyalty for certain social policies legitimates (by their input into state planning) a specific constellation of welfare policy. The functionalism in such views of state action in liberal democracies obscures the lack of choice citizens have in the limited policy options made available to them by social welfare administrations, amongst other forms of administration.

Second, in the strong corporatism of countries such as West Germany and Austria a consistent pattern emerges in public opinion's levels of satisfaction with current government spending on the four areas. For these two countries there is greater public support in most instances to "spend the same" across these welfare provisions. This greater satisfaction with current government spending on social welfare may be related to public perception that after two-to-three decades of high levels of expenditure on social welfare programs, national well-being has been adequately catered for. A survey of Austrian attitudes to post-war welfare measures found that Austrians "showed themselves aware of the successful attempt to ensure full employment stability and social welfare" (Veselsky 1981:180). Lower levels of support for increases in such countries may be a reflection of this success. It is plausible, however, that this expenditure addressed problems of socio-economic inequality in these countries. Further, there are significant indications, whether by design or default, that Scandinavian countries have had the

most equitable policies in the post-war period (Stephens 1979, Pampel and Williamson 1988).

A different set of arguments applies to government benefits-in-kind provided to specifically targeted populations. When the public supports an increased role for government to provide for specific groups such as the sick, the aged and the unemployed, the degree of support for these groups can not only vary considerably across each country but also across each group within a country. Table 3 shows that in America and Australia, as the most extreme examples, nearly half of those surveyed (49.7 per cent respectively) do not think the government is responsible for providing a decent standard of living for the unemployed. Further, while the provision of health care for the sick is seen as a legitimate role for government provision, public support for the creation of employment by government is not as strong. Again, as with their opinions on policies targeted at the unemployed, Americans and Australians are least likely amongst all the countries to support job-creation as a legitimate role for government—65.3 per cent of Americans and 47.3 per cent of Australians believed that 'jobs for all' either probably or definitely should not be the responsibility of government.

The findings on national attitudes towards select public welfare measures are two-fold. First, national populations are more likely to support comprehensive systems of benefits such as free universal education and health service than spending or provision for heavily stigmatised groups such as the unemployed or sections of the aged population. In strongly corporatist countries, this stigma is presumably not as great. One administrative factor that may influence the degree of stigmatisation in these countries is the degree to which unemployment or aged benefits are tied too strong (Universalist) social insurance schemes for all or most of their populations.

A discernible pattern on the social categorisation of welfare beneficiaries is evident from this data. If a category of welfare beneficiary (or their benefit) is associated with economic definitions of the causes of their circumstances (Eg lack of "work effort") it is more likely that the public will adopt punitive attitudes towards these welfare dependent groups. A similar pattern of categorisation of beneficiaries is evident with some

Table 3

National Support for Government's to Provide: Jobs for all; Health Care for the Sick; and, a Decent Standard of Living for the Aged and the Unemployed (percent)

(Total % = 100 N = 7350)

	West					
	Australia	Germany	Britain	USA	Austria	Italy
Jobs for all						
Definitely should be	20.2	35.5	38.0	13.7	46.8	50.5
Probably should be	32.6	46.0	33.9	21.0	37.5	38.5
Probably should not be	29.1	15.7	16.6	33.6	12.9	7.6
Definitely should not be	18.2	2.8	11.6	31.7	2.7	3.3
Health Care						
Definitely should be	60.3	53.7	85.4	35.9	65.8	86.6
Probably should be	33.0	43.9	13.7	47.0	32.5	13.0
Probably should not be	5.4	2.1	0.6	12.8	1.4	0.1
Definitely should not be	1.3	0.3	4.3	0.3	0.3	
Provide for the Aged						
Definitely should be	62.4	55.8	78.3	40.8	64.3	81.6
Probably should be	33.7	40.9	20.1	47.0	34.2	17.8
Probably should not be	3.3	2.9	1.2	9.6	1.3	6.0
Definitely should not be	0.6	0.4	0.4	2.6	0.1	0.1
Provide for the unemployed						
Definitely should not be	15.1	23.9	44.3	15.7	17.7	38.9
Probably should be	43.9	61.5	41.3	34.6	50.7	45.9
Probably should not be	31.8	11.5	10.8	33.0	20.6	10.8
Definitely should not be	9.1	3.1	3.7	16.7	11.1	4.5
Sample Size	(1528)	(1048)	(1530)	(677)	(987)	(1580)

Source: International Social Survey Programme: Role of Government—1985 (Germany).

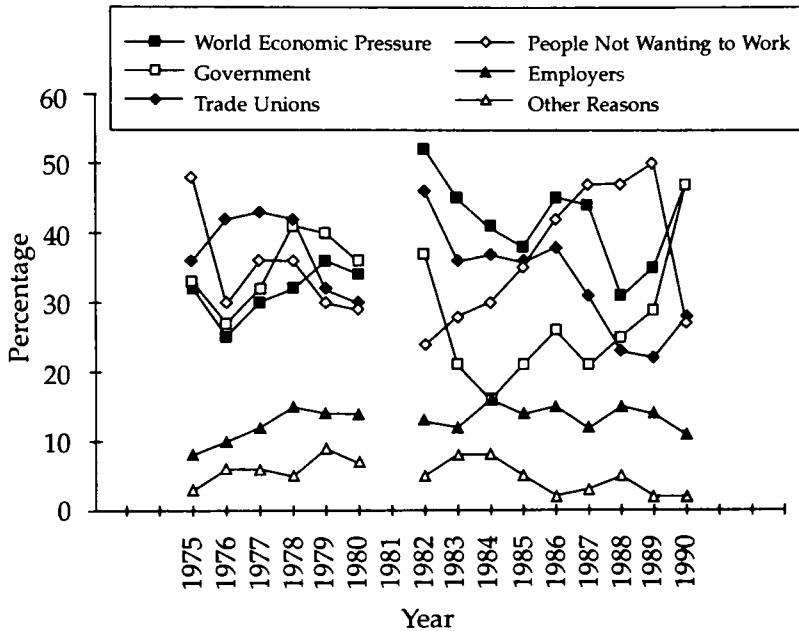
qualification in Australian public opinion. Chart 1 shows the trends in Australian opinion polls that surveyed "causes of unemployment" from 1975 to 1990. Over the period 1986-90 the category in these polls "people not wanting to work" was consistently high or the highest category of public opinion on the causes of unemployment. As was the case with the mid-1970s, this later period corresponds with a period of economic decline in Australia. The unemployed became scapegoats for economic recession in both periods. This evidence suggests that Cawson's (1986:108) arguments on class collaboration at the meso-corporatist level have some foundation especially within a welfare sector faced with staffing and other economic cut-backs during the 1980s such as that in Australia. The stigmatisation of the unemployed diverts attention away from middle class beneficiaries of social and occupational welfare in Australia (cf Gould 1981). The organisation of professional and administrative interests—white collar or middle class interests—to the exclusion and victimisation of poor people such as the unemployed and single parents is a distinctive historical feature of Australian social policy.

The second finding is that there is some variation across countries not examined in the generalisation of the first finding. In this regard the degree of corporatism may have some effect on the level of satisfaction that exists for a government welfare provision. This level of satisfaction appears unaffected by the lack of strong support for an increase in the government's role to provide for these groups. Highly interventionist and centralised governments such as Austria appear to have only marginally less support for their interventionist stance on specific welfare groups than countries such as Britain and Italy.

Figure 1 is a typology of correspondence between the degree of satisfaction with welfare spending by governments developed from Table 2 and the degree of corporatism in each welfare state. The relationships suggested in this typology indicates that the strength of corporatism is associated with existing levels of provision in each country. This is not to say that these welfare cultures lead to a greater role for government in the provision of welfare than the other countries mentioned. Table 4 ranks ten countries, including the six mentioned, by their

Chart 1

Public Perception of Causes of Unemployment in Australia 1975 to 1990 (%)



Source: Morgan Gallup Polls 1975-1990, no poll was taken in 1981

levels of public social security spending. The spending on public social security in these countries shows there is not a perfect correlation between ranks of levels of spending and the suggested degree of corporatism in such countries. If expenditure on social security benefits is a good indicator of the degree of corporatism in each country then America and Australia are the lowest spenders with the lowest degree of corporatism and Austria and West Germany are the highest degree of corporatism of the six countries included in the analysis. Nonetheless, the

Figure 1

A Typology of Correspondence between the Degree of Public Satisfaction with Welfare Spending and the Degree of Corporatism in each Welfare State

		<i>Degree of Corporatism</i>		
		<i>Weak</i>	<i>Meduim</i>	<i>Strong</i>
<i>Degree of Public Satisfaction with Welfare Spending</i>	<i>Low</i>	America Australia		
	<i>Middle</i>	Britain Italy		
	<i>High</i>		West Germany	Austria

correlation between welfare spending and corporatism would be weaker if welfare effort/spending was measured using a combined set of indicators (as suggested by Gilbert and Maon 1988) rather than social security expenditures alone. Even amongst English-Speaking countries the mix of social security provisions is diverse and highly specialised for the conditions of each country (Bolderson 1988). Such complexity in the measurement of welfare effort makes comparison of opinion and corporatism problematic. In making these comparisons, however, the significance of the debate on corporatism and welfare development is not denied.

Strong corporatist countries have the most redistributive social and economic policies of all advanced welfare states (Castles 1990). An emphasis on the success of other countries' policies in promoting equality does not mean that such policies are translatable into the policy-context of weak corporatist countries. The political danger in adopting policy ideas, say from the Swedish social welfare system, are obvious: redistributive policies can be developed out of their social and political context, the history of labour movements struggles and other arenas of political struggle such as those over the right to vote, resource allocation

Table 4

Public Social Security Spending * as a proportion of GNP at current Prices

	Proportion				Increase		Index		Rank Order				
	1965	1970	1975	1980	1984	1965-84	1984	(1965=100)	1965	1970	1975	1980	1984
	%	%	%	%	%	% (Rank)	(1965=100)						
Austria	14.9	15.2	16.2	18.0	18.6	3.7(11)	127	1	1	3	2	2	2
West Germany	12.7	13.0	17.5	16.3	16.6	3.9(10)	130	2	3	2	4	4	5
Italy	11.0	10.7	13.8	13.8	17.6	6.6(4)	160	4	4	5	5	5	3
UK	6.3	7.2	8.0	9.3	11.6	5.3(6)	184	6	7	10	8	7	7
Switzerland	4.2	5.3	8.7	8.9	9.7	5.7(5)	230	12	11	8	10	10	10
Netherlands	11.3	13.1	18.0	20.5	22.5	11.2(1)	199	3	2	1	1	1	1
Canada	5.3	6.2	8.6	8.3	10.3	5.0(7)	193	8	8	9	11	11	8
USA	5.3	6.5	9.2	8.9	8.8	3.5(12)	166	9	9	7	9	9	11
Australia	4.4	4.1	6.4	7.6	8.6	4.2(8)	195	11	12	12	12	12	12
New Zealand	6.0	5.7	7.1	9.8	10.0	4.0(9)	167	7	10	11	7	7	9
Sweden	8.6	10.3	14.0	17.3	17.4	8.8(2)	202	5	5	4	3	4	4
Norway	5.1	9.6	10.1	11.4	12.1	7.0(3)	237	10	6	6	6	6	6

* Public Social Security Spending equals total expenditures on Public Social Security Schemes that includes Old Age, Unemployment, Family, Temporary, Sickness and other transfers.

Source: *The Government Household Transfer Data Base 1960-1984* (OECD, 1986) See also Kaim-Caudal (1973) for Table 1952-66

and rights to social welfare are either neglected or ignored completely. Perhaps a more fruitful line of analysis of public support for redistributive measures would be to gauge the mood of public attitude towards redistributive policies including social welfare services in specific electoral regions. From this research, opinions that inform voting behaviour on social policy might be gauged in each country.

Beyond "Democratic" Corporatism

The general findings of this paper are not surprising. We would expect a nation's public support for welfare spending to show similar, albeit inconsistent patterns in each welfare state dependent on the form of social provision. We would, however, probably not expect similar levels of support for distinct provisions in the welfare cultures of both strong and weak corporatist welfare states. This latter-finding runs contrary to arguments that favour corporatist political organization. The most notable assumptions challenged by these findings is that either a strong welfare culture enhances generous welfare measures or the public good is served by a program of 'democratic' corporatism. Democratic corporatism supposedly insulates state administrations from popular pressure and, yet, remains open to the pressures of the opinions of those who participate in tripartite arrangements. The promise of this style of democratic corporatism has little to offer as a strategy for capital-labour mediation. A strategy that supposedly retards those political "constraints" created by mass loyalty to policies of redistribution.

One problem with using corporatism as an analytic concept is its contested meaning in political analysis (Panitch 1986, Cox 1988, Cawson 1988). According to Cox (1988: 294) the theory of corporatism is most useful when describing the political form of the state in historical periods and not in understanding the policy process. Cawson disagrees with Cox in arguing that corporatism can be used in tandem with other theories of the state and policy formation to explain policy development in a country. Theories of corporatism may provide some necessary evaluation and differentiation of policy development and

policy closure in decision-making in various spheres of state, business, union or welfare activity. The concept of corporatism is not the only metaphor in modern political theory that stands for forms of consensus politics or bargaining amongst interest groups. Cawson's (1988:314) defence of the concept as a useful tool in policy analysis seems to suggest otherwise. The rise of the concept in political theory has meant that it has been uncritically integrated into studies of the state and, hence, studies of welfare state development.

There are several speculative arguments that are relevant to contemporary debate despite the eight year lapse since the collection of this attitudinal data on welfare. Even if all public opinion could be controlled by governments, there is little evidence to support the thesis that mass opinions or "mass loyalty" makes any direct difference or contribution to social policy-making in advanced welfare states (cf Smith and Wearing 1990). The pursuit of democratic corporatism embraces the flawed political assumption that more direct public pressure on welfare would *bring* a social democratic "strategy of equality" *undone*. On the evidence of this paper such assumptions are wrong in their original premise about the relationship between political action and the level of state welfare intervention. At the very least, in terms of state welfare activity, political constraints do not equal 'popular constraints' no matter how we think a liberal-democracy should be governed.

The general criticisms of corporatist theory are linked to this paper's empirical critique of part of the democratic corporatist thesis. Other writers (Bean 1991) have used the 1985 ISSP data to describe the pattern of attitudes towards government programs and expenditure. The analysis of this paper evaluates the empirical evidence to counter some normative arguments on the role of corporatism in welfare development. In doing this, the claim made is that certain political and social factors such as corporatism contribute to the making of public opinion and are generalisable for the purpose of comparative policy analysis (cf Castles 1982a). Theories of corporatism provide limited explanations for both how welfare policies and services have developed and why they develop in advanced welfare states. Corporatist

theory explains a proportion of state policy development. The theory does not explain all policy development. Furthermore, it is doubtful whether the status of corporatism as a political concept in modern political theory is deserved.

What are the implications of these conclusions for current thinking on the comparative developments of welfare states? The orthodox social democratic thesis on the relationship between public opinion and welfare—that constraints on redistribution policies are created by public opinion (Eg Wilensky 1981:189)—is discredited by the findings and analysis above. More critical analysis of the relationship between state welfare activity and public attitudes might look towards those social actors involved in the steering of state action that builds a picture of consensus on national welfare. Recent evidence on the disjuncture between public opinion and actual policies of distribution and redistribution suggests the ideology of egalitarianism has been preserved in the most conservative welfare states such as America and Australia (Kolosi 1989). While in almost complete contradiction, these welfare states remain the least generous towards their populations and the least distributive with wage income (cf Saunders and Hobbes 1989, Castles 1990).

Implications can be drawn from the findings for the development of the Australian welfare state in the 1990s. Since the early 1970s the Australia welfare state has developed a number of corporatist tendencies that have shifted government objectives towards economic productivity and restrained public finance commitments (Encel 1979, Head 1989). On the one hand, this position justifies the general category of Australia as a weak corporatist welfare state (Stewart 1985). On the other, the position does not necessarily justify an interest group approach such as that adopted by Cawson on how corporatism works. The interest group or pluralist position that often develops together with arguments on corporatism may be of limited value in analysis of the Australian situation (cf Loveday 1984). A more critical approach to the current Australian federal political system could be categorised as 'pseudo-corporatist'—a system where partners can opt out of tripartite or, at other policy levels, bipartite agreements.

Conclusion

No doubt tighter and more stringent discipline of the work force can be imposed under strong macro-corporatism to encourage a nation's economic productivity and at a micro economic level the efficiency of private firms. This does not mean, as Offe (1984:250) points out, that all partners in national social contracts are subject to the same degree of regulation over their distributions of assets and their economic privileges. The scenario of a form of 'pseudo-corporatism' that is undemocratic is the more likely trajectory of the Australian welfare state in the 1990s. The political form of this corporatism means there is no obligation on business partners to comply with contractual agreements on state regulation of business. The business sector might agree with some state policies but they are under no obligation or duty to sustain a partnership with the state, with groupings in the welfare sector or with unions. The power structure of these relationships places business in the dominate position beyond the control of the state and in control over workers' rights such as the right to strike. This 'control from above' brings with it the servitude of the workers to work and defines their claims over work conditions as only existent within the contractual agreements of corporatism.

Recent developments in Australian state welfare indicate that increased targeting of beneficiaries will mean that greater hostility amongst working class and poor people will eventuate towards state welfare activity. Governments cannot expect these groups to vote for policies that support more generous welfare measures unless they can be demonstrated to benefit such citizens. More critical research on those who actually benefit from the contemporary social image of the welfare state has lead the way in this regard (cf Papadakis 1990:b). Such research will lay to rest the suggestion in social science that mass loyalty is a homogenous factor in shaping government policies of social reform in advanced welfare states. To understand congruence between public opinion and state welfare activity further political explanation and empirical study is needed on the opinions of select social groups that persuade governments to take action on welfare policy. Just as all votes do not count equally, not

all welfare consumers have an equal voice in the political and policy arenas that orchestrate the distribution of state welfare benefits.

References

- Alber, J. (1986). Germany in Flora, P. (Ed.), *Growth to Limits: The Western European Welfare States Since World War II*, VI 2, (pp1–154). Berlin: Walter de Gruyter.
- Baldwin, P. (1989). Social Policy and Social Democracy: A Couplet in Need of Disassociation, A paper presented to the International Sociological Association Conference on *The Welfare State in Transition*, (pp1–79) Bergen, August 1989.
- Bean, C. (1991). Are Australian attitudes different?: a comparison with five other nations, in Castles, F. (Ed.) *Australia Compared: People, Policies and Parties*, (pp74–100). North Sydney: Allen and Unwin.
- Bolderson, H. (1988). Comparing Social Policies: Some Problems of Method and the case of Social Security Benefits in Australia, Britain and the USA *Journal of Social Policy*, 17, 3, 267–288.
- Castles, F. G. (1982a). Introduction: Politics and Public Policy, in F. G. Castles, (Ed.), *The Impact of Parties*, (pp1–18). London: Sage.
- Castles, F. G. (1982b). "The Impact of Parties on Public Expenditure" in F. G. Castles, (Ed.), *The Impact of Parties*, (pp 21–96). London, Sage.
- Castles, F. G. (1985). *The Working Class and Welfare: Reflections on the Political Development of the Welfare State in Australia and New Zealand, 1890–1980*, North Sydney: George Allen and Unwin.
- Castles, F. G. (1990). Australian Welfare State Expenditure Revisited: Some implications for Change *Australian Journal of Political Science*, 25, 251–271.
- Castles, F. G. (1991). Why Compare Australia? in F. G. Castles (Ed.) *Australia Compared: People, Policies and Politics*, (pp1–14) North Sydney: Allen and Unwin.
- Cawson, A. (1986). *Corporatism and Political Theory*, Oxford: Basil Blackwell.
- Cawson, A. (1988). In Defence of the New Testament: a reply to Andrew Cox "The New and Old Testament of Corporatism" *Political Studies* xxxvi, 309–315.
- Cox, A. (1988). The Old and New Testament of Corporatism: Is it a Political Form or a Method of Policy-making? *Political Studies*, xxxvi, 294–304.
- Coughlin, R. (1979). Social Policy and Ideology: Public Opinion in Eight Rich Nations. *Comparative Social Research*, 2, 3–40.
- Crouch, C. (1985). Exit and Voice in the Future of the Welfare State, *Government and Opposition*, 20, 3, 407–421.
- Dow, G. (1984). The Case for Corporatism: A Second look at Hawke's Consensus Approach, *Australian Society*, 3, 11, 14–16.
- Encel, S. (1979). The Post-Industrial Society and the Corporate State, *Australian and New Zealand Journal of Sociology*, 15, 2, 37–44.

- Esping-Andersen, G. (1985). *Policies Against Markets; The Social Democratic Road to Power*, Princeton: Princeton University Press.
- Esping-Andersen, G. (1990). *The Three Worlds of Welfare Capitalism*, Cambridge: Policy Press.
- Ferrera, M. (1986). Italy, in P. Flora (Ed.), *Growth to Limits: The Western European Welfare State Since World War II*, VI 2, (pp 385–482). Berlin: Walter de Gruyter.
- Graycar, A. and Jamrozik, A. (1980). *How Australians Live: Social Policy in Theory and Practice*, Sydney: MacMillan.
- Gilbert, N. and Maon, A. (1988). Analyzing Welfare Effort: An Appraisal of Comparative Methods, *Journal of Policy Management and Analysis*, 7, 2, 326–340.
- Gould, A. (1981). The Salaried Middle Class in the Corporatist Welfare State, *Policy and Politics*, 9, 4, 401–418.
- Griffin, L. J. et al. (1983). On the Economic and Political Determinants of Welfare Spending in the Post-World War II Era, *Politics and Society*, 12, 3, 331–371.
- Gruen, F. H. (1989). Australia's Welfare State-Rearguard or Avant Garde?, Discussion Paper No. 212, *Center for Economic Policy Research*, The Australian National University: Canberra.
- Head, B. W. (1989). Parties and the Policy Agenda, B. W. Head and A. Patience (Eds), *From Fraser to Hawke*, (pp487–510). Melbourne: Longman Cheshire.
- Heclo, H. (1985). The Political Foundations of Anti-Poverty Policy, A paper delivered at the Institute of Research on Poverty (IRP) Conference, *Poverty and Policy: Retrospect and Prospects*, (57pp). Williamsburg, Virginia Dec. 6–8, 1984.
- Kaim-Caudal, P. R. (1973). *Comparative Social Policy and Social Security: A Ten Country Study*, London: Martin Robertson.
- Klein, R. (1976). The Politics of Public Expenditure: American Theory and British Practice *British Journal of Politics*, 6, 401–432.
- Kolosi, T. (1989). Beliefs about Inequality in Cross-National Perspective, paper prepared for the ISA Conference, *The Welfare State in Transition*, Bergen, (Social Science Informatics Centre, Budapest).
- Loveday, P. (1984). Corporatist trends in Australia?, *Politics*, 19, 1, 46–51.
- Macarthy, P. G. (1976). Justice Higgins and the Harvester Judgement in Roe, J. (Ed.), *Social Policy in Australia: Some Perspectives 1901–1975*, Stanmore: Cassell Australia, 41–59.
- Marklund, S. (1988). *Paradise Lost? The Nordic Welfare States and the Recession 1975–1985*, Lund, Arkiv forlag.
- Mishra, R. (1984). *The Welfare State in Crisis*, Great Britain: Harvester Books.
- Mishra, R. (1990). *The Welfare State in Capitalist Society*, New York: Harvester Wheatsheaf.
- Moran, M. (1987). An Outpost of Corporatism: the Franchise State on Wall Street, *Government and Opposition*, 22, 2, 206–223.
- Myrdal, G. (1960). *Beyond The Welfare State*, London, University Paperbacks.

- O'Connor, J. S. and Bryan, R. J. (1988). Public Expenditure in OECD Countries: towards a reconciliation of inconsistent findings *The British Journal of Sociology*, 34, 1, 47–68.
- Organization for Economic Cooperation and Development (1986), *The Government Household Transfer Data Base 1960–1984*, Paris: OECD.
- Pampel, F. C. and Williamson, J. B. (1988). Welfare Spending in Advanced Industrial Democracies 1950–1980 *American Journal of Sociology*, 93, 6:14 24–56.
- Panitch, L. (1986). *Working Class Politics in Crisis: Essays on Labour and the State*, London: Verso.
- Papadakis, E. (1990a). Conjecture about Public Opinion and The Australian Welfare State *The Australian and New Zealand Journal of Sociology*, 26, 2, 209–234.
- Papadakis, E. (1990b). *Attitudes to State and Private Welfare: Analysis of Results From a National Survey* (SPRC Reports and Proceedings, No. 88) Kensington: Social Policy Research Centre.
- Papadakis, E. and Taylor-Gooby, P. (1987a). Consumer Attitudes and Participation in State Welfare, *Political Studies*, 35,3, 467–481.
- Papadakis, E. and Taylor-Gooby, P., (1987b). *The Private Provision of Public Welfare*, Great Britain: Wheatsheaf.
- Parry, R. (1986), United Kingdom, in P. Flora (Ed.), *Growth to Limits: The Western European Welfare States Since World War II*, VI 2, (pp155–240). Berlin: Walter de Gruyter.
- Rothstein, B. (1987). Corporatism and Reformism: The Social Democratic Institutionalisation of Class Conflict, *Acta Sociologica*, 30, 3, 4; 295–311.
- Saunders, P. and Hobbes G. (1988). Income Inequality in Australia in an International Comparative Perspective, *Australian Economic Review*, 3rd Quarter, 83, 25–34.
- Shalev, M. (1983). The Social Democratic Model and Beyond: Two “Generations” of Comparative Research on the Welfare State, *Comparative Social Research*, 6, 315–351.
- Smith, R. and Wearing, M. (1986), “Public Opinion and the Australian Welfare State 1940–1985”, paper presented at the 1986 Sociological Association of Australia and New Zealand Conference, (pp. 51). University of New England: Armidale.
- Smith, R. and Wearing, M. (1987). Do Australians Want the Welfare State?, *Politics*, 22, 2, 55–65.
- Smith, R. and Wearing, M. (1990). Contemporary Public Opinion and Welfare Policies in Australia, Britain and Sweden, in P. Saunders (Ed.) *Social Policy in Australia* (SPRC Reports and Proceedings, No. 80) (pp1–14). Kensington: Social Policy Research Centre, University of New South Wales.
- Staber, V. (1987). Corporatism and the Governance Structure of American Trade Associations, *Political Studies*, 35, 278–288.
- Stephens, J. D. (1979). *The Transition from Capitalism to Socialism*, London: Macmillan.

- Stewart, R. (1985). The Politics of the Accord. Does Corporatism Explain It? *Politics*, 20, 1: 26–35.
- Stilwell, F. (1986). *The Accord and Beyond: The Political Economy of the Labor Government* Sydney: Pluto Press.
- Taylor-Gooby, P. (1988). The Future of the British Welfare State: Public Attitudes, Citizenship and Social Policy under the Conservative Governments of the 1980s, *European Sociological Review*, 4, 1, 1–19.
- Tawney, R. H. (1964 [1938]). *Equality*, London: Unwin Books.
- Titmuss, R. M. (1976). The Social Division of Welfare in *Essays on the Welfare State*, (pp24–35). London: George Allen and Unwin.
- Veselsky, E. E. (1981). The Changing Economic and Social Determinants for the Development of Future Social Policy in Organisation for Economic Co-operation and Development, *The Welfare State in Crisis*, (pp178–185). Paris: OECD.
- Watts, R. (1987). *The Foundations of the National Welfare State*, Sydney: Allen and Unwin.
- Wilensky, H. L. (1975). *The Welfare State and Equality: Structural and Ideological Roots of Public Expenditure*, Berkley, University of California Press.
- Wilensky, H. L. (1981a). Democratic Corporatism, Consensus and Social Policy: Reflections on Changing Values and the “Crisis”, of the Welfare State, in Organisation for Economic Co-operation and Development, *The Welfare State in Crisis*, Paris, OECD, 185–195.
- Wilensky, H. L. (1981b), Leftism, Catholicism and Democratic Corporatism: The Role of Political Parties in Recent Welfare State Development, in P. Flora and A. J. Heidenheimer (Eds), *The Development of Welfare States in Europe and America*, (pp345–382). New Brunswick, Transaction.
- Wilson, D. (1987). The Welfare State in America, in R. Ford and M. Chakrabarti (Eds), *Welfare Abroad: An Introduction to Social Welfare in Seven Countries*, (pp29–65). Edinburgh, Scottish Academic Press.

