



2007

Review of *Inequality and Prosperity: Social Europe vs. Liberal America*. Jonas Pontusson. Reviewed by Martin Evans.

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Recommended Citation

Evans, Martin (2007) "Review of *Inequality and Prosperity: Social Europe vs. Liberal America*. Jonas Pontusson. Reviewed by Martin Evans.," *The Journal of Sociology & Social Welfare*: Vol. 34 : Iss. 3 , Article 10.

Available at: <https://scholarworks.wmich.edu/jssw/vol34/iss3/10>

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Book Reviews

Jonas Pontusson, *Inequality and Prosperity: Social Europe vs Liberal America*. Ithaca, NY: Cornell University Press, 2006. \$19.95. papercover.

This book is a significant and welcome addition to comparative public policy. Pontusson addresses two main policy literatures—the arguments put forward by conservatives that accuse large scale social policy of undermining economic performance, and the comparative literature on classifying welfare states. His basic argument is that if the conservatives are correct, then there should be both unambiguous evidence over the past 30 years that states with more conservative welfare regimes perform better than their more generous and liberal peers, and that differences in approaches to social and economic policy are the underlying cause.

Pontusson places his analysis firmly in the tradition of political economy. His main focus is on the trade-off between growth and economic efficiency and social equality. This means that his interest is institutional, and he puts emphasis on the political roles of unions and worker representation, of banks and shareholders, and on skills, training and education as well as on the measurement of fiscal inputs and outputs and social and economic outcomes. To set up his comparison between “liberal market economies” and “social market economies” he looks across the cross-national typologies produced by Esping-Anderson, Katzenstein and Soskice to identify three core features of the “social market economy”: structures of corporate finance and governance that are called “organized business,” national level institutionalised collective bargaining, and extensive public social provision.

At the heart of the book is a series of comparative chapters that use simple forms of statistical correlation and scatter-plots to test a series of hypotheses based on bivariate relationships. First, the issue of income and earning distributions is assessed to see how much inequality in household income and earnings overlap and how much increased earnings inequality is explained by differences over time in demographic changes, female participation and the move to increased levels of part-time employment. Second, the book goes on to compare three dimensions of employment performance: unemployment, employment and job growth. Third, macro-economic management and wage-bargaining, and fourth, the issue of participation in corporate governance, job security, training and skills are discussed in two chapters that bring together issues that are institutionally linked in social market economies. The last areas of analysis, in Chapters 7 and 8, look first at levels of social provision and their consequences on income redistribution and economic growth and then discuss how recent trends in retrenchment in social spending have occurred and what effects those trends have had on redistribution. The book concludes with a discussion of how far the evidence supports and refutes the simple claims made for and against social market states and puts forward a range of progressive reforms that can strengthen the economic efficiency of the social market model and mitigate the inequities of its liberal market counterpart. This last chapter is more focused on an American readership.

Pontusson is to be congratulated on a clear, robust and methodical book that punctures the simplistic inflated rhetoric of partisan writing on social provision and that also puts current mainstream economic advice from international finance institutions under careful scrutiny and contextualisation. One wise conclusion from Chapter 7 rings out, "Social policy is by no means the only source of distortions and inefficiencies in existing capitalist economies...it is not very useful to think of this set of public policy problems in terms of "small vs. big government" (p. 181).

The book is also a welcome addition to the comparative social policy field and should be recommended reading to graduate students. It should, if properly read and understood, make students think more before they reel off their pigeon-holed typologies from Esping-Anderson, or jump to

conclusions about what is “better” in national systems of social provision.

Of course, the book has some weaknesses. Several countries are conveniently dropped because they don't fit the simple dualistic comparison that Pontusson wants to make. The analysis is based on few observations and on aggregate data that hides many of the differences between welfare states, and in particular the role of familial and informal provision. It would have been good to have more open discussion about differences within the liberal market states and in particular, the so-called “exceptional” position of the U. S. A. and how this book's analysis compares to that recently made by Alesina, and Glaeser, for instance. But overall, there is every reason to buy, read and encourage others to read this book.

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Robert Bullard (Ed.), *The Quest for Environmental Justice: Human Rights and the Politics of Pollution*. San Francisco, CA: Sierra Club Books, 2005. \$18.95 papercover.

As I write this, the Hurricane Katrina disaster in the U.S. Gulf Coast remains fresh in our memories. This ecological disaster affected all classes and races in profound and terrifying ways, but the poor and members of oppressed minority groups suffered much more. Readers of Robert Bullard's new book on environmental justice would not have been surprised and will understand that the actual problem is much deeper. What we learned from Katrina was just the tip of the iceberg. Environmental destruction and its consequences for our most vulnerable groups goes much further than many think.

The Quest for Environmental Justice is an excellent overview of the state of environmental justice currently being debated. Edited by Robert Bullard, one of the field's formulators and longtime leaders, the book's fourteen chapters provide a solid treatment of the major debates in the field. This book is both fascinating and horrifying in its implications. It also provides hope as community activists achieve some notable successes