

Arndt C., *The Electoral Consequences of Third Way Welfare State Reforms: Social Democracy's Transformation and its Political Costs*, Chicago: University of Chicago Press, 2013, 220 p.

Book review

Christoph Arndt is an Assistant Professor in the Department of Political Science at Aarhus University in Denmark. His book provided a cross-national, comparative policy analysis which “demonstrates that Third Way reforms went against the social policy preferences of social democracy’s core voters and indeed produced an electoral setback for social democrats at the ballots.” (Arndt, 2013, p. 282). This term “Third Way” refers to various political positions which try to reconcile right-wing and left-wing politics by advocating a varying synthesis of right-wing economic and left-wing social policies (Bobbio & Cameron, 1997). This book is the eighteenth in the *Changing Welfare States* series, and provides a comparative study of the electoral consequences of Third Way welfare state reforms. It investigates whether Third Way reforms alienated traditional social democratic core constituents and shed some light on the factors causing variations between countries. The book’s main argument is that Third Way reforms indeed produced an electoral setback for social democrats, and that the nature of the setback is contingent on the electoral system and the party competition social democrats face when reforming the welfare state (Arndt, 2013, p. 24).

Regarding the *Changing Welfare States* series, it is important to note that “the overriding objective of the series is tracing and explaining the full trajectories of contemporary welfare state changes and its outcomes” (Arndt, 2013, p. 2). The welfare state may be narrowly described in old school traditional ways, in addressing the “social risks of old age, unemployment, sickness (including the health care system), disability, poverty and inequality in general”, or in new school ways including the “social risks that have arisen mainly due to post-industrialization, such as reconciling work and family life, non-standard employment, and low and inadequate skills” (Arndt, 2013, p. 2).

Chapter One provides an introduction and brief overview of all the nine chapters. It identifies the empirical puzzles and arguments in brief related to the Third Way paradigm shift and its reforms. The author states “what is lacking in the literature is a framework that theorizes the decline of social democracy as a consequence of the Third Way and its contextual conditions. Such a framework would allow a comparative empirical analysis of the electoral consequences of the Third Way reforms” (Arndt, 2013, p. 27).

The theoretical framework for the study of electoral consequences of Third Way reforms was elaborated in Chapter Two. According to Esping-Andersen’s (1985, 1990) traditional theory, the electoral backbone of the social democratic core constituency was tied to party irrespective of the political situation. Furthermore, the role played by social policy, the welfare state, and the ties formed between the welfare state, social democracy and its core constituency during the second half of the 20th century is conceptualized. The author indicates that when Third Way reforms contradict voters’ social policy preferences, alienation from social democracy may be a consequence for the core constituency. Additionally, the author discusses the electoral system and competitor parties that account for cross-country variations and conditions resulting from the electoral consequences of Third Way reforms (Arndt, 2013).

Chapter Three describes the research design and methods, case selection, comparison strategy, approach to analyzing the reforms, their electoral consequences, and lists the data sources (i.e., national elections studies and exit polls for the British, Danish and Swedish cases and Politbarometer surveys in Germany). The empirical analysis of the Third Way welfare state

reforms was based on a comparative analysis of four Western European countries and *theory testing* case studies was applied to examine causal claims. Intentional case selection is based on research objectives and strategy. The suggested method for this type of study is selecting typical cases on the variables of interest. Sweden is used as a control case a country in which a large social democratic party did not undergo an encompassing Third Way transformation during the 1990s. Sweden's reforms are more moderate and do not represent an outright break with existing policy principles. The other selected countries included: the United Kingdom, where a social democratic labor party adopted a Third Way agenda and implemented path-breaking reforms in office under an FPTP system, along with Denmark and Germany, where the social democracy faces competitor parties of theoretical relevance under PR systems (Arndt, 2013).

The electoral consequences of Third Way reforms under the majoritarian FPTP electoral system in the United Kingdom and demonstrates that FPTP systems lead to a dealignment of social democratic core constituents was analyzed in Chapter Four. The ideological transformation and new policies lead to lower voter turnout among former core Labour supporters after 1997. Additionally, some former Labour voters were dissatisfied and captured by the Liberal Democrats (Arndt, 2013).

Chapter Five describes how dangerous populist, left-wing, pro-welfare challengers can be for Third Way social democracies. Examples include the setbacks suffered by the German SPD after it implemented path-breaking welfare state reforms under Agenda 2010, along with the serious policy changes after 1998. The SPD lost reform-adverse core constituents, who realigned with a socialist challenger. As a consequence of Third Way reforms, voter abstention is another reason for social democratic decline in Germany (Arndt, 2013).

Chapter Six demonstrates how dangerous an authoritarian right-wing challenger is, as the favorable context created by the social democracy's adoption of a Third Way agenda emerges in Denmark. After three rounds of labor market reforms, the Danish Social Democrats (SD) lost a considerable part of their core constituency. This exemplifies that contenders need to be credible in order to mobilize core social democratic voters. The Danish case revealed that the Socialist People's Party damaged its own potential to benefit from reforms and that the mainstream party can benefit from Third Way reforms. During the reform period and due to program modernization, the liberal party Venstre gained a foothold among the Danish Social Democrats' traditional voter base (Arndt, 2013).

An analysis of Sweden's social democratic social policy and the electoral effects in the period between 1991 and 2006 is described in Chapter Seven. Because the Social Democratic Party (SAP) did not abandon its traditional stance on welfare and only introduced moderate reforms, many of which were temporary, reactive to an economic crisis, and not a part of a distinct Third Way agenda, Sweden serves as a sort of control case. As a result, four years later the SAP recaptured the votes it had lost during the 1998 election. It did not suffer a dealignment or even a realignment. It was confirmed that when the social democrats are able to stick to a more traditional social policy, the expectation is that they do not lose their core constituency (Arndt, 2013).

Chapter Eight sums up the findings from the four case studies (i.e., the United Kingdom, Germany, Denmark, and Sweden) and offers a comparative analysis in light of theoretical arguments. The empirical findings are discussed and contrasted with alternative explanations. The summary of the findings reveals that the blame-avoidance argument found in the New Politics literature does not hold if social democrats reform the welfare state in ways that are contrary to the parties' traditional social policy image. Additionally, the blame-avoidant strategies may work once, but in the long term, if the party pursues policies that run counter to its traditional stance on welfare, this does not prevent a party from losing its core voters. On the other hand, if parties depart from their traditional stance on welfare and are punished with electoral defeat and dealignment of core constituents, blame-avoidance does not work. Particularly for parties such as the social democrats, which traditionally tie their core constituencies to specific welfare policies, the findings reveal that reforming the welfare state is electorally hazardous. Rival explanations include Giger's (2011) claim of electoral risk of retrenchment, Ross's claim (2000) that social democrats could use ownership of social policy issues to avoid electoral blame, and Pierson's statement that the policy makers can only claim credit for the logic of welfare state expansion (see Pierson, 1994, 1996, 2001).

Chapter Nine concludes by stating that this book investigated the electoral consequences faced by social democrats after having transformed themselves under Third Way agendas and reformed the welfare state in ways contrary to the traditional theoretical framework of Esping-Andersen's social democratic principles and conceptualizations of decommodification, solidarity, and egalitarianism. Here, the priority and core constituency of the social democracy is the decommodified wage earner. The author argued that social democrats risk alienating their core constituency based on a moderation agenda and by adopting a Third Way social policy. The study's empirical findings are situated in recent political developments and existing literature. Case generalizability and the results of the political implications where social democratic parties have reformed the welfare state and broken with traditional policy are discussed (Arndt, 2013).

Arndt was faced with the challenge of incorporating a great deal of comparative policy research and analysis into a usable book for political science, public policy, sociology, social work and other social science researchers, practitioners and academicians. The styles of each chapter varied in format based on its depth of content, including statistical tables. Each chapter had subheadings and subsequent appendices. However, the volume of the information may be overwhelming for some readers. The chapters did not have a title summary or conclusion section, and this addition would have improved the reading flow. This book focused on selected European countries and may have implications for the United States, with former President Bill Clinton as an exemplar of a "third waver" in the 1990s.

Overall, the book offers a wealth of information that can be useful to the policy maker, the researcher, and the practitioner. From "old school" policy analysts to "new school" professionals, the ideas conveyed in this book make it an extremely valuable resource to read regarding public policy and welfare state reforms in the 21st century.

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