

Foreword

For many years, academics and practitioners in economics as well as political science have been engaged in a controversial discussion about the driving forces behind the emergence, change, and reform of modern welfare states. This study aims at enhancing our understanding of institutional, structural, and political adjustment processes in advanced capitalist welfare states. This is being investigated against the background of globalization processes of labor, capital, and goods markets, on the one hand, and post-industrial developments within nation states as outlined by Pierson (2001a) (such as population ageing, de-industrialization, changing household structures, rising unemployment) on the other hand. The key research objective is to analyze the processes of the recent past between 1975 and 2000. In particular, the author addresses two research questions: (1) what is the relative influence of post-industrial and globally economic forces, respectively, with respect to recent changes of welfare states?, and (2) to what extent could different national systems of social security maintain their institutional core characteristics over time? Addressing these questions is not only of great relevance from an economic point of view, but also highlights the enormous political importance. Eventually, the question takes center stage in how far specific national regulatory systems are viable in times of globalization and to what extent national governments are still capable of acting independently regarding the creation and reform of institutions.

Ingmar Schustereder argues that countries adjust in different ways to these challenges. Although all welfare states have been under adjustment pressure, some nations appear to be better able than others to confront these contemporary challenges. Based on an in-depth discussion of different theoretical approaches, the author applies both sophisticated quantitative and qualitative techniques to shed light on these different adjustment strategies.

This investigation at the interface of economics, political science, and sociology represents, without doubt, an outstanding piece of research. From a theoretical perspective, the author provides a concise and yet differentiated survey of all relevant approaches, which are applied in an intellectually stimulating way. The subsequent empirical analysis is based on a broad range of variables, applies pooled cross-section time series models, and is complemented by illustrative case studies.

This balanced, theoretically well-grounded, and empirically convincing analysis will benefit a wide range of readers in the academic as well as in the policy-making community. It significantly contributes to a better understanding of changes in contemporary welfare states. Most important new insights relate to the realms of comparative empirical welfare state research, the research of globalization processes, and the so-called varieties-of-capitalism approach.