Introduction

Social cohesion is a widely used – if poorly understood – term, increasingly invoked in different ways by policy-makers since the late 1980s. The frequent usage reflects widespread and diverse concerns about the effects of social change on the social fabric – not least those arising from the growing inequality and social diversity that accompany globalization. The 2008 financial crisis and subsequent global recession brought mounting unemployment and social conflict, and such concerns are now intensified.

At the same time, the concept of social cohesion has experienced a revival in social theory (Chan, To and Chan, 2006; Dubet, 2007; Green, Preston and Janmaat, 2006; Gough and Olofsson, 1999; Osberg, 2003). As Jane Jenson (1998) has rightly noted, questions of social order and cohesion tend to surface at times of rapid social change. The major efflorescence of writings on social cohesion in the nineteenth century – by Comte, Durkheim, Tönnies and others – coincided with the transition to industrial capitalism in Europe, and was a response to the social dislocations that this entailed. In our own time, it has been rapid globalization, and its attendant effects, that have acted as the spur (Green, Preston and Janmaat, 2006).

Politicians and social commentators of different stripes have identified threats, or potential threats, to social cohesion, from the following: rising income inequality (Wilkinson and Pickett, 2009; OECD, 1997) unemployment and crime (Jenson, 1998 OECD, 1997); the decline of the traditional family (Fukuyama, 1999) and religious observance (CPGNIS, 2007); increased immigration (Council of Europe, 2004; CPGNIS, 2007) and the segregation of migrant communities (Home Office 2001); the proliferation of identity politics and prevailing mores of individualism and self-interest (Reich, 2001; Touraine, 2000); and
political extremism and terrorism (CPGNIS, 2007). Many have claimed that social cohesion is in decline – a view supported by Robert Putnam’s (2000) research on the attenuation of social capital in the United States (which he equates with declining social cohesion). To Putnam, associational life has atrophied with the passing of the socially-concerned ‘New Deal’ generation and the advent of more individualistic younger generations. For the cohorts of Xers and Yers coming to adulthood post-1960, according to Putnam, watching TV and other individualized pursuits have substantially replaced the more convivial associational activities that are the lifeblood of social capital – hence leading to the overall decline in the vitality of civic life.

Overarching these specific – and empirically debatable – trends, has been the allegedly centrifugal effect of globalization, which, at the same time as it increases global interconnectedness and economic integration, has dislocated communities and eroded many of the traditional sources of social cohesion (Green, Preston and Janmaat, 2006). To Manuel Castells, the major theorist of global change, globalization has diminished the effective power of nation states and thus reduced the hold of national identity (Castells, 1997). In its place has emerged a multiplicity of group identities – based on ethnicity, religion, region and lifestyle – whose fragmentation narrows the ambit of trust, reciprocity and collective identification. For Castells, as for other social theorists, such as Delanty (2000) and Touraine (2000), identity and citizenship have parted company. This ‘dissolution of shared identities, which is tantamount to the dissolution of society as a meaningful social system,’ writes Castells, ‘may well be the state of affairs of our time’ (Castells, 1997: 355).

Such pessimistic views are by no means universal, and the evidence for each of the trends cited is contested. However, concern about the sustainability of social cohesion is certainly widespread. The term is thus in constant use in both policy and research publications and is likely to remain so, not least with the increasing unemployment and related social problems that will accompany the aftermath of the global recession.

Social cohesion, however, is a term that is both widely used and widely abused. It has considerable emotive power but, like many ideologically – and symbolically – freighted terms, lacks precise definition. Those who have mapped its current usage (Beauvais and Jenson, 2002; Bernard, 1999) acknowledge this, but describe it as a ‘multi-facetted’ ‘quasi-concept’ which, despite its unscientific nature, has policy utility as a ‘framing concept’ (Beauvais and Jenson, 2002). Precisely how it is
defined will vary from context to context, they say, depending on the issues it is being used to frame. This is no doubt the case in terms of its policy usage, and may be inevitable, despite the rather long tradition of more rigorous theoretical writing on the subject in both political philosophy and sociology. However, this does not obviate the problems of using the term in social scientific analysis.

There are at least four major difficulties with the way the term is currently deployed. Firstly, it is almost always used in a normative fashion – that is to say as a signifier for a positive condition for which we ought to strive. This, as with all normative terminology in social science, creates problems for objective analysis, even within a critical realist epistemology that recognizes that subjective beliefs and ideological forces are constitutive of the reality which we seek to understand and which exists independently of our perceptions of it (Bhaskar, 2009). On the one hand, where social cohesion is defined in a particular normative fashion, according to the political preferences of the researcher or policy analyst, this pre-empts analysis of the phenomenon in its entirety, including the different forms of social cohesion which may exist in the real world. On the other hand, it assumes that social cohesion is always ‘a good thing’, which may not invariably be the case. Too much cohesion can, arguably, lead to social insularity and backwardness (Banfield, 1958), economic sclerosis (Olson, 1971) or to a failure to address substantive injustices in society (cf. Marx on religion as the ‘opium of the people’ in his ‘Critique of Hegel’s Philosophy of Rights’, 1973).

Secondly, the term is often defined through the mere aggregation of socially ‘desirable’ attributes, such as trust, tolerance, active citizenship and so on. These may have no necessary relation to each other and their simple aggregation thus fails to provide a coherent definition.

Thirdly, social cohesion is often defined in terms of its supposed causes (e.g. equality or welfare states) or effects (e.g. greater well-being or faster economic growth). This is problematic not only, again, because it narrows the range of phenomena that may be analyzed as possible incidents of social cohesion, but also because it then prevents any analysis of the causes and effects that are already endogenous to the definition. Including causes and effects in the definition amounts to argument by definition – a logical fallacy which philosophers call ‘petitio principii’ (Durkheim, 1982).

Fourthly, definitions of social cohesion are often confused as to their intended level of analysis and thus their units of analysis. Most people use the term to refer to whole societies (usually states); but others,
like Putnam (2000), conflate it with ‘community cohesion’ or even with ‘social capital’, the latter normally deemed to refer to characteristics of individuals or to relationships among individuals in bounded groups and communities (Coleman, 1988). The European Commission sometimes uses the term ‘social cohesion’ to refer to structural cohesion at the supra-national regional level, as well as to societal bonding. This multiple usage not only causes conceptual confusion; it may also lead quantitative researchers into ‘ecological’ or ‘cross-level’ fallacies whereby statistical effects at one level are falsely imputed from data gathered at a different level (Smelser, 1976). An example would be the frequent assumption that because more educated individuals tend to be more tolerant in some developed modern societies, more educated societies are always more tolerant – which is, historically, clearly not true (see discussion in Green et al., 2006, chapter 3).1 All of these usages create barriers to rigorous analysis and have deprived the term ‘social cohesion’ of much of the explanatory power that former generations of sociologists and political philosophers discovered in the concept.

Among other things, this book aims to do some necessary conceptual ground-clearing. The analysis seeks to establish how the term ‘social cohesion’ can be used in a more scientific way that advances theory and, at the same time, provides a basis for empirical analysis. It seeks to provide a usable, non-normative and non-exclusive definition of social cohesion, which can then be operationalized in research to analyze the different forms of social cohesion which may be identified in actual societies – the non-normative social types which Durkheim analyzed in *The Division of Labour in Society* (1964).

In Chapter 1 of the book, we analyze the constituents of social cohesion that are specified in different definitions-in-use in policy and contemporary academic writing. The fault lines between different definitions are identified and some empirical evidence is presented on the relationships – or lack of such – between the constituent components of different definitions. This leads to a definition of social cohesion which is non-normative and non-exclusive and which can be used in empirical analysis.

Chapter 2 seeks to identify the major historical traditions of writings about social cohesion and the social order in Western sociology and political philosophy and the logics they imply as to the forces which bind society together. Chapter 3 reviews some historical evidence for social origins of different traditions of social cohesion in the West, and their subsequent patterns of evolution, based on ‘longue durée’ accounts of historical development and on ‘non-absolute’ notions of path dependency. Chapter 4 uses the literature on ‘varieties of capitalism’ and
‘welfare state regimes’ to develop some provisional theories about the institutional bases of different contemporary forms of social cohesion which may be found in particular regions – or clusters of countries – in the West and in East Asia. We call these ‘regimes of social cohesion’, in the same way that Esping-Andersen refers to ‘welfare regimes’ (1990) and Michael Walzer to ‘regimes of toleration’ (Walzer, 1997).

Chapters 5 and 6 contain most of the statistical analysis. Chapter 5 uses international data on social attitudes and institutional characteristics to test, empirically, whether such regimes can be identified in terms of regions or country clusters that display particular sets of institutional characteristics and social attitudes. Three regimes are identified, which we designate as ‘liberal’, ‘social market’, and ‘social democratic’. Some common characteristics are identified in the forms of cohesion in East Asian countries and in southern European countries, but these regions are deemed too diverse to constitute regime types *per se*. Chapter 6 continues the statistical analysis by exploring, cross-nationally, the trends in value diversity, seeking to understand the puzzle of the high levels of value pluralism in the social market states.

In Chapter 7, we explore the convergences and divergences in patterns of social cohesion across countries and assess how the different regimes of social cohesion are holding up in face of the global crisis of neo-liberal capitalism unleashed by the banking collapse of 2008. We look firstly at the long-term trends in key aspects of social cohesion, such as social and political trust, inter-ethnic tolerance, and perceptions of conflict along several dimensions. Although the trends show some support for the theory of a secular and widespread decline in social cohesion, we find considerable divergence between the regimes, with social cohesion more robust in some than others.

However, each regime faces major challenges, which differ in each case. They are each vulnerable precisely in the social aspects that have, historically, been most central to their particular forms of cohesion. Social market states, which have placed a premium on widely shared values, are challenged by increasing value diversity, which they find hard to accommodate. Social democratic states find that their universalistic welfare systems, which have been key incubators of social solidarity, are under pressure. Liberal states, whose cohesion has rested above all on common beliefs in individual freedom, opportunity and merit, seem most at risk, as inequality rises and opportunities decline. As confidence in equity and meritocracy atrophies, little may remain to hold these societies together.
As suggested above, definitions of social cohesion in current research and policy literature are frequently additive in nature. That is to say they invoke a number of societal characteristics which are taken to be constitutive of a cohesive society. These generally include characteristics which relate to social attitudes and behaviours, but they can also include institutional features of societies taken to be necessary for cohesion to exist. The social attitudes and behaviours commonly invoked include:

- shared values and goals (such as liberty, democracy, meritocracy, equality, etc.)
- a sense of belonging and common identity (including national and other forms of identity)
- tolerance and respect for other individuals and cultures
- interpersonal and institutional trust
- civic cooperation
- active civic participation
- law-abiding behaviour (low crime rates).

The societal institutions deemed to be pre-requisite for social cohesion are often cited as:

- institution for the sharing of risk and providing social protection (the Welfare State)
- redistributive mechanisms (such as taxes) to foster equality or equality of opportunity
- conflict resolution mechanisms.
However, not all definitions-in-use of social cohesion include all of these characteristics or emphasize them in equal measure. Mappings of policy perspectives on social cohesion by Jenson (1998), Beauvais and Jenson (2002) and Bernard (1999) suggest different typologies for distinguishing concepts of social cohesion. Beauvais and Jenson (2002), following Berger-Schmitt (2000), suggest that we can distinguish broadly between definitions of social cohesion which emphasize social bonds and associational activity (social capital type attributes) and those which emphasize ‘solidarity and equality’. Bernard distinguishes between definitions which emphasise: 1) liberty and equality (labelled ‘inclusive democracy’ – i.e. welfare states; 2) equality and solidarity (participatory democracy – i.e. social democracy) and 3) liberty and solidarity (pluralist democracy). The tensions suggested here between liberty and equality will be familiar to all students of philosophical liberalism and can be clearly identified in the policy discourses. The exact meaning of solidarity in Bernard’s tripodic typology is harder to decipher, but it is clear in Jenson (1998) that the term is being used in the French ‘republican’ sense, familiar to social scientists from the work of Durkheim, which involves a sense of social interdependency and common identity and values.

Jenson’s distinction does indeed provide a good point of departure for distinguishing between different discourses. Some definitions of social cohesion place much greater emphasis on common values and common identities than others. Jenson cites a definition from the French Commissariat Général du Plan, which refers to common values and identities and links these with a sense of belonging. According to this:

social cohesion is a set of social processes that help to instill in individuals the sense of belonging to the same community and the feeling that they are recognized as members of that community. (quoted in Jenson, 1988: 4)

The Council of Europe, starting from a human rights-based perspective, defines a cohesive society as ‘a mutually supportive community of free individuals pursuing common goals by democratic means’ (Council of Europe, 2004: 3). They also note the importance of equality and respect for the individual in fostering social cohesion, but a strong emphasis is again placed on belonging and shared values, though with the latter conceived at various different levels. ‘Social Cohesion,’ according to their background study, ‘comprises a sense of belonging to a family, a social group, a neighbourhood, a workplace, a country...’ (Heydt,
Regimes of Social Cohesion

2003: 12). They are careful to stress that this must not be exclusive and may involve multiple identities, but the main report nevertheless reiterates the importance of shared values, emphasizing the need for ‘rebuilding a sense of society, of belonging, of commitment to shared goals’ (Heydt, 2003: 12).

The European Commission’s first report on economic and social cohesion (European Commission, 1996) defines cohesion in terms of the objectives of the social market economy and unequivocally asserts that social cohesion depends on reducing inequalities:

The promotion of social cohesion requires the reduction of the disparities which arise from unequal access to employment opportunities and rewards in the form of income. Such inequality tends to have serious social consequences through the marginalization of sections of society, such as the long-term unemployed, the young unemployed and the poor.’ (14)

Judith Maxwell’s (1996) definition fulsomely combines both the egalitarian and solidaristic dimensions:

social cohesion involves building shared values and communities of interpretation, reducing disparities in wealth and income, and generally enabling people to have a sense that they are engaged in a common enterprise, facing shared challenges, and that they are members of the same community.’ (quoted in Jenson, 1998: 3)

Definitions that invoke equality, shared values and common identities are certainly common in debates about social cohesion. However, they are not ones that everyone would accept. Increasing social diversity, as both Jenson (1998) and Bernard (1999) point out, makes shared values and common identities difficult to achieve, and would not in any case be desirable to many people. As Jenson notes, too much value conformity may be socially stultifying and can contradict other principles of freedom and respect for other cultures. Jenson’s own (1998) definition of social cohesion avoids making either equality or ‘shared values’ a constitutive condition. The term social cohesion, she writes,

is used to describe a process more than a condition or end state, while it is seen as involving a sense of commitment, and a desire to live together in some harmony. (op cit: 1)
The emphasis on process and ‘getting on together’, as opposed to more ‘demanding’ criteria of shared values and identities, can also be found in the British report on ‘Our Shared Future’ from the Commission on Integration and Cohesion (2007, chaired by Darra Singh). This report makes much of what might be considered old-fashioned procedural protocols of social interaction, including ‘courtesy’ and ‘hospitality’, but does not appeal to more expansive notions of shared values and identities.

Integration and cohesion is no longer a special programme or project. It is also not about race, faith, or other forms of group status or identity. It is simply about how we all get on and secure benefits that are mutually desirable for our communities and ourselves. (ibid., 5)

The report does not require allegiance to a dominant identity or value system. Rather, it envisages a diversity of communities with different identities and values, which adapt to each other in a spirit of mutual respect, guided by norms of ‘hospitality’ and ‘courtesy’. Social cohesion and integration are conceptually differentiated but act in mutually reinforcing ways.

Cohesion is principally the process that must happen in all communities to ensure different groups of people get on together; while integration is principally the process that ensures new residents and existing residents adapt to one another. (ibid., 36)

Common identities and shared values (beyond perhaps the minimum of ‘core values’ advocated in the Denham Report in Britain (Denham, 2001)) are clearly not a precondition for social cohesion in much of the policy writing within the liberal tradition, even though they are more strongly asserted within what may be called the ‘republican tradition’ (about which distinction more later). Likewise, equality only appears in some versions of social cohesion, and only features strongly in the more social democratic traditions. Within liberal discourses on social cohesion, there tends to be a stress on equality of opportunity at the most, and on meritocracy as a necessary legitimating principle of society (Parsons, 1968).

It should also be noted that combinations other than those represented by ‘liberalism’ and ‘republicanism’ are possible. Some conceptions of social cohesion place a strong emphasis on shared values and identities without subscribing strongly to principles of economic
equality (although they may subscribe to equal civic and political rights). The communitarian tradition in North America (Etzioni, 1993; Taylor, 2005) sets great store on the socially binding effects of shared community values and identities, without stressing equality as a condition of community cohesion. Likewise, social capital theorists such as Robert Putnam see shared norms and values at the community level, as well as a lively civic association, as being crucial to a strong civic culture, but rarely discuss the impact of inequality on these (Putnam, 2000). A recent report from the British Conservative Party ‘Long Term Policy Group on National and International Security’ in Britain exemplifies another variety of this combination (CPGNIS, 2007). This report, which is largely about the threats of terrorism, notes a number of social trends that it says may undermine social cohesion, including increased social mobility, social liberalization, the decline in religious observance, continuing immigration and the growth of multiple identities. Interestingly, income inequality is not mentioned among these ‘centrifugal forces’ and the promotion of ‘equality’ does not feature in the report as a means of reinforcing social cohesion. However, the report does stress the need for ‘a united society based on a shared ethos’, lamenting the fact that ‘compared to other countries, the UK does little consciously to inculcate a sense of national identity and shared values’ (CPGNIS, 2007: 23). Among these shared values, which it claims are at the heart of British identity, are those of individualism and the ‘rights of the individual against the state’.

Pressure points

Policy documents are not necessarily the best source for analysis of sensitive topics like social cohesion because they tend to be somewhat vague and gestural – often providing appropriate nods towards all politically correct notions rather than coherent statements of position. However, even from a cursory reading one can begin to observe certain differences in emphasis between discourses. Their sometimes subtle rhetorical variations often mask what are, in fact, quite marked fault lines or ‘pressure points’ in the more explicit academic writings about social cohesion. A pressure point may be defined as a crux issue in policy debate, where contradictions are evident and where ideological choices or policy trade-offs have to be made. Two such pressure points are already visible from the policy discourses on social cohesion. One relates to the question of diversity and the other to the question of equality.
Diversity and shared values

Much of the debate on social cohesion revolves around issues of cultural diversity and the appropriate responses to it. The latter may be couched in terms of adjustment policies such as integration, assimilation, multiculturalism and mutual adaption, or social attitudes such as tolerance and respect for other people and cultures and so on. The fundamental dilemma is how far cultural diversity, which is a reality in most countries, is compatible with social cohesion, and particularly the forms of social cohesion that depend strongly on shared values. Both academic research and policy responses vary considerably in their approach to this question.

Nationalists, including liberal nationalists (Canovan, 1996; Miller, 1995), have always argued that a degree of cultural homogeneity is a necessary precondition for a cohesive society with a well-functioning democratic system and expansive welfare state. Democracies require a certain degree of value consensus, at least in core areas, they say, to function smoothly. In order for citizens to consent willingly to their taxes being used to pay for redistributive welfare policies, they must believe that others are also willing to pay taxes which will support them when they are in need and that recipients of welfare are not abusing the system. According to such theories, consent to democratic government and the redistributive welfare state requires a degree of trust on behalf of citizens and this is more likely to occur where there is a degree of cultural homogeneity. This can occur where (unusually today) societies are fairly homogenous in ethnic and religious terms, or where policies effectively assimilate immigrants into the dominant culture. The claims find some support in research (Alesina et al., 1997), which shows that more ethnically diverse societies tend to spend a lower percentage of their GDP on welfare and public services. Liberal multiculturalists and political pluralists, on the other hand, have tended to argue that cultural diversity is not a problem for democracies, providing that their political institutions are robust enough to mediate conflicting interests and providing that societies are based on a widespread belief in the values of tolerance or, more actively, on respect for other cultures and traditions. Examples can be found of diverse societies that are reasonably cohesive, such as Canada, as well as more homogenous societies that are quite divided, such as Italy.

Research on diversity and cohesion is contradictory and inconclusive. Samuel Huntington, the controversial American political scientist, has argued recently (Huntington, 2004) that national identity and social cohesion in the United States are being undermined by increasing
12  Regimes of Social Cohesion

ethnic and linguistic diversity. From its foundation, the United States has been a country of immigration and ethnic diversity; according to its own myth, a cosmopolitan melting pot where diverse groups have been bound together by a shared idea of the ‘American Way of Life’ and the civic values of the Constitution. However, Huntington argues that, as a ‘settler society’, the country always had a dominant set of (ethno-cultural) values, which were those of the WASP (White Anglo-Saxon Protestant) pioneers and that it is those dominant values that have underpinned and given potency to the binding civic values of the American Creed. With increasing ethnic diversity, linguistic pluralism and adoption of multiple and so-called hyphenated identities (i.e. Polish-American, etc.), he argues the core culture and identity, in which he claims the American Creed is rooted, is being eroded. The American Creed is all that is left to bind society together but a deracinated Creed cannot fulfil its function. His answer to the question posed by his book: ‘Can a nation be defined only by its political ideology?’ (ibid.: 337) is ‘probably not’. The reason he gives, which can be found in many writings on nationalism (e.g. Smith, 1995), has to do with the deeper affective attachments that a robust sense of nationhood allegedly requires: people, he says, ‘are not likely to find in political principles the deep emotional content and meaning provided by kith and kin, blood and belonging, culture and nationality’ (Huntington, 2004: 339). Hence, he claims, comes the flight of contemporary Americans into religious identity.

From a different, and more liberal, perspective, and focusing on communities rather than the national state, Putnam (2007) has also argued that increasing diversity is a problem for social capital, which he defines here as ‘social networks and the associated norms of reciprocity and trustworthiness’ (137). Using data for a large sample of neighbourhoods in the United States on what he takes to be key indicators of social capital, including inter-racial trust, and intra-racial trust, Putnam claims to show that ethnic diversity is inversely related to levels of social capital, both across ethnic communities and within them. Even controlling for levels of poverty and crime, his statistical analysis suggests that ‘greater ethnic diversity is associated with less trust in neighbours’ (153). Putnam acknowledges that the effects of diversity may vary according to the longevity of ethnic mixing in an area, and that areas which have become ethnically diverse through rapid inward migration may become more trusting over time. However, his overall message is that diversity is a problem for community cohesion.

Putnam is not alone among quantitative sociologists in arguing that ethnic diversity erodes trust, or other key aspects of social cohesion.
Other studies across states in the United States find the same inverse relationship (Alesina and Ferrara, 2002) and there are several cross-national studies which also purport to show a negative relation between diversity and key measures of social cohesion, such as trust (Delhey and Newton, 2005; Knack and Keefer, 2007).

However, the thesis has also been much contested. Putnam's research cited here relates only to the United States. In other countries where the relationship has been examined across areas, no such clear correlations are found. The British Commission on Integration and Cohesion report, Our Shared Future (Commission on Integration and Cohesion, 2007), examines evidence from the 2005 Citizenship Survey and finds no correlation between the proportion of ethnic minority households in an area and perceptions of area respondents on cohesion or respect for differences. The report concludes that only in certain cases typically where communities have experienced rapid new immigration in a context of existing social problems or overstretched services – did there seem to be a problem with diversity and cohesion. Lekti (2006) uses area data from an earlier 2001 Citizenship Survey in Britain and likewise finds no correlation between diversity and cohesion at the neighbourhood level when other factors, including socio-economic status, are taken into account. Johnson and Soroka (1999) analyze the impact of ethnic diversity on social capital in different regions in Canada and find no link. There are also cross-national analyses which find no relationship between diversity and cohesion. Using a measure of ethno-linguistic diversity for a large sample of countries, Green et al. (2006) found no relationship across countries between diversity and various aggregate measures of social cohesion.

Lastly, Putnam's methodology can also be contested. His measure of diversity is a somewhat crude and limited one based on a four-fold categorization of his sample into Hispanic, non-Hispanic White, non-Hispanic Black and Asian. This procedure does not capture ethnic diversity within white populations, or, come to that, within any of the other categories. Putnam is essentially measuring diversity in terms of ‘racial groups’. Given the rapid growth and migrations of the Hispanic population, much of the diversity he is measuring is in neighbourhoods with relatively recent experiences of ethnic diversity. Had the non-Hispanic White category been disaggregated to include German-Americans, Italian-Americans, Irish-Americans, Jewish-Americans, in a city like New York for instance, arguably much more long-term ethnic diversity would have been captured in his measure and this would no doubt change the relationships he finds with social capital.
Policy positions on the diversity and cohesion issues vary considerably, not only according to whether cultural diversity is seen as an asset or problem, but also in how to respond to it if it is a problem. For racists and ethno-nationalists diversity is by definition a problem for society, and the answer will be to reduce it by various means, including through reducing immigration or, at an extreme, through repatriation. Within the mainstream of politics in liberal democracies, the official policy in recent years has normally been to celebrate the benefits of diversity (in terms of what it brings to creative and cultural life and its economic benefits) but at the same time to acknowledge that it can under certain conditions create social tensions which have to be ‘managed’. As the British Commission on Integration and Cohesion (2007) puts it '[d]iversity can have a negative impact on cohesion, but only in particular local circumstances' (op. cit.: 20). Controlling immigration is of course one such management strategy employed by most states, to a greater or lesser degree, but given that in a globalized world all states are likely to be increasingly culturally diverse, the more germane issue here is how policy-makers respond to managing diversity as it exists. Here, responses differ within different traditions.

Within the liberal tradition, the underlying assumption is that while diversity may cause social tensions in newly diverse communities, mutual contact between groups will lead to reduced tensions over time. This was the optimistic hypothesis of Gordon Allport’s classic 1950s study, *The Nature of Prejudice* (1954). Modern social capital theorists, such as Putnam, start from a similar assumption. Cohesive communities are based on trust and reciprocal relations. Trust is developed through repeated interactions between individuals within and across social groups. Thus the key to cohesive communities, whether they be diverse or otherwise, is a high level of association and civic involvement. To Putnam, who is less optimistic than Allport about such activities occurring spontaneously, at least in the present-day US and particularly in diverse communities, civic activism needs to be encouraged, particularly through education. Liberal multiculturalists, who are perhaps more prone to celebrate the benefits of diversity than Putnam, would also advocate activist responses, often, but not only, through education. These tend to include laws and institutional policies to discourage racist behaviour and institutional racism as well as educational initiatives to promote tolerance and, more positively, respect for other cultures. Beyond the core values, such as tolerance and respect for others, liberal policy is often reluctant to put too much stress on shared values. The recent *Diversity and Citizenship Curriculum Review* report in Britain, for...
instance, calls, on the contrary, for a greater focus on the Citizenship Curriculum in schools on diversities and different identities, noting that 'issues of identity and diversity do not tend to be linked explicitly enough to political understanding (of legal and political systems) and active participation' (Ajegbo, 2007: 7).

Within what may be broadly termed the republican tradition, policy responses to diversity have been somewhat different. Generally less emphasis has been placed on local civic activism and associational activity and more on active political engagement and a sense of belonging to the political community, understood in national terms. More emphasis has been placed on a broad set of shared values and identities, albeit conceived of more in political than cultural terms. Republican policies have tended historically to favour the assimilation of immigrants to the national political culture, which can easily shade into policies of cultural assimilation that can be hostile to cultural diversity (Brubaker, 1992). As Michael Walzer has argued: 'republicanism ... requires a strong cultural base to sustain high levels of participation among the citizens; liberalism, which is less demanding, can allow more room for private life and cultural diversity' (Walzer, 1997: 74). The state is concerned with political and economic integration. Culture and religion are seen as a private matter for families and communities. Hence the resolute emphasis in French schools, which is only gradually attenuating, on promoting a secular and culture-blind notion of national citizenship (Corbett and Moon, 1996).

**Equality, welfare and the state**

Attitudes toward equality and the state provide the other major fault line – or pressure point – in discourses on social cohesion. Liberalism, and in particular US liberalism, has historically maintained a pronounced aversion to a centralized state, which is why the wealthiest liberal democracy in the world still does not have a full welfare state, including a full public health service. As markets in civil society naturally produce inequalities, it is the state that is required to adopt redistributive policies to mitigate these and to provide the welfare provision and social protection to which individuals would not otherwise have equal access. Liberalism has tended to have some difficulty with this since increasing the redistributive role of the state implies enhancing the power of the state, which is seen as contrary to liberty and freedom, its most scared principle. Equality tends to receive less emphasis in liberal discourses of social cohesion for this reason. Much is made of the importance of meritocracy, which is seen to legitimate the system of unequal rewards for
unequal contributions in the market (Parsons, 1968). For this to work, of course, people have got to believe that the system is equitable – that you get what you deserve – and that there is opportunity for all. Equality is not the goal but equality of opportunity sometimes has to be stressed, and even enhanced, perhaps through schooling, to lend credibility to the claims of meritocracy and to promote faith in the possibility of social mobility (Bowles and Gintis, 1976). Opportunity and meritocracy, not equality, then are the core values that undergird the liberal notion of social cohesion.

In the republican tradition, on the contrary, the state and liberty are not held to be enemies, and it is taken for granted that the state has to act as one of the principal guarantors of social cohesion. It does this through fostering common national values, but also through its institutions of social protection and welfare, which are seen as underpinning social solidarity. The French Revolutionary legacy, on which the republican notion of solidarity is based, included in its trinity of values, **liberty**, as well as **equality** and **fraternity**. This has been interpreted variously in practice in right and left versions of republicanism, as either meritocracy, following the Napoleonic ideas of the ‘career open to talents’, or, in more socialist variants, equality in the fuller meaning of the word. Whatever the emphasis in actual policies, equality still features strongly in the rhetoric of social solidarity in republican discourses on social cohesion. However, it is in social democratic discourses and practices where equality holds the most central place and where the word implies most clearly equalizing both opportunities and outcomes. It is no coincidence that the Nordic countries, which score highest on most indicators of social cohesion, have the lowest rates on income inequality (on Gini Coefficient measures) of any countries in the developed world (Green et al., 2006).

In terms of the academic research, there is no shortage of social theory that attempts to show how welfare and redistributive policy underpin social cohesion (Esping-Andersen, 1990; Rothstein, 2001) – just as there is a plethora of writings from liberal social capital theorists which largely ignores the issue, and points to other foundations for social cohesion. Unfortunately, there seems to be little cross-national statistical analysis that tests how far welfare institutions do actually improve social cohesion. However, on the question of income equality and social cohesion there is a wealth of evidence from both cross-area and cross-national statistical studies, and it all runs in one direction. Both within countries and across countries, income equality is strongly correlated with several key measures of social cohesion, and most significantly with interpersonal trust. In his famous study, *Bowling Alone* (2000), even Putnam
Defining Social Cohesion

presented evidence that income equality correlated strongly across US states with levels of trust, as well as other key measures of social capital. He did not follow up the insight in the rest of his analysis but others have done so. Interpersonal trust and income equality are highly correlated in a large number of cross-national studies (Green et al., 2006; Knack and Keefer, 2007; Uslaner, 2002; Wilkinson and Pickett, 2009). As Uslaner argues:

Equality promotes trust in two ways. First a more equitable distribution of income makes people with less more optimistic that they too can share in society’s bounty. And optimism is the basis of trust. Second a more equitable distribution of income creates stronger bonds between different groups in society. When some people have far more than others, neither those at the top nor those at the bottom are likely to consider the other as part of their ‘moral community’. They do not perceive a shared fate with others in society. Hence, they are less likely to trust people who may be different from themselves. (Uslaner, 2002: 28)

These associations do not, of course, prove causality, and they do not show which way any causality might be running. It is quite likely that trust drives equality because it requires a trusting electorate to forge a political consensus around policies that may enhance equality. However, whichever way we construe the relationships, it seems highly likely that trust is more likely to be present, other things being equal, in reasonably egalitarian societies.

This evidence leads many researchers to say categorically from the outset that equality is a necessary constituent of social cohesion (Bernard, 1999). However, we would argue that this is mistaken methodologically in that it pre-empts rigorous analysis of the relationship between equality and cohesion and, at the same time, rules out of consideration any definitions and forms of cohesion which do not rely on this element.

**Defining social cohesion and identifying its regimes**

The brief survey above of research and policy definitions of social cohesion demonstrates considerable variety in the way the concept is used. Definitions vary both in terms of the level of analysis which is implied and in terms of the various elements which are taken to constitute the phenomenon. To some degree at least, the definitions may be mutually
contradictory. Any attempt to aggregate the various elements in the different definitions will simply yield a wish-list of items without internal coherence and with such over-specification that the definition will exclude most real-life forms of the phenomenon. A better way forward, as we suggested in the introduction, is to use a minimal definition that captures the essence of the phenomenon and that, at the same time, is broad enough to allow analysis of a wide range of real-life manifestations of it. To avoid argument by definition, the definition must include neither potential causes nor effects of the phenomenon.

Chan et al. (2006) have also adopted this approach but their own definition is probably still over-specified. ‘Social cohesion,’ they write:

is a state of affairs concerning both the vertical and horizontal interactions of society as characterized by a set of attitudes and norms that includes trust, a sense of belonging and the willingness to participate and help, as well as their behavioral manifestations. (Chan et al., 2006: 290)

We prefer a yet simpler definition:

Social cohesion refers to the property by which whole societies, and the individuals within them, are bound together through the action of specific attitudes, behaviours, rules and institutions which rely on consensus rather than pure coercion.

We add the qualification in the final phrase to exclude societies which achieve social order (and thus some of the manifestations of cohesion) through coercion alone, as these would normally be seen as coerced societies rather than cohesive societies. We take the level of analysis implied in the term to be whole states, as in the most prevalent usage, rather than smaller communities or groups. Social cohesion is thus distinct from social capital, a term best reserved to refer to either, as in Bourdieu (1986), the social resources of individuals and families, or to the bonding of individuals in bounded communities and groups, as in Coleman’s (1988) usage. Although quantitative analysis of social cohesion and social capital may sometimes use similar indicators (like trust), the phenomena have no necessary relation to each other. As we argue elsewhere (Green et al., 2006), a country may well be rich in social capital, in terms of the social capital that resides in different groups, but this will not necessarily make it a cohesive society. Intra-group bonding does not necessarily translate into inter-group harmony. Northern
Ireland in recent years would represent a case in point (Schuller, Baron and Field, 2000). Specific types of social capital, such as the ‘bridging’ and ‘linking’ social capital identified by Putnam and others as forging ties between groups and between individuals at different levels in a power hierarchy, may contribute to social cohesion. Some social capital theorists, like Halpern (2005), do in fact refer to ‘macro-level social capital’ in a way that could proxy for social cohesion. However, given the conceptual confusion arising already from the conflation of levels in social capital theory, it is advisable to keep the terms separate and use social cohesion as the concept applying to national level society.

Having thus defined social cohesion, we should ideally be able to measure it. However, this is clearly not a simple matter, even though various organizations have developed extensive lists of indicators to capture different aspects of the phenomenon (Berger-Schmitt, 2000). The problem is that social cohesion takes various different forms, each of which consists of a different configurations of social characteristics. Putnam (2000) argues that there is a set of characteristics of social capital (trust, tolerance, association and so on) which tend to go together at the individual level, at least in the United States. People who trust others and trust institutions tend also to be tolerant, to give to charities and to join associations and so on. However, at the country level this neat coincidence of characteristics is not at all evident. If we take the whole set of characteristics imputed to all the forms of social cohesion, adopt proxy indicators for them, and analyze statistically their patterns of variation across countries, we find few overarching patterns. Many of the social capital indicators, aggregated to the national level, simply do not co-vary across countries. Association and interpersonal trust, for instance, which are the key characteristics of social capital for Putnam, do not co-vary across countries (Green et al., 2006; Norris, 2001; Newton and Norris, 2000).

So, are there any core indicators of social cohesion? The approach adopted in Green et al. (2006) was to develop a composite indicator at the aggregate level based on three indicators which do actually co-vary across countries. These were interpersonal trust, civic cooperation and violent crime (inversely). So, in the statistical analysis socially cohesive states were taken to be those with high levels of trust and civic cooperation and low levels of violent crime. This appeared to be a commonsensical approach, which might be thought to accord with a popular understanding of the term ‘social cohesion’. However, it still fails to capture all the different meanings given to social cohesion in different societies. Here we adopt a different approach as our initial way into the research.
From the analysis of Western academic and policy texts at the beginning of this chapter, we can see three distinctive types of discourse around social cohesion emerging. These can be broadly designated as: a) liberal, b) republican and c) social democratic. In each case, we may say that they emphasize a different set of constituent elements.

**Box 1  The liberal discourse**

The liberal discourse places most emphasis on an active civil society, particularly at the local level. The role of the central state is played down, along with its institutional roles for providing welfare and social protection and for promoting equality through re-distribution. A vibrant civil society with high levels of civic association is believed to incubate trust spontaneously through repeated interactions between individuals and groups. Where this fails attitudes of tolerance and respect are encouraged to mitigate tensions between diverse groups. The core values which help to bind society in the liberal paradigm are, in addition to tolerance, meritocracy and opportunity. A wider set of shared values and a common identity are thought to be incompatible with individual freedom and cultural diversity.

**Box 2  The republican discourse**

The republican discourse emphasizes the state rather than civil society. The state promotes social cohesion through its institutions for welfare, social protection and redistribution. It also plays a role in disseminating (through public education) a common (national) identity and a broad set of shared values that emphasize belonging to, and active participation in, a political community at the national rather than local level. The state also plays a supervisory role in relation to the key institutions in civil society that are seen to intermediate conflicts such as professional and employer institutions. Different currents in republican thought variously stress equality of opportunity or equality of outcomes as important pre-conditions for social cohesion, but their role in social cohesion is often largely symbolic.

**Box 3  The social democratic discourse**

The social democratic discourse follows the republican discourse in most of its essentials, except that here the stress on equality is more profound. Like republican theory, social democratic theory emphasizes both the role of the state and that of autonomous but state-sanctioned national civil society organizations, like the peak bodies of employer and employee organizations, in providing the institutional underpinning of social cohesion. Social partnership is a key concept in both contemporary traditions pointing to the importance of conflict intermediation through representative civil society organizations.
Contemporary writing on social cohesion – both from policy-makers and academics – suffers from a considerable intellectual amnesia. Mention is rarely made of the historical precursors of modern concepts of social cohesion, except in the occasional passing reference to the works of Durkheim, and it would be easy to conclude from reading these accounts that social cohesion is essentially a contemporary issue. Of course, nothing could be further from the truth. The problem of social order has deep roots in political philosophy, going back to the ancients. It was also the central concern of the new discipline of sociology which grew up in the nineteenth-century Europe, in writings stretching from August Comte and Henri Saint-Simon through to Emile Durkheim, Herbert Spencer, and Ferdinand Tönnies. Social cohesion, or in French terminology, social solidarity, were the key concepts in endless theoretical debates throughout the century, as social thinkers sought to understand what social forces and institutions might hold newly industrialized societies together in the absence of the traditional sources of moral authority, which had been weakened by industrial and political revolutions. It was the sociologists, and particularly those in the French positivist tradition stemming from Comte, who most explicitly addressed the issue, and gave us the terms we now use to conceptualize the phenomenon.

However, theirs was not the only tradition where the question loomed large. In fact, French positivist writing on solidarity was in large measure a reaction against the way that British liberal philosophy and political economy thought about society and the place of the individual within it. And although it was less explicit here, this liberal tradition in fact contained within it an implicit theory of social cohesion. By the same token, the third main strand of nineteenth-century writings
on the social order – that within the German ‘romantic conservative’
tradition – was an explicit reaction against French rationalism and posi-
tivism, and provided a quite different account of what it was that held
societies together (Greenfeld, 2003a). These three traditions – and the
social democratic tradition which evolved later out of republican and
socialist thought – each provide a highly elaborated theoretical account
of the nature of social cohesion, its preconditions and the forces which
can undermine it. It is worth revisiting these traditions, not only
because they contain all the key elements and debates found in the
modern discourses, but also because their elaborated accounts, which
were refined through constant argument between the traditions, show
very clearly the distinctive sets of interlocking propositions which still
underpin the less theorized discourses which exist today. We may start
with liberal thought because it was this that started the chain of intel-
lectual reactions which led from John Locke in the late seventeenth
century to Tönnies at the end of the nineteenth.

Liberalism

All liberal thought, from John Locke down to Herbert Spencer, can be
said to derive from a set of fundamental and interconnected proposi-
tions about the nature of the individual and of individual freedoms; the
relations of the individual to the state; and the ordering of civil society,
the layer of social life between the individual and the state. In the first
two areas, we find the propositions which define what social cohesion
cannot be. In the last, we find the arguments about where social cohe-
sion can reside. In liberal thought, the individual is taken to precede
society and to be endowed with certain natural freedoms or rights and
it is the role of the state to protect these freedoms and rights. But indi-
vidual liberty is held to be in constant danger from the state, which has
a natural tendency towards tyranny, and the state must therefore be
contained to a minimal role, as far as is consistent with protecting these
individual freedoms. To put the case at its crudest, beyond the defence
of the realm and maintenance of law and order, the state is not required
to vouchsafe social cohesion, since it issues spontaneously from the
natural harmony of interests in civil society, which must remain as free
from state interference as possible.

The main tenets of modern liberal thought derive from the British
philosopher John Locke, whose major works appeared after the 1688
‘Glorious Revolution’, which he supported. Locke believed that indi-
viduals are born into a state of nature which he called a ‘state of perfect
'freedom' (Locke, 1963). They are endowed with reason and enjoy natural rights as human beings, not least to own property and to enjoy the fruits of their labour. As he famously argues, it is labour which gives the right to property:

Though the earth, and all inferior creatures be common to all men, yet every man has property in his own person. This no body has any right to but himself. The labour of his body, and the work of his hands, we may say are properly his. Whatev'er then he removes out of a state that nature hath provided, and left it in, he hath mixed his labour with, and joyned to it something of his own, and thereby makes it his property. (Locke, 1963: 305)

It was the right to property that underpinned Locke’s theory of government, which argued for constitutional monarchy and governments elected through a limited franchise based on property ownership. The role of the state was to protect property, uphold law and order, defend the realm and safeguard the rights and liberties of citizens. Beyond this, the prerogatives of the state should be kept to a minimum. Unlike his philosophical predecessor, Hobbes, Locke was an optimist and saw no need for a mighty Leviathan state because men had a natural identity of interests borne of their desire to exchange goods in the marketplace, where he assumed there was natural equality in exchange relations. Although he does not use the term, it is this argument about civil society which lays the foundation for later liberal thinking about social cohesion. It was also the basis for his famous defence of religious and political toleration, without which man could not enjoy his natural freedoms.

The liberal tradition of British Political Economy continues from where Locke left off, extending his philosophical principles into the sphere of market economics. Its fundamental argument about the natural harmony of interests in civil society remains the basis of its conception of social cohesion. Adam Smith, writing a century later, was, like Locke, an advocate of individual freedoms and minimum state intervention. Arguing for free trade against the prevailing mercantilist notions of state intervention in the economy, Smith proclaimed the fundamental beneficence of the ‘natural’ market order. According to the theory of the ‘free market’, it was the pursuit of individual self-interest, unfettered by government restriction, which would lead to the mutual benefit of all and the maximum public good. The market order had multiple advantages. It allowed the greatest degree of individual
liberty; it provided incentives to enterprise, a competitive spur to efficiency and guaranteed success to the most meretricious; and by encouraging the pursuit of individual self-interest, it inadvertently promoted the good of the whole community. By pursuing his self-interest, Smith famously wrote, a man is ‘led by an invisible hand to promote an end which was not part of his intention’ – the common weal. The necessary corollary of the free market was limitation of government power. Smith supported certain limited state interventions where incentives for individuals in the market were not sufficient to ensure the achievement of certain key public goods, such as education. The latter was, he believed, particularly important to offset the deleterious effects of routinized factory labour on the intelligence and morals of the growing army of factory workers. Nevertheless, there was, according to Smith, ‘a strong presumption against government activity beyond the fundamental duties of protection against foreign foes and the maintenance of justice’ (Smith, 1904: 611).

While Locke had made the original a priori liberal case for the defence of the individual against the state, it was Adam Smith who provided the blueprint for the liberal theory of social order through his detailed anatomization of the workings of the market. The subsequent giants of nineteenth-century liberal thought, Jeremy Bentham and John Stuart Mill, adapted the ideas for the somewhat more democratic times in which they lived, but added little in essence to the case for the natural harmony of interests that was the basis of the theory of social order. Both placed the individual before the state as Locke and Smith had done. Like Smith, but going somewhat further, they found increasing causes why the state should intervene in specific areas of social life, such as education and urban sanitation. However, they remained fundamentally laissez-faire in their attitudes on the optimum relations between state and civil society. ‘Nothing ought to be done,’ wrote Bentham, ‘or attempted by Government for the purpose of causing any augmentation in the national mass of wealth...without some special reason. Be quiet ought to be the motto or watchword of Government’ (Bentham quoted in Taylor, 1972: 34). John Stuart Mill had growing reservations about pure laissez-faire towards the end of his life, but was still publicly opposed to any but the most cautious state interventions and only then for exceptional reasons. In 1848, he still thought ‘letting alone...should be the general practice’ (Mill quoted in Perkin, 1985: 322). He came to support the provision of public schooling, provided that competition remained between private and public schools, but opposed compulsory attendance in favour of legislation to require qualifications for
entry into skilled occupations. But in most other matters he remained resolutely for the liberties of the individual against the state. The only justification for state restraints on liberty was the protection of individual freedoms which he defined, in the famous negative manner, as the right for the individual to do as he pleases so long as he does not infringe the freedoms of others. As he wrote: ‘every departure from the laissez-faire principal, unless required by some great good, is a certain evil’ (Mill quoted in Fraser, 1985: 47).

The clearest hallmark of liberal thought, from John Locke, down to John Stuart Mill, has been the absolute priority accorded to the individual over the state and society. In principle, the individual is seen to precede society and society is often portrayed as little more than the multiple interactions between individuals freely pursuing their interests in the market. Society, in its collective sense, is regarded with some suspicion. For Adam Smith, even the clubbing together of individuals in associations could be an offence to liberty. ‘People of the same trade,’ he wrote, ‘seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices’ (Smith, 1904: 1, X, 82). Nor is the individual seen as constituted by society or by culture. Bentham famously said that the community was a ‘fictitious body’, just as the Conservative Prime Minister, Margaret Thatcher, was later to declare that ‘there is no such thing as society – only individuals and their families.’ In his utilitarian system, the starting point is the universal propensity of individuals to pursue pleasure and avoid pain. The role of government in this ‘felicific calculus’ was to ensure the ‘greatest happiness to the greatest number’. But Bentham had no interest in defining happiness other than on the pleasure principle. Individual wants are a private matter and, so far as Bentham was concerned, are formulated privately. There is no sense in Bentham that individual preferences might be shaped by culture and society. Mill referred to the utilitarian system, which came to provide what many would consider to be the somewhat simplistic socio-psychological basis of some modern classical economics, as cold and mechanical, based on a naive psychology and suited only to ‘regulating the merely business part of social arrangements’ (Mill, 1985: 105). But the criticism could be extended to much of the liberal thought of the period. It is largely culture-free, or ‘philistine’ as Matthew Arnold was later to lament (Arnold, 1932).

Given the very atomized notion of society prevailing in British nineteenth-century liberal thought, it is easy to see why the theory of the natural harmony of interests became so important. There was
no other argument permissible within the liberal schema that could explain how societies might hold together. Using the state as an instrument for moral and political socialization, or for promoting levels of equality that might be more conducive to social cohesion, was intolerable to liberal principles. Nor did democracy itself hold much prospect for making societies more cohesive. Both Bentham and Mill were, to use Held’s resonant phrase, ‘reluctant democrats’ (Held, 1983: 11): they believed in representative government, but were wary of universal and equal voting rights, fearing that the enfranchised masses might seek to use their political power to redistribute wealth, thus infringing the freedoms of property-owners. Thus everything had to rest on the optimistic belief that social harmony could be maintained through free exchange in the market. It was Herbert Spencer, the most influential social thinker of his day, who took this argument to its apogee, denying that the state had any need to regulate the market at all (Lukes, 1973). Free exchange and contract, which could be enforced by law, were the only necessary preconditions of social harmony. As he wrote: ‘the sole link which remains between men is absolutely free exchange’ (quoted in Lukes, 1973: 142). The problem was that the existence of formally free exchange did not necessarily mean that there was a natural equality in exchange relations, and where there wasn’t there would be conflict. Despite Marx’s detailed dissection of this problem, and its effects, this rarely occurred to thinkers of the British liberal school (Marx and Engels, 1973).

In the end it was a Frenchman, the remarkable Alexis de Tocqueville, who provided liberal thought with a more credible vision of society in his book *Democracy in America* (Tocqueville, 1956). He, like British liberals, believed that civil society was the key to social harmony but he did not rest his case on the abstract and culture-free doctrine of the natural harmony of interests, and was a clear opponent of individualism. Liberal individualism to him was a:

mature and calm feeling, which disposes each member of the community to sever himself from the mass of his fellows, and to draw apart with his family and his friends...at first it only saps the virtues of public life; but in the long run, it attacks and destroys all others, and is at length absorbed into downright selfishness. (de Tocqueville, 1956: 193)

But he found in the vibrant emergent democracy of Jacksonian America, which he observed during a study visit during the 1830s, more than
pure individualism. He demonstrated, through a highly insightful analysis of the mores of American community life, how civil society in a democracy could be more than a mere market for exchange. It could also develop a civic culture where active associational life in communities could forge bonds between individuals that went beyond the thin attachments represented by contracts and exchanges. De Tocqueville certainly had his blind spots and there is little appreciation in his writings on the United States of the depth of racial and class divisions in that society. Nevertheless, he provided a more credible account of the foundations of social cohesion in liberal state than his British liberal contemporaries and one that has, consequently, been endlessly recouped in modern writings on social capital.

**Republicanism**

French republican thought, from Rousseau down to Durkheim and beyond, often explicitly repudiated *laissez-faire* liberalism and differed in crucial ways in the three principal areas of disputation: that is, *vis-à-vis* the relation of the individual to the society and the state; the proper role of the state; and on the importance of collective values. In republican thought, the individual is not antecedent to society and the state, as in liberal discourse, but is constituted by them. Man, to Rousseau, may be born a ‘noble savage’ but ‘we begin,’ he says, ‘to become men only when we have become citizens’ (quoted in Williams, 1961: 94). Liberty and the state power are not fundamentally opposed, but rather true liberty is seen to lie in the embodiment of the individual interest in the collective interest, the latter of which the state enacts and protects. For Rousseau, the state is the guarantor not the enemy of liberty (Kohn, 2008). Social cohesion – or *social-solidaire* in French – arises not so much spontaneously out of civil society and free market exchange, although these may provide a foundation of mutual functional interdependencies. It is primarily something which is cultivated collectively through the formation of the political (Rousseau) or moral (Durkheim) community. For Rousseau, the ideal community was the democratic nation state and, indeed, Rousseau is often seen as the father of modern nationalism, although in fact democracy was more important to him than nationalism (Kohn, 2008). Durkheim could be fervently patriotic in his private life (Lukes, 1973), like Rousseau, but national identity is less central in his writings. However, for both him and Rousseau, collective beliefs and culture, in Raymond Williams’ anthropological use of the term (1961), were essential for social solidarity. Thus, shared values
and collective political action play a larger role in the republican notion of social solidarity than in liberal notions of social cohesion.

Rousseau’s *Social Contract* (1762), often considered the foundation stone of republican political philosophy, argued for a ‘direct’ or ‘participative’ democracy where, unlike in liberal representative democracy, sovereignty not only derived from the people but also, as David Held puts it, ‘stayed there’ (Held, 1983). For Rousseau, the people had to exercise their sovereignty actively by creating the ‘common will’, which, being more than an aggregate of individual wills, could only be forged by common deliberation and action. According to Rousseau’s polemical statement: ‘sovereignty cannot be represented...the people’s deputies are merely agents...Any law which the people has not ratified in person is void; it is not law at all.’ Representative democracies should thus not therefore be confused with free democracies, says Rousseau. ‘The English people believe itself to be free; it is gravely mistaken; it is free only during the election of Members of Parliament; as soon as the Members are elected, the people is enslaved; it is nothing’ (Rousseau, 1983: 141).

The viability of Rousseau’s ‘pure’ form of democracy has been endlessly debated, not least for its practical implications of endless plebiscites, and it is certainly true that Rousseau himself thought it most feasible in relatively small states with close communities, and where the state was territorially secure. However, what is most relevant here is what Rousseau’s political philosophy implied for his conception of social cohesion. Clearly, for Rousseau, the social contract depended to a high degree on a common set of beliefs, which he articulated mostly in political terms, but which he also saw as necessarily manifested in national cultural rituals and ceremonies and so on. Common beliefs arose not spontaneously out of civil society but rather out of collective deliberation and collective political action. Liberty meant not freedom from constraint by society or state, as in liberal thought, as liberty and independence were ‘two things so essentially different, that they reciprocally exclude one another’. Rather, it consisted of ‘not subjecting the will of other people to our own’ as ‘whoever is the master of others is not himself free, and even to reign is to obey’ (quoted in Held, 1993: 22). Liberty and equality are thus intimately linked in Rousseau’s thought, as they would be in the 1789 principles of the French Revolution. The liberal philosophical contradiction between freedom and equality, and therefore – since only the state can vouchsafe equality – between liberty and the state, does not exist in Rousseau’s thought. This is because for Rousseau the basis of liberty is not the sanctity of individual
property rights, as in Locke, but the freedom of the individual citizen to co-author, as it were, the democratic political community. In its celebrated legend of the Republic, ‘Liberté, Égalité et Fraternité’, the Revolution yoked fraternity to liberty and equality. Rousseau had done the same. Fraternity was forged through collective political action which formed the common will, since ‘every authentic act of the general will binds and favours all the citizens equally’ (188). This, for Rousseau, was the basis of social solidarity.

Durkheim, writing more than a century after Rousseau, also speaks from the heart of the republican tradition on social solidarity and, in fact, became its pre-eminent analyst and exponent during France’s Third Republic. From his powerful position as Chair of Education (and later Chair of Education and Sociology) at the Sorbonne (1902–17), Durkheim developed a theory of social solidarity which formed the core of the new discipline of sociology of which he was the leading champion, and this theory influenced generations of French school teachers whom he had trained at the Sorbonne and through his lectures at the École Normale Supérieure. Durkheim was close to the leading socialist, Jean Jaurès, and loosely associated with the political movement, Solidarité, led by Léon Bourgeois. This formed a ‘third way’ between laissez-faire liberalism and revolutionary socialism, arguing for labour and welfare legislation, social insurance, and public education, and became almost the official ideology of the Third Republic in the two decades before the First World War (Lukes, 1973). Durkheim was a tireless advocate of secular state education, and came out publically for the Dreyfusards in the notorious 1898 Dreyfus Affair. But, although his intellectual position was broadly that of a liberal reformist socialist, he was no political activist and avoided unambiguous commitments to the socialist cause. Durkheim was essentially a social moralist. Unlike Rousseau, who saw social solidarity in terms of the political community, Durkheim talked more often about the ‘moral community’.

Durkheim’s theoretical position within the heated contemporary debates about sociology was a complex one and this manifested itself nowhere more than in his theory of social solidarity, which he first elaborated systematically in *The Division of Labour in Society* and later continued to develop through his life. He was a clear opponent of laissez-faire liberalism and Spencerian individualism, eschewing the dualistic appositions of the individual and society and freedom and the state, and denying the notion that solidarity could subsist in free market exchange and contract alone (Parsons, 1968). On the other hand, although a one-time of disciple August Comte, he went beyond Comte’s...
dogmatic utopian positivism and explicitly rejected Comte's stress on absolute moral consensus and the strong state, just as he rejected the view of his contemporary, Ferdinand Tönnies, and of the German socialists, that social solidarity within capitalism could be guaranteed by state action alone (Lukes, 1973). Although his first major work on social solidarity – *The Division of Labour in Society* – argued that the functional interdependences created by the division of labour in industrial societies could largely compensate for the decline of the common belief – what he called the collective conscience – in subsequent writings he tended increasingly to stress the need for a new ‘moral community’ and for the important role of the state, and particularly state education, in cultivating this. Finally, his position was that both the state and active civil society were necessary to underpin social solidarity. Prefiguring the post-Second World War movement for social partnership, he called for the development of legally authorized professional organizations to regulate market exchanges and foster mutuality within the labour market.

Durkheim's interest in social solidarity started early in his career. His first lecture course at the Sorbonne was entitled 'Social solidarity' and the question he posed was ‘What are the bonds which unite people together?’ (Lukes, 1973: 137). It was here that he first set out the argument, later to become *The Division of Labour*, which sought to explain the different forms of solidarity that obtained in pre-industrial and industrialized societies. In the works that followed, including *Suicide* and *The Elementary Forms of Religious Life*, Durkheim continuously returned to this theme, on each occasion slightly modifying his views. Throughout his writing, however, there is a common approach to the subject, which is to understand the nature of different ‘social types’ of solidarity that could be found historically at different times and places, and to ascertain what were the social foundations of these types. To Durkheim, ‘social solidarity’ is a completely moral phenomenon which, taken by itself, does not lend itself to exact observation, nor indeed measurement’ (Durkheim, 1964: 64) but his life work was nevertheless to analyze it empirically as well as theoretically.

His book, *The Division of Labour*, begins and ends with reference to liberal theories which Durkheim seeks to contest. In the Preface to the Second Edition, he made clear his opposition to the dualistic liberal theory that dichotomizes individual liberty and the state. ‘Nothing is falser,’ he writes, ‘than this antagonism too often presented between legal authority and liberty’ (1993: 5). In the introduction to the study, he notes that Adam Smith was the first to theorize the division of
labour but he goes on to criticize both Smithian and Utilitarian explanations of the causes of the phenomenon. It cannot have arisen, he says, as liberals claim, because it was the most efficient way of meeting human wants and of spreading happiness. Progress, he says, has not generally led to greater happiness. Since ‘our capacity for happiness is limited’ (Durkheim, 1964), it would have been met long before labour had been differentiated to its current level. Furthermore, he argues, if, as the Utilitarians claimed, the desire for happiness was universal, then the pursuit of it alone cannot explain the differential development of the division of labour across societies. Rather, Durkheim claims, there must be a social explanation, which is more likely to lie in the increasing density of human populations and consequent intensity of social interactions in industrialized societies.

Durkheim also notes early on his disagreement with the Spencerian individualist view that social solidarity arises spontaneously out of the division of labour through the exercise of free exchange in the market. Societies based solely on contract, he says, could not hold together ‘[f]or if interest relates men, it is never than for a few moments’ (1964: 204). Expanding on the theme, Durkheim continues:

If we look further into the matter, we shall see that this total harmony of interests conceals a latent or deferred conflict. For where interest is the only ruling force each individual finds himself in a state of war with every other since nothing comes to nullify the egos, and any truce in this eternal antagonism would not be of long duration. There is nothing less constant than interest. Today, it unites me to you; tomorrow, it will make you an enemy. Such a cause can only give rise to transient relations and passing associations. (Durkheim, 1964: 204)

Durkheim maintains throughout The Division of Labour that his is not a theory of the natural harmony of interests. As if to stress the point against doubters, in the Preface to the Second Edition, he asserts that ‘[w]e repeatedly insist in the course of this book upon the state of juridical and moral anomy in which economic life actually is found’ (1964: 1–2). However, Durkheim’s analysis in The Division of Labour is, in fact, deeply contradictory and it is only in his later works that he fully clarifies his differences with the liberals.

The core argument of The Division of Labour is that as societies change from pre-industrial communities to industrial societies, the place left by the decline of ‘collective conscience’ is filled by the mutual functional
Regimes of Social Cohesion

interdependencies created by the division of labour. Pre-industrial societies are typically divided into dispersed but relatively homogenous segments that are held together by a powerful collective conscience backed by penal sanctions. In this form of ‘mechanical solidarity’, the strength of social solidarity is proportionate to the intensity of collective values, which Durkheim sees as proxied in the prevalence of penal law. This exists to uphold the collective conscience, rather than to deter or reform the criminal. With the transition to industrialism, society becomes more differentiated and, at the same time, more interconnected across space. Increasing differentiation through occupational specialization, and the moral individuation that attends it, weaken the hold of the collective conscience over the individual conscience, and collective beliefs thus reduce both in ‘volume’ and ‘intensity’. To accommodate this increasing differentiation, moral beliefs in society have to become more universalized and abstract and, as such, have less power over the individual in particular circumstances. However, as mechanical solidarity is weakened through the decline of collective conscience, a new form of ‘organic solidarity’ arises, based on the functional interdependencies created by the division of labour. Durkheim sees this manifested (erroneously according to historical critics) in the increasing prevalence now of ‘restitutive’ (civil) law over repressive or penal law. This new form of functional interdependence, says Durkheim, provides the foundation of solidarity in the industrial age.

Thus far, Durkheim’s theory seems like a more sociological version of the liberal natural harmony of interests theory which he has previously derided. But Durkheim does, as the work proceeds, catalogue a number of ways in which modern society fails to exhibit the level of solidarity predicted by the theory of the division of labour. He notes, inter alia, the widespread manifestations of class conflict, the anarchic tendencies in the labour market, and the dehumanization of working life for many people. Much of the conflict he attributes to high levels of inequality in wealth and in exchange relations, which he considers to be a consequence of a lack of meritocracy. This lack is manifested in the continuation of inherited wealth, in the unequal rewards for work and in the misallocation of people to jobs in the labour market. As he explains: the ‘hereditary transmission of wealth is enough to make the external conditions under which conflict takes place unequal, for it gives advantages to some which are not necessarily in keeping with their personal worth’ (Durkheim, 1964: 378).

So Durkheim acknowledges that social solidarity in existing industrial societies is not all that it might be despite the beneficial effects
of the division of labour. However, the problem in the account in *The Division of Labour* is that he considers these manifestations of conflict only ‘abnormal forms’ that have arisen because of a lack of regulation and because social behaviour has not had time to ‘mature’ and ‘catch up’ with the changes in social relations. As he writes:

> Profound changes have occurred in the structure of our societies in a very short period of time. They have become free of the segmented type with a rapidity and in proportions which are without historical parallel. As a result, the morality which corresponds to that social type has regressed, but without the other developing enough to fill the ground the first left vacant in our consciences...But, on the other hand, the functions that have been disassociated in the course of the upheaval have not had the time to adjust to one another, the new life that has emerged as if suddenly has not been able to be completely organised, and above all it has not been organised in such a way as to satisfy the need for justice that has never become more intense in our hearts. (quoted in Lukes, 1973: 165)

Unlike Marx, who saw such conflicts as part of the inevitable contradictions of capitalism, Durkheim remains optimistic that such abnormalities will disappear in time.

Durkheim’s account of social solidarity in *The Division of Labour* often seems quite contradictory because he, on the one hand, acknowledges the deep divisions within industrial society which undermine social solidarity, yet, on the other, asserts that in time organic solidarity will prevail through a full adjustment to the new division of labour. In his later writings, however, a more consistent and distinctive account of social solidarity emerges. Increasingly, Durkheim accepts that division of labour in itself is not sufficient for social solidarity to be produced and maintained and that there still needs to be a collective morality. Rather than stressing the decline of the collective conscience *per se* he notes in later works the formation of new forms of collective conscience which are more secular, humanist and rational and thus more attuned to an age of individualism (Lukes, 1973). His later masterpiece, *Suicide*, after all, argues that high rates of suicide occur either as the result of the individual being subject to too much social solidarity (Altruistic Suicide) or, more frequently, from the individual becoming disassociated from society’s norms, and therefore prone to anomie (Anomic Suicide). In either event, Durkheim is implying the continuing existence and social force of strong social norms. But even these he regards, in his later
work, as insufficient. Increasingly, he argues that the state must act as a ‘moral force’ to supplement the collective values thrown up by society. As societies advance, the functions of the state ‘become more numerous and increasingly permeate all other social functions which it therefore concentrates and unifies’ (quoted in Lukes, 1973: 324). Most significantly, public education becomes the major institution through which the state works to promote solidarity. ‘Society,’ Durkheim writes, ‘can only survive if there is a sufficient degree of homogeneity’ (1956: 81). Education ‘perpetuates and reinforces this homogeneity by fixing in the child, from the beginning, the essential similarities that collective life demands’ (ibid.: 70).

But for Durkheim it is not the state alone that must actively promote social solidarity and, in fact, the state in isolation is not able to do it. To rely too much on the state, for Durkheim, is to enter into the trap of the neo-Hegelians and German socialists and to fall prey to authoritarianism that this may promote (Lukes: 1973). ‘Neither political society, in its entirety, nor the state’ says Durkheim, ‘can take over [the] function of mitigating the anarchy and anomie of industrial and other conflicts (Durkheim, 1964: 5). On the contrary, this may best be achieved through the formation of occupational groups or professional associations. These should be legally sanctioned by the state, and national in organization, but should act in an autonomous way. As Durkheim argues in his Preface to the Second Edition of The Division of Labour: ‘What we see in the occupational group is a moral power capable of containing individual egos, of maintaining a spirited sentiment of solidarity in the consciousness of all workers, of preventing the law of the strongest from being brutally applied to industrial and commercial relations’ (Durkheim, 1964: 10).

It is probably fair to say that Durkheim failed in the end to resolve the question of how far the conflicts and divisions in contemporary capitalism were endemic contradictions, as Marxists and contemporary socialists claimed, or mere abnormalities which could be rectified over time or by reformist state policies. But through his later writings, he did articulate a coherent republican theory of social solidarity which has remained the benchmark for all subsequent debates. His legacy, as one might expect with such a complex and sometimes contradictory thinker, has been distinctly divided, with one line of influence running through the conservative liberal American tradition of structural functionalism (of Robert Merton and Talcott Parsons) and another through the more socialist tradition of French structuralist anthropology (from Marcel Mauss down to Levi Strauss), which centred around
the *Année Sociologique* journal that Durkheim co-founded. However, indirectly, and not least through his advocacy of professional association, which prefigures the modern discourse of social partnership, his legacy has also strongly influenced the middle path of social democracy which today encapsulates his notion of social solidarity perhaps more than any other political tradition.

**The romantic conservative tradition**

In addition to liberalism and republicanism, we can identify a third major tradition of writing about social cohesion in the West. This derives mainly from the German romanticism of the late eighteenth century and, just as republicanism was a reaction against liberalism, this can be seen as a reaction against French Enlightenment rationalism. Its tangled lines of descent, in France and England as well as in Germany, make it the most difficult of the intellectual currents to trace, but it undoubtedly had a common source whose premises about the nature of societal cohesion were quite distinctive. Raymond Williams (1961) and Terry Eagleton (1975) have referred to the tradition in the broadest terms as ‘romantic’ or ‘organic’ conservatism. All three words capture precisely an important element of the tradition of thinking about society and the state. Cohesive societies here are conceived in terms of stable and durable social hierarchies which are bound together by cultural tradition and by the deference of the individual to the social order and acceptance of his or her allotted place in it. Notions of individual liberty and equality are weak or absent and there is no dichotomy between the individual and society. The latter are seen as fused in an organic whole whose natural harmony is attested by time-honoured cultural traditions embedded in the ‘Volk’. Language, culture and tradition are the true markers of identity, rather than politics or human rights. The collective ‘folk’ replaces the individual ‘citizen’ as the basic building-block of society.

Johann Gottfried von Herder, the late eighteenth-century German poet, philosopher and literary critic, can be seen as the major progenitor of the tradition. It was he who popularized the notion of the Volk and provided a philosophical rationale for its centrality in the social thought of German and central European intellectuals for generations to come, albeit that his ideas were taken up in ways he clearly never intended. Herder believed that we can only truly be and think within our native cultural traditions and through our mother-tongue language. Civilization, he wrote ‘grows best, and I would say only, in the
particularity of our nation, in its inherited and constantly transmitted vernacular’ (quoted in Kohn, 2008: 433). He saw folk traditions as the natural expression of national community and collected and published folk songs from many regions as testament to these traditions. His writings led to a revival of interest in folk culture far and wide. As Hans Kohn has written, his ‘appeal to the cultural creative force of folk language and folk tradition aroused a new interest and a new pride not only in Germans, but in Czechs, Letts, Serbs and Finns’ (Kohn, 2008: 429).

Herder, however, was the product of a cosmopolitan and humanist intelligentsia in Germany at the time of the late eighteenth-century Sturm und Drang movement, and was by no means the xenophobic nationalist that some of his later followers took him to be. He believed in national cultures, but his views were strictly relativistic and no culture was seen to be better than any other. ‘[O]ne people,’ he wrote, ‘should learn incessantly with and from other peoples, until all have understood the difficult lessons, that no people is especially chosen by God, but that truth must be sought and the garden of the common good cultivated by all’ (quoted in Kohn, 2008: 433). He thought not in terms of races but of ‘the human race’, which ‘is one whole’ (ibid.). Herder detested the militarism of his Prussian homeland and despised anti-Semitism. He celebrated national cultures but was no friend to aggressive nationalism. ‘To speak of fatherland opposed to fatherland in a bloody combat,’ he wrote ‘is the worst kind of barbarism possible in the human language’ (quoted in Kohn, 2008: 441). Nevertheless, Herder’s thought did tend towards the ‘essentialising’ of national cultures. Although he noted some changes, he tended to view national cultures as undivided, organic wholes with more or less permanent historical trajectories. Hence, although he himself supported the French Revolution, his ideas, not surprisingly, were most readily taken up by conservatives and nationalists. Two legacies derive from his and other romantic writings about national community.

The more ‘benign’ legacy has been traced by Eagleton (1975) and Williams (1961) in the history of conservative romantic thought in Britain. William Coleridge, following his disillusionment with the course of the Revolution in France, was greatly influenced by the German romantics and had similarly anti-rationalist conceptions of organic traditional communities and the ‘spirit of the people’. His influence runs through Carlyle, with his hostility to the harsh ‘cash-nexus’ of industrial society and the cold calculus of liberal political economy, on through Disraeli, Arnold, and Ruskin, with their critique of the
spiritually impoverished nature of liberal individualism, and then on to the fin-de-siècle atavistic romanticism of the pre-Raphaelite poets and painters, the designer and socialist thinker, William Morris, and the neo-Hegelian idealism of the liberal political philosopher, T. H. Green. Eagleton describes the elusive amalgam of Burkean conservatism and German idealism as an attempt by the Victorian bourgeoisie to re-legitimate the ‘impoverished empiricist liberalism’ of the time, ‘exploiting the symbolically fertile, metaphysically coercive resources of Romantic humanism, with its nostalgic, reactionary, quasi-feudal social models, to stabilise and ratify bourgeois property relations’ (Eagleton, 1975: 81–2). Eagleton is perhaps overly reductive in how he sees the object of their cultural project but there was no doubt that Matthew Arnold was seeking to enrich what he saw as the narrow materialism of liberal middle-class values in England and that this had to do with making the social order more secure. *Culture and Anarchy* (1932) explicitly seeks to mitigate the ‘philistinism’ of middle-class liberalism with a new culture of ‘the best that has been thought and said’, and to counter liberal individualism with a revived role for the state. ‘Our prevalent notion is,’ he writes:

\[\text{that it is a most happy and important thing for a man to do merely as he likes... we have not the notion, so familiar on the continent and to antiquity, of the state – the nation in its collective and corporate character, entrusted with the stringent powers for the general advantage in the name of an interest wider than that of individuals. (Arnold, 1932: 75)}\]

In the twentieth century, there continued to be echoes of this ‘organic conservatism’ in the philosophy of Michael Oakeshott and more recently in the work of the conservative philosopher of aesthetics, Roger Scruton. In his famous essay, *On Being Conservative*, Oakeshott explained that to be conservative:

\[\text{is to prefer the familiar to the unknown, to prefer the tried to the untried, fact to mystery, the actual to the possible, the limited to the unbounded, the near to the distant, the sufficient to the superabundant, the convenient to the perfect, present laughter to utopian bliss. (Oakeshott, 1991: 408)}\]

A quite moderate, often nostalgic, sense of national consciousness pervades much of British conservative thought. It is the certainties of the
national past and the pragmatic adaptations of the present which are celebrated. Habit and custom are cherished because they are rooted and organic. Even prejudice, according to Edmund Burke, was good because it was authentic and born of experience, rather than from abstract ideals (Burke, 1986). National consciousness meant conserving the national traditions rather than stridently asserting the national future.

However, political and social philosophy turned in a quite different direction in nineteenth-century Germany. German nationalism was essentially born in 1806, in an explosive reaction against the Napoleonic occupation, and continued thereafter to be both vehemently anti-French and stridently xenophobic in general (Greenfeld, 2003b). The intellectuals of the German romantic movement had already become disillusioned by the failure of German Enlightenment thought to bring social and political progress in German states and had by and large turned against the French Revolution. They were now humiliated by French aggression and thus became the standard-bearers for the new national assertiveness. Herder and Goethe kept faith with the Revolution and rational cosmopolitan thought, but Schlegel, Fichte, and many others of their generation, became deeply anti-rationalist and nationalistic (Greenfeld, 2003a).

Nationalism came late to the German states and it had weak liberal political foundations on which to build. Consequently, according to Hans Kohn (2008) and Liah Greenfeld (2003a), it assumed extreme and rebarbative forms. Herder had believed society to be an organic totality where the individual found his true expression and identity in the collective folk culture. Increasingly, post 1806, German thought subsumed the individual entirely into the corporate social identity whose highest expression was the state. Johann Fichte, who became one of the foremost ideologues of the new national revival in Prussia, called, in his celebrated Addresses to the German Nation, for a total effort of the Prussian people to build a new corporate state. This was to be based on ‘a new moral order’ to whose ‘sublime will’ ‘each individual should be subordinate’ (cited in Green, 1990). National education would be the expression of this new corporate spiritual identity and the means for national regeneration. ‘By means of education we want to mould Germany into a corporate body, which will be stimulated and animated in all individual members by the same interest’ (quoted in Bowen, 1981: 258–90). Social cohesion came to be seen in terms of the submission of the individual to the state, since only the state could ensure that the
individual could find his or her true expression in the identity of the Volk.

The ‘purity’ and uniqueness of German language and culture was now widely celebrated. At the same time, the conception of folk identity became cast in increasingly racial terms, which were not only anti-French and but also openly anti-Semitic. Hostility to Jews had been a significant current in German thought since the Reformation; Luther had famously fulminated against Jews. But it now became much more pronounced. As the German nationalist historian, Henrich von Treitschke, later put it:

[the powerful excitement of the war of liberation [against the French] brought to light all the secrets of the German character; amid the general ferment all the old and profound hostility to everything Judaic once more made itself manifest. (quoted in Greenfeld, 2003a: 379)]

The formerly liberal and cosmopolitan poet, literary critic and scholar, Karl Schlegel, came to see the world in increasingly racial terms. ‘It is much more appropriate to nature,’ he now wrote ‘that the human race be strictly separated into nations than that several nations should be fused as has happened in recent times’ (quoted in Greenfeld, 2003a: 369). Jews were excoriated for the evils of cosmopolitanism, corruption and soul-less money capitalism. Fichte, like Schlegel formerly a liberal and internationalist, wrote that: ‘[the only way I can see to give the Jews civil rights is to cut off their heads in a single night and equip them with new ones devoid of any Jewish ideas’ (quoted in Greenfeld, 2003a: 383).

Professor Friel of Heidelberg University, no less visceral than Fichte, and casting his aspersions more widely, wrote in his 1816 treatise, On the Menace of the Jews to Welfare and Character of the German: ‘Jews are a social pest which owes its special spread to money and is accompanied by misery, tyranny and taxes’ (quoted in Greenfeld, 2003a: 385).

Not all German thought, of course, reflected these sentiments. Goethe, for instance, remained a liberal, as did Herder, although the latter died before the furies of the new nationalism were unleashed. But there is no doubting that the confluence of the morbidly extreme irrationalism and racism of the romantic nationalists, and the Hegelian idealization of the state, produced a particularly toxic version of nationalist thought which was to have a deadly historical legacy. John Gray (2007) has recently argued that Nazism owed as
much to the modernist utopianism of the Enlightenment rationalists and their positivist heirs because the National Socialists used pseudo racial science and the technology of terror to promote the Aryan ideal. But the argument would get little support from historians, not least because there is such an unmistakable intellectual lineage from Fichte, Friel and Schlegel through Nietzsche and Wagner to the Nazis. As Greenfeld says ‘a direct line connected Hitler to the idealistic patriots of the wars of liberation’ (2003a: 384). But tributaries ran through conservative anti-Enlightenment traditions in other countries too. The question is why they came to dominate in some historical contexts rather than others.
3
The Social Origins and Development of Social Cohesion Traditions

It is one thing to identify different intellectual traditions of social cohesion, as we have attempted to do above. But to identify ‘regimes of social cohesion’ is a more difficult task. To begin with, the term regime implies more than a body of ideas. It also connotes a structure of rules and regulations that must be underpinned by particular institutional forms. This is implied in many of the policy definitions of social cohesion we discussed in Chapter 1. It is also implicit in Durkheim’s actual analysis of social solidarity, even though he at one point defined social cohesion as a purely moral phenomenon, as we quoted above. So, while we may use the term ‘regime’ as an ideal type – in Weber’s sense of a stylized model which captures the key and defining characteristics of a particular set of actual social forms – we must ensure that the model points to both ideological and institutional features of specific social systems, even though it may not fully correspond to any one of them.

The second point is that the term ‘regime’ usually implies a relatively stable and durable set of relationships. To regulation theorists, who have perhaps made most use of the concept, a ‘regime’ denotes a set of relationships which obtain over historical periods of some length; certainly longer than a conjuncture or ‘political settlement,’ to use terms familiar from political science, but shorter than, for instance, the duration of a ‘mode of production’ such as, in Marxist historiography, ‘feudalism’ or ‘capitalism’. To give an example from political economy, Bob Jessop talks of the Keynesian National Welfare State to refer to a type of capitalist organization deemed to be dominant in many capitalist countries roughly in the period between 1945 and 1970 (Jessop, 2002). To give another example, the comparative sociologist, Gösta Esping-Andersen,
in his book *Three Worlds of Welfare Capitalism* (1990), seeks to identify three different types of welfare regime in Western Europe which he refers to as 'liberal', 'conservative, neo-corporatist' and 'social democratic'. The types of welfare system are identified in terms of the different regimes found in countries belonging to particular regions in Europe in the post-Second World War period, but are also explained in terms of longer duration traditions of those regions that last over a century.

In talking of ‘regional regimes of social cohesion’ we are hypothesizing that certain sets of social relationships which constitute a particular general type of social cohesion may be evident across a number of countries and over an extended period of time. They may be genuinely regional in a geographical sense, as with for instance ‘German-speaking countries’, or only metaphorically so if they merely reflect similarity across a group of countries – such as the English-speaking countries – which are not geographically contiguous but which have certain historically evolved cultural or socio-economic affinities. In terms of the time frame, the hypothesis assumes that there are certain longue-durée historical patterns, or trajectories, of different countries or regions which are distinctive and which persist, despite historical change, over lengthy periods of time. Institutional economists talk of ‘path-dependency’ to point to the way in which certain social or institutional characteristics of a national or regional economy or social formation may partially define (and limit) the possible paths for future development, thus leading to long-term distinguishing patterns. However, neither the longue-durée historians, like Ferdinand Braudel (1981) or Barrington Moore (1973), nor the path-dependency theorists, posit wholly predetermined patterns of development. Nor do they rule out the possibility of revolutions or historical ruptures which send a country or regional on a quite different path (Skocpol, 1979).

If we use the term ‘regional regimes’ in the way described above, what then is the historical evidence that such regimes may exist or have existed? Are there regimes we can identify that are more dominant in countries in certain regions than in others? Can we point to long-term traditions, which demonstrate how these affinities have emerged in particular clusters of countries over time?

The historical evidence for a distinctive liberal tradition and liberal regime type of social cohesion in Britain and the United States is quite strong, although how far this extends to other English-speaking countries is debatable. Likewise, historical analysis clearly identifies the strong tradition of social democracy, and the social cohesion regime which is
associated with that, in the Nordic region, even though social democracy has been a powerful force for brief periods in countries in other regions. The republican tradition is widely associated with patterns of development in France but it is not clear how far this can be identified now in other countries, even those which have been historically greatly influenced by France. Even more problematic is the ‘romantic conservative tradition’. How far, and how exclusively, can this be associated with Germany and the German-speaking countries? Can the patterns be identified in post-war history as well as in the preceding century and a half? Do they constitute anything like a ‘regime’ in recent history? We can only briefly sketch some of the historical arguments before turning to a more quantitative analytical approach.

In the historiography since the nineteenth century, liberalism and British historical development are virtually co-terminus. This is not only because the dominant nineteenth-century ‘Whig Interpretation of History’ (Butterfield, 1959) put the evolution of civic and political freedoms at the centre of the story of British, and particularly English, progressive historical development, along with Protestantism and gradualist democratization. Liberalism is at the heart of most histories of whatever political hue. Britain was frequently characterized by eighteenth-century writers, both at home and abroad, as the land of liberty, and liberalism, although not confined to Britain, was widely regarded as a pre-eminently British tradition during the nineteenth century (Gamble, 1981; Perkin, 1985). The centrality of liberalism to British historical development continues to be emphasized in political, social and economic histories of whatever stripe. For Eric Hobsbawm, the Marxist economic historian, liberalism, along with Britain’s colonial past and its first-comer status as an industrial power, provide the keys to British developmental peculiarities. ‘By the middle of the nineteenth century,’ he writes, ‘government policy in Britain came as near laissez-faire as has ever been practicable in a modern state’, adding that few countries had ever been dominated by an a priori doctrine as Britain was by laissez-faire (1969: 223). Liberalism, with its extreme emphasis on individual liberties, is also the key motif in the account of modern British political history by the liberal social democratic political philosopher, David Marquand. ‘More thoroughly,’ he writes, ‘than any other country in Europe, Britain’s culture was permeated with the individualism which its intellectuals codified and justified’ (1988: 7). Others have traced the origins of British liberalism further back. In Alan Macfarlane’s Origins of English Individualism (1978), it was the success of fourteenth-century sheep farming and wool and cloth production that laid the
basis for the early transition from feudalism to commercial agriculture, for the transformation of the peasantry and, therefore, for the rise of English individualism. For Andrew Gamble in *Britain in Decline* (1981), the story starts with the Tudor revolution in government.

Gamble’s account of British development starts with the early achievement of territorial integrity and the nation state. It was the successful early consolidation of the strong state under the Tudors, combined with the strategic advantages of island insularity (and so naval power and colonial expansion) and successful commercial agriculture which allowed royal absolutism in England to be cut short in the seventeenth century. The heirs of 1688 were the Whig gentry and it was they who laid the foundations of centuries of liberal capitalism. The settlement created a state where individual liberties were highly regarded and where suspicion of central power was widespread. England in the eighteenth century, writes Gamble, became the acknowledged land of liberty, and the freedoms and relative social mobility that this engendered were in no small part responsible for the early onset of industrial revolution (see also Perkin, 1985). And it was Britain’s early industrialization, as Gamble, Marquand and Hobsbawm, have consistently argued, which entrenched the liberal order. Successful industrialization, which occurred initially from the ‘bottom up’, and without wholesale state intervention as later in continental Europe, confirmed the faith in the market as the main driver of development and the belief in the virtues of limited government. Since the Tudors, Britain had developed her colonial trade, and consequent financial strength, by usual mercantilist deployment of state power in the pursuit of trade advantages, and, despite Adam Smith’s precocious advocacy of free trade in 1785, had continued to do so well into the Victorian era. However, by the 1840s, with Britain’s exports in manufactured goods already dominating world markets, it made national economic sense to switch to free trade and hence the final historic completion of the circle of liberal thought with the 1844 abolition of the protectionist corn laws. Britain could, and did, now proclaim itself as world leader in market liberalism and free trade. In so doing, it could prolong its advantages of industrial priority against other nations; in effect, as the German national economist, Frederick List, argued, to ‘kick away the ladder...in order to deprive others of the means of climbing up after...’ (1885: 47).

If specific geopolitical conditions, and a particular historical evolution of the state, provided a material basis for the long-run entrenchment of liberal values in Britain, then the conditions in the newly formed American Republic were in many ways all the more propitious.
The British settlers in North America had taken with them all the liberal notions of private property, civic rights and individual freedoms against the state which they inherited from the intellectual traditions derived from John Locke (Bailyn, 1977). These were enhanced by the struggle against British taxation and then for independence from the British state and were made more radical through the influence of political agitators like Tom Paine during the revolutionary years. Liberalism in the United States became more anti-state even than in Britain because political opinion in the early Republic sought to leave behind what were seen as the corruption and state tyrannies of the ‘old Europe’.

Liberal individualism was also bolstered in the United States by the social and economic conditions, which seemed to favour opportunity and social mobility. As the German sociologist, Werner Sombart (1976), argued, these conditions, which gave credence to the universal promise of capitalism, reduced the attraction of alternative ideologies, such as socialism (1976). Boundless resources, cheap land, and relative labour shortage, as well as the safety valve of the western frontier, offered the chance of mobility, or rather the belief in that chance, to rather more people than in Europe. The absence of pre-capitalist social relations, and the relatively democratic caste of the culture and political system, made the distance between social groups appear less than in reality it was (Green, 1990). Those who had not yet prospered from the system believed that the chance was available to them. So, even if stories of rags to riches success, propagated by Horatio Alger’s novels, were less common in life real than in fiction, the myth of a classless society with unlimited opportunity took hold and became part of the American Dream. Under such conditions, and with such potent national myths, it is not surprising that the United States became the home, par excellence, of the rugged individualism that we associate with its liberal traditions.

The liberal path of development in Britain and the United States, and the individualist notion of the social order associated with it, has been sharply contrasted, by many historians (Anderson, 1974; Greenfeld, 2003b; Kohn, 2008; Moore, 1973; Taylor, 1948) with the different paths to modernity followed by Germany and the states in central and eastern Europe generally. The debate has been focused particularly on the variant forms of nationalism that are said to have accompanied the process of modernization and state formation in countries in the west and east of Europe in the late eighteenth and early nineteenth centuries. A pivotal figure in this debate was Hans Kohn, the historian of nationalism and ardent advocate of liberal ‘civic’ forms of nationalism.
Kohn famously argued that when nationalism arose in the late eighteenth and early nineteenth century, it took very different forms in the West and the East. Typically, in countries like England, France, the United States and the Netherlands, which experienced early economic and political modernization, or which established themselves early as nation states, nationalism, when it came, assumed a political or civic form. By contrast, in Germany, and other more backward states to the East, where liberalism was less entrenched, and where the formation of nation states came later, nationalism took on more ethno-cultural forms. As Kohn writes:

Where the third estate became powerful in the eighteenth century – as in Great Britain, in France, and in the United States – nationalism found its expression predominantly but never exclusively in political and economic changes. Where, on the other hand, the third estate was weak and only in the budding state at the beginning of the nineteenth century, as in Germany and Italy and amongst the Slavonic people, nationalism found expression predominantly in the cultural field. Amongst these peoples, at the beginning it was not so much the nation state as the Volkgeist and its manifestation in literature and folklore, in the mother tongue, and in history, which became the centre of nationalism. (2008: 4)

Whereas nationalism in these western states followed on from, or coincided with, the consolidation of territorially-secure sovereign states, in central and eastern European countries, it predated modern state consolidation and had, perforce, to become a movement for the creation of new nation states. As Kohn writes:

Outside the Western World, in Central and Eastern Europe, and in Asia, nationalism came not only later, but also at a more backward stage of development; the frontiers of an existing state and of rising nationality rarely coincided; nationalism, there, grew in protest and in conflict with the existing state pattern, not primarily to transform it into a people's state but to redraw the political boundaries in conformity with ethnographic demands. (2008: 329)

Liberal nationalism, he argues, placed the emphasis on the political nature of the nation, meaning that 'nation states' could well be multi-ethnic or even multi-national, as long as they were national in the sense of being sovereign people's states. Indeed, as Eric Hobsbawm later
argued (1990), liberal nationalism in Europe in the early part of the nineteenth century assumed that even new state formation would normally be additive, in a national sense, rather than secessionist, since nation states to be viable had to meet a certain size criterion as, for instance, propounded by the Italian nationalist, Mazzini (Hobsbawm, 1990).

Although Kohn's thesis is widely endorsed in the historiography of eighteenth- and nineteenth-century state formation, it has been substantially criticized in recent years (Kuzio, 2002) on two grounds. Firstly, it is claimed that it sets up a false dichotomy between so called 'civic' and 'ethnic' forms of nationalism, and secondly that it presents a determinist picture of historical development which rules out the possibility of states shifting from more ethno-cultural models to more civic models of nationalism over time.

There is little warrant for the second of these assertions. Kohn specifically says that: '[t]he nature of nations is not fixed for all time; they are the product of social and intellectual development of countless graduations of behaviour and reaction, some of which are hardly discernable in the flux of the past' (2008: 329). His own analysis in The Idea of Nationalism (2008) focuses on the origins of nationalism in Europe and, in fact, the main analysis does not go beyond 1820. But where he does briefly sketch the trajectory of nationalism through the later parts of the century, he notes, as Hobsbawm (1990) was later to do, that there was a secular shift in the nature of nationalism across Europe after 1848. This was when liberalism was widely in decline, and specifically in the period after 1870, when the pseudo-science of race, developed in the 1850s by Count Gobineau in France, began to take hold in the popular imagination and, in the climate of intensified imperial rivalry, fuelled racist discourses in many countries both East and West (Hobsbawm, 1987).

On the second count, Kohn's account is more vulnerable. It is certainly the case that his judgements on nationalism are coloured by his strong liberal political leanings. In his celebration of the virtues of civic forms of nationalism, he tends to underplay the degree to which national identity, even in liberal states, was fashioned out of the cultural dominance of particular ethnic groups, as for instance with the WASP culture in the United States. The theorist of nationalism, A. D. Smith, makes a similar point about the typical dominance of a particular 'ethnie' in the formation of most so-called 'civic' nation states (Smith, 1995). However, this does not invalidate Kohn's central premise that nationalism in this period and after had a relatively more ethno-
Regimes of Social Cohesion

cultural focus in central and eastern European states than in western states. There were at least three very good reasons for this, which have been extensively explored in other historical accounts (Anderson, 1974; Greenfeld, 2003b; Taylor, 1948. Firstly, the territorial integrity of states in central and eastern Europe was much less established than it was in the western states at the onset of nationalism. Germany had been a collection of small principeds, divided between Catholicism and Protestantism, and had been unable, and unwilling, to unite as a single German state. Territorial boundaries there were weak and transient, as in many other areas of central and eastern Europe. Without a single state uniting German peoples, German nationalism had no political or state identity on which to base itself and no choice, in a sense, but to fall back on language and culture as the defining moments of national identity. Furthermore, socio-economic and political development was backward in Europe to the east of the Elbe.

Until the French occupation spurred state modernization, the German states were still under the yoke of serfdom, whose life the absolutist monarchs, while reforming the superstructures of the state, had managed to prolong. As Perry Anderson writes:

> The absolutist state in the East...was the repressive state of a feudal class that had just erased the traditional freedoms of the poor. It was a device for the consolidation of serfdom, in a landscape scoured of autonomous urban life and resistance. The manorial reaction in the East meant that the new world had to be implanted from above, by main force. (Anderson, 1974: 13)

Because of the persistence of the old regime in Germany and the other lands east of the Elbe, the dense networks of civil society, which had grown through the more autonomous commercial life of the towns in the West, and which had supported the rise of civic freedom and political reform, had not developed here. The peasantry were largely servile and conservative, and the commercial bourgeoisie remained weak. Only the educated class – the Bildungsbürgertum in German states – had developed as a distinctive middle class but these were both highly dependent on royal patronage, and politically marginalized and impotent. In short, economic and social relations had not developed in the East to the point where liberalism, and liberal ideas of nationalism, could take root.

When these societies to the East were forced, under pressure from the advancing West, to modernize, they needed, like all societies, some
ideological means to weld their people together. The state was not available as a unifying idea, since it actually divided peoples. Political visions generally had little binding power because these states had not yet developed compelling notions of a political order that could engage and mobilize the masses. Instead, it was traditional folk culture which was called upon to provide the sense of identity which would bind the people to the new social order being constructed. Thus an ethnocultural nationalism became, in fact, the basis of social cohesion, such as it existed in these states.

The historical accounts of the different paths of development in the different regions do, therefore, provide some material basis and explanation for the existence of different regional traditions of social cohesion – at least for this period of transition to the modern, industrialized capitalist state. It remains to be seen, however, whether and in what ways, these traditions have remained identifiably regional in the following century.

**Lineages and mutations of social cohesion traditions in the twentieth century**

The Western intellectual traditions of social cohesion which we have identified in the nineteenth century underwent some major modifications through the twentieth century because the political philosophies and material foundations on which they were based were transformed and re-transformed by social upheavals and war.

Classical liberalism transformed itself into a rejuvenated movement of social liberal reform in northern Europe at around the turn of the century; only later to expire in the face of the political and social fall-out from the First World War. It was all but eclipsed for a generation between the world wars, as most European countries succumbed to some or other form of authoritarian rule (Mazower, 1999). When it returned as a political force after the Second World War, it had to share the centre ground with social and Christian democracy. It was not to become a dominant political ideology again until the collapse of the post-war Keynesian consensus in the 1970s ushered in a resurgent neo-liberalism (aka neo-conservatism in the United States), which fanned out from Britain and the United States across an increasingly globalized – and Americanized – developed world.

French republican traditions were likewise buffeted by the mass movements of the twentieth century, spawning various rightist and leftist progeny, but they remained relatively intact in their core principles,
at least in France if not in the southern European states, which fell to Fascism and dictatorship before re-emerging as democracies within the European Union (EU) in the 1980s. But republicanism tout court became less distinctive as a tradition in the late twentieth century as EU states converged around a new social-market political settlement which French republicanism had played a major, but not solo, role in forging.

The romantic conservative tradition in mainland Europe had, as we have seen, already been captured by extreme xenophobic nationalism in Germany after 1806 and this intellectual current was to gain increasing momentum over the next century – contributing finally to the Aryan supremacist doctrines of the Nazis in the 1930s. Defeat in war, however, brought a wholesale reconstruction of the political and economic foundations of German society in the post-war period, and likewise, if arguably through a less ideologically thoroughgoing process, in Austria and Switzerland. The ethno-cultural traditions of pre-war Germany were largely attenuated, and its former Völkische philosophical currents only retained a strong influence elsewhere – in the new central and eastern European states which formed after the fall of the Berlin wall (Brubaker, 1996). The dominant political and economic ideologies of north-west Europe were now those of social and Christian democracy and these furnished, alongside liberalism, the three major surviving traditions of social cohesion that we need to trace.

Liberalism

The century after the First World War saw the rapid eclipse of the Liberal Party as a major political force in Britain, but not, as we can now see in retrospect, the waning of Britain’s dominant liberal traditions. The thirty-year period of the post-war Keynesian national welfare state (Jessop, 2002) was the progeny of the final war years and Attlee’s major reforming post-war Labour government, and was carried forward in its core principles by the ‘Butskellite’ consensus on full employment and welfare of subsequent centrist Conservative and left-centre Labour governments. It appeared at the time as a major shift of the political centre ground in Britain towards a kind of liberal social democracy. Thirty years on from its collapse in the mid-1970s, this seems more like an interlude, albeit an important one, in the long-run evolution of British liberalism as a dominant political philosophy. Save for a brief period after the Second World War, when the wartime legacy of successful state planning and common sacrifice was still potent – underpinning the initially universalist and solidaristic principles of Beveridge’s welfare
Social Origins and Development of Cohesion Traditions

51

state reforms (Addison, 1977; Calder, 1969) – dominant notions of social cohesion in Britain have remained anchored in the classic liberal principles laid down by the nineteenth-century political economists: those of individual freedoms and individual property rights, moderated only by a somewhat vague but growing meritocratic belief in equality of opportunity and social safety nets supposedly vouchsafed by the welfare state. Unlike in social democratic Nordic states, as we shall see, equality never came to be seen as a necessary condition of societal cohesion, and nor has the state been seen as its primary guarantor, beyond, at least, in its role in maintaining the basic apparatus of law and order and the welfare state.

British liberalism abandoned its doctrinaire adherence to pure laissez-faire principles in the last two decades of the nineteenth century, partly because the incremental extensions of the franchise brought it under increasing pressure for reform from skilled working-class voters, and partly because of the overwhelming need to tackle the myriad social problems which it became clear could not be mitigated by voluntarist measures. Rather than being the result of any conspiracy to abandon liberal principles, as Dicey maintained, this was more a question of pragmatic adaptation to pressing social realities (Polanyi, 1957). Nevertheless, it did take British liberalism in the direction of the social liberalism more typical of continental and Nordic Europe, culminating in Lloyd George’s pre-First World War initiatives on pensions and national insurance (borrowed in fact from Bismarck’s conservative 1880s reforms in Germany), which laid the early foundations of Britain’s welfare state. However, the liberal renewal was short-lived. World war decisively discredited the old liberal order, which many held responsible for the final denouement of the mounting pre-war imperial rivalries (Polanyi, 1957). The war strengthened the already surging pre-war labour movements, which gave birth to the labour and social democratic parties which could displace liberals as the major carriers of social reform; it also fuelled the radical right and left mass political movements, first in the form of communism after Russia’s 1917 revolution, and then with the rise of Fascism and Nazism. These together formed the political pincer movement in Europe, which was to squeeze out the middle ground in politics, and virtually vanquish democracy in continental Europe for 20 years. When democracy was largely restored to Western Europe after the Second World War, and as national economies gradually gave way during the post-war boom to the reopening of trade, liberalism re-emerged but now in a political space that was also occupied by
social and Christian democracy on the Continent and by the Labour Party in Britain.

The inheritors of the post-war political settlement in Britain, and the major builders (if not sole architects) of the welfare state, were the Labour Party. Their achievements in the austere post-war years were substantial, laying the foundations of a near-consensus Keynesian politics of full employment and the welfare state, which seemed to point in the same directions as continental social democracy and certainly put Britain, for a time, in the vanguard of public health provision. By the 1960s, with full-employment, expanding job opportunities, and the unionization of unskilled workers, Britain had become more egalitarian in income distribution than at any time before or since. However, in three crucial ways it had not embraced social democracy at all but remained wedded to a social liberal model developed before the First World War. Firstly, the labour movement had remained somewhat insular and inward-looking. Its trades unions were highly fragmented – divided up between rival craft unions, and with a substantial cleavage between craft unionism and the growing general workers unions. Consequently, they failed to act in the concerted way that continental union movements were able to do, organized, as the latter were, as industrial unions, and increasingly under the influence of social democratic politics and neo-corporatist forms of labour market organization. In fact, both unions and employers in Britain failed to develop powerful encompassing peak associations which could concert and discipline their members and coordinate bargaining on a sector-wide basis (Marquand, 1988). It was this segmented and inward-looking labour movement that gave rise to the distinctive ideology of ‘labourism’, which was the Labour Party’s version of social democracy (Miliband, 1975). Secondly, labourism, unlike continental social democracy, was always highly eclectic ideologically and lacking in clear theoretical principles; it had also failed to transform itself from a class party into a party of the ‘people’ as the Nordic social democratic parties had done in the 1920s and 1930s (Esping-Andersen, 1985) and as the German SDP had done after the war. Thirdly, the state remained in essence a liberal apparatus, neither tasked with, nor equipped for, carrying out the kind of state development policies typical of social democratic regimes in Scandinavia and or the more étatist republican regimes in France (Marquand, 1998).

The British post-war state made retaining full employment its major objective and it attempted to do this through interventionist Keynesian
demand management policies. However, Keynesianism was interventionist in macro-economic management but essentially liberal in its politics. Keynes had believed in demand-side intervention to prevent recession and mass unemployment, but he had little to say about supply-side intervention and did not believe that redistribution was the proper function of the state, beyond, that is, though the latter’s role in maintaining full employment. Macro-economic management of the economy was arms-length intervention; it was never meant to extend to the more pro-active forms of supply-side management practised by developmental states to boost productivity and competitiveness; and the state was essentially ill-equipped for this function. In two key areas of industrial policy and incomes policy, the British state recorded a series of failures throughout the period. Both Harold Macmillan’s tripartite National Development Council, and Harold Wilson’s later Department of Economic Affairs, failed to develop industrial policies that would enhance Britain’s lagging productivity and competitiveness (Marquand, 1988). Likewise the Keynesian state had no effective means to manage wage inflation under conditions of full employment. Hence the repeated stop-go cycles of wage inflation, followed by balance of payment and sterling crises, which governments could only halt by reducing demand through slowing the economy with increased taxation or interest rates. Repeated attempts at prices and incomes policy, by prime ministers Edward Heath and Harold Wilson in the 1970s, all failed, as trade unions declined to act collectively in maintaining wage and price stability.

Britain remained, in relative terms, quite cohesive as a society during the 1950s and 1960s, a state of affairs no doubt helped by rising real incomes, more equal income distribution and enhanced welfare and education provision, the latter particularly after 1960. It was also becoming a more tolerant society, not least due to Home Secretary Roy Jenkins’ sweeping abolition of formerly restrictive and discriminatory laws on obscenity, abortion and homosexual activity (Judt, 2005; Marwick, 1998. However, in crucial respects, this was still a distinctively minimalist liberal form of cohesion, which was legitimated by the greater opportunities and lifestyle choices available to individuals but not anchored in deeper forms of social solidarity. Labour market and trade union organization was far from encompassing and certainly did not encourage solidarity beyond the narrow confines of sectional interests; in fact labour, in large measure, just reflected the individualism of the dominant liberal creed. As David Marquand has argued, the
‘sectionalism, which has always characterized the British labour movement, is the product of a culture permeated by Benthamite individualism’ (Maquand, 1988: 164).

By the early 1970s, the ‘Butskellite’ consensus around the principal objectives of the Keynesian National Welfare State had broken down: the victim of the gathering global crisis of capital accumulation (profits squeeze) (Glyn, 2007) and the seemingly intractable domestic problem of economic ‘stagflation’. The latter resulted from repeated Conservative and Labour government failures to deal with wage inflation through incomes policy, and was then compounded by the recessionary oil price hike of 1973. The crisis dragged on until public sector strikes during the so-called ‘winter of discontent’ in 1979 brought down the weakened and politically bankrupt Labour government. Margaret Thatcher brought the Conservative Party back to government with a new free-market mission to tame the unions and generally ‘roll back the frontiers of the state’ so that the entrepreneurial drive could be restored to the British economy. In the event public spending was not reduced, not least due to the massive social expenditures incurred as monetarist policy caused unemployment to rise to over three million, but large parts of the British economy were privatized and financial and labour markets were substantially deregulated. The neo-liberal project, progressively deepening during 18 years of Conservative rule and continued, barely attenuated, after 1997 by New Labour, entrenched the liberal orthodoxies of the British state, which had only been partially abandoned during the post-war years. The free market, only lightly regulated, individual freedom and choice, and private initiative were once again the ascendant values. Wide-scale redundancies during the early Thatcher years, coupled with a trend towards increasing inequality in incomes, which continued through to 2007, no doubt took their toll on social cohesion, as a consumerist individualism increasingly displaced notions of the public realm and collective social goods. But rising employment rates from the mid-1980s, together with a rapidly broadening base of home and share ownership, gave some credibility to the claims of improved opportunities and choice – albeit that social mobility was actually in decline (Blandon et al., 2005) – and in part obscured the steady erosion of trust (Hall, 1999) and binding community ties in British social life. Margaret Thatcher had famously declared that ‘there is no such thing as society’, just as Jeremy Bentham had once claimed that ‘community’ was a ‘fiction’. ‘Freedom’ and ‘opportunity’ in the market were once again the main principles that should hold society together.
Thatcherism in Britain was, of course, only one manifestation of the global neo-liberal order which the United States had increasingly sought to impose since the 1970s and which became the dominant modality of globalization during the next 30 years. The United States, as previously discussed, had always manifested a more extreme version of liberal individualism than Britain, even at the high points of the latter’s laissez-faire policy, albeit that the United States was a late and partial post-war convert to free trade (Chang, 2007). The Lockean belief in the ‘untrenchable’ rights of individual property was more absolute than in Britain, and the liberal hostility to the central state more pronounced (de Tocqueville, 1956). There was no social liberal moment in the nineteenth- and early twentieth-century United States, to match the pre-First World War reforms in Britain, and, despite its precocious championing of public education as a nation-building project (Green, 1990; Tyack, 1974), the United States never created a welfare state in the sense understood in Europe (Showroneck, 1982). Only in 2010 did democratic President Obama, after much congressional struggle and haggling, win political support for legislation to create something approaching a US national health service.

Franklin D. Roosevelt’s New Deal in the 1930s, precipitated by the biggest financial crash and subsequent economic slump in the history of capitalism, did indeed challenge the basic assumptions of liberalism for a generation, and represented a more radical social reform than anything attempted in Britain. It involved not only a massive experiment in Keynesian demand management but also a programme of public works to stimulate the economy on a scale never attempted elsewhere. Contrary to all previous political opinion, it allowed the federal state a massively ambitious interventionist role, which was still evident through the 1960s in President Kennedy’s ‘New Frontier’ programme and the ‘Great Society’ social reforms of his successor, Lyndon Johnson. Not surprisingly, the New Deal generation, and the post-war generation after them, represent, for Putnam, the high water mark of civic activism and social capital in American history (Putnam, 2000). But by the 1970s, the United States was reverting again to its fundamentalist, pro-market, anti-state liberal principles.

By the early 1970s, the ballooning costs of war in Vietnam and balance of payments deficits prompted the Nixon administration to abandon the gold convertibility of the dollar and its global role as banker of last resort, and thus to dismantle the dollar-based fixed exchange rates system, set up at Bretton Woods, which was the centre piece of the post-war Keynesian international system for financial stability (Hutton,
This, and the subsequent removal of capital controls promoted by the United States, led to the rapid globalization of financial markets characteristic of the next three decades. It was Ronald Reagan’s election to the Presidency in 1980, shortly after Margaret Thatcher became Prime Minister in Britain, which heralded the dawn of a new era of free-market liberalism in the United States, characterized by widespread deregulation and combined with aggressive (paradoxically Keynesian) tax cutting. Inspired by the free-market economics of Friedrich von Hayek and Milton Friedman, but also by the post-Nietzschean political philosophy of Leo Strauss (Gray, 2007), a neo-conservative elite coalesced during the Reagan presidency which had wider ambitions, not least in American foreign policy, which was to become increasingly unilateralist. In the subsequent decades, the United States increasingly sought to mould the global economy along free-market lines, as best served its economic interests, using GATT, and subsequently WTO, to deregulate telecoms and to promote intellectual property rights and free trade in services, and the IMF and the World Bank to enforce the so-called Washington Consensus policies on developing countries. Their so-called Structural Adjustment Policies, the price developing countries paid for aid, typically included financial deregulation, the removal of capital controls and trade barriers, budgetary austerity and wide-scale privatization. They tended to be excessively recessionary, as in the aftermath of the 1987 Asian financial crisis, but they had the merit of opening up developing country markets to US investment and trade, thus further boosting the momentum of American neo-liberal globalization (Stiglitz, 2002).

Back at home, American society became increasingly polarized, as tax cuts and new stock-option reward schemes inflated executive salaries, while middle- and low-income employees saw wages decline, the low-skilled increasingly marginalized in an economy transformed through skills-biased technological change. In the 1980s, the top 1 per cent of American families saw their income double, while the incomes of the bottom 20 per cent dropped by 10 per cent (Hutton, 2002: 118). Average wages fell for all but the top 20 per cent of the workforce by 20 per cent in the 20 years to 1995 (Hutton, 2002: 164). By the end of the century, American society was divided as never before, with both the rich and the poor, in their different ways, seceding from mainstream civic life. This was graphically illustrated by the two million plus incarcerated in the nation’s goals and the around three million American families who now lived in ‘gated communities’ protected from the outside world by private security guards, and serviced with
private health and educational provision (Reich, 2000; Hutton, 2002). Putnam, in his celebrated 'Bowling alone' study, not surprisingly, found that social capital and civic community was in rapid decline in America (Putnam, 2002).

Republicanism and romantic conservatism

Nineteenth-century republicanism and romantic conservatism both left important intellectual legacies to the twentieth century and still influence thinking in parts of Europe in the new millennium. Republican thought has undoubtedly left its mark on the European Union, whose structures and objectives have been heavily shaped by France. Neither has the ethno-cultural, organicist thought of the romantic conservative tradition completely disappeared from the intellectual discourses in Western Europe. But since the post-Second World War reconstruction of the German-speaking countries that formed its heartland, it is no longer a dominant force, at least in the West. Post-war western continental Europe has substantially converged in its structures and policies, not least under the influence of the European Union, and republicanism and organic conservatism are but some of the elements that have fused in a new political economy, which we will later typify as that of the ‘European social market’. We need spend less time tracing their currents but some distinctive lines of descent and influence remain important to note.

French republicanism has been characterized by its distinctive attitudes towards the state and the importance of the public realm, the character of nationhood and the ideal of direct, participatory democracy. These characteristics have been modified but not transformed during the past two centuries.

French republican thought has invariably placed great stress on the role of the state, both as the guarantor of order and social solidarity, and as a dynamic force in economic development. This centralized tradition, as de Tocqueville rightly observed (1955), was not the invention of the Jacobins: it was the legacy of the Ancien Régime, which the Revolution reinforced and which Napoleon subsequently utilized in his development of a modern state apparatus, replete its universalistic legal codes and standardized country-wide administrative structures, emanating in tentacular fashion from Paris. Successive Republics have modified the structures including, in the 1980s, by creating a greater role for regional government, but France has remained a relatively centralized polity. In the post-Second World War era, the state
also assumed some of the characteristics of a ‘developmental state’ – or as the French call it, the ‘économie concertée’ – with pro-active state planning and industrial policy driven by the elite corps of highly trained technocrats in the central state departments working in close cooperation with leaders of public and private corporations (Marquand, 1988). The Napoleonic legacy left its mark in southern Europe generally, and the typically centralized administrative structures of republican state power – if not the state developmentalism – have also been characteristic of southern Europe as a whole, and particularly of Greece, Spain, and Portugal, notwithstanding the regionalist reforms in the past 20 years in Italy and Spain. France, geographically unique in straddling both the south and north of Europe, has also left its substantial mark on the European Union, whose original centre of gravity was to the north, not least in the European Commission, which was largely modelled on French bureaucratic lines. What is of prime concern here, however, is the ongoing tradition in republican thought of the primary role of the state as a guarantor of social cohesion. As Durkheim reminded us, the state cannot do it all alone, and civil society has a vital role to play, even in the republican scheme. But what is distinctive, finally, in this tradition, is the central role of the state in promoting national identity and in furnishing the institutional structures – of welfare, education and distribution – that are believed underpin social solidarity.

The republican notion of nationhood has also been distinctive. In the French tradition, the nation was always conceived in essentially political terms, in relation to the institutional and territorial frame of the state. As Rogers Brubaker writes: ‘Revolutionary and republican definitions of nationhood and citizenship – unitarist, universalist and secular – reinforced what was already in the Ancien Régime an essentially political understanding of nationhood’ (1992: 1), sharply contrasted with the ethno-cultural understandings more typical of Germany and the German-speaking countries. French citizenship law has reflected this. The Revolution allowed citizenship to those born of French descent but also to foreign residents who wished to assume the rights and obligations of citizenship by declaration of an oath. By 1889, French citizenship had been granted to all foreign persons who lived there from birth until the age of majority. The principle of ‘jus soli’ – which France shares with English-speaking countries – contrasts markedly with the ‘jus sanguinis’ principles that have, until very recently, underpinned the more ethno-cultural citizenship laws in Germany, for instance, where entitlement depended on ancestry not place of birth, and where naturalization rights were extremely limited for those without German ancestry.
While territoriality and political belonging have formed the basis of citizenship and nationhood in republican thought — ruling out a predominantly ethnic conception of national identity — language and culture have, of course, always mattered. France has historically adopted a quite assimilationist approach to dealing with cultural diversity, albeit that this is conceived primarily in terms of the integration of outsiders into the secular public political culture. Despite sharp recent controversies about the wearing of religious dress in classrooms, the French state still upholds the traditional republican belief that schools are secular institutions and officially forbids students to dress in ways that signal their religious affiliation (Corbett and Moon, 1996). However, increasing ethnic diversity in France has put mounting strain on the traditional assimilationist policy. In practice, it becomes more difficult to insulate the state and the public sphere from the politics of cultural difference, and many no longer believe this is desirable, albeit that the principle of laïcité in the public realm remains sacrosanct.

The third distinctive feature of the republican tradition relates to the importance accorded to active citizenship, which goes back, as we saw, to Rousseau's social contract. The focus here is on participation in formal, usually national, politics rather than on local civic activism, which is emphasized more in the liberal tradition. This idea remains at the heart of republican traditions and, as we saw in Chapter 1, is one of the republican contributions, along with the stress on shared values, to the ideology of the European Union. The republican tradition has thus remained distinctive in a number of ways. However, France is also centrally part of the European Union, which it has both shaped and been shaped by, and it becomes increasingly difficult to differentiate between the concepts of social cohesion that are characteristic of the republican tradition and those that predominate in the discourse of the European social market.

The historical trajectory of the romantic conservative intellectual tradition, most associated with Germany, is quite different. It was a major component of the European zeitgeist of late nineteenth and early twentieth century which contributed to the development of Nazi racist ideology in the 1920s and 1930s, but after the horrors of the Second World War was largely banished from western European official discourse on social cohesion. The rise of Nazism cannot, of course, be solely attributed to an ethno-cultural philosophical tradition most predominant in Germany, but also evident elsewhere in Europe. German Nazism was also the product of other exceptional forces, including the national humiliation and resentment over defeat.
in the First World War and the subsequently punitive terms of the Versailles treaty, the perceived problems of the German irredenta in neighbouring states, and then the deep economic slump in Germany in the early 1930s. The total eclipse of the centre political ground, crushed between the rising nationalist right and a Communist movement, which refused to make common cause with social democracy following the disastrous policy of the Third International, also played its part. But the extreme racist ideology of Hitler and the German NSDAP cannot either be explained fully without reference to the extreme racist discourse that had its roots in the ethno-cultural and increasingly nationalist philosophy of the romantic conservative tradition as it had evolved after 1806 in central Europe. Fascist movements arose out of similar political and economic forces elsewhere in Europe, but the Mediterranean variety of Fascism, in Mussolini's Italy and Franco's Spain, never exalted anti-Semitism to the core of its ideology as did the Nazis and their kindred movements in central and eastern Europe. It can hardly be forgotten that the Nazis found active support for their genocidal policies in many, if not most, countries of central and eastern Europe (Mazower, 2008), and that Bulgaria was the only Axis power largely to resist Hitler's Final Solution (if we don't count Mussolini's pragmatic equivocations) (Mann, 2005).

With some justice, then, post-war western Europeans have tended to regard ethno-cultural notions of social cohesion with some suspicion, and post-war western Europe has for the most part been constructed on more civic principles. Most notably, Germany made a quite rapid and remarkable transition as it was reconstructed as a liberal federal state that apportioned limited power to central government. Under the guidance from 1949 of the Economic Minister, Ludwig Erhard, its economy was also reconstructed along social market lines. Some of the neo-corporatist structures of this economy had antecedents in the guild structures of the nineteenth century, just as the evolving welfare system owed much to its Bismarckian origins. Nevertheless, this was a wholesale transformation, and nowhere more so than in the political culture. The romantic conservative intellectual tradition has, arguably, retained its residual influence in central and eastern Europe, particularly in former Soviet satellite states after the fall of the Berlin Wall. But it has no part in the dominant political philosophy of post-war Germany. Germany, now reunited, now stands at the heart of a European Union whose dominant conceptions of social cohesion draw not on earlier German traditions, but on a mixture of social and Christian democracy and French republicanism. Following the 2000 Lisbon EU conference...
and, particularly after the 2004 Kok report on employment, the EU has increasingly adopted a more liberal agenda for boosting economic competitiveness in the member states. But the idea of ‘Social Europe,’ encapsulated in the famous social chapter of the Maastricht Treaty, to which all countries barring Britain signed up, has not entirely disappeared, and remains the official foundation of social Europe’s model of social cohesion.

Social democracy

European social democracy, from its inception in the 1880s, but especially in its Nordic form from the late 1920s, contains a quite distinctive conception of social cohesion. This contrasts sharply with the mainstream liberal tradition and is also clearly distinguishable from the social market conception in the post-war era. Originally an offshoot of Marxist revolutionary socialism, social democracy retained the egalitarian traditions of its socialist progenitors even after it had sloughed off the theoretical framework of Marxism and reconciled itself to a reformist, parliamentary road. In its Nordic variant, if not elsewhere, social democracy has continued to view equalization of incomes as a primary goal and an essential precondition of social cohesion. It also insists on the promotion of social solidarity as a primary political objective. Unlike Marxist socialism, which viewed social solidarity exclusively in intra-class terms – as it was bound to do since class struggle lay at the heart of its theory of history and political programme – Nordic social democracy began from the late 1920s to conceptualize social solidarity in cross-class terms, as a ‘people’s solidarity’. Swedish social democrats in the 1920s had already started to propagate the idea of the ‘People’s Home’ (Esping-Andersen, 1985). It was this conception that underpinned the exceptionally universalistic design of the post-war welfare states in Scandinavian and other Nordic countries.

The original European social democratic parties, including the Social Democratic Federation in Britain and Social Democratic Workers Party of Germany, founded in 1869 under the influence of Marx and Engels, were avowedly Marxist parties committed to revolutionary change, even if Marx himself reviled the incipient parliamentary reformism of their Gotha Programme adopted in 1875. But it was the 1891 Efert Programme, jointly authored by Eduard Bernstein, August Bebel and Karl Kautsky, and adopted by the reformed German Social Democratic Party (SDP), which explicitly renounced revolution in favour of parliamentary reform, and incurred the wrath of
the revolutionists who later reversed the policy. Bernstein, who went on to lead the ‘revisionist’ faction of the SDP, deviated further from Kautsky’s more orthodox Marxism, denying both the imminence of the overthrow of capitalism and the unreformable nature of the capitalist system itself. Social democratic parties of all sorts remained within the Second International, alongside revolutionary socialist parties, until that split after the First World War. But revisionists and orthodox Marxists in the SDP remained at odds, substantially weakening the SDP as a political force in Germany during the Weimar Republic. It was not until well after the Second World War – at the historic 1959 Bad Godesberg conference – that the SDP renounced class struggle and orthodox Marxism.

Social democracy in Scandinavia, however, took a different route. Social democratic parties were all founded originally as workers’ parties, in alliance with national trades union movements (the Danish SDP in 1878, the Norwegian DNA in 1887 and the Swedish SAP in 1889) (Esping-Andersen, 1985). But by the late 1920s, they had already announced themselves as people’s parties, representing workers and small farmers, and increasingly, during the 1930s, forging alliances with the petit bourgeoisie. Sweden’s social democratic leader and major theorist, Hjalmar Branting, was himself a Bernsteinian revisionist, and other leaders, such as Gustav Bang in Denmark, carried little of the Marxian orthodox baggage of the German SDP leaders. Facing relatively little political competition from national communist parties, and committed to a pragmatic, alliance-building political strategy, Scandinavian social democratic parties were quick to gain parliamentary power. The Danish social democrats first won office in 1924 and, from the 1930s on, social democratic parties have dominated government in all three countries.

A unique combination of historical factors may have contributed to the predominance of social democracy in Nordic politics since the 1920s. The political rise of social liberalism, and subsequently of social democracy in all these countries, was no doubt aided by the relative absence of a large aristocratic landed class, as well as, in several cases, by the relatively weak and fragmented nature of the bourgeoisie. And the lack of a powerful reactionary class allowed democratization in the latter part of the nineteenth century to follow a relatively smooth path. Social democracy may also have benefitted from the relative cultural homogeneity of the Scandinavia states in its formative period. However, of overwhelming importance in all the Nordic countries was
the numerical prominence of a class of small and medium farmers who were politically conscious and organized and progressive in their outlook. Social democratic parties managed to forge successful worker-peasant alliances, which formed the bedrock of their support, and, often through formidable organizational capacity, mobilized a majority behind their policies. As Esping-Andersen writes:

In brief, the character of the Nordic peasantry offers the most convincing explanation of why Scandinavian social democracy succeeded to such an extent, why the Nordic countries pioneered the modern welfare state, and, ultimately, why these three countries came to converge politically. (Esping-Andersen, 1985: 88)

The crowning achievement of Nordic social democracy was, indeed, the post-war construction of exceptionally generous and comprehensive welfare provision by the state, and this had important implications for the nature of social cohesion in these countries. As Esping-Andersen argues 'universalism and institutionalism can be viewed as the basic organizational principle for the construction of solidarity' (ibid.: 176).
We can now begin to specify more precisely the components of different contemporary regimes of social cohesion. We do this firstly through a qualitative analysis of the institutions and social attributes that are found in various literatures to be relevant to the production and maintenance of social cohesion in different forms in different countries and regions (or clusters of countries). In Chapter 5, we use statistical analysis of cross-national data on institutional characteristics and social behaviours and attitudes to further specify the regimes and to put existing theories to additional empirical ‘tests’. It should be restated, however, that in the research process itself the qualitative and quantitative analyses have been iterative rather than sequential. Despite the order of presentation here, the quantitative analysis has in fact been constitutive in the development of the theoretical models, modifying our interpretation of various aspects of the theories in the literature we present first.

As discussed in Chapter 3, regimes of social cohesion can be seen as relatively durable (but not immutable) configurations of social attitudes and behaviours contributing to society-wide social bonding that are underpinned by particular institutional arrangements. Regimes are generally construed as ‘ideal-types’ – stylized models showing the logical relations between various components that can be found in a number of cases, although not all in each one. In terms of social cohesion, they are understood primarily in terms of national systems, since social cohesion is defined here as a state-level phenomenon, and since many of the constitutive components of a given form of cohesion will be state-level structures and cultural peculiarities that are measured at
the national level. However, any national regime will also be dependent on supra-national global and regional structures, systems and flows, which must also be accounted for.

The national institutional structures most relevant to social cohesion include the laws and regulations governing property and ownership, including company law; the organization of the labour market; the arrangements for wage-setting and income redistribution and the welfare system. There is a substantial literature on which we draw on the ‘varieties of capitalism’ (e.g. Albert, 1993; Crouch, Finegold and Sato, 1999; Crouch and Streeck, 2006; Dore, 2000; Esping-Andersen, 1999; Gray, 1998; Hall and Soskice, 2001; Hutton, 1995, 2002; Nelson, 1993; Nickell and Layard, 1998; Regini, 1995; Thelen, 2004). This focuses mainly on company law, labour market organization, wage-setting mechanisms, training and innovation systems and firm-level work organization and product/market strategies. There is also a substantial literature on welfare state regimes on which we draw more selectively (Esping-Andersen, 1985; 1990; Marquand, 1988). Other literatures on areas such as immigration and race relations policy, housing policy, and education would also be relevant but for reasons of space and time we do not seek to cover all these here, important though they may be to the underlying foundations of social cohesion.7

Our historical analysis to this point has identified a number of intellectual traditions and corresponding regimes of social cohesion that have been dominant within different regions (or country clusters) at different points of time. These have not been seen as static and the analysis thus far has sought to show how these have emerged and mutated over the past two centuries. Nevertheless, we have found sufficient continuity in certain traditions and systems to justify the identification of various dominant regional types evolving in partially path-dependent ways. The major regimes types we have identified that have come to dominate in the western developed countries in the recent period have been labelled as ‘liberal’, ‘social market’ and ‘social democratic’. We also find partial evidence of a residual type in central and eastern Europe (deriving in part from the romantic conservative tradition which we identified in the nineteenth century) and of a variation on the social market model in southern Europe, although this does not have the coherence of a regime type, not least because of the very substantial differences in economic and social characteristics associated with different levels of development in the southern European countries. The liberal model is represented most clearly by Britain and the United States, although elements of it would also seem to apply to other
English-speaking countries. The social market model is best represented by Germany, Austria, Switzerland, Belgium and other north-western continental European countries, although some southern European countries share some of the characteristics of this model. The social democratic model is most clearly associated with the Nordic countries, although there is some overlap in the characteristics of this ‘regime’ and the social market regime. In the final part of this chapter, we also provisionally identify elements of an East Asian model of social cohesion, referring principally to Japan and the East Asian Tiger Economies.

The country groupings conform to some extent with the country groupings identified in the varieties of capitalism literature. Works in this tradition invariably postulate a neo-liberal model of capitalism – variously described as ‘shareholder capitalism’ (Hutton, 2002), ‘stockholder capitalism’ (Dore, 2000) or ‘liberal market economies’ (Hall and Soskice, 2001). Britain and the United States are the main examples provided of this form of capitalism but other English-speaking countries are sometimes included – for instance Australia, Canada, Ireland and New Zealand in the Hall and Soskice account. In one version Britain is seen to lie somewhere between the United States and Europe (Hutton, 2002). For the most part, little quantitative or qualitative evidence is provided for extending the model to most developed English-speaking countries, and some other accounts classify some of these other countries with other models (Ireland as akin to ‘core Europe’ in the account of de Mooij and Tan, 2003, for instance).

Works on the varieties of capitalism typically contrast the neo-liberal model with one other model of capitalism. This is variously designated as ‘stakeholder capitalism’ (Hutton, 2002), ‘relational capitalism’ (Dore, 2000), ‘coordinated market economies’ (Hall and Soskice, 2001), and ‘Rheneland capitalism’ (Albert, 1993). The identification of just two polarized models seems somewhat arbitrary and sometimes appears as more of a hermeneutic comparative device, rather than the result of systematic classification across developed countries. The component characteristics of these models are often very similar in the different accounts, but the countries taken as primary exemplars often vary considerably. So for Dore (2000) Japan is the primary example of ‘relational capitalism’, whereas Hutton’s analysis of ‘stakeholder capitalism’ (2002) focuses on Germany and, to a lesser extent, Austria, with some reference to what he describes as different variants of this model in Scandinavia and southern Europe. Albert’s account of ‘Rheneland capitalism’ is more inclusive, embracing primarily Austria, Germany and Switzerland but, on the fringe, also France, Japan and Sweden. Hall and Soskice (2001)
have a yet larger set of countries as exemplars of ‘coordinated market economies’, including: Germany, Japan, Switzerland, Netherlands, Belgium, Sweden, Norway, Denmark, Finland and Austria.

Our own account of social cohesion regimes here corresponds only partially with the variety of capitalism models. Our ‘liberal’ model includes the English-speaking countries with Britain and the United States as the core, as in other accounts. On some indicators the United States comes out as an outlier, far more extreme in its liberalism than even Britain, from which it inherited the tradition, but we do not find that Britain is midway is between the United States and continental Europe, as it appears in Hutton’s account. Unlike the varieties of capitalism literature, which identifies only two main regimes, lumping most of north-western continental Europe (including Scandinavia) together, we find three quite distinctive regimes in the West, with a clear distinction between the social democratic regimes of the Nordic countries, and the social market regimes of non-Nordic north-west ‘mainland’ Europe (the geographical terms are inadequate here since Finland, Jutland, Norway and Sweden, are all technically part of the Continent, even if Zealand and other Danish islands, Iceland, and Greenland are not!). However, like most of the varieties of capitalism literature, we find the southern European countries to be only loosely, or partially, related to the north-west European cluster, with France typically somewhere between north and the south, as befits its geo-historical development (see Braudel, 1981).

What we are presenting here is essentially, therefore, a tripodic model for Europe, unlike the binary model of the varieties of capitalism literature. In fact our theory is much closer in its clustering of countries to the theory developed by Esping-Andersen in his *Three Worlds of Welfare Capitalism* (1990) where he distinguishes between the ‘liberal’ model (English-speaking countries), the ‘social democratic’ model (Nordic countries), and the ‘conservative corporatist’ model (non-Nordic north-western European countries plus Italy). The close parallelism is obviously not accidental since we have drawn substantially on his theory, which, being about welfare states, clearly has great pertinence for any model of social cohesion regimes. However, we use many indicators not used in his analyses and these indicators also show country clusterings similar to the ones he finds for his welfare state regime indicators.

It should also be noted that Esping-Andersen sees Catholicism as an important aspect of the ‘conservative regime’ and consequently, in his original formulation of the theory (1990), found little difficulty in accommodating Italy and other southern European countries to this
Regimes of Social Cohesion

We, on the other hand, locate the geographical centre of gravity of the ‘social market’ regime firmly in north-west Europe and find southern European states only weakly associated with this model. This conforms more with Esping-Andersen’s more recent revisions to his thesis (1997), where he notes that southern European welfare systems only partially conform to the conservative corporate regime type of northern Europe on account of their much less comprehensive social provision, which has forced a continued reliance on traditional familialistic forms of welfare provision.

The liberal regime of social cohesion

The liberal regime of social cohesion relies for its legitimacy on a widespread belief in the benefits of opportunity, individual freedom and choice, and rewards based on merit. In addition to these core beliefs, it regards a high level of civic association as an important social cement and generally believes itself to be tolerant of diversity. In the liberal regime, social cohesion is not seen to depend on economic equality, and the state and its public institutions are not taken to be the guarantors of social cohesion, beyond their role in maintaining law and order and a minimum safety net for those least able to help themselves. Put simply, the individual comes before the state, and freedom is more prized than equality. The basic principles can be seen to run, like a red thread, through all areas of social organization from corporate governance, labour market organization to welfare provision.

In the Lockean universe, the right to individual private property is one of the fundamental natural rights. Property rights are more absolute and unconditional in Britain and the United States than in other countries, where ownership brings with it obligations as well as rights. This is nowhere more evident than in the law governing company ownership. Company law and corporate governance in Britain and the United States make firms accountable to their shareholders alone, rather than to shareholders and other stakeholders as in many continental countries. Companies are seen as bundles of contracts (Hutton, 2002) or bundles of shares (Albert, 1993) rather than communities involving different stakeholders with equally valid interests. Shareholder value thus drives company strategy, placing a premium on both rising share values and generous dividends. Unlike in Rhineland model countries, where banks make long-term investments and hold much of the equity in medium-sized and larger firms, the majority of company shares in Britain and the United States are held by individuals and institutional investors,
who are all seeking rapid returns on their capital. Companies are consequently forced to adopt short-term strategies to maximize shareholder value and raise dividend payments. Profits are more likely to be distributed in dividends than reinvested in research and development and, in the absence of stakeholder model barriers to hostile takeovers, value enhancement is often sought through mergers and acquisitions rather than through the patient process of innovation and the building of productive capacity (Hutton, 2002). In contrast to the ‘stakeholder’ or ‘relational’ models of corporate governance, firms in the shareholder model are seen as endlessly shifting sets of legally enforceable contracts but not as communities of shared interests. The firm exists to make profit, not to promote solidarities and long-term relationships and is rarely seen as a source of cohesion.

In the liberal model, the notion of solidarity is equally absent from the labour market. Flexible labour markets are seen as the holy grail of the free-market economy because they are deemed to promote efficiency, company profitability and higher employment rates (although the evidence for this is far from conclusive) (Layard, 2005). In Britain and the United States employment protection is relatively weak, making hiring and firing easy and less expensive. This has facilitated the creation of many low-paid, part-time and temporary jobs, particularly in the service industries, which increases overall employment rates, but has not necessarily benefitted innovation and the development of high performance workplaces. It is also debatable whether labour market flexibility is actually the reason why Britain and the United States have higher employment rates than continental stakeholder economies. The major difference between the labour markets in Britain and the United States and in the social market economies is the lower rate of female labour force participation in the latter, which can be attributed as much to the relatively gradual abandonment of family-centred Catholic traditions of households based on sole male breadwinners. Employment rates of males between 25 and 65 are similar across both types of economy (Hutton, 2002).

Wage-setting mechanisms are also market-driven and lack the more solidaristic qualities found in many stakeholder economies (both social market and social democratic). Minimum wages tend to be set low, thus having little overall impact on wage determination. While some – usually public – sectors have maintained national wage bargaining, wage levels in most companies are fixed by market supply and demand. Compared with stakeholder-style economies, Britain and the United States have relatively few jobs where statutory license to practice rules
Regimes of Social Cohesion

intervene in supply and demand wage-setting, and sectoral agreements between representative social partner organizations, which fix qualification requirements and pay bands for broad swathes of occupations in stakeholder economies, are relatively rare. Whereas centralized wage bargaining by encompassing social partner organizations in stakeholder economies encourages solidaristic wage-setting behaviour, because multiple interests have to be reconciled (Streeck, 1989), in systems with fragmented and localized bargaining market strength is likely to determine outcomes. Cross-national evidence on wage-setting procedures and wages, suggests that systems with more centralized and coordinated bargaining procedures (and higher minimum wages) will deliver lower levels of wage inequality, without necessarily lowering overall employment levels (Mason et al., 2008; Nickel and Layard, 1998).

Welfare arrangements differ between Britain and the United States, most obviously in the absence of a comprehensive public health system in the United States to compare with the taxation-based National Health Service created in post-war Britain. However, according to Esping-Andersen’s theory, both Britain and the United States have liberal welfare systems which are less universalistic and less ‘decommodifying’ than those in either the conservative or social democratic models. Esping-Andersen writes that ‘decommodification occurs when a service is rendered as a matter of right, and when a person can maintain a livelihood without reliance on the market’ (Esping-Andersen, 1990: 12). When it was first set up according to Beveridge’s plan, Britain’s NHS looked the most decommodifying and universalistic of the solutions to public health care. However, it was not able to maintain sufficient quality, according the Esping-Andersen, and was eventually supplemented by widespread use of private health services funded through private insurance schemes which were entirely market based. Aside from the federal Medicare and Medicaid programmes, which provide limited insurance for the over 65s and to those on low incomes respectively, the United States relied until 2010 almost entirely on a private health care system afforded by those who have private insurance cover. In 2000, 43 million Americans were still without any health insurance (Hutton, 2002).

Pensions have also become less than universalistic in both countries. The State Retirement Pension scheme introduced by Lloyd George in 1908 was non-contributory and flat-rated. The United States Social Security Act created a pension scheme based initially on strictly actuarial principles, but membership soon became compulsory and pensions became significantly redistributive. However, as Esping-Andersen
argues, ‘as with British pensions, social security in the United States was not meant to crowd out the private pension market and individualism. Hence benefits and contributions were pegged to fairly low standards, and the general aim was that the system be as market-conforming as possible’ (1990: 64). By the end of the twentieth century, the real value of pensions in both countries had been allowed to drop to such a point that they could no longer claim to sustain people in their old age. They were now taxed in Britain, and their value in both countries became substantially less than what was available under the social insurance schemes operating in continental Europe. Supplementary private insurance schemes were increasingly encouraged and adopted. The Current review of pensions by Lord Hutton, prompted by the growing crisis in the financing of pensions, is likely to recommend increased contributions from employees to occupational pension schemes and the ending of pension benefits linked to final salaries. At the same time, unemployment benefits have become increasingly targeted and subject to means-testing. Under the welfare-to-work type programmes in Britain and the United States, the duration of eligibility for contributions-based unemployment benefits has been shortened and benefits made subject to active job search conditions, as is also the case with the non-contributory benefits, which are also more subject to means-testing.

For Esping-Andersen and other social policy analysts (Taylor-Gooby, 2008), it is the preponderance of targeting and means-testing in public benefits, combined with the necessarily widespread use of supplementary market-based private insurance and service provision, which makes the liberal welfare state both less universalistic and less solidaristic than its social democratic and conservative equivalents.

Deregulated labour markets, regressive tax reforms and, to a lesser extent, restrictions in welfare benefits, have led to sharply increasing household income equality in Britain and the United States. The pay distribution has been stretched out at both ends but most dramatically at the top. Executive pay in both countries has ballooned since the 1970s, partly due to reduced taxation on higher incomes and partly to the growing tendency for companies to reward senior executives with share options and bonuses in addition to their already escalating basic salary packages. Already by the early 1990s, according to Albert (1993), CEO earnings were disproportionately high in the United States, at 110 times average employee earnings (compared with 17 times in Japan and 23 times in Germany). Senior executive pay was enhanced during the 1990s through share options packages, whose cumulative value in the United States in 2000 had risen to over $600 billion, up more than
Regimes of Social Cohesion
tenfold in a decade (Hutton, 2002: 24). In Britain, where escalation of
CEO pay lagged somewhat behind the United States, CEO remuneration
rose from 47 times average pay in 2000 to 81 times in 2010 (Hutton,
2010). At the same time, in both countries, wages at the bottom end
(and also in the middle in the United States) were stagnating – or worse –
declining in absolute terms. The least qualified were particularly badly
hit since skills-biased technological change put an increasing premium
on qualifications and left the unskilled or under-qualified increasingly
marginalized in sectors competing with low-wage Asian economies
(Thurow, 1996).

Inequality has risen in most developed countries during the last two
decades but its increase has been most rapid in Britain and the United
States. Comparative data on household income inequality (usually
measured by the Gini coefficient) tends to lag considerably. However,
Esping-Andersen’s review of existing data provides a good guide to the
trends across countries for the 1980s and 1990s. The UK and the United
States saw the largest increases in the decade from 1986 with the Gini
coefficient for household income inequality rising 28 per cent for the
UK and 24 per cent for the United States. For similar ten-year periods,
rises remained below 13 per cent in Nordic countries (Denmark, +1;
Finland +4; Norway +7; Sweden +12) and core European countries
(Belgium +10; West Germany +7; Italy +13) with France unchanged and
the Netherlands actually registering a decline (−5) (Esping-Andersen,
2005: 12)

By the end of the century, the United States had by far the worst
record on inequality, with the richest 20 per cent of Americans earning
nine times more on average than the poorest 20 per cent, a scale of ine-
quity 50 per cent higher than in Japan, Germany and France (Hutton,
2002: 149). But Britain’s record was also dismal. By 2006, its income
inequality was higher than in all bar six countries in the EU 25, with
only Portugal and Greece in western Europe faring worse. Using Gini
data from the late 1990s for a wider range of countries, and taking the
average of the national coefficients for each country group, Figure 4.1,
which gives the averages of country Ginis for each country group, shows
that income distribution is most equal in the Nordic states, somewhat
less equal in core Europe, and most unequal in the English-speaking
countries.

The distribution of wealth has also become more uneven in Britain
and the United States and is far more unequal than in most-compara-
ble countries. In the United States, the share of wealth of the top 1 per
cent jumped 25 per cent from the mid-1970s to the mid-1990s, mainly
on account of a redistribution from the rich to the very rich (Esping-
Andersen, 2005: 10). In Britain, after nearly a century of decline, wealth
inequality also increased under New Labour between 1997 and 2006,
with the proportion of assets owned by the richest 10 per cent rising
from 47 per cent to 54 per cent. According to Esping-Andersen’s fig-
ures, by the end of the century wealth was much more concentrated in
the United States than in Europe. The share of wealth possessed by the
top 10 per cent of the population was 35 per cent in the United States,
roughly 25 per cent in Canada, Denmark, and France, but only about
15 per cent in Sweden (2005, p. 10). Given the higher levels of inequal-
ity in wealth in the United States, and of income inequality in both the
United States and the UK, it is not surprising that inter-generational
social mobility, according to a recent study, appears low in these coun-
tries by comparison with the Nordic countries and Germany (Blandon
et al., 2005). Mobility is normally higher in countries with lower income
inequality, presumably because there is less distance to travel between
the bottom and the top (or vice versa) (Esping-Andersen, 2005). But
rising wealth inequality (much of it vested in property) is also likely to
lock in privilege and disadvantage from generation to generation.

The full social consequences of three decades of rising inequality in the
Britain and the United States – reversing a long previous trend towards
equalization – may not be fully understood for some time. The trends
on various social outcomes are not all pointing in the same direction.
Hall has found declining levels of trust (in people and institutions) in Britain over this period (Hall, 1999) and greater polarization in levels of trust between different social classes. Putnam (2000) finds that social capital has declined on most measures in the United States, although some critics argue that he fails to take into account new forms of associational membership in his measures of civic association. But industrial conflict has also dropped in Britain with declining union membership and weakening union organization. Crime rates, for certain categories of crime at least, have also improved in both countries, although how much of the latter is due to changing demographics – and the declining proportion of crime-prone youth – is still debated. There are some very graphic signs of social polarization in the United States, not least in the proliferation of gated communities and, more extreme still, the new independent incorporated cities, such as California’s Hidden and Rolling Hills, which have declared political independence and are exempted from state taxes. Formally known as Home-Owners Associations, these are self-policing and restricted communities that literally choose who comes in and who is kept out (Hutton, 2002). Taken together with the increasing isolation of urban ghetto communities in many major cities, this presents a frightening picture of increasing social fragmentation (Reich, 1991; 2001).

With rising inequality and low social mobility in the Britain and the United States, it is perhaps surprising that the choice and opportunity ideology so trumpeted by politicians retained sufficient credibility to provide any kind of social cement during the 1990s and 2000s. However, high rates of employment, seemingly robust economic growth, and a consumption boom made possible by cheap imports, easy credit, and expanding private debt backed by inflating house prices, probably contributed to such optimism and cohesion as there was in these two countries, however illusory its foundations may seem to have been in retrospect. It can be no coincidence then that official discourses around social cohesion place such emphasis on employment. This was particularly the case in Britain under New Labour, where ‘social inclusion’ became the favourite policy term in place of social cohesion. While French academics may have originally propagated this concept to embrace the multiple ways in which individuals may be integrated into social and economic life – and thus able to participate and benefit fully as citizens (Giddens 2005) – its use by British policy makers has been much more narrowly confined to the idea of inclusion in waged employment. Clearly employment can provide a platform and the means for individual integration in many aspects of the ‘good
society’. But absent from the discourse of social inclusion is any discussion of the variable quality of working life (Green, 2006) and the fact that extremely unequal material rewards for work will ensure unequal access to society’s benefits. The large groups of low-paid and insecure employees form a substantial part of the poor in both countries but they are not a major focus of policy.

The social market regime of social cohesion

The social market regime of social cohesion differs from the liberal regime in the greater emphasis placed on the importance shared values and active participation on national political life, and in the greater reliance placed on the state to generate the conditions for social cohesion. The social market, it could be said, tends to institutionalize the sources of social cohesion.

Property rights in social market economies are not absolute in the way they are under the liberal regime, since ownership is invariably thought to entail obligations as well as rights. Company law and principles of corporate governance in Germany, and several other social market economies, are based on a concept of accountability to multiple stakeholders, including the workforce and consumers, rather than solely to shareholders. Article 76 of German company law requires managers to run their businesses in the interests of the entire organization (Hutton, 2002). Company capitalization in Germany relies much more heavily on long-term finance from banks – the so called ‘patient’ capital which, along with the laws making hostile takeovers difficult, is often thought to encourage more long-term perspectives on building successful businesses. There is less pressure to show short-term increases in share value in each quarterly company report, and dividend payouts are generally low at 20–30 per cent of profits rather than the 80 per cent more typical in the United States (Hutton, 2002). Banks thus own a substantial part of the shares in companies, alongside individual shareholders and institutional investors.

However, it is not just patterns of ownership that make German companies stakeholder organizations. Co-determination laws (Mitbestimmung) give employee representatives rights alongside managers, shareholders and other stakeholders. The Mitbestimmung system goes back to the 1922 Works Council Law, which gave elected workers in large companies a role in overseeing collective agreements and in nominating, along with shareholders, the members of the supervisory board. The latter became part of a two-tier system of control over the corporation,
Regimes of Social Cohesion

whereby supervisory boards (Aufsichtsrat), representative of workers as well as managers, shareholders and major creditors, oversee the managerial executive (Vorstand). Now, according to the 1992 Law, all firms employing more than five people must have Works Councils, which must approve all hirings, dismissals, transfers, work allocations, and alterations in the scale and speed of production. Legislation in 1976 gave workers equal representation on the supervisory boards of all companies with over 2000 employees, with the shareholder's chairperson exercising the casting vote (Perkin, 1996).

German-style industrial democracy has often been credited, at least in part, with the success of German companies in developing the innovative, high-skills, high-value added production systems which Streeck sees as the foundation of the ‘diversified quality production’ which has kept Germany as the world’s top exporter (Streeck, 1997). It also promotes more solidaristic behaviour between the different stakeholders and social partners. The organization of the labour market can be seen to have similarly solidaristic effects. The majority of employees in Germany are union members and are covered by the sectoral agreements between employer and employee peak bodies which not only define the qualifications required for particular occupations but also the pay bands for different jobs. This is believed to discourage firms from poaching employees trained by other firms through offering wage premiums, and thus provides an incentive for company-based training and for participation in Germany’s exceptionally comprehensive apprenticeship system, which has been a major boon to productivity and innovation (Streeck, 1997). German law requires firms to join and fund chambers of commerce, which perform an important role inconcerting firm behaviour in each sector with respect to training and other areas where cooperation is thought to be beneficial. Industrial unionism, which tends to bring together employees in all occupations in a given sector, also serves to concert the interests of different groups of employees. In both cases, interest-group intermediation through encompassing representative bodies encourages more solidaristic behaviour because many interests have to be reconciled and concerted.

Labour market organization in social market economies tends to promote greater wage equality at the same time as it promotes solidarity among employees and cooperation between social partners. The welfare systems in countries characterized by the social market can also be seen as solidaristic in one sense, but, on the other hand, are not in principle egalitarian, according to Esping-Andersen (1990).
The origins of ‘conservative corporatist’ welfare systems in Germany and Austria, as with their apprentice training systems (Thelen, 2004), lay in the early guild systems, which provided members with social welfare and protection as well as professional socialization. While the guilds were being dismantled in the eighteenth and nineteenth centuries, their underlying principles were incorporated into the ideologies of corporate associationism and mutualism. Corporatism evolved, according to Esping-Andersen ‘as a major conservative response to the social fragmentation and individualism brought forth by markets and industry. It was a central theme in Durkheim’s analysis of how to combat anomie; it emerged as the cornerstone of Papal and Catholic social policy; and it [later] found...expression in Fascist ideology’ (1990: 60). The welfare reforms brought in by Bismarck in Germany and von Taaffe in Austria were a conservative strategy to head off liberalism by re-asserting the power of the state and reinforcing the hierarchical nature of corporate identities among the traditional status groups. Social insurance was organized around the occupational status groups, each granted their own specific set of rights and privileges, but ultimately organized by the state not the market. Bismarck’s 1891 pension legislation, and the pension system that evolved thereafter, can be interpreted, according to Esping-Andersen, as an \textit{étatism} with partial concessions to liberalism (actuarialism) and to conservative corporatism (compulsory occupationally distinct schemes) (1990: 59). The state-corporatist model which was pursued mainly in countries such as Germany, Austria, Italy and France, says Esping-Andersen, resulted in a labyrinth of status-specific insurance funds backed by state provision. Adenauer’s pension reform in 1957 in Germany entrenched the system by introducing earnings-related benefits. To Esping-Andersen, the conservative corporatist model of welfare is decommodifying in the sense that it places little reliance on the market, and solidaristic, in that it promotes status group and family solidarity. However, it remains very hierarchical (and patriarchal in the sense that non-working wives are dependent on the male for social insurance, and has little redistributional effect).

The neo-corporatist model of labour market organization and welfare provision which dominates in social market economies has certainly underpinned social cohesion in a number of crucial ways. It has helped to concert both employer and employee interests, promoting solidaristic behaviours among diverse groups of firms and workers; has facilitated constructive social partner cooperation, and has underpinned the strong professional identities among broadly defined occupational groups and industrial sectors. Until relatively recently,
it also seemed to act positively on wage equalization, although recent research suggests that this effect may be diminishing as a discreet low-paid workforce becomes more visible within the traditionally well-paid German workforce (Mason et al., 2008). However, the solidarity of the employed has had its counterpart in the marginalization of the unemployed who, due to powerful unionization and strong employment protection, have faced considerable barriers in gaining entry to employment. Generous benefits may have somewhat mitigated their plight, but extreme pressures on social spending in Germany are already beginning to erode this.

Germany’s co-determination system is also under threat. There is increasing foreign capitalization of German companies, including some notable hostile takeovers, and many large companies are outsourcing much of their production abroad, which puts strains on traditional modes of co-determination. In 1996, 728 companies were co-determined under the terms of the 1976 law (with only 75 companies with over 2000 employees excluded); and 98 per cent of plants with over 250 workers had Works Councils. However, the ‘co-determination-free zone’ increased by about one fifth between the mid-eighties and the end of the century, and the process continues as companies seek greater flexibility and resort more frequently to local bargaining and local solutions. Increasingly, large companies are exiting the sectoral agreements which have formed the basis of labour market coordination in Germany (Max Planck Institute, 1998). How far the corporatist structure of the social market model can be maintained remains to be seen. In its absence, a major foundation stone of the social market model of social cohesion would have disappeared.

The social democratic regime of social cohesion

The social democratic model of social cohesion relies, like the social market model, on solidaristic labour market organization and generous social benefits. As in the other model of social cohesion, it is state-led and highly institutionalized. However, the social democratic regime differs in the crucial respect that it places equality at the centre of its social philosophy.

The social democracies in the Nordic countries have many of the neo-corporatist features of labour market organization found elsewhere in north-western Europe. Companies do not always operate such fully fledged systems of industrial democracy as prevails in Germany but peak-level social partner cooperation is equally evident. Trade union
coverage is even more extensive in Scandinavia than in the German-speaking countries, and centralized trade union bargaining dominates, particularly in Sweden. Initial training is less dependent on formalized apprenticeship systems, although apprenticeships are still extensive in Denmark, but social partner involvement in state-led forms of initial training is still high. Employment protection is high in some areas and benefits are more generous than anywhere in Europe. What is more distinctive is the ‘flexicurity system’ pioneered in Denmark, which combines relatively relaxed rules on hiring and firing with very generous support for those who lose their jobs (Bredgaard et al., 2005). This encourages labour mobility and is believed to boost employment rates. But employment levels were already much higher in the Nordic countries than in social market Europe, not least because the non-patriarchal, family friendly employment and benefit policies, including universal and largely gratuitous pre-school provision, combined with generous parental leave entitlements, have helped to boost female employment rates to very high levels.

What most distinguishes Nordic labour market organization is its combination of high employment rates with low income inequality. Economic policy-makers often consider these mutually incompatible. But flexible employment policy combined with concerted centralized wage bargaining and extensive Active Labour Market policies to get redundant workers back into work appear to have exempted the social democratic models from the assumed trade-off between social equity and economic efficiency (Nickel and Layard, 1998). These welfare states have the highest taxation and social spending in Europe, while, in some cases, achieving labour productivity levels higher than in the United States. High employment rates boost average income in GDP per capita above the levels achieved in equally productive social market economies, which have less people in work.

The Nordic welfare states are notorious for the extent and quality of their social provision, not only in health, social benefits and pre-school education, but also in public transport provision. In Esping-Andersen’s account, the social democratic welfare regime embodies the principles of universalism and decommodification to a far greater degree than other regimes. The welfare systems created after Second World War along similar lines in all the Nordic countries, were originally based on the universalistic Beveridgean principles for the British National Health service – that is, including universal access to services funded out of general taxation. However, according to Esping-Andersen, they were better able to maintain the quality of services demanded by users and
to meet all expectations by supplementing universal benefits with benefits graduated to accustomed earnings. This has kept the middle class loyal to a system that thus commanded universal solidaristic support.

In addition to their welfare systems, Nordic education systems also, arguably, provide a crucial foundation for social cohesion in all the Nordic countries (Green et al., 1996). The promotion of social solidarity has always been a core objective of public education in Nordic countries and this objective has informed both the curricula and the structures of the education systems. Since the Second World War, the Nordic countries have all introduced a uniquely radical version of comprehensive schooling, which includes non-selective and almost totally un-streamed neighbourhood comprehensive schools throughout the public system (Wiborg, 2009). These schools provide ‘all-through’ primary/lower secondary provision so that students typically stay with the same base class, and thus the same classmates and core teachers, throughout their compulsory schooling. The intention behind this form of school organization is partly to provide an emotionally supportive and socially cohesive environment within which individual development and group socialization can occur. It also has the unintended consequence that relatively little choosing of schools occurs in these systems, even where school choice is legally permitted, because parents will normally elect to send their children to the local primary school where they will then stay, unless the family moves area, until they finish lower secondary school. These Nordic education systems are among the most egalitarian in the developed world. According to the repeated PISA surveys of skills in literacy, Maths and Science, 15-year-olds in Nordic countries display a narrower variation in skills than in most other countries and the influence of social background on their attainment is weaker than in most other countries (OECD, 2007). Although other factors external to the schools may play a part in this, it seems likely that it is the form of school organization that is also promoting equality of outcomes (Green, 2008).

On any estimation, equality is at the heart of the social democratic models of social cohesion. Nordic countries have relatively low levels of income inequality, according to the Gini coefficient measure (Esping-Andersen, 2005), and research suggests that in the Nordic countries studied social mobility is also relatively high (Blandon et al., 2005). Egalitarian education systems have probably contributed not only to relative equality of performance among those completing compulsory schooling but also to low levels of variations in skills among the adult population. Nordic countries are also distinctive in the high levels of
general trust among the adult population, as repeated World Values surveys have shown.

How far social and educational equality are contributing to this is hard to determine but, as Green et al. show (2006), there is a strong negative correlation between various measures of inequality (income and skills among adults) and aggregate levels of social trust. (See Figures 4.2 and 4.3.)
Regimes of Social Cohesion

Trust is taken by many analysts to be a key marker of social cohesion in society. Given the very high levels of trust in Nordic countries, we should probably include this alongside relative equality among the characteristic features of the social democratic regime of social cohesion.

A note on East Asia

We have not sought here to trace the intellectual traditions of writings on social cohesion in East Asia, although there is, of course, a large body of scholarly work on Confucian traditions, both in Chinese and English, which would be relevant to such an endeavour. However, it is worth briefly discussing the claims of recent works on comparative political economy, welfare regimes and ‘Asian Values’, which invariably pose the question of whether we can speak of an Asian, or more specifically an East Asian, model in these domains. Since some of the work in these areas claims that such a thing can be identified, we may also pose the question of whether there may be a distinctive East Asian regime of social cohesion. The question will be discussed firstly in terms of the values relating to social cohesion which are often seen to predominate in East Asian societies, and secondly in terms of the social and economic structures which may be deemed to support them.

Values: an Asian or Confucian model?

According to the discourse around ‘Asian Values’ which has developed since the 1990s, one can identify a distinctive set of beliefs, relating to social cohesion, which are particularly associated with East Asian nations. Societies in East Asia are seen as being cohesive and disciplined, factors which – the opinion goes – have contributed to their social stability and economic success in recent decades. Despite the fact that the debates frequently refer to Asian values in general, the discourse has often – though not exclusively – been about Confucian traditions in East Asia.

This discourse celebrating ‘Asian Values’ followed, and to some extent was a reaction to, a preceding discourse that was negative or dismissive towards ‘Confucianism’ and its compatibility with modernity. Max Weber attributed East Asian ‘backwardness’ largely to the stultifying influence of Confucian conformism, and so did many reformers and modernizers, from Fukuzawa Yukichi in Meiji Japan to Mao Zedong in the China of the Cultural Revolution. At the same time, a conservative form of Confucianism, calculated to promote de-politicization...
and ‘respect for authority’, was espoused and popularized by authoritarian East Asian regimes – such as the Nationalist Kuomintanag (KMT) in Taiwan – and by the British colonial authorities in Hong Kong. Certainly, from the late nineteenth century to late twentieth, Confucianism was more likely to be associated, within East Asia and in the West, with Asian backwardness and underdevelopment than with the successes of a distinctively ‘Asian’ brand of modernity.

Both the celebratory and derogatory discourses on Confucianism are modern attempts to use the precepts articulated by Confucius between the sixth and fifth centuries BC, either as a tool for a political end – whatever this may be – or as an explanation for current phenomena. And both involve re-interpreting the ancient teachings of Confucius in a modern context, teachings that were originally formulated in and with reference to antiquity.

The basic idea in Confucianism is self-cultivation in the Dao (道) or the Way. Throughout the Analects – a collection of sayings by Confucius – the Sage discourses on the Way, and how individuals, and particularly rulers and gentlemen, should act. But Confucianism is not merely about individual self-improvement; it is an ethical, social, and political system in which man is seen as a social and political being. The point of self-cultivation for the gentleman (士) is not only that he might be diligent in what he does, it is ultimately to ‘ease the lot of the whole populace’ (Waley, 1935a: 191–92). Hence, there is a sense in which the gentleman is expected to take responsibility for the wellbeing of the people, and to act in accordance with this – in other words, to epitomize the virtue of ‘benevolence’ (仁).

‘Social cohesion’ is translated into Chinese as 社会凝聚力. In the Analects, the term that is more commonly used with reference to the social and political sphere is rendered in modern Chinese as 安定 (安定). Sometimes translated as ‘to pacify’, it means to bring peace and stability (to All Under Heaven, i.e. China, conceived as the entire civilized world). Occasionally, the term ‘harmony’ is also used. For instance, Confucius thought that the gentleman should ‘act in harmony’ with others, but not seek blindly to be like them (夫子非和, 切不盲从附和, Analects, 13.23). Hence, in the Analects at least, there is the notion of harmony, and peace and stability, rather than social cohesion in the modern understanding of the term.

In this worldview, peace and stability were not a matter of a balance of and interaction among various social and political institutions, policies, and practices designed for social cohesion; it was about the wise rule of a ruler who is guided and aided in his efforts by scholars and
gentlemen. And for Confucius, deriving the principles of statecraft comprised rediscovering ‘the one infallible method of rule (that) had been practised by certain rulers of old’ (Waley, 1935b: 30). Where rulers and gentlemen act in accordance with the Way, peace and stability would reign in the land, and there would not be disputes or reproaches from the populace (Analects 16.1, 16.2). Hence, the emphasis in Confucian discourse in the Analects is on social and political peace and stability which includes a contented populace.

There is also an emphasis on shared understandings – on the moral principles and actions prescribed by the Way, as well as the practice of rituals ( gestión). Broader than the Western idea of etiquette, the concept of rituals also includes moral values, customs, and rules of behaviour. In Confucian thought, therefore, peace and stability are predicated on a shared set of understandings relating to personal and social ethics, and rituals or practices or, more precisely, the set of understandings as found in the Way. In addition to wise rule of a ruler, it is the shared understandings, and the practice of these, that constitute the ‘glue’ that holds a Confucian society together, and bring peace and stability to the land.

Confucianism is an ancient philosophy that has been re-interpreted over the centuries. Indeed, the essentials of what is nowadays loosely referred to as ‘Confucianism’ were only really systematically codified by Neo-Confucian scholars during the Song dynasty, and remained the subject of often intense scholastic controversy throughout the dynastic period. In modern times, particularly since the 1990s, there have been attempts to project the precepts of Confucianism onto a more generalized theory of contemporary Asian culture. The political and academic debate on ‘Asian’ values and democracies was triggered by (mainly Western-based) academics trying to account for the economic success of Japan and the Asian tiger economies by referring to the values in those societies. This gave impetus to politicians like Lee Kuan Yew and Mahathir Muhammad, not only to attribute the success of their countries (Singapore and Malaysia respectively) to ‘Asian’ values, but also to articulate these in contra-distinction to the ‘Western’ ones. Lee and Mahathir regarded the West as decadent societies in which rampant individualism had caused irreparable damage. In contrast, ‘Asian’ values were family-oriented, privileged society over the individual, and included hard work, thrift, and education. For Lee, Singapore’s success was due to the fact that its people ‘placed the importance of the welfare of society above the individual’, and he also attributed the social
cohesion of the country to this ‘basic Confucianist concept’ (Lee, cited in Khan, 2001: 20).

Claims that there is a set of values that can be said to characterize certain societies in Asia are not restricted to politicians in the region. A number of scholars have also argued that the value systems in East Asian states have important characteristics in common. Tu, for instance, believes that an East Asian modernity has developed that has assumed ‘cultural forms substantially different from those of Western Europe and North America’, and that this needs to be understood from a Confucian perspective (Tu, 2000: 257, 261). While the Confucian tradition has been ‘reconfigured in a new constellation’ in East Asian societies, distinctive characteristics nonetheless still remain, for example, ‘an agriculture-based economy, family-centred social structure, and paternalistic polity’, ‘network capitalism, soft authoritarianism, group spirit, consensus formation, and human relatedness’, ‘sympathy, distributive justice, duty consciousness, ritual, public-spiritedness, and group orientation’; in such societies, governments also tend to provide leadership in the economy, the family is the basic unity of society, there is an emphasis on education and self-cultivation, and ‘organic solidarity’ is as important as the law in ensuring social stability, if not more so (Tu, 2000: 262, 264–5).

For his part, Montgomery (1997) observes that Asian countries tend to favour loyalty to the family and community over respect for individual claims. Given that differences in values and priorities are often distinctive in that these seem ‘to aggregate into complexes characterizing a nation, a society, a culture’, Glazer notes that societies on the eastern rim of the Pacific tend to be more individualistic in nature, and those on the western rim more collective, and that this is a view shared not only by the politicians, but also by members of the elite in those societies (see Glazer, 1997: 53). In her examination of a number of countries in Asia, Chan too concludes that that these polities have some factors in common, including a communitarian approach to the individual and society, a greater acceptance of and respect for authority and hierarchy, a dominant (single) political party system, and a centralized bureaucracy and a strong state (see Chan, 1993: 22–4).

In addition, common characteristics relating to social cohesion have also been identified in some Asian societies. Surveying the levels of social cohesion in South East Asia from the 1960s through to the late 1990, Siddique observes that the periods of social cohesion coincided with those of economic growth, and posits that it is economic growth,
and the attendant possibility of upward social mobility, that gives people a stake in society, that comprise the 'glue' that binds heterogeneous societies together (see Siddique, 2001: 29).

There is also evidence that the levels of civic participation in some Asian countries, and the impact of this on democracy and social cohesion, could differ from those in the West. In the World Values Survey (see Figures 5.1 and 5.2 on p. 000), for example, Japan is among the countries with the lowest scores for both passive and active civic participation. And, using data from the Asian Barometer 2005–6 survey on countries including South Korea, Taiwan and Singapore, Park and Lee report a number of fascinating findings. There is a relatively low level of associational membership in these countries, with 29 per cent of people in Taiwan, 24 per cent of people in South Korea, and just 10 per cent of people in Singapore reporting membership of at least one association. The most popular social groups are identity-based groups – such as alumni associations, sports and recreational groups, or religious groups – that tend 'to emphasize primordial identities rather than economic interests', and are ‘likely to encourage in-group solidarity or the ‘dark side' of social capital' (Park and Lee, 2007: 10). Park and Lee (2007) also report weak or no correlation between associational membership and social trust in these countries, and no significant relationship with reciprocity, and citizenship norms (pp. 13–14). Neither are Park and Lee able to identify any relationship between associational membership and attachment to democracy, support for institutional pluralism, or the rule of law (pp. 15–16); however, there was a correlation with a rejection of 'authoritarian alternatives (to democracy) such as civilian and military dictatorships' (p. 16). At the same time, associational membership is linked with political efficacy and voting in South Korea and Taiwan, but not Singapore, but is positively linked with interest in politics, campaign activity, contact activity, and protest activity in all three countries (p. 18–20). Park and Lee's findings have interesting implications, not only for the level and nature of civic participation in East Asian societies, but also for its role in social cohesion. Certainly, there seems to be a case that the institutions and mechanisms for building and maintaining social cohesion in these societies may be different from those in the West.

Despite the quite widespread support among Asian politicians and scholars East and West for the notion of distinctive Asian or Confucian values, a number of substantial problems with the whole discourse can be identified. Firstly, there is the criticism that the values often listed as Asian are by no means unique to the region. Second, the idea of a
specific and distinctive set of Asian values is too overly generalized to have much analytical value. The characteristics identified relate, in fact, mainly to East Asian societies and, in some versions, primarily to those with strong Confucian traditions. So Japan might be included in this view, but the south Asian states would be rather peripheral to it. Thirdly, there is a distinct tendency in these accounts to essentialize ethnic or national cultures, ignoring the cultural divisions within states such as Singapore that are multi-ethnic and have multiple religious traditions. And fourthly, the accounts are often prone to static views, which take national traditions and cultures as immutable.

There is no claim here that the ‘Asian’ or ‘Confucian’ values are unique to the region, merely that there is a particular constellation of values that characterize the values in the area and, in any case, we are limiting our claims to the area of East Asia where the bulk of the population and culture can be said to have Sinic influence. And, in as much as it is possible to talk about an authentic culture in these societies, it is possible to talk about a particular, culturally linked version of social cohesion. Moreover, as has been argued, there does appear to be some consensus from scholars in different fields – including philosophy, political theory and, as will be seen, socio-economic theory – that there are institutions and practices in East Asian societies that display characteristics different from those in the West. This being the case, it is plausible to posit that the values undergirding social policy and practice in East Asia differ from those in the West and, further, that these may bear resemblance to the principles espoused in Confucian thought. In some ways, the particular set of values associated with East Asian societies are ideal ones, as often as not proven in their breach as in their observance. That there are divergences in the interpretation and practice of these values is not surprising given the different socio-political factors that and historical trajectory that apply to each country (see Tu, 2000: 263–4).

Hence, it is perhaps possible to argue for a distinctive set of values underlying socio-political institutions in East Asia where Confucianism has been a predominant influence and, as Tu (2000) has suggested, to attempt to develop a historically nuanced and socially complex interpretation of the evolution of Confucian traditions in the context of these societies.

Economic and social policy in East Asia
It has been suggested that arguments in recent research about an East Asian model are not confined to the sphere of values. In fact, an equally strong case can be made with respect to the distinctive
economic and social policies that have been adopted in the region. In terms of economic policy, this relates both to theories of East Asian economic development and to contemporary characterizations of East Asian economies.

Comparative political economists, such as Ronald Dore (2000), Chalmers Johnson (1982), Robert Wade (1990) and Alice Amsden (1989), have contributed substantially to the varieties of capitalism debate by identifying features of a number of East Asian political economies which are quite distinctive and which, they claim, have made possible a form of rapid economic development substantially at variance with the economic development models of neo-classical economics. These authors have all pointed to the distinctive form of ‘state-led development’ that has been observed in Japan since the Second World War and in South Korea, Taiwan and Singapore since the early 1960s. In their writings, as well as in the writings of others such as Castells (1992) and Woo-Cumings (1999), the key factor explaining rapid economic development in a number of East Asian states has been the existence of ‘developmental states’ – governments and state bureaucracies that have been committed to leading economic development ‘from the front’ and whose legitimacy has largely depended on their success in this project. Developmental states, they argue, have successfully followed the strategy of export-led development recommended by liberal economists, precisely by departing from the liberal free-market policies of neo-classical economics. Instead of following free-market, free-trade orthodoxies, governments have intervened substantially in the market both through industrial policies and through neo-mercantilist strategic trading policies (Green et al., 2007).

The key role of the government and state bureaucracies has been emphasized in many accounts of contemporary economic organization in Japan and the East Asian tiger economies. Chalmers Johnson (1982) characterized economic organization in post-war Japan as ‘plan-rational’ – that is to say as somewhere between western-style mixed economies and the ‘command economies’ of former Communist states in terms of levels of state involvement in economic planning. Both he and Alice Amsden (1989), in the latter’s writings on South Korea, also emphasize the close connections between civil servants in departments of state and the large private companies, and the various ways in which the bureaucracies use tax concessions and subsidies of various kinds to influence investment decisions to secure particular outcomes in terms of industrial structure. According to Wade (1990), the economies of Taiwan, and several other East Asian states, exhibit a form of
‘state-guided capitalism’, which can be contrasted with the more limited role of government in the economy typical in various forms of market or ‘mixed’ economies in developed western states.

The structure of the large corporate conglomerates – the Keiretsu in Japan and Chaebol in South Korea – is also seen by many political economists to be highly distinctive. Ronald Dore’s (2000) characterization of ‘relational capitalism’ in Japan, which he contrasts with the ‘stock market’ capitalism in the West, rests heavily on the organization and role of the large corporations. Japan’s large conglomerates include numerous companies either ‘vertically integrated’ within specific sectors or ‘horizontally integrated’ across multiple sectors. These companies are typically linked together through cross-shareholdings, which protect companies against hostile takeovers, and by stable supply chain agreements, which allow concerted approaches to process and product improvement. These arrangements, according to Dore, not only favour long-term investment and but also long-term approaches to building productive capacity, improving quality, and expanding market share. The ‘relational’ – as opposed to contractual – basis of economic organization is also, according to Dore, exhibited in employment practices within the large firms.

Core workers in large firms in Japan have traditionally benefitted from long-term employment policies, seniority-based pay systems and extensive social benefits provided by the employer. The principle of ‘lifetime employment’ has, until recently, been extended to all ‘core workers’ in Japan’s large companies and is only now gradually being reduced (Dore, 2000). It was, in part, made possible by the structure of the conglomerates, which allowed the major firms to avoid making staff redundant when they were surplus to requirements by transferring them to affiliated firms, albeit on lower pay grades. This commitment by companies to lifetime employment and seniority pay for core staff derived from the desire to promote employee loyalty and productivity. It also allowed the large firms to invest heavily in employee training without fear of losing their investment to other companies who might poach their staff (Crouch et al., 1999). Firms have also promoted loyalty among core staff by offering numerous social benefits such as financial and other assistance with marriages and funerals (Perkin, 1996). These organizational characteristics, which are part of what Dore means by ‘relational’ capitalism, make the firm more like a social unit, with multiple stakeholders, than a contractual organization responsible only for making profits for shareholders. Indeed private shareholders have traditionally had relatively little power over
Japanese corporations, and dividend payouts are generally low by comparison with shareholder economies (Hutton, 2002). In fact, the large firms are often referred to in Japan as family-like (*iemoto*) organizations (Perkin, 1996). Although it is only in the large firms where these practices occur, such firms employ a substantial part of the workforce in Japan. This allows Dore (2000), Hutton (2002) and others to claim that firm organization in Japan promotes intra-firm solidarity rather in the way that industrial democracy does in Germany, although the model here is rightly characterized as distinctly more paternalistic in its forms.

Such a system does come with some undesirable economic consequences. For instance, Woo-Cumings cites Theodore Lowi as describing the model as being in a ‘state of permanent receivership’ – ‘an institution large enough to be a significant factor in the community has its stability underwritten (the system promotes bankruptcy but the state cannot let it go bankrupt)’ (Woo-Cumings, 1999: 12). It need hardly be pointed out that there are also possibly more general negative social consequences of a Confucian-based system of values as well – too much deference and respect for one’s superiors (including political leaders), an unquestioning acceptance of authoritarianism whatever form this takes, a lack of consideration for individual interests and rights and so on.

How far the distinctive economic traits discussed above constitute an East Asian economic model is hotly debated. Most of the research within the varieties of capitalism tradition has focused on Japan, South Korea, Singapore and Taiwan. Clearly some common characteristics can be detected among these economies, not least as a result of Japan’s colonial influence and continued status as an exemplar economy. Indeed, one theory of East Asian development, referred to as the ‘flying geese’ model, is explicitly based on the presumption of the formative nature of Japanese influence across the region (Kwan, 2002; Furuoka, 2005). However, it is also true to say that few studies find many common characteristics across a broader range of East Asian economies, which would include Hong Kong and various other developing economies in South-east Asia, such as Malaysia, Thailand and Vietnam. More research is beginning to come out on the specific characteristics of economic development in mainland China, but China is usually deemed to be too singular – by virtue of its size and political system – for its economy to be easily assimilated to any East Asian model of capitalism. Even among the more restricted set of economies including Japan, South Korea, Singapore and Taiwan, there
are notable differences, not least in relation to the degree of openness to foreign investment, the systems for skills formation, and the typical nature of governance in the large corporations (Brown et al., 2001; Green, 1999).

However, for these countries at least there is still one major common characteristic, which is the distinctive relation between the state and the market. In as much as there is an East Asian economic model, it rests on the idea of the developmental state and state-led development. The centrality of the state in these economies and those of South-east Asia also has important implications for the nature of social cohesion. Indeed, as was earlier seen, Siddique (2001) observes that it was economic growth and the possibility of social mobility that comprised the 'glue' that bound together heterogeneous societies in South-east Asia during their period of development; she also notes that economic growth and social cohesion in these societies are government-led, with the state being directly involved not only in development planning, but also in incorporating the populace into a vision of the country's future and giving them a stake in it (see Siddique, 2001: 29).

In terms of social policy, a similar debate occurs about the distinctiveness and commonalities of the East Asian welfare states. Esping-Andersen (1997) has observed that many developed East Asian societies have relatively low levels of public social spending compared with other developed countries. He also points to the importance of the family and the ideology of familialism in the welfare systems in East Asia generally. However, he does not support the notion of an East Asian model of welfare. In fact, his analysis of Japan leads him to conclude that welfare provision in that country should be characterized as a hybrid form, rather than as a distinctive model of welfare state in its own right, because it combines both a corporatist emphasis on status-differentiated occupational insurance with a widespread reliance on private market provision, as in liberal welfare state models. Other writers on welfare provision in East Asia do make claims about a distinctive East Asian model.

Walker and Wong (2005) refer in their writings to ‘Confucian welfare states’ and a ‘Confucian welfare cluster’. And Jones writes in terms of the ‘Confucian welfare state’, which she describes as: ‘Conservative corporatism without (Western-style) worker participation; subsidiarity without the Church; solidarity without equality; laissez faire without libertarianism’ (Jones, 1993, cited in White and Goodman, 1998: 12). Examining the welfare systems of Singapore, South Korea, Taiwan,
Hong Kong, Japan, and China, White and Goodman (1998) conclude that there are ‘certain key aspects’ in East Asian welfare that are common and distinctive.

The notion of state-provided or guaranteed welfare as a social right of citizens is weakly developed. Rather, non-state agencies – community, firm and family – have been expected to play a major welfare role in both financing and providing welfare services in an ideological context wherein self-mutual help is encouraged and dependence on the state discouraged, indeed stigmatized. (White and Goodman, 1998: 14)

More specifically, White and Goodman claim:

The principle of social insurance (wholly or partially funded) is favoured over other means of financing, notably through taxation-based, pay-as-you-go schemes. [...] State-sponsored welfare programmes in the three North East Asian states – Japan, South Korea and Taiwan – have tended to develop as a fragmented array of particular schemes for core social groups, an institutional segmentation which both reflects and reinforces differentials in power and status in society. (White and Goodman, 1998: 14)

This last point may apply to some East Asian nations more than others, and Goodman and White, like Walker and Wong (2005), acknowledge that there are differences in welfare systems in the region. But they concur that there are common features in these societies where social policy is concerned, citing as characteristic features ‘low social expenditures, low benefit levels, priority for spending on education and government as ‘regulator’ rather than provider’ (Walker and Wong, 2005: 9).

We conclude this section tentatively. East Asian societies are arguably too diverse to characterize in terms of a particular model, whether this be in relation to forms of capitalism or to welfare and social cohesion regimes. However, there is evidence of certain commonalities in East Asian societies, and particularly those with a common and predominant Confucian heritage. These relate not only to the cultural distinctiveness of these societies, but also to the institutions in which these values find expression. At the same time, the level and nature of civic participation and the ways this impacts on social cohesion arguably differs from that in the West. The commonalities point to the importance of the family and the state in supporting social cohesion, as well
as to the common assumption that social cohesion requires a binding and shared culture which is more likely to occur in more ethnically homogenous societies but – notwithstanding the accounts attempting to essentialize ethnic or national cultures – which can also be cultivated by the state in multi-ethnic communities like Singapore. Indeed, patriotic and moral education in many of these societies plays a vital role in socializing children into the values conducive to these distinctive forms of collectivism, social discipline and social cohesion. The commonalities also suggest that successful economic development is unusually important for the maintenance of state legitimacy in many East Asian societies, and that social cohesion is often construed as a top-down process which is highly dependent on state authority.
Data and methods

We draw from a rich variety of data sources to explore whether the putative regimes derived from existing theory can be substantiated by statistical analysis of the social characteristics of contemporary societies. Some of these represent collections of robust administrative data on topics such as income inequality, crime, and social expenditure (OECD, ILO, World Bank, UN), while others are collections of survey data on attitudes and reported behaviour based on nationwide samples (European Values Study/World Values Survey; International Social Survey Program).

Table 5.1 establishes the link between theory and data. It presents the social cohesion components that Chapter 5 has highlighted as the distinctive features of the liberal, social democratic, social market, and East Asian regimes (Column 1). Column 2 shows with which regime a particular component is associated. A ‘plus’ signifies that the component in question is considered an essential part of the regime; a ‘minus’ means that the component’s antipole is part of the regime. Where a component is imputed to be neither strongly positive nor strongly negative in a regime, the regime is left out of the table. For instance, value diversity is considered a key element of the liberal regime while value homogeneity is seen as characteristic of the social market and East Asian regime. Column 3 presents the indicators tapping the components.

Appendix 1 provides the full details of the indicators and the data sources they were derived from. Here we confine ourselves to explaining why we selected the indicators that we did. Some indicators speak for themselves and thus do not require additional explanation. Selecting the Gini coefficient on household income as the indicator of inequality is, for instance, self-evident and in line with many other
Table 5.1 Components of social cohesion regimes

<table>
<thead>
<tr>
<th>Component</th>
<th>Tradition/regime</th>
<th>Indicator(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inequality</td>
<td>Social Democratic (−); Liberal (+)</td>
<td>Gini coefficient on household income</td>
</tr>
<tr>
<td>Wage regulation</td>
<td>Social Democratic (+); Social Market (+); Liberal (−)</td>
<td>• Union coverage: proportion of employees covered by collective agreements (1 &lt; 25%; 2 = 25–70%; 3 &gt; 75%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Centralization of wage bargaining (Scale: 1 [maximum decentralization] to 17 [maximum centralization])</td>
</tr>
<tr>
<td>Employment protection</td>
<td>Liberal (−); Social market (+)</td>
<td>Employment protection legislation 1998 (Scale: 1 ‘most liberal’ to 6 ‘most strict’)</td>
</tr>
<tr>
<td>State involvement</td>
<td>Liberal (−); Social democratic (+); Social market (+);</td>
<td>Public employment as percentage of total employment 2000</td>
</tr>
<tr>
<td>Welfare state</td>
<td>Liberal (−); Social democratic (+); Social market (+);</td>
<td>Public social expenditure as percentage of GDP 2000</td>
</tr>
<tr>
<td>Ethno-racial diversity</td>
<td>Liberal (+); East Asian (−); Social democratic (+)</td>
<td>Proportion of the population born abroad 2000</td>
</tr>
<tr>
<td>Crime/ disorder</td>
<td>Liberal (+); East Asian (−); Social Market (−)</td>
<td>• Homicide rate 1999 (number of homicides per 100,000)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Violent crime 2000 (number of homicides, rapes and robberies per 100,000)</td>
</tr>
<tr>
<td>Social trust</td>
<td>Social democratic (+); East Asian (+); Social Market (−)</td>
<td>Percentage saying most people can be trusted</td>
</tr>
<tr>
<td>Value diversity</td>
<td>Social market (−); East Asian (−); Liberal (+)</td>
<td>Composite indicator representing the dispersion of opinions on seven issues (Scale: −6.4 [most homogenous] to 12.0 [most diverse])</td>
</tr>
<tr>
<td>Active civic participation</td>
<td>Liberal (+); East Asian (−)</td>
<td>Number of different organizations respondent does voluntary work for; national average</td>
</tr>
<tr>
<td>Passive participation in nationwide organizations</td>
<td>Social market (+); Social democratic (+); East Asian (−)</td>
<td>Number of different organizations respondent considers him/herself to belong to; national average</td>
</tr>
<tr>
<td>Freedom vs equality</td>
<td>Liberal (+); Social market (−); Social democratic (−)</td>
<td>Freedom or equality more important; percentage preferring freedom</td>
</tr>
</tbody>
</table>

Continued
Regimes of Social Cohesion

Table 5.1  Continued

<table>
<thead>
<tr>
<th>Component</th>
<th>Tradition/regime</th>
<th>Indicator(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Merit vs equality</td>
<td>Liberal (+); Social market (+); Social democratic (−)</td>
<td>Pay according to performance; percentage saying it is fair that one secretary is paid more than the other if (s)he works better.</td>
</tr>
<tr>
<td>Ethno-cultural vs civic identities</td>
<td>Romantic conservative (+); East Asian (+); Liberal (−)</td>
<td>Strength of cultural relative to political conceptions of national identity; average (Scale: −1.0 [political conceptions strongest] to .65 [cultural conceptions strongest]).</td>
</tr>
</tbody>
</table>
| Ethnic tolerance          | Liberal (+); Romantic conservative (−); East Asian (−) | • Xenophobia index; average (inverse indicator)  
• Percentage not mentioning immigrants/foreign workers as groups one would not like to have as neighbours. |
| Social hierarchy          | East Asian (+); Social market (+) | Percentage saying one should always love and respect one’s parents. |
| Gender equality           | East Asian (−); Social market (−); Social democratic (+); Liberal (−) | Percentage disagreeing with the opinion that in times of scarcity men have more right to a job than women. |

studies; similarly, the indicator for social trust and the two indicators for ethnic tolerance are self-explanatory. The two indicators for wage regulation, derived from Nickell and Layard (1998), also speak for themselves. Union coverage, that is, the percentage of workers covered by collective agreements between unions and employer organizations, and the degree of centralization of wage bargaining, can both be seen as key features of the corporatist character of the social market model. Nickell and Layard note that it is quite possible for the majority of workers to have their wages determined by collective agreements even though union membership is low, citing France and Spain as examples (op. cit.: 3041). Possibly, this reflects a widespread belief in social market societies that it is perfectly acceptable to allow interest organizations representing only a minority of workers and employers to have a large say in labour market issues as long as they ensure stability and social peace. This would certainly be consistent with the idea proposed by some scholars (e.g. Dubet, 2007) that social cohesion in much of core mainland Western Europe and particularly among the political left is primarily understood in a Durkheimian sense, that is, as the capacity of institutions to retain overall harmony and unity.
We captured ethno-racial diversity by using UN data on migrants (i.e. people born abroad) as a percentage of the total population. Although this indicator is likely to underestimate actual diversity as it only takes first generation migrants into account, it does ensure good cross-national comparability and provides an indication of a society’s openness, which is partly what the diversity component seeks to express. Disorder/crime was tapped with two indicators: violent crime and homicide, the latter being a subset of the former. These are two of the few crime indicators for which there is fairly reliable data fit for international comparison. On the one hand, the violent crime indicator is more appealing than the homicide indicator because it is more encompassing, but on the other hand it has missing data for several important countries and its legal definitions are likely to differ more between countries than those for homicide, hampering comparability. As each indicator has different pros and cons, we will use both indicators.

Turning to the indicators based on survey data, we decided to use the dispersion of opinions on a range of contentious issues reflecting only substantive values as an indicator of value diversity. We expect liberal societies to stand out particularly on pluralism regarding such values rather than basic values, that is, values seen to be constitutive of liberal democratic societies, because a broad consensus on the latter is also cherished in the liberal regime. The indicator for active civic participation, which reflects self-reported voluntary work for a range of organizations differing in profile and scope, is inspired by the notion that it is actual involvement in grassroots organizations that characterizes the civil societies of liberal countries (de Tocqueville, 1956; Putnam, 2000). By contrast, the indicator for passive participation only measures self-reported belonging to several nationwide organizations (religious denominations, unions, political parties, professional organization), as it is the detached forms of participation in highly institutionalized (or interest) organizations that we hold to be typical of societies associated with social market and social democratic regime.

The indicator tapping the ‘freedom versus equality’ component reflects this component literally as it asks respondents to state which of the two principles – freedom or equality – they consider more important. The indicator for the ‘merit versus equality’ component requires more explanation. We considered the ‘pay according to performance’ indicator to be an appropriate proxy for the last-named component because the wording of the item on which the indicator is based (see Appendix 1) nicely addresses the tension between merit and equality as principles determining remuneration in work relations. If traditions
Regimes of Social Cohesion have left their mark on contemporary attitudes, we would expect to see liberal English-speaking societies prioritizing freedom and merit over equality and the countries with more collective traditions doing the reverse. We further note that the items used for the two indicators avoid any reference to the prevailing conditions in a country so as to minimize the risk that respondents have taken these conditions into account in stating their preference for one or the other principle. For survey data to be internationally comparable, the responses have to reflect absolute support for some opinion or principle, not support relative to the given conditions in a country. Of course, it can never be ruled out that such a ‘relative to prevailing conditions’ bias has affected respondents’ answers but researchers can at least reduce this risk by not selecting items that contain an explicit reference to the existing situation in a country (e.g. items asking whether more should be done to relieve poverty, combat unemployment).

We tapped ethno-cultural and civic conceptions of nationhood by means of a scale representing cultural relative to political conceptions of national identity. The higher the score on this scale, the more importance is attached to cultural versus political markers of national identity. Finally, considering the items on which the indicators for ethnic tolerance are based (see Appendix 1), we emphasize that ethnic tolerance should be understood as the out-group attitudes of the dominant group.

A word of caution applies to the indicators representing national averages. These averages can hide important variation within countries on the attitudes of interest. It is thus possible that countries having similar mean values on some attitude show different variations. Conversely, countries with different mean values may have such large within-country variations that it cannot be concluded that a country having a higher mean score on some outcome of interest than another is very meaningful. We checked the within-country variance on the four indicators representing national averages by calculating means and confidence intervals (see Figures 5.1 to 5.4). Confidence intervals are based on both the variance in the outcomes of interest and the size of the national sample: the larger the variance and the smaller the sample size, the larger the confidence intervals. The mean values of two countries are not significantly different from one another if their confidence intervals overlap. Consequently, the larger the confidence intervals, the smaller the chance of finding significant mean differences between countries. Figures 5.1 to 5.4 show that the confidence intervals are generally small compared to the differences in
mean values between countries, indicating that most of the mean differences between countries are significant. Our indicators based on national averages are thus quite robust in terms of highlighting between-country differences.

We restricted the selection of cases to those developed countries that could be identified as representing a distinct social cohesion regime to a lesser or greater degree. Consequently, we selected the OECD states minus Turkey and Mexico. Table 5.2 shows with which regimes these states are associated in existing theories. The question marks indicate that we are not quite sure whether the countries concerned can be seen as representing the stated regime. Esping-Andersen (1990) lumps the Mediterranean countries together with France, the Benelux and the German-speaking states in a conservative welfare regime on the basis of shared Catholic heritage, but others have argued that the Mediterranean states constitute a separate cluster (Leibfried, 1992). Hence the question marks behind Italy, Spain, Portugal and Greece. In similar vein, it is difficult to place Ireland as its Catholic culture distinguishes it from

Figure 5.1  Passive civic participation (means and 95% confidence intervals) (WVS wave 4).
the other English-speaking states. The ensuing analyses will explore to what extent these and the other countries conform to the regimes they are said to represent.

We used scatter plots to analyze whether regional patterns could be observed in conformity with the social cohesion regimes. A scatter plot not only enables a precise and transparent assessment of a relation between two variables, it also offers an insightful graphic representation of the scores of the cases on the two variables and of the degree to which cases cluster, provided the number of cases displayed is not too large. Though providing detailed information, scatter plots only allow for an assessment of country positions on just two variables. In order to assess the groupings of countries based on all indicators at once, we conducted a cluster analysis, the details of which we will discuss further below. This type of analysis allows us to explore to what extent the countries cluster in the groups presented by Table 5.2.

However, with cluster analysis it is not possible to assess the degree to which the country clusters match the putative regimes substantively.
In other words, if a cluster analysis yields a coherent English-speaking liberal cluster of countries, we still do not know whether this cluster shows relatively high values on inequality, value diversity, and active civic participation, and so on. In order to assess the substantive match, we pursue two strategies. The first strategy involves a two-step procedure in which the first step consists of the creation of indexes reflecting each of the regimes substantively. Subsequently, the countries are ranked on these indexes. This procedure allows us to explore whether the countries associated with a particular regime indeed top the ranking order of countries on the corresponding index. In this way, both the clustering of countries (in terms of countries linked with a particular regime forming a continuous group of countries on the ranking order) and their substantive position can be investigated. The construction of these indexes will be discussed in further detail below.

A drawback of the first strategy is that indexes merely reflect theoretical constructs. In other words, these constructs cannot be understood as coherent dimensions or syndromes representing variations in clearly
Table 5.2  Countries associated with hypothesized social cohesion regimes

<table>
<thead>
<tr>
<th>Liberal</th>
<th>Social market</th>
<th>Social-democratic</th>
<th>East Asian</th>
<th>(residual) Romantic conservative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Britain (GB)</td>
<td>France (FRA)</td>
<td>Sweden (SWE)</td>
<td>Japan (JAP)</td>
<td>Germany (GER)</td>
</tr>
<tr>
<td>United States (US)</td>
<td>Germany (GER)</td>
<td>Denmark (DEN)</td>
<td>S Korea (KOR)</td>
<td>Austria (AU)</td>
</tr>
<tr>
<td>Canada (CAN)</td>
<td>Austria (AU)</td>
<td>Norway (NOR)</td>
<td></td>
<td>Switzerland (SWI)</td>
</tr>
<tr>
<td>Australia (AUS)</td>
<td>Switzerland (SWI)</td>
<td>Finland (FIN)</td>
<td></td>
<td>Luxembourg (LUX)</td>
</tr>
<tr>
<td>New Zealand (NZe)</td>
<td>Belgium (B)</td>
<td>Iceland (ICE)</td>
<td></td>
<td>Poland (POL)</td>
</tr>
<tr>
<td>Ireland (IRE)</td>
<td>Netherlands (NL)</td>
<td></td>
<td></td>
<td>Czech Rep (CZE)</td>
</tr>
<tr>
<td>Luxembourg LUX</td>
<td></td>
<td></td>
<td></td>
<td>Slovak Rep (SLV)</td>
</tr>
<tr>
<td>Italy (ITA)</td>
<td></td>
<td></td>
<td></td>
<td>Hungary (HUN)</td>
</tr>
<tr>
<td>Spain (SP)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal (POR)</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greece (GRE)</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
observables phenomena. For this to be the case, the variables included in
the indexes should co-vary. Consequently, the second strategy entails
identifying such syndromes by conducting factor analysis on all the
social cohesion indicators. We assess to what extent the dimensions
yielded by this analysis correspond to the indexes and thus to the puta-
tive regimes substantively. Additionally, we save the country scores on
the dimensions. Scatter plots of these scores will allow us to assess both
the group cohesion and the substantive agreement of countries linked
with a particular regime. This strategy thus has the advantage of not
only reducing complexity by synthesizing the many indicators but also
of producing coherent meaningful syndromes on which the countries
can be scored and ranked.

Findings

Scatterplots

We now turn to an assessment of the social cohesion components using
scatterplots (Figures 5.5–5.17). Do the cross-country patterns on these
components match the social cohesion regimes both substantively and
in terms of country groupings? In other words, do the countries associ-
ated with the liberal regime indeed show higher rates of inequality and
less state involvement, a preference for freedom over equality, and more
support for political conceptions of nationhood than other countries
and do they cluster as a group?

We begin by assessing the cross-country patterns on inequality and
crime (Figure 5.5). With regard to the scatter plot presenting homi-
cide, it can be seen that the outliers of US, POR and POL, at first sight,
obscure clear clusters. Beyond these outliers, clusters do emerge how-
ever: (a) the English-speaking countries combine high inequality with
low-medium homicide; (b) Southern Europe combines medium-high
inequality with low homicide; (c) Nordic countries combine low values
on both indicators (except Finland with its high score on homicide).

As regards inequality, these patterns are consistent with theoretical
expectations as it is indeed the countries associated with the liberal
regime which show above average rates of income inequality. The coun-
try positions on homicide are not entirely as expected as, discounting
the United States, it is not necessarily in the liberal states that the high-
est homicide rates can be found.

On violent crime, the more encompassing indicator of crime, the pat-
terns are more in conformity with expectation, however (see second
scatter plot). The liberal countries emerge as a distinct cluster, combining high violent crime rates with high inequality. Thus, the middling homicide rate in Britain, Canada and Australia obscures the fact that these countries have rather high rates of less serious types of violent crime. Judging by the shape of the cloud of points, there further appears to be a positive relation between inequality and violent crime (see the regression line and the explained variance in the figure), an observation confirmed by correlational analysis ($r = .60; p = .003$). Using different
data sources, Green et al. (2006) have also found a strong positive relation between inequality and violent crime, which indicates that the result is quite robust. Nonetheless, there are some countries for which this relationship does not apply. With the exception of Portugal, southern European countries, for instance, combine relatively high levels of inequality with relatively low rates of violent crime. These countries thus appear to assume a separate position within the group of countries linked to a social market regime. Other clear country clusters emerging from the scatter plot are the Nordics (low inequality and low-medium violent crime), eastern Europe (low inequality and low-medium crime, Poland excepted) and East Asia (low on violent crime and low to low-medium on inequality).

Moving to the two indicators of wage regulation, the scatter plot of Figure 5.6 at first sight shows a bizarre pattern: the country points are arranged in three horizontal lines. This pattern is explained by the fact that Union Coverage has just three values (see Table 5.1). On closer inspection, clear country clusters in line with expectation do emerge, however. Except for Australia and Ireland, all English-speaking states have low values on both union coverage and centralization of wage bargaining, which is in agreement with the notion that central arrangements regulating individual employer-employee relations have no place in liberal societies. Other distinct clusters are the Nordics (high values

![Figure 5.6 Wage regulation: union coverage and centralization of wage bargaining](image-url)
on both indicators) and Mediterranean Europe (high on union coverage; low on centralization). The clustering of the Mediterranean countries shows that a distinctive social market regime comprising all the countries of Column 2 of Table 5.2 cannot be identified, an impression only reinforced by the wide range of values on centralization among the north-west European states associated with this regime (compare the low value of France with the high values of Germany and Austria for instance). Corporatist arrangements yielding central, cross-sector wage agreements thus seem to be a specific feature of the German-speaking and Nordic countries.

Some have argued that centralized wage bargaining plays a key role in reducing income inequality by ensuring that standard levels of pay apply across all companies nationwide within a given sector (OECD 1997; Nickel and Layard 1998). Figure 5.7 indeed shows a strong negative relation between centralized wage bargaining and income inequality ($r = -.62; p = .004; N = 20$). Given the strength of the correlation, this factor could well be more important in explaining variations in income inequality than the level and degree of universality of social benefits. Indeed, correlating the proportion of public spending on welfare

![Figure 5.7 Income inequality by centralization of wage bargaining](image-url)
(which, admittedly is a rather crude measure as it does not give information on the inequality of benefits) to income inequality produces an $r$ of just $-0.37$ ($p = .06; N = 25$).

With regard to state involvement and employment protection, the English-speaking states also cluster tightly (see Figure 5.8). In keeping with liberal traditions, they assume low values on both indicators, particularly on employment protection. As expected, the Nordic countries all have high rates of state involvement but they differ on employment protection, the legislation in Norway being the most and in Denmark being the least protective. Once again, a distinct Mediterranean cluster can be identified marked by very high rates of employment protection and low to middling degrees of state involvement. The north-west continental countries also show relatively high rates of employment protection but their rates of state involvement vary quite considerably (compare the relatively low rates in Germany and Austria with the relatively high ones in France, Belgium and the Netherlands). Once again, therefore, the social market regime only shows up as a coherent group of countries if you exclude the southern European states. Interestingly, the east European countries do emerge as a distinct cluster characterized by high rates of state involvement and only low-medium rates of

![Figure 5.8 State involvement and employment protection](image-url)
employment protection. While the high rates of state involvement may well reflect a legacy of the state-controlled economy of communist times, the latter must have been brought about by the liberal market reforms following communism. If so, the two indicators would seem to differ remarkably in the degree to which they are affected by path dependency. In other words, it may be much more difficult for states to change levels of state involvement than it is for them to move to a more flexible or more regulated labour market. Similar differences in the degree of path dependency could well apply to other indicators of social cohesion. Finally, we note that we cannot assess whether a distinct East Asian cluster can be found because of missing values for Korea.

Plotting ethno-racial diversity against the welfare state (Figure 5.9) produces the same familiar country groupings. Once again, though slightly less cohesive than before, an English-speaking cluster emerges marked by relatively high levels of diversity and low levels of public social expenditure. This conforms to the image of liberal societies as open, inclusive communities offering only limited social protection because of the predominant belief in laissez-faire, private solutions and meritocracy. Once again, the social market group of countries is quite

![Figure 5.9 Ethno-racial diversity and the welfare state](image-url)
Internally diverse if you try to include the southern European states in this group. Two distinct clusters emerge within it: a Mediterranean group combining low diversity with medium levels of public social spending and a cohesive group of core north-west European countries (FRA, B, GER, AU) marked by medium to high levels of diversity and high levels of public social spending. This finding combined with those of the previous scatter plots suggests that Leibfried’s earlier noted criticism on Esping-Andersen’s country groupings was correct and that it is consequently more appropriate to identify a separate Mediterranean cluster existing alongside a north-west European one than to lump the countries of the two groups together in one conservative or social market regime. In view of the high levels of social spending in the last-named group, it would also seem to be more fitting to apply the label of social market to the north-west European countries only. Excepting Iceland, the Nordics also form a fairly cohesive group, showing low to medium diversity and high welfare spending. Eastern European countries also cluster tightly combining low diversity with low/medium spending. As expected, the East Asian countries are very low on diversity although they differ somewhat on social spending (Korea very low; Japan low-medium).

On a different note, it is interesting to observe that there is no relation between diversity and public social spending \( (r = .06; p = .78; N = 27) \). Obviously, this does not support the claim advanced by some (e.g. Alesina and Glaeser, 2004) that diversity undermines social solidarity and that this is reflected in reduced public social spending. Using a much larger sample of 52 states, including many developing countries, Alesina and Glaeser do find a negative relation between racial diversity and welfare spending controlling for GDP per capita \( (\text{ibid.}: 142) \). Possibly, diversity constitutes a greater threat to solidarity in conditions of scarcity and it is this mechanism that can explain why our findings, which are based on a sample of affluent countries, contrast with those of Alesina and Glaeser (see Janmaat, 2009 for a further discussion of this issue).

The same logic might explain why we do not find a relation between diversity and social trust either (see Figure 5.10; \( r = .23; p = .26; N = 27 \)). Based on the premise of belief-congruence theory that people feel less comfortable with people who do not share their beliefs and culture (Rokeach, 1960), one would expect to find a negative effect of diversity on generalized trust, but apparently such an effect can be neutralized by other factors, including perhaps affluence. Indeed, affluence could be the key towards understanding why Delhey and Newton (2005), who
Regimes of Social Cohesion

base their analysis on 60 countries worldwide, do find a negative relation between diversity and generalized trust while Hooghe et al. (2009), who rely on a sample of 20 mainly west European countries and explore the effect of as many as 29 indicators of diversity, do not.

As in the previous figure, clear groupings of countries can be identified corresponding with the postulated regimes, certainly in terms of group membership. A distinct Scandinavian group of countries emerges (joined by the Netherlands) combining high levels of trust with low to medium levels of diversity. An English-speaking settler group of countries also shows a pronounced clustering uniting high levels of diversity with medium levels of trust. The transition countries form a clearly identifiable cluster as well by showing low values on both dimensions. Again, it is only a cohesive social market group of countries that cannot readily be identified, which provides additional support for the aforementioned suggestion to subdivide the social market group into a southern and north-western group. In terms of substance, most clusters are in line with expectation as the protestant Nordics show high levels of trust while the catholic eastern and southern European countries have low to medium levels of trust. However, the levels of trust in
the protestant English-speaking countries, particularly in Great Britain and the United States, are not high, which casts doubt on the religious explanation of trust and levels have declined substantially from the high levels recorded in the 1960s (Almond and Verba 1963: 213). This suggests that trust is not as stable and as strongly rooted in religious traditions as is claimed by Putnam (1993) and Knack and Keefer (1997).

Ethno-racial diversity is not even related to value diversity (see Figure 5.10; \( r = .16; p = .48; N = 27 \)). This non-relationship is not consistent with Huntington's (2004) proposition that the influx of immigrants of non-western backgrounds produces such a degree of cultural pluralism that the stability of Western democracies is undermined. Evidently, value diversity is a product of other processes and legacies. Apart from a very distinctive East-Asian cluster (Japan and South Korea) combining very low levels of both ethno-racial and value diversity, other clusters are more difficult to identify. Each group of countries appears to have its outlier(s). Thus, in conformity with the plural character of their societies, the United States and Canada, as settler states, show high levels of value diversity. However, the settler states of Australia and New Zealand have only low to medium levels of value diversity. Similarly, Sweden and Iceland (low on value diversity) contrast strongly with Denmark and Finland (high on value diversity). The cohesion of the otherwise quite tightly clustered social market group (FRA, B, AU and GER all combine medium levels of ethno-racial diversity with high levels of value diversity) is undermined by the very low score of the Netherlands on value diversity. Surprisingly for countries associated with a tradition that appreciates cultural homogeneity (i.e. romantic conservatism), the east European states show medium to very high levels of value diversity. In sum, the empirical findings only partially support the theory that value diversity is related to ethnic diversity. The East Asian countries cluster and show low value diversity as the theory would predict. The liberal countries are on average quite value-diverse, again in accordance with the theory, but they are not very tightly clustered, with Britain showing only a medium value. The Social Democratic countries on average are not very value diverse, but the wide range of values for the group is too high to say that this really supports the theory. The surprise is that the north-west continental European countries, which are well clustered (with the exception of the Netherlands) appear as value-diverse on average as the liberal countries.

Figure 5.12 plots passive and active civic participation. We see that the two forms are strongly correlated \( (r = .55; p = .006) \) and show a pattern that is to some extent in conformity with the social cohesion
Figure 5.11 Ethno-racial diversity and value diversity

Figure 5.12 Passive and active civic participation
Quantitative Analysis of Regimes of Social Cohesion 113

Civic participation is indeed highest in the English-speaking countries, particularly the active form, while all continental European countries, except for the Nordics, record low levels of both passive and active participation. The Nordics show relatively high levels of passive participation. The social market countries do not show high levels of passive participation, however, which is not what we had expected. Japan has low levels of both types of participation, in conformity with expectations, but Korea’s moderately high levels of participation do not conform with the theoretical model. However, judging by the Asia Barometer data cited (in Chapter 5) for the larger group of East Asian countries, which mostly show low levels of civic participation, it may be that Korea, with its high levels of unionization, is something of an exception for East Asia in this respect. The cohesion of the clusters is also somewhat undermined by the extreme values of the United States, Sweden and Iceland, suggesting that particular national traditions are equally important in shaping civic participation.

Figure 5.13 shows the country patterns on the components freedom versus equality and merit versus equality. Do societies that value freedom more than equality also prefer merit over equality as principles...
governing remuneration, and is it typically the liberal English-speaking societies displaying such opinions, as one would expect in view of their liberal tradition? The answer to both questions is yes, although the ‘yes’ to the second question is more qualified. Broadly, societies appreciating freedom also support the principle of merit ($r = .65; p = .035$). The United States very much conforms to expectation given its high score on both indicators. Canada and Britain also express a relatively strong preference for freedom but their appreciation of merit is relatively low (particularly that of Britain). A more distinct cluster emerges for Catholic Europe (Belgium, Ireland, France, Spain, Italy and Portugal), which has low values on both indicators. The east European countries show a strong preference for merit over equality, indicating that they have decidedly rejected the egalitarian ethos promoted by the former communist regimes. Their score on freedom over equality is more varied however. The social market countries and Nordics are too spread out for them to be identified as cohesive clusters on this measure. At first sight, it seems surprising that the majority in Denmark and Sweden say they value the freedom more than equality. This may be because these countries are already relatively egalitarian and respondents are taking this into account in expressing their relative preferences (even though the question is posed in terms of absolutes). On the other hand, it may be that this type of question is not well adapted to countries like these where the dominant political discourse does not usually posit a dichotomy between freedom and equality.

Let us now turn to the country patterns on conceptions of nationhood and xenophobia to assess whether any remnants of a romantic conservative tradition can be identified. As Figure 5.14 reveals, a preference for cultural markers of nationhood relative to political ones shows a strong positive link with xenophobia cross-nationally ($r = .65; p = .023$ in an analysis of just 12 countries). In other words, nations attaching a relatively high importance to cultural markers are also more fearful of foreigners. As suggested in Chapters 4 and 5, the ethno-cultural traditions have continued to leave their mark on central and eastern European countries (with Poland, Czech Republic, and Hungary in particular all showing high values on both the measures) while Germany appears to have severed its link with the romantic conservative tradition that originated there. Canada and the United States have the lowest value on the ethno-cultural measure, which is in conformity with the liberal tradition, and low (Canada) to low-middling (US) values on the xenophobia measure, which accords with how liberal states like to see themselves. Britain, however, has average values on both, which
doesn’t support the notion of it as an exemplar of liberal nationhood. As there are no data for France, we are not able to put to the test the claims of republicanism to have a dominantly political rather than ethno-cultural view of nationhood. The very high level of identification with cultural markers of citizenship in the Netherlands (combined with middling levels of xenophobia) should also be noted. Hans Kohn associated the Netherlands with the group of states conforming to the civic model of citizenship in the nineteenth century but that association is not apparent from this data for the twenty-first century.

Unsurprisingly, Figure 5.15 shows a strong negative relation between xenophobia and acceptance of immigrants as neighbours ($r = -.75; p = .001$). In other words, countries with high levels of xenophobia show low levels of acceptance of immigrants and vice versa. Very much the same patterns can be observed as in Figure 5.6. The east European countries form a distinct cluster combining high levels of xenophobia with low levels of acceptance of immigrants. In conformity with liberal traditions, Canada, Australia and New Zealand have strikingly low levels of xenophobia and high levels of acceptance of immigrants. The United States and particularly Britain lag behind on both indicators, however.

Figure 5.14 Conceptions of nationhood and xenophobia
Germany, Austria, and the Netherlands cluster reasonably closely together, particularly on levels of xenophobia, with middling values on both dimensions. This time, however, the southern European group fails to cluster and overlaps with the core north-western European social market group. Sweden and Norway have middling positions on the Xenophobia dimension but rank higher on acceptance of immigrants as neighbours. However, in the absence of data on Denmark, Norway, Finland and Iceland, it is hard to identify a Nordic cluster here.

An equally strong negative correlation characterizes the link between social hierarchy and gender equality ($r = –.55; p = .003$) (Figure 5.16). Generally, countries combine high levels of social hierarchy with low levels of support for gender equality (e.g. Korea and Poland) or vice versa (the Nordics and the Netherlands). There are also exceptions to this regularity. Germany, Austria and Switzerland, for instance, have comparatively low values on both indicators while the United States, Canada and Ireland combine strong support for gender equality with high levels of social hierarchy. More broadly, the country scores on both indicators seem to be primarily a reflection of religious heritage,
Quantitative Analysis of Regimes of Social Cohesion

with Protestant countries showing the highest levels of support for gender equality and the lowest appreciation for social hierarchy, Catholic countries record average levels on both indicators and Confucian states showing quite high levels of respect for hierarchy and particularly low levels of support for gender equality, as would be predicted from the theoretical models. Perhaps because of their religious homogeneity, the Nordic countries and the East Asian countries are the most distinctive of clusters. The countries associated with the liberal and social market regimes do not present themselves as clearly demarcated clusters.

Cluster analysis

As noted before, cluster analysis enables an assessment of the similarity of cases in terms of their values on a multitude of variables. For our purposes, it can be used to explore the degree to which the countries cluster in the groups as displayed by Table 5.2 based on all social cohesion indicators together. We did not include union coverage, centralization of wage bargains, violent crime, conceptions of nationhood and xenophobia in the analysis, however, because of the many missing values on
Regimes of Social Cohesion

These indicators. We used the standardized versions of the indicators (i.e. with a mean of 0 and a standard deviation of 1) to ensure that each variable has equal weight in the analysis.

We opted for a hierarchical cluster analysis, meaning that the forming of clusters of cases occurs in a series of stages. The first stage starts with the individual cases and combines the two cases that are most similar in a new cluster. This procedure is repeated in every subsequent stage with two cases, one case and one cluster, or two clusters merging and forming a new cluster. The further the analysis proceeds, the fewer clusters remain but the larger the differences between the clusters become and the more heterogeneous the clusters become internally. In other words, in the initial stages it produces many clusters that are relatively homogenous internally and in the final stages just a few highly diversified clusters are left over (Cramer, 2003). The best visual representation of this process is a dendrogram, which displays the different clusters as horizontal lines on the x-axis (see Figure 5.17). The higher the value on this axis, the fewer the number of clusters and thus the more internally diverse each cluster is. The branching points on the

Dendrogram using Average Linkage (Between Groups)
Rescaled Distance Cluster Combine

<table>
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<td>USA</td>
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</tbody>
</table>

Figure 5.17 Output hierarchical cluster analysis on all indicators
Quantitative Analysis of Regimes of Social Cohesion

axis (i.e. the moments when new clusters are formed) offer good insight into the internal homogeneity of each cluster for a specific cluster solution (by cluster solution we mean the number of clusters produced at a certain stage).

The clusters of countries shown by Figure 5.17, which presents the output of an analysis using all indicators except for the ones noted above, coincide reasonably well with the groups of countries associated with a particular regime. This is most evident for the Nordic group. It can be seen that Sweden, Denmark and Finland form one group together with the Netherlands and Belgium and do not combine with any other group until quite late. Likewise, a distinct English-speaking group emerges comprising Great Britain, Canada and Ireland, which joins a European continental group at yet a later stage in the analysis. However, the United States is conspicuously absent from this group. It forms a unique country cluster until the final stage in the analysis. The social market group once again falls apart in two blocks: a Mediterranean cluster grouping Italy, Spain, Portugal, and a cluster including Germany and Austria, joined at a slightly later stage in the analysis by the three eastern European countries. The latter, remarkably, forms precisely the group of countries believed to represent a romantic conservative tradition. Thus, Kohn’s ethnic-east/civic-west framework appears to be at least as relevant in explaining the country groupings as Esping-Andersen’s tripartite regime typology.

Figure 5.18 shows the results of a cluster analysis using only the administrative indicators, which has the effect of bringing Switzerland, Norway, Australia and New Zealand into the analysis. As we can see, a next to perfect liberal cluster emerges grouping all the English-speaking countries, the United States included, and Switzerland, the only odd one out. Clusters representing each of the other traditions also come to the fore: 1) a social democratic group emerges including the Nordic countries and Belgium; 2) a social market cluster appears composed of all the northern and southern states associated with it and Japan (but excluding Netherlands); 3) a separate eastern European group shows up composed of the four Visegrad countries and Netherlands (!), which joins the social democratic group at a later stage in the analysis. In sum, aside from several misfits (Switzerland, Belgium, Netherlands), the analysis based on administrative indicators yields groups of countries that fit the social cohesion traditions almost perfectly. This suggests that the notion of distinct path-dependent traditions particularly applies to material, ‘objective’ conditions and may be less appropriate for the subjective world of opinions, beliefs and attitudes. Indeed, a
recent study on the criteria that European native majorities hold to be important for deciding which immigrants can stay in the receiving country found that the cross-national types of such opinions did not conform to the welfare regimes and integration philosophies as highlighted in the political economy and citizenship literature (Bail, 2008).

Before exploring this issue further, we first assess whether including the two indicators on wage regulation in the analysis makes a difference.

Figure 5.19 shows that adding these two indicators does not fundamentally change the country clusters of Figure 5.18. In fact, the social market group emerges as an even tighter cluster as all the countries it is said to include (excluding Belgium) join at a relatively early stage. The Netherlands also becomes part of the social market group but that may be the result of the transition countries being excluded from the...
Analysis. The only key change by comparison to the previous figure is that the United States resumes its separate position. Evidently the United States must be quite different from the other English-speaking countries with respect to union coverage and centralization of wage bargaining. As there are so few changes by comparison to the previous figure, the aforementioned proposition about the difficulty of welfare regime theory to account for the subjective world of opinions and attitudes remains valid.

We finally turn to a cluster analysis based on attitudinal indicators only (Figure 5.20). It appears that the clusters of countries correspond almost exactly to those of Figure 5.17: a romantic conservative group emerges comprised of GER, AU, and the four Visegrad countries; a south-west European cluster can be observed including FRA, IRE, POR, SPA, ITA, and BEL, which clearly reflects the influence of Catholicism; a cohesive Nordic group emerges joined by the Netherlands, and a liberal group consisting of Great Britain and Canada comes to the fore. The United States once again forms a cluster by itself. In sum, Esping-Andersen’s tripartite regime typology works for the clusters based on
Regimes of Social Cohesion

administrative indicators but is able to explain only some of the country groupings based on attitudinal indicators. Crucially, when adding the attitudinal indicators, the social market group falls apart in a Catholic south-west European group and a romantic conservative central European group.

Indexes

As explained above, the indexes reflect theoretical constructs corresponding to each of the regimes and traditions. We used the social cohesion components and associated regimes and traditions of Table 5.1 as a guideline in the construction of the indexes. The signs placed after the traditions in this table are crucial as they indicate the substantive character of each of the regimes or traditions in terms of the social cohesion components (and their corresponding indicators) in relation to other traditions. Thus, the liberal regime stands for relatively high levels of inequality, low levels of state involvement, low levels of public social expenditure, high levels of active civic participation, and so on. The challenge is thus to construct an index for each of the regimes or

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Figure 5.20  Cluster analysis on indicators drawn from opinion surveys
traditions that captures this relative score on each of the components. The best way to do this, in our view, is to first standardize the indicators and then create an index that combines an addition of the standardized indicators on which the corresponding regime or tradition is thought to show relatively high values with a subtraction of the standardized indicators on which that regime or tradition is deemed to have low values. As low values on standardized variables appear as negative scores (remember that standardized variables have a mean of zero), subtracting these scores produces positive values. Consequently, a country with high values on the first-named indicators and low values on the last-named would automatically get a high value on the index. We can illustrate this with the following example. Say we create a liberalism index using standardized versions of the aforementioned four indicators and there is a country with a value of .85 on inequality (i.e. higher than average), −.50 on state involvement (i.e. lower than average), −.90 on social expenditure and .20 on active civic participation. The country would have liberalism index score of .85 + .20 − (−.50) − (−.90) = 2.45.

Following this procedure, we created four indexes, one for each regime or tradition. Table 5.3 shows the composition of these indexes in terms of the components (as tapped by their standardized indicators) that were added up (marked by a plus) and those that were subtracted (marked by a minus).

We are now in a position to assess the country rankings on the indexes. Do we see the countries associated with a particular tradition leading the rank order of the corresponding index? Table 5.4 shows that this is indeed the case. The English-speaking countries have the highest values on the liberal index, the Nordic ones on the social democracy index, the continental European ones on the social market index (from Austria topping the league to Belgium in the 6th position), and South Korea and Japan on the East Asian index. The degree of group cohesion, moreover, is remarkable as all the countries associated with a particular tradition form a continuous order in the top positions on the corresponding index. The only exception to this pattern is the social democracy index where the Netherlands occupies a third position, interrupting the order of countries linked with this tradition. Broadly, however, the conclusion is warranted that the social cohesion profiles of individual countries very much correspond to the regimes or traditions these countries are associated with, both substantively and in terms of group cohesion.

We need to express three reservations though. First, despite countries having continuous sequential rankings in the top positions, there can
be large differences between countries within a single group. Thus, the
difference between the United States and Great Britain, number one
and three on the liberal index respectively, is slightly larger than that
between Great Britain and Belgium, the country trailing the index.
Similarly, the distance between Austria and Spain, numbers 1 and 10
on the social market index respectively, is huge. These substantial inter-
national differences suggest that unique national developments are at least
as important in shaping social cohesion profiles as distinct regional/
cultural traditions.

Second, the indexes differ in the degree to which they distinguish
themselves from the other indexes. The liberal index appears most
distinctive as the countries leading its ranking order trail the ranking
order of countries of the other three indexes. Similarly, the social democracy index is fairly distinctive as the countries heading its league have low-to-medium scores on the liberal and East Asian indexes. The social market index appears least externally distinctive given the relatively high scores of the Netherlands, Belgium and Germany on the social democracy index and of Italy and Spain on the East Asian index. This suggests that there is some overlap between the social market regime on the one hand and the social democratic and East Asian regime on the other. Correlations between the indexes substantiate these observations. While the liberal index shows a strong negative link with the social market index \( (r = -0.85; p = .000) \) and a slightly less strong but still negative relation with the social democratic Index \( (r = -0.44; p = .097) \) and the East Asian index \( (r = -0.46; p = .087) \); and the social democratic index is negatively correlated with the East Asian index \( (r = -0.46; p = .083) \); the social market index is positively correlated with the social democratic index \( (r = 0.12; p = .684) \) and strongly so with the East Asian index \( (r = 0.59; p = .021) \) (all correlations are based on 15 observations).

<table>
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Third, and related to the second point, it is unclear to what extent these indexes, which are purely based on theory, reflect cohesive syndromes of social cohesion. The poor external distinctiveness of the social market index suggests that they may well only represent loose amalgams of unconnected empirical phenomena. The ensuing factor analyses shed further light on this issue.

**Factor analyses**

We performed a Varimax-rotated factor analysis on all the social cohesion indicators based on a sample of 19 countries. A factor analysis of this type is not trying to produce as small a number of dimensions as possible, but instead attempts to distribute the explained variance in as even a manner across the extracted dimensions, while ensuring simultaneously that these dimensions are not correlated to one another. The dimensions are thus maximally distinctive vis-à-vis each other. Table 5.5 shows the output of this analysis. The first column lists the indicators – as represented by the components they are tapping. Columns 2 to 5 present the loadings of the indicators on the extracted dimensions (loadings of more than .5 or less than −.5 are given in bold). We see that the analysis has produced four dimensions with an Eigen value of more than 1. While the first three dimensions each explain roughly the same amount of variance (19–25%), the fourth dimension accounts for just 13 per cent of the variance in the 14 indicators.

The first dimension is characterized by strong negative loadings of inequality and social hierarchy and strong positive loadings of state involvement, passive participation and social trust. In other words, countries with high rates of state involvement, passive participation and trust also tend to have low levels of inequality and social hierarchy. Because of this pattern of loadings, we decided to label the first dimension ‘social democracy’. The second dimension captures welfare state (−), employment protection (−), crime (+), active civic participation (+), and passive participation (+). Clearly, this dimension can be said to reflect ‘liberalism’. We labelled the third dimension ‘diversity and tolerance’ because of the high positive loadings of ethno-racial diversity and ethnic tolerance alongside the other positive loadings of inequality and gender equality and negative loading of merit versus equality. The residual dimension, finally, combines components as diverse as value diversity (+), welfare state (+) and state involvement (+), making it difficult to find an appropriate label for it. As it is unclear what this dimension precisely taps and as it captures just 13 per cent of the variance, we omitted it in further analyses.
With respect to the social democratic and liberal traditions, the factor analysis thus produces remarkably clear results: there indeed appear to be coherent syndromes of social cohesion characteristics that correspond to these traditions. The two traditions thus represent not only theoretical constructs but also clearly observable empirical phenomena. A social market syndrome could not be identified, however, which further underlines the doubts expressed with regard to this tradition previously. Instead, the third dimension produced by the analysis seems to tap into a romantic conservative tradition, representing as it does the inverse of ethno-cultural homogeneity, intolerance and patriarchy.

An equally clear picture can be obtained by saving the country scores on the dimensions and plotting these in scatter diagrams (Figures 5.21 and 5.22). The diagram plotting liberalism against social democracy shows that the English-speaking countries cluster fairly tightly (although the United States is a pronounced outlier), combining medium-high scores of liberalism with low values on social democracy.

Table 5.5  Results of factor analysis

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<tr>
<td></td>
<td>Diversity and tolerance</td>
<td>Pluralism and state involvement</td>
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<td>Employment protection</td>
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<td>−.852</td>
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<tr>
<td>State involvement</td>
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<td>.016</td>
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<tr>
<td>Crime</td>
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<td>.643</td>
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<tr>
<td>Value diversity</td>
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<td>.086</td>
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<tr>
<td>Active civic participation</td>
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<td>.832</td>
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<tr>
<td>Passive participation</td>
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<td>.500</td>
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<tr>
<td>Interpersonal trust</td>
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<td>Merit versus equality</td>
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<td>Social hierarchy</td>
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<td>.060</td>
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<tr>
<td>Explained variance (%)</td>
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Note: Extraction method: Principal component analysis.

Note: Rotation method: Varimax with Kaiser normalization.

With respect to the social democratic and liberal traditions, the factor analysis thus produces remarkably clear results: there indeed appear to be coherent syndromes of social cohesion characteristics that correspond to these traditions. The two traditions thus represent not only theoretical constructs but also clearly observable empirical phenomena. A social market syndrome could not be identified, however, which further underlines the doubts expressed with regard to this tradition previously. Instead, the third dimension produced by the analysis seems to tap into a romantic conservative tradition, representing as it does the inverse of ethno-cultural homogeneity, intolerance and patriarchy.

An equally clear picture can be obtained by saving the country scores on the dimensions and plotting these in scatter diagrams (Figures 5.21 and 5.22). The diagram plotting liberalism against social democracy shows that the English-speaking countries cluster fairly tightly (although the United States is a pronounced outlier), combining medium-high scores of liberalism with low values on social democracy.
Figure 5.21  Social democracy and liberalism

Figure 5.22  Diversity and tolerance and liberalism
The Nordics likewise form a coherent group and show, as expected, the highest scores on social democracy (although Finland falls somewhat behind and the Netherlands joins this cluster) and medium values on liberalism. The social market group falls apart in two tight clusters, one combining low values on both dimensions and consisting of France, Spain, Italy and Portugal, and another combining low values on liberalism with medium values on social democracy and including Germany, Austria and Belgium. Lastly, the transition countries form a distinct cluster assuming, as they do, medium positions on liberalism and social democracy, although Poland constitutes somewhat of an outlier with a low value on social democracy.

The most conspicuous feature of the diagram plotting liberalism against diversity and tolerance is the tight clustering of the three East European countries along with Japan and their remarkably low values on the diversity and tolerance dimension in relation to the other countries. Clearly this supports the notion that conservative and essentialist ideas (still) frame national identities, opinions on ethnic others and social relations in these countries.

Conclusions

We find that three distinctive regimes can be identified, each referring to be fairly stable group of core countries: 1) the liberal regime, corresponding to the English-speaking countries; 2) the social democratic regime, corresponding to the Nordic countries and 3) the social market regime, corresponding mainly to a core group of north-western continental countries, including the Germany, Belgium, Austria, and France. Southern Europe is only marginally related to the social market regime and on many characteristics Catholic southern European countries form a separate cluster with specific characteristics, as do the new central and eastern European states. East Asia appears in many respects as a distinctive regime, but we have insufficient cases in the statistical analysis to posit this with confidence.

The various statistical tests we have carried out in this chapter largely confirm the models that were derived from the analysis of historical traditions in political philosophy and from comparative political economy regime theory. The scatter plots for a variety of indicators show that in most instances countries associated with particular regimes do have the characteristics imputed to those regimes by the theory. The cluster analyses, using different sets of indicators, generally find the same clustering of countries as suggested by the theoretical models,
although in two of the four analyses the social market grouping proves to be unstable. The use of composite indicators for the four imputed regimes brings out the country clusters in almost perfect conformity with the models. Subsequent factor analyses shows that the characteristics associated with the countries in each cluster show significant levels of correlation, which indicates that the regimes represent coherent syndromes and not merely aggregated but unrelated characteristics. In general, the statistical analysis is confirming the models generated from the theoretical analysis. However, there are two important caveats. The first is that there is considerable internal variation within each regime. The second is that the boundaries of the social market regime are not sharply defined.

The statistical analysis suggests that the main countries associated with the social market regimes are the north-western continental European countries, including Germany, Austria, Belgium and France. Southern European countries are only marginally related to the social market regime on some of the indicators and more often form their own cluster. On most of the scatter plots, the social market clustering appears only for the north-western states and the southern states often form a distinct cluster. The cluster analysis using all the indicators does find a cluster that includes most of the north-western and southern states, and likewise the cluster analysis using only administrative data. However, there is no coherent cluster for the expanded set of countries when you add wage regulation indicators to the analysis and likewise using attitudinal data. The index analysis seems to make the point most clearly. The core north-western European countries do indeed score in top position for the composite indicator for the social market regime (Germany, Austria and France). Southern European countries score lower than these but higher than most other countries. This suggests that they have an association with the social market regime but only a loose one.

The statistical tests also indicate that the boundary between the social market regime and the social democratic regime is sharp only on some indicators – for others there is considerable overlap. This suggests that the comparative political economists who lump together in a single social market group, in respect of their economies, the countries we have distinguished as social market and social democratic have a point. On the other hand, the social democratic regime remains highly distinctive on the social dimensions and hence we feel justified in distinguishing these two regimes of social cohesion.

The fact that many of the characteristics associated with particular contemporary regimes in the statistical analysis could be predicted
from the historical analysis of the different political philosophy traditions of social cohesion in the nineteenth and twentieth centuries does suggest that there is a degree of path dependency in how countries and groups of countries deal with issues of social cohesion. This is particularly true in relation to the liberal and social democratic traditions, and possibly also for East Asia, although our data are insufficient to say this with confidence. However, clearly this path dependency is not absolute. Countries go through major social, political and economic transformations, even where these are constrained by their prior traditions and inherited institutional structures. The case of Germany and the central and eastern European states illustrates this point very well. Our statistical analysis suggests that the characteristics we associated with the romantic conservative tradition that were historically highly influential in central and eastern Europe still continue to shape many countries in the region. In particular, the ethno-cultural traditions of nationhood and citizenship which Kohn attributed to the region do still predominate in many states. However, some countries, and most notably Germany, have decisively transformed themselves and moved away from this tradition.

Our theoretical and statistical analyses suggest that the different regimes of social cohesion are constituted both by distinctive sets of attitudes and behaviours and by particular institutional characteristics that underpin these attitudes and behaviours. In some ways, the institutional and behavioural characteristics bring out the regime differences more clearly than the attitudinal characteristics. This may be partly because the latter are captured in administrative data, which may be more reliable than the survey data that is used to tap attitudes. Certainly, it is difficult to find survey questions that tap the relevant attitudinal characteristics very precisely and even then there are problems of the conceptual equivalence of survey items across countries, which hampers comparative analysis. Further work no doubt needs to be done on this.

The use of both institutional and attitudinal indicators also raises some difficult definitional issues. When is an institutional characteristic constitutive of a particular type of social cohesion and when should it be considered a cause? We have not sought to explore this question here but clearly more systematic analysis needs to be performed on the contextual factors that act as preconditions for different types of social cohesion. What is very clear, however, from the analysis here is that institutional forms are integrally related to attitudinal and behavioural characteristics in different social cohesion regimes.
The liberal regime of social cohesion exhibits the classic historical preferences for freedom over equality. Income inequality is high and state welfare expenditure relatively low. Institutional underpinning of social cohesion is relatively weak. Typically, there are low levels of employment protection, and union coverage and solidaristic forms of centralized trade union bargaining are limited. Societies associated with this regime tend to be ethnically and culturally diverse, with high levels of values diversity on our measures, and some (Australia, Canada, New Zealand) come out relatively highly on the various measures of tolerance (although core states such as Britain and the United States are not necessarily as tolerant as exponents of their liberal traditions would like to claim). The relatively high rates of violent crime (although not necessarily homicide) point to limitations in the cohesiveness of these societies. On the other hand, they have high levels of civic participation and quite a high degree of consensus around the core liberal values of freedom and merit, which may help to bind the societies together. All the English-speaking countries (except Ireland) seem to be associated with the liberal tradition, but there is considerable variation between countries on many key characteristics. In particular, the United States is an outlier on many measures, often at the extreme end of the scale in terms of liberal characteristics.

The social market regime, by contrast, is associated with strong institutional embedding of social cohesion. Public spending on welfare and employment protection tends to be high in most states. Income inequality is moderate and trade union coverage is high but states vary from high to middling on centralization of trade union bargaining. Civic participation tends to be lower in countries associated with the social market regime than in the liberal states, which bears out the theoretical analysis that social cohesion owes relatively more to the state and less to civil society within this regime than in the liberal regime. However, the theory also suggests that shared values constitute an important part of what hold societies in this tradition together. This is not entirely obvious from our statistical analysis. The core countries associated with the social market regime vary considerably on the degree to which on aggregate they value freedom and merit over equality and their populations certainly don't have consensual attitudes on these issues. In fact, one of the biggest surprises of the statistical analysis is that values diversity in social market countries is often higher than in liberal societies. In some cases (like Austria, France and Germany), this may reflect the fact that their populations are as ethnically diverse as in the liberal states, although our analysis did not find a correlation between value
diversity and levels of immigration. However, it may also reflect substantial generational differences in values. These may be greater in some social market states than in a number of liberal states which, according to Inglehart (1990, 1997), started the transition to post-materialist values earlier. If correct, this would suggest that the social market regime of social cohesion is in a transitional cultural phase in terms of values and attitudes.

The social democratic regime of social cohesion, like the social market regime, also seems to depend highly on the institutionalization of solidarity. High public welfare spending, high levels of centralized union bargaining with wide union coverage, and a strong redistributive role for the state all contribute to solidaristic labour market behaviour and to relatively low levels of income inequality. The institutional embedding of social cohesion seems to be even stronger in the social democratic regime than in the social market regime. What is more, there appears to be more a more pronounced contribution from social values to social cohesion in these countries than in the social market ones. Levels of trust in the social democracies are exceptionally high, and much higher than in the other regimes. This cannot be attributed solely to greater ethnic homogeneity in these societies; although this may play a part in Norway and Denmark, Sweden is both ethnically diverse and highly trusting.

How much social cohesion in the social democratic and social market states owes to shared values remains something of a mystery because contemporary country levels of value diversity in our statistical analysis are not obviously lower in countries that have historically placed a high premium on shared values. We turn to the puzzle of value diversity in Chapter 6.
This chapter uses WVS data to test the four perspectives on value diversity that are outlined below. Our starting point is the surprisingly high level of value diversity in the social market and transition groups of countries by comparison to the liberal states (see Chapter 5). Current theory on cultural continuities is unable to account for this pattern. This body of theory would expect liberal states to show the highest level of cultural pluralism because of individualism, the self-proclaimed toleration of diversity in these countries and the reluctance of their governments to intervene in cultural affairs and foster a particular set of norms and values through the education system or other agents of socialization. Value diversity should be lower in the social market and transition countries due to a more collectivist culture rooted in the republican tradition or in the romantic conservative conception of the nation as a community defined by descent, language and common values. Moreover, immigration levels could not account for the cross-national variation in value diversity either as we found no relation between the proportion of immigrants in the population and a country’s degree of value diversity (see Figure 5.11).

We hypothesized – but did not explore – the possibility that the anomaly reflects greater value differences between generations in the social market countries. This hypothesis is derived from Inglehart’s (1990, 1997) theory of post-materialist value change caused by rising levels of prosperity. The current chapter will start by explaining this theory in greater detail and by assessing whether the pronounced value differences in social market countries are indeed a reflection of generational differences. If they are, we may have to conclude that the cultural component of social cohesion regimes is less marked by path dependency.
and more responsive to external processes than other social cohesion components.

So far our discussion of value diversity has focused on substantive values. It may however be asked whether such values – and their disparities – are that relevant for social cohesion. Many scholars emphasizing the importance of ‘shared values’ for social cohesion and stable democratic rule implicitly or explicitly indicate that they have not so much any kind of (substantive) values in mind but rather basic values, that is, values held to be constitutive of liberal democracies (e.g. Dahl, 1967; Lipset, 1994). Although there is no agreement as to the substance of these values, many scholars would argue that tolerance, participation, civic equality, and support for the principle of liberal democracy constitute such values. Interestingly, with regard to basic values, the literature suggests a completely different pattern of value diversity across countries. Writers such as Dahl (1967) and Rose (1969) have, for instance, claimed that there is a remarkable consensus in countries such as the United States and Great Britain on the norms and values helping democracies deal with conflict and remain stable. According to these writers, less successful or more recent democracies show more disagreement on such values. The question is thus whether the countries associated with the liberal regime will actually show greater consensus on these values than social market societies and countries with shorter histories of democratic rule. The second section will explore this ‘consensus’ perspective.

The aforementioned authors, labelled ‘consensus theorists’ by Mann (1970: 423), have, however, been criticized for failing to recognize power differences within democratic societies. Mann (ibid.), for instance, argues that ruling groups are more interested in maintaining the democratic status quo than subordinate groups and the latter can therefore be expected to show only lukewarm support for the idea of democracy. They, in Mann’s words, are likely to show ‘pragmatic acceptance’ at best (ibid., p. 425). If Mann is right, we can expect to find serious disagreement on basic values across social groups within Western societies. The degree of disagreement could moreover be linked with inequalities and social stratification in the sense that, in societies with the largest inequalities of income and skills and the lowest social mobility rates, social groups can be expected to differ most on basic values. It is after all in such societies that disadvantaged groups seem to benefit least from the existing democratic order. Indeed, it has been argued that support for and participation in democratic politics is likely to be particularly low among disadvantaged
groups in the more unequal societies. Morris and Western (2001: 880), for instance, observe that:

Political apathy may be one of the by-products of a high level of inequality. As those at the bottom of the income distribution feel increasingly remote from the mainstream, alienation from politics grows, election turnout declines, and the public sphere shrinks to include just the affluent.

As inequalities are highest and mobility rates lowest in the liberal states (Esping-Andersen 2005; Green et al., 2006; Blandon et al., 2005), we can expect these states to show the greatest diversity of opinions across social groups. Obviously, this hypothesis is completely at odds with the claim by the consensus theorists that consensus on basic values is most pronounced in liberal states. The third part of the chapter will investigate Mann’s proposition and the hypothesis that the degree of values consensus across social groups depends on the social stratification of society.

Related to the idea of value diversity across social groups is the proposition that, in the current age of globalization, national culture is being eroded by increasing cultural diversity within societies and increasing cultural homogeneity between societies. This proposition brings a dynamic and international element into the analysis. It is argued that globalization contributes to inequality and polarization at the national level by creating a society of winners and losers (Lawrence, 1997). The winners are the highly skilled professionals, technical personnel and managers who seize the opportunities in the expanding world economy (Rodrik, 1997) and whose attitudes and values are becoming increasingly alike at an international level. By contrast, the losers of globalization are typically un-skilled and semi-skilled workers (Wood, 1995). They remain thoroughly national in outlook and have seen their job security, status and income diminished by the shift from manufacturing to service economies, by relocation and outsourcing processes and by neo-liberal policies (Offe, 1987; Jessop, 1994; Morris and Western, 2001). Political cynicism is their response (Dalton, 2004). They increasingly turn their backs on established political parties, who are accused of sacrificing the interests of the common man to competitiveness and multiculturalism. Their frustration is manifested in mass support for populist parties with nationalist and anti-immigrant platforms (Betz, 1994; Kitschelt, 1995; Kriesi, 1999). At the national level, the conflicting interests of the winners and losers of globalization are translated
into cultural fragmentation and a polarization of the political landscape where centre parties are increasingly giving way to the extremes. The fourth section of this chapter will investigate whether privileged and disadvantaged groups are increasingly drifting apart on support for basic values at the national level and whether privileged groups are becoming more alike culturally at the international level.

We note that the two last conjectures, that is the proposition put forward by Mann and the proposition about the cultural effect of globalization, are general in nature in the sense that they do not foresee the possibility of enduring differences between countries in how they cope with new social challenges and processes. In other words, the path-dependent regime element is missing in these perspectives. Therefore, if the analyses presented in the last two sections produce uniform geographical patterns in line with (one of) these two conjectures, we will observe that regime theory is less able to account for patterns of cultural diversity than the other perspectives discussed here.

**Conjecture one: value diversity as a reflection of inter-generational differences**

In the introduction, we postulated that Inglehart's theory of value change might account for the surprisingly high levels of value diversity in the countries associated with the social market regime. According to this theory, Western societies are experiencing a change from materialist to post-materialist values through the mechanism of generational replacement. People with materialist orientations, in Inglehart's conception, value economic and physical security, which is manifested in strong support for law and order and conservative policies. People with post-materialist convictions, by contrast, are not afraid of change. They value individual autonomy, pluralism, freedom of expression, social justice and become concerned with wider social issues such as the environment, human rights, and gender/racial equality. The source of the cultural transition is rising levels of prosperity. Key to the theory is the notion that generations that have experienced scarcity and insecurity in their formative years will tend to develop materialist dispositions in adulthood, while generations which have grown up under conditions of affluence will adopt post-materialist orientations. Consequently, rising living standards will set in motion a process of cultural change in which generations who have still experienced scarcity in their childhood years and who have accordingly developed materialist orientations will gradually be substituted by younger generations with post-materialist convictions.
As Western societies have become affluent at different points in time, we can expect them to show differences in the degree of progression of this change. Countries that have developed high levels of prosperity relatively early may well have reached a near-to-completion stage in the transition to post-materialism. In other words, in these countries, almost all generations predominantly have post-materialist values and only the oldest generations still endorse materialist values. In such societies, the degree of value diversity is therefore likely to be smaller than in societies only halfway through the change to post-materialism and where the differences between the generations in support for post-materialist values are consequently substantial. The English-speaking states and the Scandinavian countries were the first to reach high levels of economic affluence, while the Western continental European states typically lagged one or two decades behind these early achievers. In 1960, six of the top ten states ranked by GDP per capita were English-speaking and Scandinavian states, the others being small states such as Luxembourg, Bermuda and the Bahamas. We would thus expect the first-named group to show smaller cultural disparities (because of the topping off of the transition to post-materialism) than the latter.

If the conjecture of value diversity reflecting intergenerational differences is correct, which patterns in the data should we observe? We might first of all expect that the conjecture holds for post-materialist values themselves: 1) countries with high levels of support for post-materialist values should have smaller disparities of post-materialist values than countries with average levels of support for such values (because nearly all generations endorse post-materialist values in the former); 2) the correlation between age and support for post-materialist values should be weaker in the countries with small disparities of post-materialist values (because the generational divide should be the main driver of value diversity). The next step is to see whether our measure of value diversity (a composite index representing the standard deviations of seven items on ‘contentious issues’ (CI): see Appendix.) shows patterns consistent with the conjecture. If so, we would expect to find the following regularities: 3) large disparities on CI are linked with large disparities on post-materialist values (as this will indicate that the conjecture applies not just to post-materialist values but also to other value orientations); 4) as in (2) above, the correlation between age and CI attitudes is weaker in the states with small disparities of CI.

We utilize Inglehart’s (1990: 74–6) four-item composite index to measure support for post-materialist values. The index has three values: 1) materialist values; 2) both materialist and post-materialist
values; 3) post-materialist values. Materialist and post-materialist values are thus represented as mutually exclusive. The index is composed of the following items from the WVS:

- Maintaining order in the nation (−)
- Giving people more say in the decisions of the government (+)
- Fighting rising prices (−)
- Protecting freedom of speech (+)

A minus indicates that the item is negatively correlated with the index, a plus indicates a positive correlation.

We can assess the four hypotheses with scatter diagrams. Figure 6.1 shows a curvilinear relation between levels of support for post-materialist values and disparities of post-materialist values (as measured by standard deviations of the post-materialism index). Countries with very low scores on the post-materialism index (Hungary, Slovenia and Korea) have relatively small disparities of post-materialist values; countries with average scores (Germany, France, Spain and Belgium) have relatively large disparities and countries with high scores show low to medium disparities (Denmark, Sweden, Netherlands, the United States). This is consistent with the first hypothesis. We would indeed expect countries with either low or high aggregate levels of support for post-materialist values to show small disparities on post-materialist values as the generation gap is likely

![Figure 6.1](image_url)  
Figure 6.1 Mean levels of post-materialism and diversity of post-materialism
to be smaller in these countries. Note, however, the countries that do not fit the pattern (Japan, Norway, Iceland). We further note, not unimportantly, that the figure provides strong support for regime theory. We see clear clusters of countries corresponding to the proposed regimes:

1) countries associated with the social market regime (Germany, France, Spain and Belgium) combining average post-materialist levels with high diversity;
2) the liberal states combining high post-materialist levels with average diversity (Great Britain, Austria, Canada, US, New Zealand);
3) the Nordics combining high post-materialist levels with low diversity (Norway, Denmark, Sweden); 4) the transition countries combining low post-materialist levels with average diversity (Hungary, Slovakia). The results are thus in agreement with both Inglehart’s modernist theory of cultural change and the notion of enduring cultural differences between countries rooted in distinct religious and institutional traditions.

Are countries with large disparities in post-materialist values also those with the strongest correlation between age and support for post-materialist values (Hypothesis 2)? Figure 6.2 shows that this is indeed the case: the more value diverse the country, the more negative the

![Graph showing the correlation between age and post-materialist values.](image)

Figure 6.2 Diversity of post-materialist values and the correlation between age and post-materialist values
correlation between age and post-materialism (e.g. Spain, Portugal, Italy, Germany). The correlation between value diversity and the coefficient of age × post-materialist values, moreover, is very strong: \( r = -0.50; p = .007 \). In other words, in the most value-diverse countries the difference between young and old in their endorsement of post-materialist values is largest. The generation gap thus indeed appears to be the main source of pluralism on post-materialist values. As in Figure 6.1, we continue to see clusters of countries consistent with the proposed regimes, such as 1) a liberal cluster of English-speaking settler states combining medium levels of value diversity with very weak correlations between age and support for post-materialist values, 2) a social democratic group of countries (Denmark, Sweden, Norway) showing low levels of value diversity and medium-weak correlations of age and post-materialist values and (3) a group of social market countries (Italy, Belgium, France, Germany, Spain and Portugal) combining high levels of diversity with medium-strong correlations between age and post-materialist values.

Turning now to the third hypothesis, we can see that countries with considerable pluralism on post-materialist values indeed also rank high on our CI measure of value diversity (Figure 6.3 – see, for example,
the scores of France, Belgium, Germany, Spain, and Italy, and compare them with the low scores on both indicators of Sweden, Japan, Iceland, and Netherlands). This indicates that the generation gap conjecture is of some use in explaining the pluralism in values and attitudes other than those included in the materialism/post-materialism dimension. However, the correlation, though significant, is not very strong ($r = .40; p = .031; N = 29$) and is far from perfect. Denmark and Norway, for instance, combine low diversity on post-materialist values with high diversity on CI. Korea shows the opposite pattern. We also find countries with high scores on CI diversity and medium scores on post-materialist diversity (Slovakia, Switzerland, United States). Apart from a clearly discernable social market group of countries combining high degrees of pluralism on both dimensions, no clear clusters can be identified that correspond to any of the proposed regimes.

Let us finally investigate the fourth hypothesis: are the most diverse countries on our measure of value diversity also those with the strongest correlation between age and CI attitudes? To measure support for CI attitudes, we created a composite CI index based on the seven items displayed in Appendix 1. We first explored how age correlated with each of these items and then inverted the answer scales of those items that age showed a positive correlation with (i.e. the items on environmental pollution and immigration policy). Next, the items were standardized to ensure that each item had the same weight in the composite index. Finally the index was created by adding up the values of the standardized items. High values on this index represent on balance 1) acceptance of homosexuality, abortion and euthanasia, 2) approval of increasing taxes to prevent environmental pollution, 3) disapproval of competition, 4) approval of an open immigration policy, and 5) support for a greater role of the state in providing for people. Low values represent the opposite. In the pooled WVS sample, age shows a negative correlation with this index ($r = -.19; p = .00; N = 44,867$), indicating that older people tend to not be as accepting of homosexuality, abortion and euthanasia, to disapprove of increasing taxes, to favour a more restrictive immigration policy, and so on. Figure 6.4 shows that countries vary in the strength of the correlation between age and the CI index. In Spain, Germany, and Japan the correlation exceeds $-.35$ while in Turkey, the United States, Denmark, and the Netherlands it is between $-.10$ and $-.15$. More importantly, there appears to be no relation between value diversity and the strength of the correlation between age and the CI index. Contrary to expectations, there is even a slight positive relationship ($r = .15; p = .43; N = 29$), indicating that the
effect of age on the CI index is actually weaker in states with the highest levels of value diversity. This suggests that age is not the prime driver of diversity on CI attitudes.

Why is there no relationship between value diversity and the effect of age on the CI index? The answer is that the CI index we constructed is composed of a highly diverse set of items. Age is closely correlated with only some of these items. The others show stronger relationships with other predictors such as gender, education and income. This is revealed by further analyses. An exploratory factor analysis conducted on the seven standardized items produced not one but three components, demonstrating that the CI index indeed represents a multidimensional construct. Age was found to show a strong correlation with only one of these components, that is, the component capturing the items on homosexuality, abortion and euthanasia. Gender, income and particularly education proved stronger determinants of the other two components. What do these results tell us? They tell us that the variation in value orientations as a whole is driven

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Figure 6.4 Divinity on contentious issues and the correlation between age and the contentious issues index
Regimes of Social Cohesion

by much more than age alone. Inglehart’s generation replacement perspective may apply to some values (post-material ones and ones related to ethical issues), but that by no means implies that all other substantive values are also significantly affected by the generational divide. Different value orientations are linked with different social background characteristics. In short, the generation perspective can only account for most of the variation in a limited number of values. Many more conditions affect overall value diversity. The puzzle of high value diversity in the social market group of countries thus remains unresolved.

Conjecture two: pluralism in substantive values but consensus on basic values

So is it true that liberal states show strong pluralism in substantive values but near to consensus on basic values, i.e. the values held to be constitutive of liberal democracy? This raises the question what the latter are. As noted earlier, there is no agreement among scholars about these values. While Bellah et al. (1985), for instance, deem a common Christian morality to be the glue that holds some predominantly Christian societies together (a morality that they think has been eroded by individualism), Almond and Verba (1963) and Dahl (1967) argue that values relating to the institutions of democracy are key. Social cohesion, in their view, is assured when citizens agree on the political institutions and procedures and on the ways to participate in them. Given the disagreement about what these basic values should be, we decided to only look at attitudes which are most directly linked to the liberal democratic order. These concern: 1) support for a democratic system of government, 2) support for alternative (i.e. authoritarian) systems of government and 3) beliefs about how society should be changed. The first attitude can be considered vital for democracy as democracies rely on public legitimacy for their long-term survival (Klingemann, 1999). Consequently, the more people lose faith in democracy and start preferring authoritarian solutions (i.e. the second attitude), the more the liberal-democratic order is at risk. The third set of attitudes has also been related with democratic rule. According to Harmel and Robertson (1986: 1035), people who believe that society needs to be radically changed by revolutionary action are expressing ‘a more active rejection’ of democracy. By contrast people who think that society should be ‘valiantly defended against subversive forces’ are, in their view, strong supporters of democracy as system of government.
We make use of the following items in the WVS/EVS to tap the three attitudes:

'I'm going to describe various types of political systems and ask what you think about each as a way of governing this country. For each one, would you say it is a very bad, bad, good or very good way of governing this country?'

- Having a strong leader who does not have to bother with parliament and elections
- Having the army rule the country
- Having a democratic political system

'I'm going to read off some things that people sometimes say about a democratic political system. Could you tell me if you disagree strongly, disagree, agree or agree strongly after I read each of them?'

- Democracy may have problems but it's better than any other form of government
- 'On this card are three basic kinds of attitudes vis-à-vis the society we live in. Please choose the one which best describes your own opinion.' (Code one only)
  A  The entire way our society is organized must be radically changed by revolutionary action
  B  Our society must be gradually improved by reforms
  C  Our present society must be valiantly defended against all subversive forces

Interestingly, Klingemann (1999) found support for democratic rule to be unrelated to confidence in the current government or parliament and to support for the political community (i.e. the nation). This, in his view, demonstrates that people are quite capable of distinguishing between the three forms of political support and do not fall into the trap of discarding democracy as a whole when they are dissatisfied with a particular government in office.\(^{19}\) Klingemann’s findings thus show that citizens critical of the performance of the current government and public institutions need not constitute a threat to the democratic order. In fact, it has been argued that such citizens are the most ardent supporters of democracy and are necessary to hold politicians accountable and thus to keep democratically elected governments responsive (Gamson, 1968; Kymlicka, 2002). His findings further highlight the need to relate the various measures of political support to one another in order to ascertain the dimensionality of political support.
We followed Klingemann’s approach and first inter-correlated the aforementioned items to assess whether they showed the expected directionality. We conducted analyses on 30 OECD states in the fourth wave of the EVS/WVS. Table 6.1 shows that the two items tapping support for democracy as a political system are indeed strongly related to one another (r = .47). As expected, they further show a strong negative relation with the two items measuring support for authoritarian forms of government. The social change item is only partly showing the expected relation to the four political systems items, however (Table 6.2). On the one hand, and in agreement with Harmel and Robertson’s assumption, we find people who believe in revolutionary action to show the shallowest support for democracy. On the other hand, it is not people who think that society should be valiantly defended against subversive forces who on average are most supportive of democracy (and least supportive of authoritarian forms of government) but people who believe in gradual improvement of society through reform. Yet, from a political pluralism perspective, this result is not that surprising. It is likely that people who are fearful of change are more inclined to

<table>
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<th>Table 6.1 Correlations between political system items</th>
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<tr>
<td><strong>Strong leader</strong></td>
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<tr>
<td>Pearson correlation</td>
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<tr>
<td>.386(**)</td>
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<td>Sig. (2-tailed)</td>
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<td>.000</td>
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<tr>
<td>N</td>
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<tr>
<td>34,794</td>
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<tr>
<td>Having the army rule</td>
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<tr>
<td>Pearson correlation</td>
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<tr>
<td>-.224(**)</td>
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<td>Sig. (2-tailed)</td>
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<td>.000</td>
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<td>N</td>
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<tr>
<td>33,901</td>
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<tr>
<td>Having a democratic political system</td>
</tr>
<tr>
<td>Pearson correlation</td>
</tr>
<tr>
<td>-.194(**)</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>.000</td>
</tr>
<tr>
<td>N</td>
</tr>
<tr>
<td>33,901</td>
</tr>
<tr>
<td>Democracy may have problems but is better</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
| **Correlation is significant at the 0.01 level (2-tailed).**
support tough law-and-order politics constraining democratic pluralism than people who believe in steady reform.

Because of its relation to the four political systems items, we transformed the social change item into a variable with two values:
0) revolutionary action/valiantly defended; 1) gradual improvement through reform. Further factor and reliability analysis revealed that the four political system items can be merged into one coherent authoritarianism-democracy index ($\alpha = .61$; the factor analysis produces a single component solution). We created the index by adding up the answers of the two democracy items and then subtracting the answers of the two authoritarianism items from those of the democracy items (i.e. index = ‘having democracy’ + ‘democracy is better’ – ‘army rule’ – ‘strong leader’). The index has a minimum of −6, representing authoritarianism, and a maximum of 6, reflecting strong support for democracy. The midpoint 0 indicates as much
support for authoritarian as for democratic forms of government. The index has a mean of 3.41, showing that the citizenries of OECD states as a whole much prefer democracy over some authoritarian regime. We thus proceed with two variables: 1) the authoritarianism-democracy index and 2) the social change variable with the aforementioned values.

As before, we run a series of error plots. Such plots enable a quick assessment of the extent to which mean levels of support for democracy and gradual change vary by social cohesion regime. If the confidence intervals of the mean values overlap, the difference between regimes is not significant. Figure 6.5 shows how the social cohesion regimes score on the authoritarianism-democracy index. In all regimes, people are on balance more supportive of democratic rule than of some authoritarian form of government. Remarkably, people in liberal countries are not as much in agreement on democracy as the ideal form of government as people in the Nordic, social market and southern European groups. Levels of support for democracy in liberal states are more or less halfway between those of the latter and those of the transition, East Asian, and developing countries.

Strikingly similar patterns appear on the social change variable (see Figure 6.6). Again, people in all regimes are on average more supportive of the idea of gradual improvement through reform than of revolutionary action or of rigid conservatism. Once again, support for

![Figure 6.5 Support for democratic rule by social cohesion regime](image-url)
gradual improvement is lagging in the liberal states by comparison to the social market and southern European group. It is on a par with the level of support in the transition group. Particularly, the southern European countries stand out for their high level of support for gradual improvement, which is remarkable given the strength of left-wing activism and extremism on the one hand and the lingering sympathies for authoritarian and ultra-conservative solutions on the other hand in these countries.

The patterns in both figures are not at all consistent with Dahl’s assumption that liberal states are characterized by a strong consensus on the value of democratic rule by comparison to states with shorter histories of democracy. It is worth recalling, though, that Dahl’s observation relates to the 1960s. Possibly, support for democratic rule was higher in the liberal states and has declined ever since because of growing inequalities in these states. The next section explores whether the support for basic values varies across social groups.
Conjecture three: support for basic values as a reflection of inequalities

If support for basic values is a reflection of inequalities, we would expect to see the largest value gaps between social groups in the countries with the largest inequalities – that is, in the liberal states. This is because, as previously noted, disadvantaged groups seem to profit least from the existing liberal democratic order in this group of states.

It can be seen that the gap between social groups on the authoritarianism-democracy scale is indeed much larger in the liberal states than in any other group of Western states (see Figure 6.7). In the former, the confidence intervals of the social groups are wide apart, while they sometimes show an overlap in the latter. A particular income group in the liberal states often has more in common with an income group in any of the other regimes than with other income groups in the same category. The diversity of opinions on democracy across income groups within the liberal states is thus larger than the diversity of opinions within the same income group across different regimes. The lowest income group in the liberal states, furthermore, displays a very low level of support for democracy by comparison to the same group in

![Figure 6.7 Support for democratic rule by social group and social cohesion regime](chart)

Plate 2 Social cohesion regime

Developing East Asian Transition Southern Europe Social democratic Social market Liberal Income level Support for democracy (authoritarianism-democracy index)

Green_Ch06.indd   150 4/1/2011   5:58:24 PM
the Nordic, the social market and southern European countries. Thus, in the West support for democracy indeed appears to be shallowest among the disadvantaged groups of the most unequal states. However, in the other regions it is not necessarily the case that the most unequal societies also show the largest value gaps between income groups. We find, for instance, remarkably pronounced differences between income groups in the transition countries despite their comparatively low levels of income inequality (Czech Republic, Slovakia and Hungary all had Gini coefficients of .26 or less in 1999).

The liberal states also stand out when examining attitudes on social change (Figure 6.8). Again the gap between income groups is larger in this group than in any other group of states, with low incomes being least supportive of the notion of gradual improvement through reform across the board. In fact, the liberal countries are the only group of states in which the confidence intervals of the social groups do not show any overlap at all. In sum, the liberal states show the largest value gaps across social divides on both measures of basic values. As the liberal states are also among the most unequal of the states investigated in this study, it can indeed be concluded that socio-economic inequalities are driving the dispersion of support for basic values. This raises the question of whether the increasing inequalities of income and opportunities claimed to have been brought about by globalization have caused social groups to drift ever further apart in terms of their support for these values. We turn to this question in the next section.

Conjecture four: increasing polarization within countries

So has globalization resulted in a cultural and political polarization between disadvantaged and privileged groups at the national level, while simultaneously producing a cultural convergence among privileged groups at the international level? As noted before, the globalization thesis assumes the polarization to be a general trend across affluent post-industrial societies. It moreover postulates that globalization produces this outcome by enhancing inequalities of income and opportunity within societies. If the thesis is correct, we should, first of all, see a pattern of rising inequalities across the board. Table 6.3 shows that income inequalities have indeed increased in the majority of OECD states from the mid-80s to the mid-2000s (although the magnitude of change varies substantially across countries). Three countries have become more equal (France, Spain and Greece) while nine countries
neither show no increase or have missing data. Thus, for this part the data are broadly in line with the theory’s prediction.

However, are these increasing inequalities also matched by growing disagreement on basic values across the social divide? Again the thesis would expect to find widening value gaps in all countries (with the possible exception of France, Spain and Greece).

We examined various waves of the EVS/WVS, including the last one (Wave V of the WVS collected in 2005–7), in order to assess the dynamic element of this proposition. Because of missing data on the basic values indicators for various countries, we proceed by focusing on a limited number of individual countries rather than on regimes. Each of these countries can be said to represent a certain regime or tradition: US – liberal; Germany – social market; Sweden – social democratic; Spain – southern Europe; Japan – East Asia. We omitted countries representing the transition and developing countries because of insufficient over-time data on the basic values indicators for these countries. We further removed the ‘democracy may have problems but is better’ item from the authoritarianism-democracy index because of missing values for the last wave. The adapted index is thus based on the three remaining items. It has a minimum of −4.5, reflecting authoritarianism, a maximum of

Figure 6.8  Support for gradual improvement by social groups and regimes
Table 6.3  Trends in income inequality in selected OECD states (Gini coefficient after taxes and transfers)

<table>
<thead>
<tr>
<th>Country</th>
<th>Mid-80s</th>
<th>Mid-90s</th>
<th>Mid-2000s</th>
<th>Change mid-80s to mid-2000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>0.31</td>
<td>0.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Austria</td>
<td>0.24</td>
<td>0.24</td>
<td>0.27</td>
<td>0.03</td>
</tr>
<tr>
<td>Belgium</td>
<td>0.27</td>
<td>0.29</td>
<td>0.27</td>
<td>0.00</td>
</tr>
<tr>
<td>Canada</td>
<td>0.29</td>
<td>0.28</td>
<td>0.32</td>
<td>0.03</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>0.23*</td>
<td>0.26</td>
<td>0.27</td>
<td>0.04</td>
</tr>
<tr>
<td>Denmark</td>
<td>0.22</td>
<td>0.21</td>
<td>0.23</td>
<td>0.01</td>
</tr>
<tr>
<td>Finland</td>
<td>0.21</td>
<td>0.23</td>
<td>0.27</td>
<td>0.06</td>
</tr>
<tr>
<td>France</td>
<td>0.31</td>
<td>0.28</td>
<td>0.28</td>
<td>−0.03</td>
</tr>
<tr>
<td>Germany</td>
<td>0.26</td>
<td>0.27</td>
<td>0.3</td>
<td>0.04</td>
</tr>
<tr>
<td>Greece</td>
<td>0.34</td>
<td>0.34</td>
<td>0.32</td>
<td>−0.02</td>
</tr>
<tr>
<td>Hungary</td>
<td>0.27*</td>
<td>0.29</td>
<td>0.29</td>
<td>0.02</td>
</tr>
<tr>
<td>Iceland</td>
<td></td>
<td>0.28</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td>0.33</td>
<td>0.32</td>
<td>0.33</td>
<td>0.00</td>
</tr>
<tr>
<td>Italy</td>
<td>0.31</td>
<td>0.35</td>
<td>0.35</td>
<td>0.04</td>
</tr>
<tr>
<td>Japan</td>
<td>0.3</td>
<td>0.32</td>
<td>0.32</td>
<td>0.02</td>
</tr>
<tr>
<td>Korea</td>
<td></td>
<td></td>
<td>0.31</td>
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</tr>
<tr>
<td>Luxembourg</td>
<td>0.25</td>
<td>0.26</td>
<td>0.26</td>
<td>0.01</td>
</tr>
<tr>
<td>Mexico</td>
<td>0.45</td>
<td>0.52</td>
<td>0.47</td>
<td>0.02</td>
</tr>
<tr>
<td>Netherlands</td>
<td>0.26</td>
<td>0.28</td>
<td>0.27</td>
<td>0.01</td>
</tr>
<tr>
<td>New Zealand</td>
<td>0.27</td>
<td>0.34</td>
<td>0.34</td>
<td>0.07</td>
</tr>
<tr>
<td>Norway</td>
<td>0.23</td>
<td>0.26</td>
<td>0.28</td>
<td>0.05</td>
</tr>
<tr>
<td>Poland</td>
<td></td>
<td></td>
<td>0.37</td>
<td></td>
</tr>
<tr>
<td>Portugal</td>
<td>0.35**</td>
<td>0.36</td>
<td>0.38</td>
<td>0.03</td>
</tr>
<tr>
<td>Slovak Republic</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>0.37</td>
<td>0.34</td>
<td>0.32</td>
<td>−0.05</td>
</tr>
<tr>
<td>Sweden</td>
<td>0.2</td>
<td>0.21</td>
<td>0.23</td>
<td>0.03</td>
</tr>
<tr>
<td>Switzerland</td>
<td></td>
<td></td>
<td>0.28</td>
<td></td>
</tr>
<tr>
<td>Turkey</td>
<td>0.43</td>
<td>0.49</td>
<td>0.43</td>
<td>0.00</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>0.33</td>
<td>0.35</td>
<td>0.34</td>
<td>0.01</td>
</tr>
<tr>
<td>United States</td>
<td>0.34</td>
<td>0.36</td>
<td>0.38</td>
<td>0.04</td>
</tr>
<tr>
<td>OECD Total</td>
<td></td>
<td></td>
<td>0.31</td>
<td></td>
</tr>
</tbody>
</table>

* data from around 1990
** data from mid-70s
Source: OECD (2010).

4.5, indicating strong support for democracy, and a midpoint of 0, representing no preference for either system of government. Additionally, we used an item on self-reported social class to identify disadvantaged and privileged groups. We transformed the categories of this item into a scale with three values: 1) lower and working class; 2) lower middle class; 3) upper middle and upper class. Most countries show a fairly even distribution of respondents across these three values. Because we
selected only a limited number of countries, we could further make use of data from the latest wave (2005–7) of the WVS.

Have disadvantaged groups across the board become increasingly disenchanted with the present liberal democratic order as the globalization thesis would hold? The trends and cross-country patterns on the authoritarian-democracy index (Figure 6.9) that cover Waves III, IV and V and thus span a period of 10 years, show that this question cannot be answered in the affirmative. The trends and patterns appear to vary widely across the five countries. In the United States, developments are in line with the proposed trend as the disadvantaged groups in this country are least critical of a more authoritarian system of government and have become even less critical over time. Moreover, we see a remarkable divergence between disadvantaged and privileged groups in support for democracy: while the two groups showed a pronounced consensus in 1995 (as expressed by the substantially overlapping confidence intervals), in 2005 they had come to disagree significantly. This finding is consistent with the warning expressed by several prominent American political scientists that discrepancies between the rich and poor regarding political participation (voting), interest organization and campaign donations have widened in recent decades (APSA Task Force on Inequality and American Democracy, 2004).

By contrast, Sweden actually shows a trend opposite to that of the United States. Although the deprived groups in this country are also least critical of authoritarianism, they have become significantly more critical in time and have approached the privileged groups in their opinions on this matter. Japan shows a different pattern again. This country stands out for its extraordinary consensus among the three social groups in each of the three waves (as shown by the overlapping confidence intervals). Moreover, hardly any trend towards more or less support for democracy can be detected. Consensus and stability also characterize the over-time pattern for Spain. Interestingly, the disadvantaged group moves from being the least supportive to the most supportive of democracy in this country, while the privileged group has become the least supportive at the end of the time series. This trend actually makes sense if we recall that Spain was one of the few countries to record a decline in income inequality. It is thus not the connection between the dynamics of inequality and disparities of support for democracy that the globalization thesis fails to predict for this country but the drop in inequality in the first place. Finally, in Germany opinions on democracy across social groups are also fairly stable. Although the working classes do show significantly less support for democracy than the middle and upper classes in this country, on balance there is a much stronger preference for
democracy than for some authoritarian form of government among all groups. In short, the country-specific trends and patterns are not consistent with the universal validity assumption of the globalization thesis. They suggest that nations react in quite distinct ways to global economic integration, which is in full agreement with the tenet of regime theory that the cultural response of citizenries to global processes is conditional on local practices and institutions.

But what does the data say about the second claim of the globalization thesis: are privileged groups becoming more alike culturally at the international level? It appears that the over-time patterns do not support this claim either. As Figure 6.10 shows, the privileged groups do not converge in their opinions on democracy. Stable cross-country patterns predominate, with Germany and Sweden showing relatively high levels and Japan and Spain relatively low levels of support. Only in the United States are the attitudes of the privileged group quite changeable (with support for democracy first declining and then rising in the latest wave). These patterns thus provide additional support for the notion of lasting differences between countries from different world regions.

Finally, let us examine trends in opinions about social change. We proceeded with just four countries (United States, Great Britain, France and Spain) because of missing data for the other countries. As the item on social change was also asked in Waves I (1981–4) and II (1989–93) but not in Wave V, the time span covers a period of 20 years. We relied once again on the income group measure to represent the social groups. If the globalization proposition is correct, one would expect the deprived groups to have steadily lost faith in the idea of gradually improving society by means of reform and to increasingly support more radical solutions. Interestingly, however, and contrary to expectation, we found income inequality to have declined in France and Spain. If there is a connection between inequality and attitudes on social change, one could thus equally well posit a convergence in these countries with deprived groups becoming more supportive of gradual change.

A glance at the error plots of Figure 6.11 tells us that both conjectures are only partially supported by survey data. In all countries, including the United States and Great Britain, lower income groups have actually become slightly more supportive of the notion of gradual change as a means of social improvement. In France, this has led to a remarkable consensus across income groups. Spain shows consensus from the start. Here, all income groups first become more supportive and then less in favour of the notion of gradual improvement. In the states associated with the liberal regime, rising levels of faith in gradual improvement among deprived groups have not led to convergence because
Figure 6.9  Continued
Value Diversity and Social Cohesion

Support for democracy (authoritarianism democracy index)

Social class


Spain

Wave

SWEDEN

Wave

Social class

Support for democracy (authoritarianism democracy index)

Figure 6.9 Continued
Regimes of Social Cohesion

Figure 6.9  Dynamics of support for democracy among social classes

Figure 6.10  Dynamics of support for democracy among upper middle and upper classes
Figure 6.11 Continued
Regimes of Social Cohesion

Figure 6.11  Dynamics of attitudes on social change among social groups
the privileged groups have also become more supportive of this idea. In fact, in Great Britain this has led to a net divergence of opinions. Consequently, towards the end of the time series we still see pronounced differences across income groups in the United States and Great Britain. Thus, once again country-specific trends and patterns predominate.

We cannot observe an international convergence on social change attitudes among privileged groups either. As Figure 6.12 shows these groups actually display a pronounced consensus at the beginning of the time series and come to diverge sharply in the second wave (data in the last wave pertains to only two countries and is thus not very revealing).

In sum, the picture emerging from Figures 6.1 to 6.12 is that the trends anticipated by the globalization perspective can only be observed in the United States. In this country, we can indeed see a steady erosion of support for democratic rule among disadvantaged groups and an increasing polarization of opinions across the social divide. In the other countries, we see very different patterns, varying from a more or less stable consensus among social groups (Japan) to convergence among social groups and increasing support for democratic rule among deprived groups (Sweden and Spain). These contrasting trends and
specific country patterns are more in agreement with the notion of regime theory – that countries respond in their own unique ways to the process of globalization – than with perspectives claiming that this process has universal effects.

Conclusion

The initial rationale for this chapter was to uncover the reasons for the surprisingly high level of value diversity in the social market group of countries. We postulated that Inglehart’s modernist theory on post-materialist value change could potentially shed light on this phenomenon. If this theory indeed applied, the notion of enduring regimes of social cohesion would be compromised because the former assumes modernization processes to supersede regional particularities rooted in history and culture. Countries in a similar stage of socio-economic development should essentially show convergence on matters of culture and value orientations. However, the results of our analyses only partially supported Inglehart’s theory. The theory worked well in explaining the pattern of diversity on post-materialist value orientations themselves. It was of much less value, though, in accounting for the diversity on a collection of other essentially unrelated values. If Inglehart’s theory applied, the generation divide would be the prime driver of value diversity. While this was indeed the case for post-materialist values, for the other values cleavages of a social, gender and urban-rural nature were more important. It can thus be concluded that the post-materialist perspective is helpful in understanding the variation in only a limited set of values. Overall value diversity appears to be the product of many conditions and processes, some of which are likely to be of a more enduring nature while others are highly dynamic. The high value diversity in the social market countries thus remains a mystery.

We shifted attention to a much narrower set of values, i.e. those seen as underpinning liberal democracy, in view of the idea that such values are actually most relevant for social cohesion. We considered attitudes on social change and on democratic and authoritarian forms of government to be good indicators of such values. We further identified three perspectives on democratic values: 1) the consensus perspective, which intriguingly postulates the highest level of support for and highest degree of consensus on democratic values in the liberal group as the countries in this group have stable and well established democracies; 2) the inequalities perspective, which predicts a considerable disagreement on democratic values across social groups within societies and
expects the most unequal societies to show the greatest value disparities; and 3) the globalization perspective, which assumes value disparities between social groups to have widened across the board. The findings of our analyses provided strong support for the inequalities perspective: not only were disadvantaged groups less supportive of democratic values than privileged groups across the board, the disparities were indeed largest in the most unequal countries. They were further completely at odds with the consensus perspective: the liberal states actually recorded the lowest levels of support for, and most pronounced disparities of, democratic values while the southern European states, as countries with the shortest history of democratic rule, noted the highest levels of support for and smallest disparities of such values.

More broadly, these results suggest that democratic values are fairly contingent on recent socio-economic processes and not so much the product of well-established institutional structures. With this in mind, one would expect such values to have been significantly shaped by global economic integration. However, we found remarkable little support for the globalization thesis. Our over-time analyses only showed a pronounced trend of value divergence across social groups in the United States. In other states where inequalities have risen, social groups have come to converge on democratic values (Sweden), have retained a remarkable consensus (Japan, Spain), or show stable differences (Germany). In fact, the observed trends are so distinct that they are more consistent with the notion of countries and regions evolving in unique ways, in short with regime theory. Moreover, the distinct country clusters identified in the diagrams assessing Inglehart’s theory on cultural change provide additional support for the regimes perspective as these clusters correspond closely with the hypothesized regimes in terms of the composition of countries. Thus, what the patterns and trends are essentially telling us is that value diversity is both a highly dynamic process, in a sense that it responds to changes in contemporary conditions, and a phenomenon evolving in unique and unpredictable ways across countries and regions. Given its distinct paths of development, it is likely to be the product of universal processes interacting with local social and institutional configurations. Regime theory can accommodate value diversity provided it does not conceive of regimes as unchanging socio-cultural constellations.
This final chapter examines, comparatively, the trends in key aspects of social cohesion, and how these have been affected by the global economic crisis. We explore a number of questions. How robust is social cohesion in different societies at the beginning of the twenty-first century, in the midst of the greatest economic crisis since the 1930s? Are we typically living in a ‘broken societies’ – as David Cameron, UK Conservative Prime Minster, maintains – or are the bonds which bind societies still holding? Are these the same bonds which have historically sustained community and solidarity, or are they themselves changing? What are the long-term trends and what is driving them? Are all societies dealing with the challenges in similar ways or are they diverging widely in their responses to these challenges?

Most of the social theories addressing the impacts of social change on social cohesion foresee an ongoing atomization of societies. Globalization theory has, from the onset, predicted the increasing fragmentation of modern societies. In their stunningly prophetic and concise characterization of the globalizing process of modern capitalism in the 1844 Communist Manifesto (1844) – a document that encapsulated the core themes of globalization theory a century and a half before its time – Marx and Engels famously wrote that:

All fixed, fast-frozen relationships, with their train of venerable and ancient prejudices and opinion, are swept away, all new formed ones are antiquated before they can ossify. All that’s solid melts into air.

(Marx and Engels, 1968: 38)

Modern capitalism was presented as a whirlwind of continuous change where tradition and ancient institutions could play little part in holding...
society together. Marx and Engels saw new forms of solidarity emerging as the old social bonds disintegrated, but these were based on social classes whose mutual antagonisms and inevitable conflicts would allow for no cross-societal cohesion. In fact, class struggle – the ‘motor of history’ – was the only means for bringing about the revolution that would end the social divisions endemic to capitalism. Only with the end of class society – and with the ‘withering away of the state’ – would the people be free to organize their lives in mutual harmony, replacing the controlling of people with the ‘administration of things’. As we know, although they had understood the mainsprings of capitalist globalization very well, the political future did not turn out as they expected.

Modern globalization theory, sharing, to some extent, Marx’s view of the primacy of economic forces and contradictions, generally predicts the erosion of societal bonds. To Castells, it is the weakening of the nation state – undermined by the global forces of transnational capitalism, cross-border crime, and space-shrinking modern communications – that poses the major threat to social cohesion. The nation state, and the collective nation state identities it has fostered, were historically among the chief foundations of social cohesion – at least within states, if often not between them. As the power and legitimacy of states has waned, individual and collective identification as state citizens has weakened, removing one of the primary social bonds. With increasing social and cultural diversification, and the modern communication technologies that give voice to it, individuals have ceased to identify with the national collective, replacing their loyalty to the state with cosmopolitan supra-national loyalties or more localized or circumscribed identities based on ethnicity, region, religion and lifestyle. To repeat the Castellsian refrain, this ‘dissolution of shared identities, which is tantamount to the dissolution of society as a meaningful social system, may well be the state of affairs of our time’ (Castells, 1997: 355).

Identity theorists have come to similar conclusions. Ulrich Beck jet-tisons the nation state as a ‘zombie category’, castigating those who still think within its parameters as ‘methodological nationalists’ who hang on to a conceptual framework now utterly obsolete (Beck, 2004). Both he and Anthony Giddens (1991) have written of the increasing ‘individualization of society’, where individual life projects, involving multiple and shifting loyalties and identities, become the focus of identity formation. To Alain Touraine (2000), likewise, modern advanced societies are experiencing both a secular decline in the national bonds of citizenship and a rise in communitarian allegiances. ‘[T]here are more and more identity-based grouping and associations, sects, cults and nationalisms
based on a common sense of belonging, and...they are becoming stronger’ (ibid., 2). Globalization and localization combine pincer-wise to squeeze out identification with the national collective. As globalization compresses time and space in our world, and as the meaning of ‘place’ changes, we are ‘at once here and everywhere, or in other words, nowhere’ (ibid., 5). The triumph of communalism marks the end of the republican ideal of society. With national society dead, we look to the personal life project for solutions. ‘Such a project,’ he writes:

is an attempt to prevent our personalities being rent apart and to mobilise an experience and a culture in our technological and economic activities in such a way that a series of tried solutions becomes a individual life story and not an incoherent set of events. In a world of permanent and uncontrollable change, the individual attempt to transform lived experiences into the construction of the self as an actor is the only stable point of reference.’ (ibid.: 11)

Individuation, the process of self-defining one’s own individual identity, is distinct from its social corollary, individualism, a viewpoint that places the individual above the collective or the group. The growing individualism of Western societies, noted by most social commentators – and the logical conclusion of the consumer revolution in capitalist economies and of the mantra of ‘individual choice’ in neoliberal politics – has implications beyond the individual, him or herself. It has brought capitalism itself to a new and vulnerable condition. Pure markets, unsupported by cultures, laws and regulations are, as we know, a fiction (Polanyi, 1957). The capitalist market system relied for centuries on the slow accumulation of social and cultural capital, which predated it and which continued to prop it up, whether that lay in religious beliefs, family values, community solidarities, or simply in the widespread belief in the value of hard work and the importance of social responsibility. The untrammelled individualism of the fin-de-siècle culture in the Western developed world began to erode these precious assets and made capitalism look the more vulnerable. As Hobsbawm remarked, in his magisterial review of the ‘short’ twentieth century, this massive cultural shift has had epochal implications:

It was the cultural revolution of the last third of the century which began to erode the inherited assets of capitalism and to demonstrate the difficulties of operating without them. It was the historic irony of the neo-liberalism that became fashionable in the 1970s and
1980s, and looked down on the ruins of communist regimes, that it triumphed at the very moment when it ceased to be as plausible as it once had seemed. The market claimed to triumph as its nakedness could no longer be concealed. (Hobsbawm, 1994: 343)

Nationalists and liberal nationalists have also seen the erosion of the nation state and the triumph of individualism as the main problem for social cohesion, although they have less sympathy than identity and globalization theorists for the identity-based solidarities which the latter allege have replaced it. To them it is not the republican ideal of the civic state which has been lost and which leaves societies without bonds. It is rather the waning of the dominant ethno-cultural identities, or what A. D. Smith calls the dominant ‘ethnies’, which they see as ultimately holding nation states together, that is the problem. As we saw at the beginning of this book, for Samuel Huntington the crisis in the United States arises from the growing diversity of ethnicities, religions and languages, which challenges the dominant WASP culture that provided the emotional and cultural ballast for the American Creed. Without this, he says, the Creed itself becomes deracinated. It loses its effective power to unite the diverse peoples that constitute the cosmopolitan American reality.

Social capital theorists have tended to see the problem rather differently. They are less attached to republican or nationalist concepts of the state as the binding force in society. Following de Tocqueville, they see civil society – not the state – as the major source of social cohesion. Their focus is on communities and networks and the bonding powers of civic association. However, their prognosis on the future of social cohesion tends to be no less pessimistic. For Putnam, social capital in the United States has been in rapid decline since the Second World War. People join fewer associations, do less voluntary work, give less to charities, spend less time socializing and have less active engagement in political life. Because they are associating less, he says, they have less experience of the repeated social interactions in groups that incubate trust. To Putnam, this has little to do with the global trends impacting on the nation state or structural changes in society and economy that globalization has wrought. It is more likely due to a generational cultural shift whereby the socially minded generations of the pre- and post-Second World War eras have been replaced by the generations of baby-boomers, X-ers and Y-ers whose lives have become increasingly individualized and privatized, not least through the effect of television viewing. Albeit better educated than their parents, each new generation, according to
Putman, has shown less interest in civic life than the last. This has diminished the stock of social capital, which he maintains is the main force which holds society together (Putnam, 2000).

Other more conservatively-minded pundits, like Francis Fukuyama, place the burden of blame on the so-called ‘breakdown’ of the traditional family. They have questioned whether people do in fact socialize and associate less than before, or whether they just associate with different kinds of organizations. Whereas association used to occur mainly through relatively broad and encompassing institutions – such as the Church, the trade union and the political party – now people tend to join interest-based groups, such as sports clubs and hobby groups. These have a much narrower frame of reference, and their members encompass a smaller social range. Since people are mainly associating with like-minded others, the ‘radius of trust’ produced by social interaction has become more circumscribed. As the moral concerns of the groups they join have narrowed, so the sway of collective moral beliefs weakened. ‘How,’ Fukuyama asks, ‘can it be that expressions of cynicism have increased dramatically, while civil society appears to be healthy? And how is the latter fact compatible with the shift towards greater individualism?’ ‘The answer,’ he says, ‘has to do with moral miniaturization’.

While people continue to participate in group life, the groups themselves are less authoritative and produce a smaller radius of trust. As a whole then, there are fewer forces of common values shared by societies and more competition among groups. (Fukuyama, 1999: 49)

From another perspective, it is not only individualization and the fragmentation of collective identities which is the major problem for social cohesion but, more specifically, the increase in structural inequalities in society. As discussed in earlier chapters in this book, it is clear that the recent phase of globalization has been accompanied by a massive increase in economic inequalities, not only between the richest and poorest countries but also within countries (Wade, 2001). According to one historical estimate, while the wealthiest 20 per cent of the world’s population were three times richer than the poorest 20 per cent in the mid-nineteenth century, the ratio by the turn of the twentieth century was a staggering 86 to 1 (Martin and Schumann, 1996). Most developed countries have experienced widening gaps in incomes and wealth internally during the past 30 years. Income distribution has become more unequal partly because of the effects of the global division of labour and the effects of skills-biased technological
change. As technology has raised the demands for skills in most jobs in developed countries, those with less education and fewer skills have found themselves at a disadvantage in the labour market. Competition from low-wage developing countries, combined with the weakening of trade union bargaining power in some developed countries, has driven down wages for less skilled jobs in the developed countries, thus pulling out the wage distribution at the bottom. In time, the pay of skilled occupations in developed countries may also be affected, but at present most of the pain has been faced by those at the lower end. At the same time, wages at the very top have escalated as the corporate elites have exploited the relaxed attitudes towards extreme financial rewards that have prevailed in many countries, as well the new possibilities hiking remuneration packages through new instruments such as bonuses, stock options, and tax-avoidance schemes. Wealth inequalities have also soared in many countries, not only because of the massive gaps in pay, but because of the opportunities for further wealth accumulation for those with capital from investment in property assets, whose values have constantly inflated.

Increasing inequality has been linked with a multitude of social ills, including lower levels of public health; higher rates of crime, mental illness and depression; and lower levels of self-reported wellbeing and happiness (Wilkinson and Pickett, 2009). Extreme inequalities, of course, also produce the potential for civil conflict, particularly when the resources to be distributed are diminished. As we have recently seen in the aftermath of the financial crisis and global economic recession, where countries are faced with years of austerity while governments pay back the debts incurred in bailing out the banks, sharp conflicts can emerge over how the pain is distributed. If the wealthy private banking sector is seen to have profited from the crisis which they brought on, while public sector employees, the lower paid, young people, women, and the poor, who rely most on public services, are seen to be paying the highest price through public sector cuts, then civil conflicts, as occurred in Greece, are inevitable. However, the effects of extreme inequality on social cohesion can also be more subtle and insidious.

Inequality increases the social distance between groups, underming inter-group trust and reducing the sense of common citizenship. As income and wealth gaps grow, disparate sections in society no longer feel they have a common interest and a mutual responsibility for each other. They are no longer members of the same society. At the extreme, as in the United States, the rich begin to secede from the public realm altogether. Ensnconced in their semi-autonomous and privately policed
'gated communities', they eschew the public services that the rest of society depend on, and become oblivious to the way most people live. Their degree of isolation from society has been epitomized for many ordinary people by the flat refusals of many of the super-rich bankers to accept responsibility and apologize for the financial meltdown caused by their own reckless and, as we now know, sometimes fraudulent, behaviour, and by the extraordinary justifications offered for their continuing receipt of exorbitant bonuses in the face of massive public anger. For them, paying taxes is no longer a social obligation. Nor do any national or institutional loyalties deter them from impoverishing others through betting against national currencies or even, as is alleged in the case of Goldman Sachs, from short-selling financial products sold to their own customers. As the former Confederation of British Industries’ boss, Richard Lambert, recently said, lavishly paid bosses risk being seen as ‘aliens that live in a different galaxy to most people in the country’ (West, 2010). At the same time, the poor are increasingly marginalized from society; excluded by their inability to find work, or by their meagre pay, from buying housing or healthcare; unable to access decent schools; and in many cases forced into urban ghettos where they interact only with others in similarly deprived conditions. Large income gaps are quite easily transformed into even larger wealth gaps (Dorling, 2010). These lock in social disadvantage over generations and curtail social mobility. As research has repeatedly shown (Esping-Andersen, 2005), the most unequal societies are usually those, like the United States and the UK, with exceptionally low levels of social mobility. The greater the pay gaps, the less chance of movement between classes because there is so much further to travel between them. Wealth inequality, as Durkheim noted, can often be more damaging to social cohesion than income inequality, particularly where many individuals appear to derive their wealth from inheritance or asset price inflation rather than through ability and hard work. Incomes tend to rise and fall during different phases of the lifecycle so that people on low incomes at particular points in their lives can take comfort from the hope that better times are around the corner. Students will not be so alienated by having limited spending power during their youth if they know they are likely to be doing better later. However, wealth, or the lack of it, frequently appears as a more fixed condition. Capital seems to have more permanence, and because most of it is inherited, not earned, locks in inequalities across generations (Dorling, 2010). The lack of it can act as a long-term exclusionary mechanism, as in countries where housing is so expensive relative to incomes that lack of capital becomes the main
barrier to home ownership. Likewise, social immobility can do more to undermine social cohesion than income inequality, especially in liberal societies, since it gradually erodes the belief in meritocracy and just rewards that is at the heart of the social contract, particularly in the liberal states.

Another growing divide in advanced societies, according to Willetts (2010), is that between generations. A sizeable proportion of the so-called ‘baby-boomer’ generation – those born roughly between 1940 and 1965 in the West – were lucky. Many of them who started work in the sixties benefitted from plentiful jobs and rising incomes, particularly at the lower end. They, and the boomers who came after, bought properties when they were still affordable, saw their wealth increase dramatically as housing prices rose, and looked forward to retiring at 60 or 65 with generous company pensions based on their final salaries. They had smaller families than their parents’ generation and this, combined with their much higher, often dual, incomes, allowed vastly greater household consumption (Willetts, 2010). They were a large cohort and commanded considerable political power, the strength of their ‘grey’ vote later ensuring that few governments would dare challenge the advantages they received from the inflation of their housing assets or from the public health care they received when they were older.

Many members of the generations that succeeded them were less lucky. With birth rates declining in most countries, they were less numerous and had less electoral clout. They benefitted from rising incomes but were born too late to claim the windfall from the housing boom enjoyed by their parents. The latest generation will be the worst off, according to Willets (2010). In most countries, those leaving education now will find it hard to get jobs, and the jobs they do get will be less secure. Graduates must often pay back substantial student loans and are unlikely to see the same return to graduate qualifications as previous generations. They will find it hard to afford to buy a house and even those who can are unlikely ever to pay off their mortgages. They will effectively be permanent renters of their properties from their loan companies. But at least they will be more secure that those renting in the private market or relying on the much reduced stocks of social housing. And all of them will be paying the higher taxes necessary to pay off the vast public debts incurred by governments bailing out the bankers of previous generations. They will no doubt have to work until they are 70 and will rarely receive the generous company pensions enjoyed by their parents – for which, in many countries, the young have been paying through their taxes or pension contributions. In many countries,
for the generation reaching maturity now, their prospects relative to those of their parents’ generation are arguably worse than those for any generation since the one that went to fight in the First World War, who if they came home at all, returned not to a ‘land fit for heroes’, but only to face the ‘Geddes axe’ on spending and jobs. Of course, some will be better off than others, depending on what they have inherited from their parents, and the advantages they have received from their education. But the potential for conflict between generations has never been greater.

**Convergence or divergence?**

The general theories which have benchmarked this book – those based around globalization, individuation, individualism, inequality, demographic change and generational splits – posit universal shifts. They see secular changes occurring in the fundamental structures of all advanced societies and assume that these are more or less convergent – or at the least uni-directional – trends. Our analysis in this book, however, has tended to highlight the continuing differences between social models and the existence of distinctive and identifiable ‘regimes of social cohesion’. So how are these regimes responding to the underlying forces that shape all developed countries? The evidence we have on trends in different aspects of social cohesion suggest a mixture of both convergence and divergence. We look here at the long-term trends in measures of social trust, political trust, tolerance and perceptions of conflict between groups.

**Trust**

Interpersonal or ‘social’ trust has often been considered one of the key measures of social cohesion (Green et al., 2006; Uslaner, 2002; Reeskins, 2007). It relates to people’s willingness to place their confidence in a wide range of others, including people they do not know. And it is widely considered to be an important precondition for the functioning of modern societies, where there is a highly evolved division of labour and where everyday activities usually involve interactions with strangers. Trust is necessary for the legitimacy of democratic systems, which require that we trust the politicians we elect to deliver their pledges. It is a precondition for welfare states, which redistribute resources towards the needy because they depend on people trusting that if they pay their taxes to support others in need, these others will not abuse the system, and others in turn will pay theirs to support them if they are in need.
Trust is also essential for efficient economic activity, which depends on people sticking to what they have agreed and performing their contracts. The higher the levels of trust and trustworthiness, the less the need for legal contracts and lawyers for every transaction and thus the lower the transaction costs (North, 1990). Above all, trust is what allows people to go about their daily business without constant fear of being let down or cheated. This general form of trust has been widely identified as necessary for a substantial range of private and public goods in society. If we believe the correlational evidence, it is closely associated with economic and social outcomes as diverse as economic growth (Knack and Keefer, 1997), innovation (Osberg, 2003), public health (Wilkinson, 1996), better government (Putnam, 2000) and general well-being and happiness (Wilkinson and Prickett, 2009).

Social trust is usually measured by the survey question which asks: ‘Generally speaking, would you say that most people can be trusted or that you can’t be too careful in dealing with people?’ It can be objected that the question is not entirely clear about the range of people in question, but factor analysis suggests that respondents do indeed interpret the question in terms of how much they trust strangers (Uslaner, 2002). Other statistical tests that have been applied also suggest that the measure is relatively robust. ‘Dropped wallet’ experiments conducted in different countries show that in countries with high levels of measured trust, more of these wallets are returned. There is also a strong correlation between measured levels of trust in particular countries and the perception of foreigners as to how far people can be trusted in these countries, suggesting that trust and perceptions of trustworthiness are closely related (Green et al., 2006). Results from repeated surveys in different countries over 50 years do show considerable consistency in the international patterns of trust. There are very large differences between countries in how far people say they trust each other and these differences remain relatively stable over time.

We know relatively little about how trust arises. Putnam has argued (2000) that trust derives from participation in groups; that it arises out of the repeated interactions between individuals in associations bound by collective norms. We learn to trust through successful cooperation with others in pursuing common objectives. He supports this with evidence from the United States that people who join associations are more likely to be trusting. However, as others have shown, this correlation does not hold in all countries (Newton, 1999), let alone across countries (Green et al., 2006; Uslaner, 2002). There is no significant relationship between levels of trust in a country and the frequency with
which its people join organizations. Even if the United States data do show a correlation between trust and association, Putnam is unable to show which way the causality runs. It may well be that it is because people trust that they are more willing to join associations, rather than the other way around.

Uslaner (2002) provides a more nuanced analysis of the nature of trust. He distinguishes between ‘strategic trust’, which depends on a calculation of whether given others are trustworthy, and ‘moral trust,’ which is based on fundamental character traits, such as optimism and ‘sense of control’, which encourage people to believe that people should be trusted. The first is contingent and subject to change depending on the context and the experience of the others in question. The second does not depend so much on social context and experience and is more stable over time. Moral trust, he says, is learned early on in life from parents and will be relatively enduring. ‘Collectively,’ he writes, ‘the most optimistic person – who wants a fulfilling job, thinks about the future, and believes that she can make it regardless of luck, connections, or current circumstances – is 36 per cent more likely to trust others than the most convinced pessimist’ (Uslaner, 2002: 13).

It is not at all clear how the individual’s propensity to trust changes throughout the life cycle. Uslaner provides some evidence, from a US panel survey conducted in 1965, 1973 and 1982, which indicates the relative stability of trusting attitudes. On his analysis, almost two thirds of young people and more than 70 per cent of their parents were consistent ‘trusters’ or ‘mis-trusters’ throughout the very different decades of the 1960s and 1970s. (Uslaner, op cit: 10). On the other hand, the data also suggest that context and experience may have altered levels of trust in a third of cases, which could have quite substantial effects on aggregate trends if the changes are mostly in the same direction. Cohort analysis using cross-sectional data doesn’t really help us to answer the question either, since we never know whether differences between cohorts at different times are due to period or life cycle or cohort effects. In any case, the findings from studies differ. Cross-country data for 1959 provided by Almond and Verba (1963) suggested that older and younger people were equally likely to trust. However, Hall (1999), using data from the repeated waves of the World Values Survey, found that people over 30 years were more trusting in 1981 than people under 30 and that the age differential had increased by 1990.

What we do know – and what must considerably qualify any explanation of trust based purely on the effects of early parenting – is that levels of trust vary massively across countries, from less than 10 per cent
in Brazil and Turkey, for instance, to over 60 per cent in Norway and Sweden (Delhey and Newton, 2005). Aggregate levels of trust in different countries do change over time, but the patterns across countries show considerable regularity. We also know that average levels of trust tend to vary by social class, with the more affluent more inclined to trust than others lower down the income scale (Hall, 1999). These social variations suggest that although being trusting is an individual disposition, which may well be a quite deep-seated personality trait, it is strongly influenced by societal contexts. People are more likely to trust as adults if others are trustworthy. So trust is not only fundamental to the functioning of societies. It is also a product of how societies function.

What the trend data on levels of social trust in different countries show is quite startling and extremely worrisome from the point of view of social cohesion. Figures 7.1 and 7.2, drawn from different data sets, show the trends in levels of trust between 1981 and 2009.22 Figure 7.1, based on World Values Survey data, averages the aggregate levels of trust for countries in each country group, and shows that for three out of five of our country groups – the liberal, southern European and East Asian groups – trust declined significantly between 1981 and 2005, while it remained flat in the social market group. For more recent years, we only have data from European Social Survey and Euro Barometer for a small number of countries.

These surveys use the same question as the World Values Survey, but, unlike the latter, which demands dichotomous yes or no answers, allow answers on a scale.23 Figure 7.2, which standardizes the scales, provides values for the period 2002 until 2009 for a few individual countries. In most cases, there is a further dramatic decline in levels of trust. Following a period of reasonably stability from 2000 to 2005, there is a sharp decline in average levels of trust in Germany, Spain, and the UK. Even Sweden shows declining levels of trust after 2008, coinciding with the economic crisis.

We cannot compare the values on the two graphs, as they are based on surveys using different scales, so we cannot say how far trust has declined overall. But what we can see is that there was a sharp decline in levels of trust in the 24-year period from 1981 to 2005 in English-speaking and in southern European groups of countries and that in certain countries from each group (the UK for the English-speaking countries and Germany and Spain for the continental European countries), this continued over the next decade, although France defies the trend in the final two-year period. The countries with the most severe
declines in trust appear to be the United States and the UK. If we include in the time series Almond and Verba’s (1963) 1959 figures for the UK and the United States (Figure 7.3), again based in comparable survey questions, we can see that trust in the UK dropped catastrophically from just under 60 per cent of people saying they generally trusted others in
1959 to around 30 per cent in 2005 (30.4 per cent – see Appendix 2c). The figure for the United States dropped from around 60 per cent to just over 40 per cent.

In as much as trust is an important measure for social cohesion, these trends in levels of trust would appear to confirm, at least partially, the general theories discussed above, which posit universal and convergent changes in levels of social cohesion. However, there is a major exception. Levels of trust rose significantly in the Nordic group of countries between 1985 and 2005 and continued to rise after this in Sweden until 2008.

The same divergence between the Nordic and other countries seems also to apply with respect to the trends in political trust. Political trust, or trust in (government) institutions, is generally thought to be closely linked to general or interpersonal trust (Delhey and Newton, 2005; Inglehart, 1997; Putnam, 1993; Uslaner, 2002). At the individual level, it may have some common origins in early childhood with general trust, but it is also subject to changes throughout the life course due to learning and experience. Some longitudinal studies find that it declines with age (Schoon et al., 2010). But it is most certainly also affected by societal context and, like social trust, varies substantially across countries.

As with social trust, political trust – measured in terms of confidence in parliament – has declined markedly over the past three decades in
many advanced countries. Figure 7.4 shows marked declines in liberal and social market countries between 1981 and 2005. Figure 7.5 shows continuing declines after 2001 in Germany, France, Spain and the UK, with the steepest declines after 2008, as one would expect. The major exception again appears to be the Nordic countries. The average level of political trust for these countries increased during the 1981–2005 period, when it was falling in most other countries, and it stabilized in Sweden right until the end of 2009. Sweden thus did not experience the sharp decline in political trust that the other countries did in the year that the crisis kicked in.

Tolerance

Tolerance is another characteristic often associated with socially cohesive societies. As discussed in Chapter 1, it has received more emphasis historically in liberal political philosophy than in the republican and romantic conservative traditions. And it is probably still more prominent in liberal discourses on social cohesion than in the dominant discourses in social market and social democratic regimes. It is also a highly context-contingent characteristic, varying considerably by social group within countries, and subject, at the national level, to considerable swings over time (Green et al., 2006). Although, in some countries, tolerance and other measures of social capital seem to go hand in hand at the individual level (Putnam, 2000), this is not true in all countries,
either in contemporary societies or historically. Aggregate national levels of trust and tolerance do not co-vary across countries (Green et al., 2006). Nevertheless, for many people tolerance would be considered a *sine qua non* of social cohesion. The World Values Survey measures tolerance by asking respondents if they mind having immigrants as neighbours. The question might be thought to go pretty close to the heart of the matter, thus providing a fairly good proxy for tolerance. But it only taps attitudes towards immigrants and not to ethnic minorities as a whole.

The World Values Survey data shows that the trends on this measure are quite country-specific. As the data in Appendix 2c show, between 1981 and 2005, tolerance increased substantially in Germany until 2001, before falling off slightly, whereas it declined precipitously in France, particularly after 2001. The United States shows a steady but small decline, and likewise the UK, after a small rise in the 80s. Sweden, on the other hand, manifested a decline in tolerance in the 80s but subsequently showed a substantial rise, which left it at a higher level in 2005 than 1981. If we average the
values for different country groups (see Figure 7.6), one can see a very slight decline for the liberal group, a sharp decline for the social market group (presumably driven to a considerable extent by France), but a small rise for the Nordic countries, due to the significant increases after the 1980s. Although variation between countries in each group warns against placing too much stress on the regional patterns, there is some evidence again of divergent trends between the Nordic and other groups of countries.

Conflict

Another useful measure of social cohesion is the perceived level of tension between different social groups. We have 2009 data from Eurobarometer for a sizeable number of countries on perceived tensions between rich and poor, managers and workers, generations and different ethnic groups. Figures 7.7 to 7.10 show the average for each country group, with the bars showing confidence intervals. The values range between 1 – ‘no tension’ and 3 – ‘a lot of tension’. The mean values and confidence intervals show that perceptions of tension are significantly lower in the social democratic countries by comparison to the other groups in the first three figures but not in the fourth.

Figure 7.7 shows that tensions between the rich and poor are perceived to be highest in the transition and social market countries but substantially lower in the Nordic countries. Figure 7.8 again shows that perceptions of tensions between managers and workers are highest...
in the social market group of countries, southern Europe and in the transition group (eastern Europe). They are somewhat lower in the liberal group and substantially lower in the social democratic group. The perception of tensions between generations (Figure 7.9) are also highest in the transition countries and lowest in the social democratic group, with the liberal and the social market groups lying somewhere in between.

When it comes to perceptions of tension between ethnic groups (Figure 7.10), however, the social democratic group tops the ranking order, along with the transition countries. The social market group follows shortly after. Levels of perceived tensions between ethnic groups are relatively low in the liberal and southern European countries.

On three of the four measures of perceived conflict, then, the Nordic countries again show themselves to be quite distinctive. The social democratic regime appears to have maintained greater solidarity than the others between social classes and generations. However, this is not extended to ethnic groups.
Figure 7.8  Perceived tension between managers and workers by regime

Figure 7.9  Perceived tension between young and old by regime
The major theories of social change identify powerful forces which undermine social cohesion in modern developed societies. Globalization, increasing social inequality and generational division, and the proliferation of individualism and identity politics, all portend an ongoing fracturing of society and the weakening of collective social bonds. Trends on some of the key measures of social cohesion, analyzed above, generally support this contention. Trust in others, trust in parliament and tolerance of immigrants all appear to be in decline in most regions of the developed world. With the social effects of the global recession still unfolding, it is likely that other measures of social conflict and division, such as industrial conflict and civil unrest, will also be on the rise. However, our analysis suggests that this is not an entirely convergent trend. In one region at least, social cohesion appears to have been sustained, if not strengthened. The Nordic countries seem to be substantially more trusting and slightly more tolerant than they were 30 years ago. Perceptions of conflicts between social groups and generations seem also to be
lower in this region than elsewhere. How can we explain this apparent exceptionalism?

Scholars and commentators have given most attention to the question of trust – the area where Nordic exceptionalism is most pronounced. Popular wisdom has it that small and homogenous societies are likely to be most trusting and that we should not therefore be surprised that the Nordic countries have a greater propensity towards trusting than other more populous and more diverse societies. Statistical analysis only partially supports this explanation, however. In cross-country analysis, population size and density do not correlate with levels of social trust (Delhey and Newton, 2005). Some less populous countries, like Denmark, do have high levels of trust. Others, like Portugal, do not. Conversely, some very populous countries, like Brazil, have very low levels of trust, whereas others, like Japan and Canada, are among the most trusting. Analyses of the relations between ethnic and cultural diversity and trust have to date produced rather contradictory results. In series of cross-national and cross-area analyses, Alesina and Ferrara (2002, Knack and Keefer (1997), Putnam (2000, 2007), Uslaner (2002) and Helliwell (2003) all find that increasing diversity reduces average levels of trust. Putnam claims, in his analyses across areas in the United States that diversity reduces trust both within and across groups, even when we control for other factors, such as income inequality (Putnam, 2007). However, other studies, using appropriate controls, have found no relation between diversity and trust, either at the cross-national level (Green et al., 2006; Hooghe et al., 2009) or in cross-area analyses in Canada (Johnson and Soroka, 1999) and the UK (Lekti, 2006).

One of the most exhaustive analyses of trust and diversity, which explicitly seeks to provide an explanation of Nordic exceptionalism, is the study by Delhey and Newton (2005). In an analysis of 55 countries with data from the World Values Survey, they find that high-trust societies are generally: wealthy, egalitarian, well-governed, protestant and relatively homogenous. Even when the Nordic countries are removed from the sample, these correlations remain, although they are weaker. Delhey and Newton (2005) claim that Protestantism and ethnic fractionalization together explain 46 per cent of the variance in trust across countries. However, as they admit, when you control for good governance and social spending, the significance of these factors declines markedly.

The explanations provided by cross-sectional analyses of Nordic exceptionalism in relation to trust are at best inconclusive. If you
look at the trends, they appear even weaker. Nordic countries have become more trusting over a period when they have become substantially more diverse. Immigrants in Denmark were only 3.1 per cent of the population in 1980 but were 10.6 per cent in 2009. In Sweden, the proportion rose from 4 per cent of the population in 1960 to 13.8 per cent in 2009 (Larsen, 2009). By 2008, 18 per cent of the Swedish population had foreign origins (9 per cent if you exclude Finns) and 14 per cent were foreign-born. Sweden has a higher proportion of migrant stock than all but 8 of the 26 countries in our dataset – higher than France, Germany and the UK. Yet it ranked second highest on levels of trust (1999 wave) – far higher other less diverse societies.

The most convincing explanations of Nordic exceptionalism relate to the fundamental characteristics of social democracy, as discussed earlier in this book. Nordic countries are substantially more egalitarian than most developed countries. Despite small rises in household income inequality in the past two decades, Nordic countries remain the most income-equal in the developed world, and substantially more equal as a group than any of the other groups (see Figure 7.11). They also have the most universalistic welfare states.

As we have seen, all cross-national studies of trust find a positive relationship to egalitarianism. As Uslaner has argued, relative equality promotes solidarity because people feel more or less in the same boat. Inequality increases the social and cultural distance between groups and makes trusting more difficult. Likewise, universalistic welfare systems, because they include everyone on the same terms, promote the sense of solidarity and connectedness between social groups. Indeed,
they also depend on it because such welfare systems can rarely be won politically if such solidarity does not exist. This creates a circular, mutually reinforcing syndrome of social responsibility that makes trust more likely. It also promotes trust in the political system, which is seen to help everyone. A more psychological explanation of the relationship between equality and trust is also plausible. As Wilkinson argues (1996), inequality increases high-stakes competition in society which is likely, in turn, to lead to greater status anxiety and stress. Stress has been shown to underlie many manifestations of poor physical and mental health. It may also not be conducive to trusting. It is quite possible that children growing up in highly stressed family environments acquire personality traits (such as anxiety, introversion and pessimism) which inhibit the development of trust. Trusting probably occurs through a combination of early childhood learning and adult experiences.

To sum up, the analysis of the cross-country trends in some of the primary measures of social cohesion – such as social and political trust, perceptions of social conflicts and tolerance – thus confirms one of the findings in the previous chapter’s analysis of value diversity. While there are some universal trends which suggest overall declines in social cohesion, countries (and country groups) are far from convergent. The different regimes of social cohesion respond differently to the global forces undermining social cohesion. The final section here analyses what is happening in the liberal, social market and social democratic regimes and in the two East Asian states. In each case, we find that the regimes are most vulnerable precisely at the points that are most crucial for that particular form of social cohesion.

Social cohesion regimes and the global economic crisis

The liberal states

Historically, liberal societies, such as the UK and the United States, have tended to regard their social cohesion as resting on the triple pillars of market freedoms, active civil society and their core beliefs in individual freedoms, opportunities and meritocratic rewards. A wider set of shared values has not been seen as essential for a cohesive society. Nor, in the British case at least, has a strong, or tightly defined, sense of national identity and national culture been deemed as central. The role of the state in welfare and redistribution has also been played down as a precondition for cohesion. In several respects – given these preconditions – social cohesion in liberal societies should not be overly vulnerable to the forces of globalization. Markets have become broader
and more dominant under the dominant neo-liberal paradigm of globalization. Civic association may have changed its forms but still seems relatively robust in countries like Britain and America. And without the need for a broad set of shared values, increasing social and cultural diversity should not seem such a threat to liberal societies.

There have been ample siren voices in the media about the decline of civic activism and participation, particularly in the Britain and the United States. However, the evidence for this is mixed and highly contested. Voting in general elections has certainly declined in a number of developed countries (Castells, 1997), including notably in the United States and Britain. Turnout in UK general elections between 1945 and 1997, for instance, was always over 70 per cent, and 75 per cent plus in all elections until 1970. However, less than 65 per cent turned out in the 2001, 2005 and 2010 elections (www.ukpolitical.info, 2010). The proportion of those believing ‘It’s everyone’s duty to vote’, according to the authoritative British Social Attitudes Survey, dropped from 92 per cent in 1987 to 85 per cent in 2005 (Butt and Curtice, 2010). And the decline in willingness to vote is most marked among young people, probably due to their sense political impotence in the face of the baby-boomer domination of politics (Willets, 2010).

However, other, less traditional forms of political participation, such as petitions, demonstrations, boycotts and occupations, have increased, particularly among youngsters (Lichterman, 1996). Moreover, the evidence that civic participation in general has declined is relatively weak, particularly for the UK. Peter Hall found that the number of associational memberships reported by a representative sample of British households increased in the period from 1959 to 1990 (from 0.73 to 1.12) (Hall, 1999: 182–3). A more recent paper by Hilton, McKay, Crowson and Mouhot (2010) concluded that ‘Civic participation in Britain is not in decline’. 1) Membership of political parties, trades unions, churches and traditional women’s groups has declined, but more people join new social movements, NGOs and single issue pressure groups, particularly environmental ones (Inglehart 1990). Furthermore, civil society organizations have multiplied in number. The National Council for Voluntary Organizations estimates that there were 870,000 civil society organizations in 2007, and the number of registered charities (currently at 170,000) has grown exponentially since the 1960s (Hilton, McKay, Crowson and Mouhot, 2010: 2). Robert Putnam (2000) famously warned of a secular decline in civic engagement in the United States in all cohorts since the post-war generation, but again, his evidence on civic participation relates mostly to traditional organizations. In fact,
as Fukuyama (1999) argued organizational membership per se has not declined, but the kinds of organizations people join are different now – typically having less encompassing memberships and being concerned with a narrower range of issues and interests. As we demonstrated in Chapter 5 (Figures 5.2 and 5.12), the cross-country evidence suggests that civic participation is still relatively high in the United States and the UK, by comparison with that in many developed countries. With unemployment likely to soar above its already high levels, particularly with the ongoing public sector cuts in the UK, we can imagine industrial action will increase, raising some measures of civic activism further.

Media headlines also scream about the potentially divisive effects of increasing social and cultural diversity. But for Britain, at least, there seems to be little evidence that this is undermining social cohesion tout court. As we discussed before, academic research, both within and across countries, is quite contradictory on the links between social diversity and key aspects of social cohesion, such as trust and tolerance. For Britain, particularly, it is hard to find a study that provides robust evidence that increasing social diversity undermines social cohesion overall, except perhaps in those areas which suffer multiple social disadvantages (Commission of Integration and Cohesion, 2007). This may be partly a product of history.

Britain has always been ethnically diverse: England alone what Daniel Defoe once lampooned as a ‘mongrel half-bred race’ and (to him ludicrously) proud of it (in his poem ‘The True-Born Englishman’, Defoe, 1836). The nineteenth-century English were, as Eric Hobsbawm has remarked, ‘quite exceptional in boasting of their mongrel origins (Britons, Anglo-Saxons, Scandinavian, Norman, Scots Irish, etc.) and glorying in the philological mixture of their language’ (1990). The rising nationalism and xenophobia associated with late nineteenth-century imperialism may have qualified this enthusiasm for ethnic if not cultural hybridity in Britain, as elsewhere, but there remains in Britain a sense, at least, of being used to diversity. A majority of the population probably still believe that immigration and ethnic diversity is a positive thing, bringing economic gains, creative dynamism and cultural richness.

The relatively weak and amorphous nature of both English and British identity is another aspect of this. Britain was always a multinational state, with British identity necessarily coexisting alongside separate national identities in Wales and Scotland. British ‘national’ – or more accurately ‘state’ – consciousness arose late, first mainly as an eighteenth-century Protestant reaction to Catholic France (Colley,
Regimes of Social Cohesion and the Global Crisis

189

and then as a nineteenth-century concoction of imperial state ambitions and pride, which was, in a sense, more global than national. This, inevitably, proved to be quite fragile and short-lived after the Age of Empire, when fewer and fewer people had much idea what Britain was or whether they were part of it. Given the alternative of identifying as ‘English’ or ‘Scottish’, only 14 per cent of a sample surveyed in Scotland in 2006 identified as ‘British’ (down from 38 per cent in 1979) and 39 per cent in England (down from 63 per cent in 1992) (Heath and Roberts, 2008: 6). Not knowing quite what Britain is, however, does not necessarily present a great barrier to ‘national’ sentiment. A Eurobarometer survey in 2007 still showed 89 per cent of respondents in Great Britain (excluding Northern Ireland) saying that they were ‘fairly’ or ‘very’ ‘attached’ to Britain (ibid., 10).

English identity too has always been an elusive and enigmatic thing – a rather muted affair (Kumar, 2003), at least compared with the more clamorous expressions of national identity in continental Europe. The early formation of a bounded and centralized territorial state in Britain, with the English the overwhelmingly dominant nationality, no doubt contributed to a national consciousness that was confident of itself and its past and which the English did not feel the need to assert too stridently. The reach and power of Britain’s nineteenth-century Empire just added to this complacent national self-regard and allowed the English simply to conflate Englishness and Britishness, thus further confounding any clear notion of what English identity was. This may be beginning to change now as the English seek to re-define themselves in the face of the greater assertion of Scottish and Welsh identities and autonomy within the United Kingdom. Surveys show that an increasing proportion people in England identify as English rather than British (up from 32 per cent in 1979 to 47 per cent in 2006 – Heath and Roberts, 2008). People in England are now seeking to define who they are, but doing so collectively seems likely to remain a challenge. The would-be ‘new nationalism’ of the English has been described as ‘modest, individualistic, ironic, solipsistic, concerned as much with cities and regions as with counties and countries’ (Paxman, 1998). It seems unlikely to shed altogether its historic affinity for the diverse and the particular.

Historically, liberal states have not placed a strong emphasis on maintaining a broad set of shared values and are consequently relatively tolerant of cultural diversity, at least compared with states whose identities are more bound up with notions of national culture. The overtime World Values Survey data (see Figure 7.6) suggest a relatively stable pattern in inter-ethnic tolerance in the liberal group of countries since
1981, with only a very slight decline since 2000. Perceptions of conflict between ethnic groups are somewhat lower in the liberal countries than the average for the social democratic and social market groups of countries (see Figure 7.9). Arguably, ethnic and cultural diversity in liberal states only presents a major challenge to cohesion when ethnic differences become too deeply entwined with economic and other inequalities. Deep inequalities tend to increase the psychological distance between all social groups and make people more inclined to see those from different ethnic groups as ‘other’. As Dorling writes: ‘As inequality rises people begin to treat others less and less as people, and begin to behave towards others as if some are different species’ (Dorling, 2010: 126). Some, like Huntington (2004), would argue that the United States has already reached this point, although the survey data does not fully bear this out. As Putnam finds (2000), Americans are generally more tolerant of each other than they were 50 years ago. The same is true in the UK. The danger, however, is where ethnic difference increasingly intersects with economic inequalities and struggles over increasingly scarce jobs and social resources, such as housing, hospitals and schools, become seen as conflicts between ethnic groups.

For the moment at least, however, the biggest challenge to social cohesion in Britain is not cultural diversity. More important is the steady erosion of people’s faith in opportunity and fairness, those core values of a would-be meritocratic culture that are widely shared in Britain by all social groups. Individual opportunity is arguably the keystone of the arch supporting social bonds in Britain, as in other liberal societies, and it is rapidly eroding, not least due to rampant inequality and a looming age of economic austerity. The British, like the Americans, have a quite high tolerance for inequality, compared to other developed countries, as numerous attitude surveys have shown (Alesina and Angeletos, 2005; Osberg and Smeeding, 2006). But when inequality ossifies the social structure; when it makes social divisions more or less permanent, thus stunting people’s life chances and blighting whole communities; and when reward no longer seems to relate to effort, talent and contribution, then even the most individualistic British person can feel that society is letting them down.

This decimation of opportunities and stifling of mobility is what we are now experiencing. Income inequality in the UK, as we have seen, is extremely high by the standards of advanced economies, on whichever measure is used. On the OECD’s analysis for the mid-2000s, using the Gini coefficient for household disposable incomes (equivalized for household composition), the UK had the seventh highest Gini level in the
OECD, behind only Mexico, Turkey, Portugal, the United States, Poland and Italy. The UK data was for 2004, which was a reasonably favourable year for comparison. Growth in inequality in the UK by 2007–8 would have put the UK above the level that Italy had been at in the mid-2000s (Hills, 2010: 53). Among the richer OECD countries, then, probably only the United States has higher income inequality now on the Gini measure. On other measures, the UK fares no better. If you compare the average annual incomes for the mid-2000s of the best-off tenth of the population with the worst-off tenth, on the so-called 10:10 ratio, the United States and the UK rank as second and fourth most unequal respectively of the richest 25 countries in the world, with the UK (at 13.8: 1) behind Singapore (17.7), the United States (15.9) and Portugal (15) (Dorling, 2010: 327, note 37).

According to the analysis from the recent National Equality Panel report (Hills, 2010), the UK’s relatively high inequality in international terms is a product mostly of inequality at the top end of earnings, with the distribution at the lower end being more typical. However, the UK’s performance in terms of relative poverty is also very poor. Eurostat data suggest that in 2006 the UK had an overall poverty rate (relative to the level of 60 per cent of each country’s median income) of 19 per cent compared to the average for the EU15 at 16 per cent, with only Italy, Spain and Greece doing worse (Hills, op cit: 54). Another reason for the relatively high level of inequality in disposable income in Britain is that the combined effect of benefits and taxes has done less to reduce inequality than in other European countries. Using data from the Office for National Statistics (ONS), the National Equality Panel show that, over the last 30 years, the overall redistributive effect of direct taxes was almost totally offset by the regressive effect of indirect taxes (Hills, op cit: 50).

The long-term trends are ominous. Income inequality has been rising at an alarming rate since comparable figures were first recorded in 1961, and is probably at its highest now since the Second World War. The last 30 years have seen the steepest rises. The Gini coefficient for ‘original income’ (earnings) was 43 in 1977 and 52 in 2008–9 showing how a stretched wages distribution has contributed to growing inequality. Benefits do not seem to have mitigated this trend very much, as the Gini for ‘gross income’ (which includes original income plus cash benefits, including pensions) also rose from 30 in 1977 to 38 in 2007–8. The Gini for disposable incomes (deducting income and local taxes) was lower, at 34 in 2007–8, but still up from 27 in 1977. But taking into account indirect taxes, the 2007–8 figure for the ‘post-tax Gini’ goes back again to 38, up from 29 in 1977 (Hills, op cit: 49).
Earnings ratios measures present a similar picture, although they show a slightly more favourable story for the last few years because they capture less of the astronomic increases in earnings at the very top of the distribution than the Gini measures. The 90:10 percentile ratio for earnings for men rose from 2.3 in 1977 to 3.6 in 2002. The 90th percentile to median earnings ratio for men and women rose from 1.7 in 1977 to 2.2 in 2001, while the 99th percentile to median ratio went up from 2.9 to 4.8. Compared with a sample of other countries, wage differentials grew more than anywhere else except the United States (Hills, op cit.: 30). The gender earnings gap has decreased, although the median hourly wage for women is still 21 per cent less than for men. However, while gender income inequality has decreased, the rising employment rates and relative earnings of women have probably added to household income inequality due to the skew in household composition, with high earners being likely to cohabit.

Wealth distribution is even more unequal than income distribution. The most recent data for the UK yields a household wealth Gini coefficient of 61, compared to the 38 coefficient for post-tax incomes. The median level of household wealth in 2006–8 (including personal possessions, net financial assets, housing and private pension rights) was £205,000. The top 1 per cent of households average a total net wealth above £2.6 million; the top tenth £853,000 or more; and the bottom tenth, less than £8,800. Those in the top tenth had 4.2 times as much as those in the middle. We cannot calculate a ratio for the top and the bottom because the bottom has negative or zero wealth.

Wealth inequality has been growing since the late 1980s. On the basis of data on the estates of those dying each year, which is the only comparable data series we have, inequalities of wealth were declining between the mid-70s and the mid-80s but then began to rise sharply in the 1990s (Hills, op cit: 62). Wealth inequalities have also been growing by region with the median total wealth in the south-east now 1.7 times that in the north-west. Part of the inequality in household wealth is, of course, accounted for by differences in age since there is a pattern of lifecycle wealth accumulation. Median total wealth in 2006–8 for households with a ‘household reference person’ aged 25–34 was £65,900. The figure rises to £287,800 for 55–64s and drops to £171,800 for the over 85s. However, there are huge inequalities within each age group, which belies the idea that generational differences are now surpassing class divisions. The 90:10 ratio is 77:1 among the 35–44s and 80:1 among the 25–34s. Most of the latter group have not had time to accumulate much wealth through earnings, so the figures are showing the huge
Regimes of Social Cohesion and the Global Crisis

It is not surprising that the Conservative Party prior to the 2010 election sought to raise the inheritance tax threshold to allow more of the affluent middle classes to pass on their wealth to the children without paying tax. The current political response to the economic climate is certain to make matters worse. Inequalities in the UK – by region and by household incomes – were already at historically high levels before the 2008 banking crisis. It would be strange had they not risen since then because it is the young, the low-paid, the less educated and those in areas of high regional unemployment who have been hit the hardest in terms of jobs (Brewer et al., 2009). The Conservative-Liberal Democrat coalition government, elected in May 2010, stated its intention to reduce the public deficit largely through public expenditure cuts, with around 80 per cent of deficit reduction coming from these cuts and just 20 per cent coming through tax increases. Budgets for health, schools and international development were ring fenced, but spending in all other departments would be reduced between 25 and 40 per cent over four years. These cuts are widely predicted to come at the cost of a million plus public sector and related private sector jobs. A disproportionate number of these are likely to be those of low-paid workers. Tax increases are mainly to come through rises in VAT, which fall disproportionately on the poor who spend a higher proportion of their income on VAT-rated goods and services than the rich. Cuts in services and benefits are also predicted to cost the poorest fifth 12 times more – proportionately – than the richest (Hills, op cit). All of these trends suggest that income gaps, by social class, region and generation, are likely escalate further in the years to come.

What are the likely effects of these projected increases in inequality on social cohesion? It can be safely predicted that industrial unrest and strikes will increase, particularly among the public sector workers who will see the most savage increases in redundancies, combined with wage freezes, or even cuts, for those who remain lucky enough to keep their jobs. Civil strife more generally is likely to increase, particularly among the most disadvantaged groups in the areas with very high unemployment. This may also promote inter-ethnic strife in areas starved of jobs and social resources, where white and long-established minority ethnic groups may be inclined to blame more recent immigrants for their troubles. Young people generally are likely to become increasingly discontented as they see their opportunities for decent employment and home ownership diminishing rapidly. Those with most cause to protest, and the areas most likely to become flashpoints,
Regimes of Social Cohesion

are not hard to identify. Meanwhile those who can will protect their interests. The elites will fight yet harder to protect the advantages of their young through moving to the best areas and choosing the most prestigious schools. As school choosing becomes so widespread that it ceases to offer a positional advantage to the middle classes, they will spend more on private education to put their children ahead of the rest. Britain already diverts more of its spending on schooling (23 per cent) to support the 7 per cent who go to private schools than any other affluent country (Dorling, 2010). The conflict over access to opportunities will grow. However, the malaise may well become wider than this.

Rising inequality and cuts in social provision affect everyone in one way or another. When the rubbish bins are not emptied, when local hospitals close and queues for treatment get longer, when the roads are not repaired and when commuters suffer escalating delays on evermore overcrowded trains, most people will suffer in their quality of life. More important still, a growing number will feel that their opportunities have been blighted and that society is treating them badly. High levels of inequality tend to bring lower social mobility. As our earlier analysis suggests, social mobility in the UK is already in decline, and lower than in many comparable continental European states. In the coming years, opportunities are likely to decline further, particularly for younger people and those older workers for whom redundancy leads to long-term unemployment and permanent marginalization from the workforce. Currently, there are still many who still think that the axe will fall on someone else's job or only on the services that other people use. However, this will change as the far-reaching impact of the cuts becomes more widely apparent. The decimation of opportunities and quality of life will become widespread – not just your problem but mine also.

Those living in liberal states have often liked to believe that their systems offer better economic prospects than others. Politicians have frequently told them so and easy credit and house price inflation added to this comforting belief in recent decades. We now know that this was an illusion. Economic growth in per capita terms has been no higher since the Second World War in neo-liberal economies than continental European economies (Walby, 2009). The banking crisis has finally exploded the myth of neo-liberal affluence as public and private debts have mounted and housing assets no longer offer the false security they once did. As the reality dawns, fewer people will have reason to be optimistic that they live in a society which offers great opportunities to those who work hard. With declining opportunity comes dwindling
faith in the core values of liberal society. Not only is aspiration itself placed in question; so is the basic belief in equity that legitimates the meritocratic creed.

As argued before, people in liberal societies are often quite tolerant of inequality. But only so long as they believe that people get what they deserve and that they have a chance at least to prosper. Events over the past two years have, for many, tested these beliefs to destruction. Millions have seen their lives blighted by a financial crisis that was not of their making, while the chief culprits, the over-paid bankers and others in the financial services, have gone largely unpunished and, indeed, seem determined to carry on just as they did before. An economic crisis that was created in the private sector, places the burden of paying off the debts incurred on public sector workers. Women will suffer more of the pain than men, because their jobs are often more vulnerable, and because they are typically more reliant on public services, yet most of the bankers whose recklessness brought on the crisis were men. Young people, most of whom had nothing to do with any of it, see themselves paying for the mistakes of their parents’ generation. Nor have the politicians set an example to maintain the faith of the public. Caught so long in the spell of untrammelled financial capitalism and, inevitably, influenced by the culture of greed which it promoted, politicians, of all parties, succumbed to temptation. The scandal over MPs’ excessive expenses, which erupted in the UK in 2009 at the high point of the economic crisis, seemed to induce a more visceral anger among the public at large than even the calamitous behaviour of the bankers, perhaps because people thought the bankers ‘no better than they should be’ but expected more of public servants. Many will have reason to question where the equity is in all of this. As they do so, belief in the system, and trust in general, is likely to decline precipitously, and with it social cohesion.

The evidence we have presented suggests that this is already happening in some of the liberal societies, and most obviously in Britain and the United States. Trust in others in Britain has declined catastrophically in recent decades, as has trust in institutions and politicians. The most recent evidence of this comes from polls conducted in the UK by IPSOS MORI in September 2009, which found that only 13 per cent of people polled trusted politicians ‘to tell the truth’. The proportion was down eight percentage points from the previous year’s poll, representing a 26 year low (IPSOS MORI, 2009). We do not have such recent data for the levels of beliefs in the core values of meritocracy and equity, but it would be surprising if World Values Survey data on this, to be released
in 2011, do not show a similar decline among the British in confidence in these ideals. Our analysis of the longer-term trends in core values in Chapter 6 certainly showed a worrying trend in the liberal societies. There has been a gradual erosion of support for democracy among the lower social groups in the United States, where the disadvantaged are increasingly uncritical of authoritarian government. In both the United States and the UK, there has been an increasing divergence between social classes in support for democratic ideas. On average, fewer people say they support gradual reform than in social market and social democratic countries. Where trust in institutions declines, and the confidence in basic values of equity atrophy, perhaps the faith in democracy itself can weaken among certain groups.

Social cohesion in liberal societies rests, above all, on widespread belief in individual opportunity, freedom and merit. Beyond this, historically diverse societies, such as Britain and the United States, have not needed, or have not felt they needed, any broad set of shared values and mores to hold them together. They have not even bothered too much about inequality and redistribution so long as there is sufficient mobility and economic growth, from which everyone has a chance to benefit. But when the music stops and many are left standing, then the social cleavages widen. Those moral sutures tear and the social wounds open and fester. The rapid atrophy of people’s belief in equity and opportunity could well be the greatest danger to social cohesion in the liberal states.

Social market countries in continental north-west Europe

In the social market economies, the fault lines of social cohesion are different. The countries of north-west continental Europe, which adhere broadly to the social market socio-economic model, have not worshiped at the shrine of rapid economic growth and individual opportunity to the same extent as the Anglo-Saxons. Or rather they have balanced these goals with other, more social goals. Because making quick money has not been so sacralized, a period of economic stagnation perhaps comes as less of shock, particularly when the burden of belt-tightening is shared more equally. For the most part, these countries are less unequal than the liberal societies and social mobility has been higher in recent years. Here the strains on social cohesion appear to be coming primarily from a different quarter. Most of these countries have historically placed a high premium on shared values and ‘national’ culture. In the republican tradition of France, this was based mostly on political ideals, derived from the French Enlightenment and
subsequent Revolution, but also on a strong sense of identification with the French language and way of life (Brubaker, 1992). Historically, in Germany, and in the countries proximate to it, excepting perhaps Holland, ethno-cultural identity tended to prevail over state identity, because nationalism arose before territorially secure sovereign states were established, and when the nation and state could not easily be made to coincide. In the post-war years, a more civic identity has emerged but common values and beliefs still tend to be important, in a way that they are not in the UK. The problem for these countries is that these identities are now challenged by rising social and ethnic diversity and by increasing value pluralism. This is where social cohesion appears to be most vulnerable.

The economic crisis in the north-western European social market economies has been profound, but has not yet caused major civil strife, as in Greece and Spain. Southern Europe has been most badly affected by the recession of all regions in Europe. The social market economies of north-west Europe have suffered also, but less so than those in Spain, Portugal, Italy and Greece, and less on average than the liberal and social democratic economies. Average peak-to-trough contractions of GDP were 4.8 per cent in the social market countries compared with 6.2 per cent in the social democratic countries and 6.8 per cent in the liberal economies (including the USA, UK and Ireland) as shown in Table 7.1 and Figure 7.12 (Green et al., 2010). Worst hit were countries like Germany, which were heavily reliant on external trade and suffered with the global decline in trade. But the social market countries generally were somewhat less affected by the financial aspects of the crash than the liberal countries because their banking systems were more regulated, and because private debt had not accumulated to such high levels as in the liberal states. Typically, lending for house buying was more controlled and restrained, which meant smaller housing bubbles and less fallout from market drops in house prices.

The social market economies do, of course, have substantial problems with budget deficits and the overall public debt, the latter being considerably higher on average in these states than in the liberal or social democratic states (see Figure 7.14). However, the combined public and private debt is still more manageable than in the liberal economies (see Table 7.2), such as Ireland and the UK, where it has reached staggering levels. Britain, for instance, not only has a very high level of mortgage debt due to sky-high house prices and easy lending. It is also estimated to hold more than half the credit card debt in Europe (Dorling, 2010). Paying down both the public and private debt simultaneously is likely...
### Table 7.1  Peak to trough contractions

<table>
<thead>
<tr>
<th>Countries</th>
<th>Decline (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>−0.85</td>
</tr>
<tr>
<td>Austria</td>
<td>−4.48</td>
</tr>
<tr>
<td>Belgium</td>
<td>−4.16</td>
</tr>
<tr>
<td>Canada</td>
<td>−3.27</td>
</tr>
<tr>
<td>Denmark</td>
<td>−7.18</td>
</tr>
<tr>
<td>Finland</td>
<td>−9.07</td>
</tr>
<tr>
<td>France</td>
<td>−3.45</td>
</tr>
<tr>
<td>Germany</td>
<td>−6.71</td>
</tr>
<tr>
<td>Greece</td>
<td>−3.24</td>
</tr>
<tr>
<td>Iceland</td>
<td>−12.01</td>
</tr>
<tr>
<td>Ireland</td>
<td>−10.46</td>
</tr>
<tr>
<td>Italy</td>
<td>−6.44</td>
</tr>
<tr>
<td>Japan</td>
<td>−8.36</td>
</tr>
<tr>
<td>Korea</td>
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<tr>
<td>Netherlands</td>
<td>−5.18</td>
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<td>New Zealand</td>
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<tr>
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<td>Spain</td>
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<tr>
<td>Sweden</td>
<td>−6.31</td>
</tr>
<tr>
<td>Switzerland</td>
<td>−2.26</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>−6.25</td>
</tr>
<tr>
<td>United States</td>
<td>−3.66</td>
</tr>
</tbody>
</table>

*Source: Green et al. 2010.*

#### Figure 7.12  Peak to trough declines in GDP by country cluster

*Note: SME – Social market economies; SDE – social democratic economies; LME – liberal market economies.*

*Source: Green et al. 2010.*
### Combined public and private debt

<table>
<thead>
<tr>
<th></th>
<th>Public net debt as percentage of GDP (2009)</th>
<th>Financial liabilities of Households as percentage of GDP (2008)</th>
<th>Total debt (public + private) as percentage of GDP</th>
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<tbody>
<tr>
<td>Denmark</td>
<td>38</td>
<td>148.30</td>
<td>186.3</td>
</tr>
<tr>
<td>Finland</td>
<td>48</td>
<td>57.30</td>
<td>105.3</td>
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<td>Norway</td>
<td>60</td>
<td>83</td>
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<tr>
<td>Sweden</td>
<td>43</td>
<td>79.00</td>
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<td>Canada</td>
<td>28.24</td>
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<tr>
<td>UK</td>
<td>62.11</td>
<td>113.40</td>
<td>170.2</td>
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<td>US</td>
<td>58.21</td>
<td>63.30</td>
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<td>63.70</td>
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<tr>
<td>France</td>
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<tr>
<td>Germany</td>
<td>70.31</td>
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<tr>
<td>Spain</td>
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<td>87.70</td>
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<td>Japan</td>
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<tr>
<td>China</td>
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<td></td>
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</tr>
<tr>
<td>India</td>
<td>60.10</td>
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</tbody>
</table>

*Source: Green et al. 2010.*

#### Financial liabilities of Households as percentage of GDP (2008)

- **Figure 7.13** Private debt

*Source: Green et al. 2010.*
to provide a greater drag on economic recovery in the liberal economies than elsewhere, and will require a greater squeeze on household spending.

The Eurozone has, of course, been rocked by the market response to the debt levels in Greece, Italy and Spain, but disaster appears to have been forestalled by collective EU action, albeit that this was late and reluctant. Austerity measures have been adopted in France, Germany and elsewhere, but not on the same scale as the UK and Ireland. For instance, while Britain faces cuts of up to 30 per cent in the budgets of most of its spending departments, no state department in Germany, the social market country most hawkish about deficits, is due to lose more than seven per cent of its budget (Young, 2010). Also the pain has been generally spread more equally than in the liberal countries, with the still comparatively high levels of social benefits offering more protection to the vulnerable. Generally, the shock of the global economic crisis is likely to rock the social market countries less than the liberal countries, not least because the social market countries can, with some justice, say that it was not their economic model that created the problem. The economy is probably not the main problem for social cohesion in this region. Times are tough, but in the social market countries a successful collective response to the difficulties is as crucial for social cohesion as the restoration of economic optimism and individual opportunity, which were not, in any case, principally what held society together.

Income inequality, though rising, has been substantially lower in the social market economies than in the liberal economies, partly because there has been less escalation of earnings at the top end, and partly
because the spending and taxation policies have been more redistributive here. Comparative studies suggest that social mobility is higher, at least in Germany and the Netherlands (Blandon et al., 2005). The institutional organization of labour markets in social market economies is also more likely to generate solidarity among the workforce, or at least among those who are employed, than in countries with less regulated, and more flexible labour markets. This is not just a question of the industrial democracy that operates in large firms in Germany and, to a lesser extent, in other social market countries. It is also a product of the social partnership model of coordination within economic sectors, where skills levels, qualification requirements and pay bands are kept broadly in line across firms through sectoral agreements, which, as in France, are often extended by law to cover all employees in the sector. This has often led to a remarkably solidaristic response, for instance, by German workers in some sectors where they have agreed across-the-board pay cuts, rather than having redundancies hit particular groups. As discussed in Chapter 5, these practices are being somewhat eroded by the globalization of finance and the internationalization of Germany’s larger firms. Nevertheless, there remains a culture of workforce cooperation and collective social partner bargaining which is a unifying factor.

The major labour market cleavage in the social market economies is between the employed and the unemployed. Because minimum wages are set – or negotiated by sector – at comparatively high levels, and because of the employment protection rights of employees, employment is less flexible and firms are less able to absorb low-skilled labour than in the liberal economies. Many of the less qualified, and particularly young people, thus find themselves shut out of employment. Unemployment rates are not currently higher on average among the social market economies than the liberal economies, which have seen large rises in the workless since the onset of the recession (see Figure 7.15). Unemployment levels in Austria (5.27 per cent), Netherlands (6.64 per cent) and Switzerland (3.48 per cent) were still relatively moderate in 2009, given the economic climate, but other countries, including Belgium (8.69 per cent), France (9.54 per cent) and Germany (8.02 per cent) had high and rising rates (Green et al., 2010). In these countries, long-term unemployment, particularly among young people, can be major source of social division, as we saw with the riots in France in 2005, which spread from the Paris bidonvilles to the suburban ghettos of many large towns. Although triggered by allegations of police harassment, these were largely protests arising out of the frustrations and
social marginalization of the young unemployed in the poorer urban ghettos. Involving a large number of youths of North African origin, they were also protests against the widespread racism experienced by this often disadvantaged ethnic minority community in a society perceived to be increasingly hostile to Muslims.

This brings us back to what is likely to be most problematic for social cohesion in the social market countries: cultural diversity. These countries are certainly ill at ease with the increasing heterogeneity of their societies. Where shared values had once been seen as so central to social cohesion, now, as we have seen, there are high levels of value diversity. This has manifested itself in many ways, for instance in France, from the rows over religious dress in public schools to the recent ban on the wearing of the *burka* and the expulsion of Roma peoples from their homes. The popularity of the far right parties in several countries, including Austria, Switzerland, Belgium and the Netherlands, has mainly to do with the general rise of racism and xenophobia in the face of growing immigrant and post-immigrant populations. In particular, mounting Islamophobia since 9/11 has directed hostility towards Muslim populations even where these are non-militant and seeking to integrate into their host societies. Governments, particularly those of the Right, are increasingly capitulating to popular xenophobia. France’s obsession with the wearing of the *burka*, the full veil worn by a very small minority of Muslim women in France, is a case in point. Popular antipathy for this form a dress has been mounting for several years, despite the fact that only some 2000 Muslim women actually cover up their faces in this way in public. The Government has not been content with banning its use in public settings where it may be a safety
or security hazard, as in some factories or at airports and other places where people need to be identified; nor with curtailing its use by professionals such as teachers, doctors and nurses, whose jobs, arguably, can be performed better if their facial expressions are visible to their clients. Instead, the reaction has been extreme beyond any reasonable argument. The lower house of parliament in France in July 2010 voted overwhelmingly to ban the wearing of burka in any public place, which would include people taking a walk in the park. Belgium and Spain were also considering such legislation, although UK Minister for Immigration, Damian Green, rejected the idea as ‘un-British’ (that is, supposedly too illiberal for a traditionally liberal state). While French politicians disingenuously defend the ban on grounds of gender equality, nothing in fact more clearly exemplifies the unease with cultural difference so commonly felt in these societies today.

Cultural difference seems to have become the Achilles Heel of these countries, creating conflicts and divisions in societies that normally place a high premium on social solidarity. As we saw in Chapter 7, social market countries now display a high degree of diversity around values, both in terms of post-materialist values and what we termed ‘contentious issues’. This is a relatively new and difficult problem for countries which have traditionally put a strong emphasis on shared values and identities and which see these as a principal foundation of social cohesion. It may in part explain the precipitous decline in levels of trust in France, for instance, as indicated by the over-time surveys. The other institutional foundations of cohesion in social market societies – their welfare states and public services – may be holding up reasonable well and still perform an important role in binding society together. But the collective failure to accommodate cultural diversity makes social cohesion increasingly fragile.

East Asia

If a relatively consistent picture emerges for the trends in key aspects of social cohesion in the social market states, the same cannot be said for the East Asian states. We only have data on the key attitudinal measures over time for Japan and South Korea and the trends for these countries diverged considerably. Japan remained relatively stable on attitudinal measures between 1981 and 2005. In the WVS data, the measure for social trust was relatively stable, while political trust and inter-ethnic tolerance declined only marginally (see Appendix 2c). South Korea, on the other hand, has shown considerable volatility in these measures over the same period. There were substantial declines in social and
political trust during the 1980s and 1990s, with a small recovery in the new millennium. The measure for inter-ethnic tolerance also shows a massive decline in the 1980s and 1990s and only a slight recovery thereafter. The timing of these shifts very likely reflect the major political changes occurring during this period. The 1980s saw a sharp escalation of the pro-democracy struggles in South Korea which had been building since President Park’s declaration of martial law in 1971 and which continued after his assassination in 1997. This tumultuous period of labour and student-led conflict seems to have coincided with the sharp declines in trust and tolerance. Democracy was restored in 1997, after the election as President of the former trade unionist and pro-democracy leader, Kim Dae-jung. This was accompanied by the 1997 Asian financial crisis, which hit South Korea very hard, and this may have delayed positive attitudinal changes for some more years. However, economic revival and democratization after 1999 do seem to have coincided with increasing levels of trust and tolerance.

We have not argued in this book that a distinctive regime of social cohesion can be identified in the East Asian states and the divergent patterns on these indicators for Japan and Korea over the past three decades support this view. However, certain similarities in the institutional and attitudinal correlates of social cohesion were highlighted with regard to the East Asian societies with a strong Confucian inheritance. Social cohesion tends, historically, to be understood more in terms of social stability and peace, rather than being associated strongly with participatory democracy and active civil society as in the western liberal and republican traditions. Respect for authority, particularly for elders, employers and rulers, features prominently in the traditional discourses on the moral foundations of peace and stability, and this often makes social cohesion appear a fairly top-down and state-centric affair. A strong sense of national identity, with distinctly ethno-cultural foundations, is common in many East Asian states, including those which are relatively ethnically homogeneous, such as Japan and South Korea, and those, like Singapore, which are more ethnically diverse. Strong national identities are often associated with explicit discourses around national values, which political leaders believe should be widely shared if social cohesion is to be maintained. A belief in rapid economic growth has been an important constituent of national identities in all these countries, including Japan since the Meiji period, and in the more recently formed East Asian tigers, and is, arguably, a necessity for the maintenance of otherwise relatively fragile regimes of social cohesion.
These similar features have been modified but have not disappeared over the past few decades. Japan and South Korea have become slightly more culturally diverse but are still relatively homogenous societies. Democratization has proceeded apace in Taiwan and South Korea, but both, arguably, still retain a distinctive East Asian moral preference for placing the collective above the individual, even if individual expression is allowed more freedom than before. Since China made the transition to a capitalist market economy, albeit with a still officially communist ruling party, its shared heritage and affinities, with respect to its forms of social cohesion, with other Sinic societies in the region, is becoming increasingly obvious. As elsewhere, although inevitably taking a different political form, respect for authority is still significant. Individual freedoms are considered subordinate to the collective good in matters that affect social cohesion. National identity is strong, and vigorously promoted by the state, not least to fill the gaps left by the waning significance of communist ideology. Above all, rapid economic growth is widely understood to be one of the principal sources of legitimation of the state, and therefore a precondition for social cohesion. As economic marketization boosts national and regional inequalities to potentially destabilizing levels, and as labour conflicts now openly emerge, China continues to rely on both rapid growth and the promotion of Chinese identity and patriotism to hold society together. GDP growth at anything less than 8 per cent would see rising urban employment, as a still growing population and rapid rural urban migration continues to swell numbers in the major cities.

The global economic crisis does not seem to have substantially changed these configurations. Japan's economy has been either recessionary or stagnant since the early 1990s and it suffered one of the largest peak-to-trough contractions (8.36 per cent) of the major economies during the global recession (Green et al., 2010). Economic problems during the past fifteen years have prompted some liberalization of the Japanese economic model, and this has increased inequalities and created some additional social tensions, not least among younger people whose prospects have diminished by comparison with those of their parents' generation, who lived through the boom years. The apparent impotence of governments in trying to re-establish Japanese economic dynamism, has probably been a factor in the waning of political trust and confidence in government. On the other hand, social trust has not been markedly affected and violent crime is still much lower in Japan than in most advanced countries (see Appendix 2). It would
seem premature to argue that the cohesiveness of Japanese society is in imminent danger.

The strongly export-oriented economies of China and the East Asian tigers inevitably also suffered with the declines in world trade after the 2008 global financial crisis, but these are mainly back on course now. South Korea’s economy still languishes somewhat, expanding by less than 3 per cent in 2010, but Singapore and Taiwan are already back to double digit growth. China’s economy slowed marginally during the recession, with growth declining from 9 to 8.5 per cent, but is now back on its pre-recession path of over 10 per cent annual growth (Green et al., 2010). Generally, East Asia continues to prosper despite the economic crisis. Indeed, arguably, the crisis of neo-liberal financial capitalism has only enhanced the long-term global economic shift from the West to Asia. As Stiglitz writes: ‘The crisis will almost surely make a change in the global economic and political order. America’s power and influence will be diminished, China’s increased’ (Stiglitz, 2010: 234).

Clearly in East Asia’s predominantly Chinese societies, including Taiwan, Singapore and China itself, social stresses and strains are mounting. But as long as their economies continue to grow, as they are, and as long as the ties of national consciousness unite more than they divide, social cohesion, though sometimes fragile, seems likely to be sustained if not deepened. Where civic activism and new forms of democratic expression are flourishing anew, as they are beginning to do in South Korea and Taiwan, we may expect new solidarities to emerge within civil society, which, in the longer term, may establish new foundations for social cohesion.

The Nordic states

The Nordic countries are widely considered to be among the most socially cohesive in the world. On most of the usual measures of social cohesion, they score highly relative to other countries. Social and political trust have both been far higher within the social democratic Nordic countries than in social market and liberal countries since the 1980s (see Figures 7.1 and 7.5). Levels of violent crime are generally lower, although Finland differs from the other Nordics in having quite high homicide rates (see Appendix 2). People in Nordic countries perceive less tension between rich and poor (Figure 7.7), workers and managers (Figure 7.8) and between the generations (Figure 7.9) than in the other country groups. Perceptions of tensions between ethnic groups are relatively high (Figure 7.10) but on one measure at least – the proportion saying they have no problem with having immigrants
as neighbours – Nordic countries are on average more tolerant than countries in the other groups (Figure 7.6). What is more, while other country groups show declines over recent decades on key indicators of social cohesion, the Nordics show substantial rises. Social and political trust were considerably higher in 2005 than in 1981. People in the Nordic countries seem to have become more tolerant during the 1990s and are probably still more tolerant than they were in 1981 (Figure 7.6).

The comparative numbers present a consistent picture of Nordic exceptionalism but they still, perhaps, fail to convey the full uniqueness of social solidarity as a lived reality in Scandinavia. An anecdote may serve better. In New York, in 2006, a Danish mother was arrested for leaving her one-year-old daughter in a pushchair outside a Manhattan restaurant while she and the child’s father dined inside. The child was taken to hospital by police and examined for child abuse. Charges against the mother were finally dropped, but according to American norms the mother’s behaviour (not the father’s, note) was potentially criminal and the authorities’ response normal. However, the mother was simply behaving as she would have done in Copenhagen or another Danish town where it is normal to leave a child outside or shop or restaurant because it is considered to be a quite safe thing to do (Novich, 2006). The same is true today. The contrast in levels of trust between Denmark and the United States is stark. Social cohesion in the Nordic countries is of a different order from that in liberal and most social market states.

From its emergence as a dominant political force the 1920s, Scandinavian social democracy has placed a high value on social solidarity. This was first manifested in the stress on cross-class solidarity achieved through consensus-seeking alliance politics. It was also strongly promoted through socially integrationalist education policies, which emphasized social class mixing and the importance of nurturing cooperative behaviour and community values (Wiborg, 2009). Achieving a relative egalitarian society was always at the heart of the social democratic agenda for social cohesion, and the development of generous and highly redistributive welfare states was an essential part of this. Both of these factors have undoubtedly contributed to the high levels of social and political trust exhibited by people in Nordic countries (Rothstein and Stolle, 2003). Other factors have also contributed, including the development of solidaristic wage bargaining procedures, radical measures to enhance gender equality, and policies for deepening democratic participation generally.
Nordic countries have been pioneers of policies designed to reduce gender inequality in work, at home, and in public life. Sweden was one of the first countries to introduce laws against rape in marriage (in 1965) and has developed high levels of regulation of domestic violence (Walby, 2009). Universal and largely free pre-school provision for children from the earliest years exists in all Scandinavian countries, including in some places, the provision of free transport services that pick the children up from the home. Legislation has been introduced to make workplaces family-friendly, with generous parental leave provisions, flexible working hours, and entitlements for parents of young children to take paid leave days when their children are sick. These and other provisions have made possible the exceptionally high rates of female employment in Nordic countries, which has helped to narrow the earnings gap between men and women and to break the association between single parenthood and poverty. Enabling high employment rates has been good for economic competitiveness – with labour productivity rates at similar levels to the social market countries, it is the higher rates of employment (along with oil in Norway) that push the living standards above those elsewhere in Europe. Near universal child care provision has been good for gender equality and may also reduce educational and incomes inequality; the early socialization of children from poorer families in socially-mixed environments may mitigate any effects of low cultural capital in the home and help to reduce class-based inequalities in education (Esping-Andersen, 2003). Figure 7.16 shows that the ratio of women’s earned incomes to men’s in the Nordic countries is considerably higher than for other country groups.

The Nordic countries have what Sylvia Walby (2009) calls a ‘public gender regime’. The state has taken the lead in most initiatives for promoting gender equality, including employment protection for women, state-provided child care, the criminalization of violence against women, and the provision of quotas for women in parliament, which has helped to increase female representation above levels in most other countries. In Sweden, in 2008, 47 per cent of MPs were women (Walby, 2009). Norway also has quotas for women on boards of companies. These measures not only promote greater equality and solidarity between men and women; they may also promote the social democratic values that support social cohesion more generally, because women have become strong supporters of social democracy. Gender equality, according to Walby (2009), also contributes to the high degree of what she calls ‘presence-democracy’ in Nordic countries. Low-cost, state-supported electioneering, voting by proportional representation,
and quotas for women in parliament and on company boards all add to the depth, directness and pervasiveness of democratic processes. Social solidarity is also promoted through the organization of the labour market in Nordic countries. Trade union coverage is high in all the Nordic countries, and unions play key roles not only in wage-setting and determining the qualifications for jobs in different sectors, but also in the administration of earnings-related unemployment benefits. Further, centralized trade union bargaining, which is the norm in these countries, promotes workforce solidarity by ensuring that pay relativities, across occupations, as well as within occupations, are kept reasonably equitable across the whole workforce. Cross-country statistical analysis by Nickel and Layard (1998) suggests that this is contributing substantially to reducing wage inequality. The neo-corporatist structures of interest group intermediation in the labour market can be found in the social market economies as well (Streeck, 1997), but there it is less inclusive of women. Industrial democracy in the social market economies is often geared towards the male ‘breadwinner’ and the ‘family wage’, reflecting the traditional family patterns that die hard in Catholic countries.

The global financial crisis does not seem, so far, to have dealt any fatal blows to the foundations of social cohesion in the Nordic states, except of course in Iceland, with its exceptional banking disaster. Unemployment in 2010 was high and rising in Sweden (8.2 per cent) and Finland (9.75 per cent) but lower in Denmark (4.2 per cent) and Norway (3.8 per cent). Robust government measures were introduced to limit redundancies in the worst affected sectors in most countries. Public spending in certain areas has been trimmed, but there has not

Figure 7.16  Ratio of female earned income to male earned income, 2005
been a wholesale slashing of public spending such as would weaken the foundations of their generous welfare states.

The Nordic states were all hit hard by the financial crisis, not because of particular weaknesses in their banking sectors, which were better regulated than in the liberal states, but because of the effects of reduced world demand on their export economies. Peak-to-trough contractions in GDP were relatively modest in Norway (2.43 per cent) but very high in Denmark (7.19 per cent), Finland (9.07 per cent), and Sweden (6.31 per cent) (Green et al., 2010: 44). However, Nordic states were well placed to respond positively to the crisis because inflation rates were low, and governments benefitted from budget surpluses and relatively low levels of public debt (Figure 7.14). This allowed states to respond to the crisis in the classic Keynesian fashion by stabilizing the banks and taking measures to increase demand in the economy. The banking sector had been relatively tightly regulated since the banking crisis in the early 1990s, when Sweden had been forced to virtually nationalize its banking system. Nordic banks were also not in the habit of issuing sub-prime mortgages as occurred so widely in the liberal economies. So, Iceland aside, the banking system was better prepared than in many countries when the crisis spread. Nevertheless, some banks did face difficulties. Various rescue packages for ailing banks were put in place, focusing on the recapitalization of under-capitalized banks. The other measures taken by governments were designed to boost demand in the economies. These included personal tax cuts, reductions in employment and business taxes, investment in key sectors in trouble, such as the automobile industry in Sweden, and large new investments in infrastructural projects. The main focus has been on protecting employment. The Swedish government, for instance, made large new grants available to local authorities to maintain employment. Social partners in different sectors have agreed temporary lay-offs where necessary, rather than wholesale redundancies, to limit increases in long-term unemployment.

These measures did not immediately get the Nordic economies moving. Sweden, for instance, went into recession again in Quarter Four of 2009, although it was back at 1.4 per cent annualized growth by the first quarter of 2010. The prospect is rather for a slow recovery in most of the Nordic states. But on the positive side, the Nordic countries have not been forced to make savage cuts to their welfare states. They have also sought to limit increases in unemployment by investing in new jobs and limiting redundancies by additional investment, and where necessary, sharing the pain around with temporary lay-offs and
short-time working. The response to the crisis has been characteristically solidaristic, as one would expect from countries still committed to essentially social democratic policies, even where governed by liberal and conservative parties. The Keynesian approach to the crisis was made possible by the strong fiscal position of governments supported in turn by the willingness of their citizens to pay taxes to fund their welfare states.

The main challenge to social cohesion in the Nordic states comes from the long-term pressures on public spending and thus on the welfare state. Generous welfare provision is a key part of the social contract between the state and its citizens in Nordic countries and people are willing to pay the necessary price (in taxes) for this. However, demographic change and global economic forces make the contract ever harder to sustain. Mounting global economic competition places pressure on all states to constrain public spending so that taxation does not rise to levels that would deter foreign investors and undermine market confidence. Population ageing in the Nordic countries, as elsewhere, raises the costs of the welfare state, particularly in health and pension costs. So far the Nordic countries have resisted abandoning their welfare model. After its banking crisis, Sweden was forced to rein in public spending in the 1990s, although not to a point which put its welfare system in jeopardy. A degree of privatization was allowed, which curtailed, to a small degree, the universality of provision. Other countries have trimmed spending in certain areas. But generally electors in Nordic countries have continued to support high taxes for their welfare systems.

However, tensions clearly exist around immigration and its associated social costs, which have periodically flared up into political controversy. Can the social contract around taxes and welfare be maintained with the additional social costs associated with rising immigration? Is the native population willing to extend their solidarity to immigrants? This is clearly an important issue given the influential opinion in academia that diversity affects the willingness of citizens to contribute to public welfare arrangements (Alesina and Glaeser, 2004; Goodhart, 2004; Miller, 2004; Salter, 2004). Citizens will withdraw their support to the welfare state or seek to exclude immigrant groups if they perceive these groups to be the main recipients of public welfare and suspect them not to reciprocate (Miller, 2004).

The issue has been particularly acute in countries like Denmark, whose immigration policies were traditionally based more on humanitarian than skills-related criteria and which consequently had high rates
of unemployment among immigrant groups, with substantial associated social costs. It was opposition in Denmark to the Social Democrats’ liberal immigration policies, which saw 60 per cent of asylum applications granted in the late 1990s, which fuelled the rise of the far-right Danish People’s Party in the early 2000s. This party joined the Conservatives and Radical Liberals in a new coalition government in 2001 and this coalition government then passed some of Europe’s strictest immigration laws in 2002. The acceptable grounds for asylum were cut to the bare minimum required under the Geneva Convention for Refugees and social benefits for refugees were cut by 30–40 per cent for their first seven years in the country. Tougher laws were introduced limiting the entry of foreign spouses to exclude those aged under 24, so that family reunification permits dropped from 13,000 in 2001 to fewer than 5000 in 2003 (BBC News, 19 February 2005). Sweden’s Social Democrat government castigated the Danish government for undermining Scandinavian solidarity, as Denmark’s share of successful asylum applications to Scandinavian countries dropped from 31 per cent in 2001 to 9 per cent in 2003, while Sweden’s rose from 41 to 60 per cent. Sweden, meanwhile, with a more skills-based immigration policy, passed new laws in 2008 making it easier for skilled European migrants to obtain work permits.

The immigration debate in the Scandinavian countries well illustrates the social democratic dilemma of how to maintain humanitarian immigration policies at the same time as providing generous welfare. Whether the adoption of more economically viable, skill-based immigration policies will settle the issue remains to be seen. In any event, it would seem that the immigration issue defines the limits of social solidarity in the social democratic regime. Social cohesion in the Nordic countries is based on a social contract that operates within national borders. If globalization were to erode state sovereignty to the point where such national contracts were no longer viable, it too would be vulnerable, even in Scandinavia.

Coda

Deep economic recessions are rarely good for social cohesion. By the same token, they often fail to deliver the intensification of class struggle dreamt of by the revolutionary Left. The last comparable world economic crisis, from the Treaty of Versailles to the 1930s Slump, mobilized social solidarity in the America of Roosevelt’s New Deal, and also in Blum’s short-lived Popular Front in France. But it also saw civil war
in Spain, the rise of Fascism in Italy, and the ascendance of Nazism in Germany. As for swings to the Left, the Bolsheviks triumphed and held fast in Russia, but the Left was weakened across most of Europe – except with the social democratic advance in Scandinavia and where popular fronts briefly flourished on the continent – not least due to the Comintern policy of no compromise with social democracy. Far from the Left capitalizing on the apparent collapse of the capitalist system, popular mobilization mainly benefitted the far Right. The current economic crisis seems no more likely to promote social cohesion tout court than the crisis of the 1930s, although its lesser scale, among other important historical differences, also makes unlikely now the level of conflicts unleashed then.

However, it is not the level of the crisis itself that determines the outcomes for social cohesion. More important is the way in which global actors and, particularly, national governments, respond to it. Just as responses varied in the 1930s – as between the progressive initiatives in the United States and Scandinavia, and the cascade of reaction in continental Europe – so, currently, different regions are responding in different ways. Notably, it would seem that the Scandinavian countries, and some of the social market countries, are seeking to deal with the crisis in ways which enhance social solidarity. On the other hand, political responses in Britain, for instance, seem more or less guaranteed to increase social conflict.

Globalization, particularly in its recently dominant neo-liberal economic form, involves multiple forces that work to fracture societies and weaken social bonds at the national level, even while it increasingly integrates the global economy. But, as we have argued in this book, social formations have responded in different ways to the common global pressures. Countries have historically held together in different ways and they continue to face modern challenges in their own fashions. We have identified three distinct modalities of social integration in the West, involving different institutional supports and different dominant belief systems. By virtue of their relative historical durability, these can be said to constitute three regimes of social cohesion, with other traditions, in southern Europe and East Asia, less precisely identifiable. These regimes all face the uncertain future of the new millennium with significant vulnerabilities at their key points. Each will be forced to adapt, although it is likely that in so doing they will remain distinctive. Among the three regimes, social cohesion appears most robust in the Nordic states, although even these face challenges.
But our analysis ends with a paradox. The example of the Nordic countries certainly suggests that a substantial degree of social cohesion remains possible in certain circumstances in modern capitalist societies. For most people, this would be seen as a positive example. Although we have avoided taking a normative approach to the concept of social cohesion in this book, it is hard not to applaud the achievement of these states in promoting social solidarity and to deny that this is ‘a good thing’. On the other hand, in the liberal states, and particularly in Britain and the United States, the historical model of social cohesion appears to be running aground. What held society together, at least to a degree, in the past, seems to be less capable of doing so now. In these countries, to argue for more social cohesion, as things are, seems like whistling in the wind. It would be a nice thing, but it hardly seems likely to happen. The pursuit of social cohesion has not always historically been a progressive force. There have been times when its promotion by ruling elites has mainly served to encourage acquiescence in conditions that cannot realistically generate any genuine form of democracy or social cohesion, and to forestall any radical moves to change these conditions, which would make possible a more democratic and cohesive society in the future.

In the liberal states, and particularly in Britain and the United States, we are currently at a turning point. The next few years will decide whether the decline of social cohesion can be averted within the current social framework or whether political struggles for more radical changes in social and economic structures will be necessary to make a more cohesive society again possible.
## Appendix 1: Sources and Survey Items

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Item(s) from survey/database</th>
<th>Source</th>
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<tr>
<td>Centralization of wage bargaining</td>
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<td>Nickell and Layard (1998)</td>
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<tr>
<td>Employment protection legislation 1998 (Version 1)</td>
<td>6-point scale synthesizing 18 items on three main areas of legislation: (1) individual dismissal of regular workers; (2) collective dismissal; (3) regulation of temporary forms of employment</td>
<td>OECD (1999)</td>
</tr>
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<td>Public employment as percentage of total employment 2000</td>
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<td>ILO (2009)</td>
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<tr>
<td>Public social expenditure as percentage of GDP 2000</td>
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<td>OECD (2009)</td>
</tr>
<tr>
<td>Proportion of the population born abroad 2000</td>
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<td>UN (2009a)</td>
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<tr>
<td>Homicide rate (number of homicides per 100,000 people in 2000)</td>
<td></td>
<td>UN (2009b)</td>
</tr>
<tr>
<td>Violent crime (number of homicides, rapes and robberies per 100,000 in 2000)</td>
<td></td>
<td>UN (2009b)</td>
</tr>
<tr>
<td>Percentage saying most people can be trusted</td>
<td>‘Generally speaking, would you say that most people can be trusted or that you can’t be too careful in dealing with people?’ A Most people can be trusted B Can’t be too careful</td>
<td>EVS/WVS 1999</td>
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</tbody>
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Continued
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</thead>
<tbody>
<tr>
<td>Composite indicator representing the dispersion of opinions on seven issues</td>
<td>The contentious issues covered by the indicator are homosexuality, abortion, euthanasia, taxation to help the environment, competition, immigration policy and collective versus individual responsibility for providing for people. The indicator represents the sum of the standard deviations of the following seven standardized variables: ‘Please tell me for each of the following statements whether it can always be justified, never be justified or something in between.’ 1. ‘Homosexuality’ &lt;1: never ----- 10: always&gt; 2. ‘Abortion’ &lt;1: never ----- 10: always&gt; 3. ‘Euthanasia’ &lt;1: never ----- 10: always&gt; 4. ‘I would agree to an increase in taxes if the extra money is used to prevent environmental pollution’ &lt;1: strongly agree ----- 4: strongly disagree&gt; 5. ‘Now I would like you to tell me your views on various issues. How would you place your views on this scale?’ &lt;1: Competition is good: it stimulates people to work hard and develop new ideas ----- 10: Competition is harmful: it brings out the worst in people&gt; 6. ‘How about people from less developed countries coming here to work. Which one of the following do you think the government should do?’ &lt;1: let anyone come who wants to ---- 4: Prohibit people coming here from other countries&gt; 7. ‘Now I would like you to tell me your views on various issues. How would you place your views on this scale?’ &lt; 1: Individuals should take more responsibility for providing for themselves ----- 10: The state should take more responsibility to ensure that everyone is provided for&gt;</td>
<td>EVS/WVS 1999</td>
</tr>
</tbody>
</table>

Continued
### Appendix 1: Sources and Survey Items

#### Passive participation
- **Indicator**: Number of different organizations respondent considers him/herself to belong to; average
- **Item(s) from survey/database**: A composite index was created by adding up the answers to the nine items listed below. This index thus represents the number of different organizations the respondent indicates to belong to. ‘Please look carefully at the following list of voluntary organizations and activities and say (a) which, if any, you belong to and (b) which, if any, are you currently doing unpaid voluntary work for:’
  - Social welfare for elderly, handicapped or deprived people;
  - Religious or church organizations;
  - Education, arts, music or cultural activities;
  - Trade unions;
  - Political parties;
  - Third world development or human rights;
  - Conservation, environment, animal rights groups;
  - Professional associations;
  - Youth work;

#### Active participation
- **(number of different organizations respondent does voluntary work for; average)**
- **Item(s) from survey/database**: See passive participation

#### Freedom or equality more important;
- **Indicator**: ‘Which of these two statements comes closest to your own opinion?’
  - A ‘I find that both freedom and equality are important. But if I were to choose one or the other, I would consider freedom more important, that is, everyone can live in freedom and develop without hindrance.’
  - B ‘Certainly both freedom and equality are important. But if I were choose one or the other, I would consider equality more important, that is, nobody is underprivileged and that social class differences are not so strong.’
- **Source**: EVS/WVS 1999

### Continued

- **Indicator**: Freedom or equality more important;
- **Item(s) from survey/database**: See passive participation
- **Source**: EVS 1999
## Appendix 1: Sources and Survey Items

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<th>Indicator</th>
<th>Item(s) from survey/database</th>
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<td>Pay according to performance</td>
<td>‘Imagine two secretaries, of the same age, doing practically the same job. One finds that one earns £30 a week more than the other. The better paid secretary, however, is quicker, more efficient and more reliable at her job. In your opinion is it fair or not fair that one secretary is paid more than the other?’</td>
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<td>Reasons for poverty; percentage saying ‘because of laziness or lack of willpower’</td>
<td>‘Why are there people in this country who live in need? Here are four possible reasons. Which one reason do you consider to be most important?’</td>
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<tr>
<td></td>
<td>A Because they are unlucky</td>
<td>B Because of laziness and lack of willpower</td>
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<td>Strength of cultural relative to political conceptions of national identity; average</td>
<td>This index was created by first inverting the answer scales of the items below and then subtracting the answers of the second item from those of the first item. The index thus represents the importance attached to cultural markers relative to political markers of national identity. 1. ‘How much do you agree or disagree with the following statement: It is impossible for people who do not share the customs and traditions [of respondent’s country] to become fully [e.g., British, German, Hungarian, etc.].’ &lt;agree strongly, agree, neither agree nor disagree, disagree, disagree strongly&gt;; 2. ‘Some people say the following things are important for being [e.g., truly British, Spanish, Hungarian, etc.]. Others say they are not important. How important do you think each of the following is?’ – To respect political institutions and laws of [respondent’s country]. &lt;very important, fairly important, not very important, not important at all&gt;</td>
<td>ISSP 1995</td>
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### Appendix 1: Sources and Survey Items

#### Indicator Item(s) from survey/database Source

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<td>xenophobia index; average</td>
<td>This index was created by first reversing the answer scales of items 1 and 3 below and then adding up the answers of the four items. The higher the values on this index the more negative the opinions on immigrants. ‘There are different opinions about immigrants from other countries living in [country]. (By ‘immigrants’ we mean people who came to settle in [country]). How much do you agree or disagree with each of the following statements?’ 1. Immigrants increase crime rates. 2. Immigrants are generally good for [country’s] economy. 3. Immigrants take jobs away from people who were born in [country]. 4. Immigrants make [country] more open to new ideas and cultures.</td>
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<td>Percentage not mentioning immigrants</td>
<td>‘On this list are various groups of people. Could you please sort out any that you would not like to have as neighbours?’ ‘Immigrants / foreign workers’</td>
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<td>Percentage saying one should always love and respect one’s parents</td>
<td>‘Which of these statements do you tend to agree with?’ A ‘Regardless of what the qualities and faults of one’s parents are, one must always love and respect them.’ B ‘One does not have the duty to love and respect parents who have not earned it by their behaviour and attitudes.’</td>
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<td>Percentage disagreeing with the opinion that in times of scarcity men have more right to a job than women</td>
<td>‘Do you agree or disagree with the following statements?’ ‘When jobs are scarce men have more right to a job than women’</td>
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Appendix 2: Datasets Used for Statistical Analyses

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Notes

Introduction
1. Wilkinson (1996) also shows the fallacy in the assumption that because richer people tend to be healthier, it follows that richer societies are healthier than poorer ones. Above a certain level of national prosperity (at middle-income levels), this does not hold true.

1 Defining Social Cohesion
2. We acknowledge, however, that the boundary between ‘coerced’ and cohesive societies is far from clear cut, because all societies maintain some degree of coercion.

2 Western Intellectual Traditions of Social Cohesion
3. Margaret Thatcher's famous comment was made in her appearance on BBC Radio’s Woman’s Hour.
4. Dreyfus, a Jewish captain in the French army, was falsely accused of treason by anti-Semites and became a cause célèbre among French left intellectuals.

3 The Social Origins and Development of Social Cohesion Traditions
5. Napoleon subsequently restricted rights for foreigners to those born third generation in France who elected for citizenship at the age of majority. Information from Bryony Hoskins.

4 Contemporary Regimes of Social Cohesion and Their Institutional Foundations
6. This chapter was written jointly with Dr Christine Han.
7. How important can be seen by the catastrophic effects of home ownership and home loan policies, for instance, on the economies and social fabrics in the United States and Britain in recent years. Financial deregulation, coupled with enthusiastic political promotion of wider home ownership, allowed the development of housing bubbles based on risky lending and the over-issue of sub-prime mortgages, which, combined with unregulated trading in derivatives, almost brought down the global financial system.
8. The current debate about the relative merits of health care in Britain and the United States brings out the substantial differences in the systems which Esping-Andersen rather underplays.

9. The table is taken from Green et al. (2006) op. cit. The data on trust is generated from pooling the data on the relevant question from the 1990 and 1995 sweeps of the World Values Survey. The measure for educational equality is based on test score ratio for groups with different levels of education using data on literacy scores in the International Adult Literacy Survey.

10. The original text of the Analects is in classical Chinese; we used an English translation by Waley, and a version in modern Chinese by Confucius Publishing.

11. However, this criticism may equally well be applied to a number of western economies now.

5 Quantitative Analysis of Regimes of Social Cohesion

12. Data for Chapter 5 can be found in Appendix 2a.

13. To minimize the number of missing values, we had to remove the indicators of violent crime, freedom versus equality, conceptions of nationhood, xenophobia and the two indicators tapping wage regulation from the analysis.

14. The problem of conceptual equivalence arises when a question in a survey uses concepts that may be understood differently in different countries.

6 Value Diversity and Social Cohesion

15. The data for Chapter 6 can be found in Appendix 2b.

16. Dalton presented this claim as a hypothesis to be tested. His analysis of national election surveys found no support for this claim.


18. The output of these analyses can be obtained from the authors.

19. In fact, Easton (1965) already made this point by making a distinction between specific support (for a particular government) and diffuse support (for a system of government).

7 Social Cohesion Regimes and the Global Economic Crisis

20. Data for Chapter 7 appear in Appendix 2c.


22. For Figures 7.1, 7.4 and 7.6, we made sure that the country groups comprise the same countries for each point in time. The liberal group includes UK, US, Canada and Australia; the social democratic group includes Denmark, Sweden and Norway; the social market group includes West Germany,
Notes

France and the Netherlands; the southern Europe group includes Spain and Italy; the East Asian group includes Japan and South Korea.

23. In ESS, the item had a 0–10 scale (0 ‘can’t be too careful’-- 10 ‘most people can be trusted’) while in the EB it had a 1–10 scale (1 ‘can’t be too careful’ ---- 10 ‘most people can be trusted’). To make the answers comparable, we subtracted the EB scale with 0.5. As a result, the midpoint in the scale for both the ESS and EB item is 5.

24. The EB asked the following question: ‘In all countries there sometimes exists tension between social groups. In your opinion, how much tension is there between each of the following groups in [COUNTRY]?’ [1 no tension; 2 some tension; 3 a lot of tension].
Bibliography

232 Bibliography


West, K. (2010) ‘BG Boss says “I’m No Alien” After Pay Hike’ at: [www.thisismoney.co.uk/markets/article.html?in_article_id=503597&in_page_id=3&zzz=0mrPQoZ8m](http://www.thisismoney.co.uk/markets/article.html?in_article_id=503597&in_page_id=3&zzz=0mrPQoZ8m)


