

Julia Western

POLS 071 Essay 3, Spring 2014

The Comparatively Weak American Welfare System

Compared to Scandinavia and Continental Western Europe, America has a surprisingly weak welfare state, especially in light of its relative prosperity.¹ Where the stronger European welfare states provide universal health care, extended paid maternity leave, free child care, free university education, significant vacation time, paid sick time, and generous unemployment and retirement insurance, the United States pales significantly². While the United States provides abbreviated versions of some of these supports, on the whole it is much less generous with social programs, and much less likely to enact redistributive policies.³

Possible explanations for this disparity in social programs and redistribution between Europe and America fall into the categories of culture and ideology, institutions' roles, and socio-economic factors⁴. These categories shape an understanding of America's and Europe's citizens' values and experiences, their economic histories and tendencies, and the ways in which their consequent opinions are converted into policy. The United States differs significantly in each of these respects from Europe, and the factors can therefore be used in congruence with one another to help illustrate why the United States has a much less extensive welfare state.⁵

Cultural explanations for the smaller American welfare state are the U.S' racial divisions and heterogeneity, liberal and capitalist attitudes, and religious and immigration history⁶. The racial divisions that exist in the U.S have stunted the growth of the welfare system for two

¹ Introduces the topic to be addressed

² This sentence provides context for the stance to be taken in the thesis.

³ Thesis introduced here- should be an arguable claim, not just a statement of fact

⁴ Introduces the list of claims to be made to support the thesis

⁵ Again highlights the distinction being made between the two societies and governments in question, which is crucial in the field of comparative politics

⁶ Introduction to the discussion of the first supporting claim

primary reasons: that the racial split in the working class prevented their unification in favor of social protections (Kautsky, 49)⁷, and that regardless of nationality, people are less likely to support welfare programs that they believe will be helping those of a different race or ethnicity than themselves (Alesina & Glaeser, 6). Kautsky's race argument, that racial division within the American working class was an impediment to unification over the cause of social and redistributive programs, comes from the contrast to the example set by Europe's working class, of a common front bringing about policy change. Alesina's discussion of the racial division as a source of the small welfare state focuses more on the role of identity as a motivating force for voters, who either approve or disapprove of redistributive policies on the grounds of their perception of the poor. From this perspective, more racially homogeneous societies have less trouble passing redistribution policy because people see the poor as more like themselves, and therefore want to help them more than they would if they saw them as racially or ethnically "other".⁸

The liberal and capitalist ideals that are seen as fighting to maintain American limited government, and welfare states, are those that are typical of portrayals of American political thought. "...almost every American takes it for granted that the State has very few- and should have very few- direct operating responsibilities: that the State should opt 'for the role of referee rather than that of manager'" (King, 418).⁹ Heilbroner further introduces the idea that the American democratic model of small government "...lack[s] the ideal of social magnanimity" (Heilbroner, 20). There is some disagreement on the significance of this point, but it is evident

⁷ The citation style accepted here was MLA; often Political Science professors will prefer Chicago Style, though it tends to vary on a course-by-course basis. Consistency is often prioritized over citation style

⁸ Seeks to offer an explanation for the observed phenomenon based on the readings from the course

⁹ Introduces another aspect of the first supporting claim (culture and ideology)

that American principles of limited government are pervasive culturally, and therefore shape the American political experience.¹⁰

The argument that Americans' values do not support a large welfare state is a complex one. The American religious background of Calvinism and Protestantism supports the idea of hard work and the use of wealth to promote further success¹¹, and so does the self-selecting immigrant population (Alesina), but at the same time, DeTocqueville noted in his travels in America the civic and community values that have become embedded in our democratic tradition.¹² American political and cultural values, however, would be insignificant without the institutions that frame all policy enactment, thereby making those values a reality.¹³

The negligible size of the American welfare state relative to that of Europe is also a product of the differing political institutions in each setting, specifically the electoral system, the left/right leanings of a government, unionization, and veto points.¹⁴ The electoral system contributes to the small American welfare state versus the larger European one because it is majoritarian rather than proportional representation. Where majoritarian systems occur, there are typically two large political parties (because others cannot survive); those two parties represent center-right and center-left ideologies.¹⁵ Where taxation policy is concerned, the median voter is more likely to support the center-right party in order to protect their own income from higher taxes.¹⁶ Conversely, proportional representation systems are more likely to foster center-left governments and therefore higher redistribution, because where there are more political parties

¹⁰ Often these issues continue to be contested: when analyzing sources, this can be important to note.

¹¹ The third aspect of culture and ideology

¹² Highlighting such disagreements emphasizes the complexity of the issue at hand. Discussing the different perspectives and how they relate to one another is more important than choosing a stance on the issue. Remember that Comparative Politics works to make descriptive rather than normative claims.

¹³ Transition to the next supporting claim, describes its importance

¹⁴ Introduces the second supporting claim (political institutions) and its subsections

¹⁵ Again, description of the political systems in question is key in Comparative Politics

¹⁶ The first of the political institutions in question (the party system)

and coalition governments, there are more protections from politicians' broken promises that could result in higher taxes. So in general, majoritarian electoral systems (which lean right) tend to support less redistribution policy than do PR systems (which lean left) (Iverson & Soskice¹⁷).

Unionization is also significant in redistribution because where there are high levels of unionization there are more working class interests represented in policy decisions, therefore raising the chances that redistribution and social protections will be higher (Iverson & Soskice).¹⁸ As for veto points, the more veto points¹⁹ (or points at which policy may be overturned) present in a political system, the lower the rates of redistribution tend to be; this is true because politicians want their constituents' support, and few voters will give support to a politician who lets their taxes go up without attempting to halt the policy which does so. This is especially true in the United States: "U.S has a cluster of institutions that were created in the 18th century American constitution with the explicit goal of limiting political extremism and expropriation of private property by the state" (Alesina & Glaeser, 5).²⁰ Along with the goal of minimal government in general, mechanisms for its maintenance are built into American political values and institutions, as well as socio-economic past.²¹

The socio-economic differences between the American and European systems that affect the varying sizes of the welfare state are centered on the presence or lack of an aristocracy historically²². In Europe, there was a strict socio-economic hierarchy that placed the aristocracy at the top and marginalized all other groups. Because these countries also formerly had absolutist

¹⁷ There should be a page number included in this citation in order to maintain MLA formatting (unless the article is only one page).

¹⁸ The second example of an influential political institution (Unions)

¹⁹ The third political institution (veto points)

²⁰ The punctuation should precede the citation in this case

²¹ Transition to the final support for the thesis: socio-economic differences

²² Introduction for the third supporting claim (socio-economic differences)

rule, their working classes had to unite in order to fight for suffrage and rights, which the American working class never did. And as mentioned in the race discussion above, the European working class was racially homogeneous, and therefore suffered no such division as did their American counterparts. Further, the American capitalist system was necessary, but not sufficient for the rise of socialism. “It was not capitalism that produced socialism as a reaction, but only capitalism that grew and functioned within a society dominated by an aristocracy and its values” (Kautsky, 49)²³. The American absence of an aristocracy contributed to its lack of a workers’ political party, which would have fought for expansive social reform and income redistribution. The American working class, “not being excluded from the suffrage or from social, religious, and political institutions simply because they were workers, they did not become aware of their special character as workers and they did not form their own organizations as workers” (Kautsky, 50).

In conclusion, the American welfare system is significantly smaller than the European and Scandinavian systems because ideologically, economically, and institutionally it cannot pass legislation to enact expansion, and if that legislation could hypothetically pass, it would not survive.²⁴ The American population generally supports limited government and has institutions to maintain its size; there was never a socialist movement against an aristocracy to fight for social protections; there were racial divisions in the working class; and American cultural ideals revolve around the protestant ethic and immigrant self-selection.²⁵ Each of these traits of the American system is in stark contrast to its respective European counterpart, which collectively

²³ Again, the punctuation should precede the citation here, and should be inside the quotation marks

²⁴ Conclusion should reiterate the thesis while also integrating the new information that has been introduced and discussed throughout the essay

²⁵ Here it makes sense to integrate the ideas discussed throughout the paper and present an analysis of their relationship to one another

result in welfare systems that are much more comprehensive and generous than that which exists in the United States.²⁶

²⁶ Finally, it is always good in Comparative Politics to return to the original contrast being drawn and to remind the reader why the points that have been made relate to the overall question of how the two governments or societies differ from one another and why those differences might exist