

WORLD POLITICS

Vol. 52

April 2000

No. 3

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ABSTRACTS

IDENTITY AND PERSUASION

HOW NATIONS REMEMBER THEIR PASTS AND MAKE THEIR FUTURES

By CONSUELO CRUZ

Identity struggles are once again a salient problem in world politics. This article aims to throw light on the sources, dynamics, and consequences of identity formation and mobilization. It makes two theoretical arguments. First, because collective memory is both a seemingly factual narrative and a normative assessment of the past, it shapes a group's intersubjective conceptions of strategic feasibility and political legitimacy. This is why collective identity is above all an expression of normative realism: a group's declaration to itself and to others about what it can or cannot do; what it will or will not do. Second, at critical junctures competing actors assert or contest the normative realism underlying collective identity. They do this through rhetorical politics, deploying their powers of persuasion in order to engage the constitutive elements of the group's shared identity. In practical terms, rhetorical politics is structured by a dominant frame: a historically shaped discursive formation that does two things. It articulates in readily accessible ways the fundamental notions a group holds about itself in the world and allows or disallows specific strategies of persuasion on the basis of their presumptive realism and normative sway. Within this frame, rhetorical politics engenders a *collective field of imaginable possibilities*: a restricted array of plausible scenarios about how the world can or cannot be changed and how the future ought to look. Though circumscribed, this field is vulnerable to endogenous shifts, precisely because actors' rhetorical struggles introduce conflicts over the descriptive and prescriptive limits of what is "realistically" possible. Such conflicts may in fact produce a new dominant rhetorical frame and profoundly influence a nation's political and economic development. Two contrasting cases from Latin America offer empirical support for these arguments. The article shows that the sharp developmental divergence between Costa Rica and Nicaragua can be properly understood only through close analytical scrutiny of the different rhetorical frames, fields of imaginable possibilities, and collective identities that rose to prominence at critical points in these countries' colonial and postcolonial histories.

THE CAUSES OF WELFARE STATE EXPANSION

DEINDUSTRIALIZATION OR GLOBALIZATION?

By TORBEN IVERSEN and THOMAS R. CUSACK

An influential line of argument holds that globalization causes economic uncertainty and spurs popular demands for compensatory welfare state spending. This article argues that the relationship between globalization and welfare state expansion is spurious and that the engine of welfare state expansion since the 1960s has been deindustrialization. Based on cross-sectional-time-series data for fifteen OECD countries, the authors show that there is no relationship between globalization and the level of labor-market risks (in terms of employment and wages), whereas the uncertainty and dislocations caused by deindustrialization have spurred electoral demands for welfare state compensation and risk sharing. Yet, while differential rates of deindustrialization explain differences in the overall size of the welfare state, its particular character—in terms of the share of direct government provision and the equality of transfer payments—is shaped by government partisanship. The argument has implications for the study and the future of the welfare state that are very different from those suggested in the globalization literature.

WAGE INEQUALITY AND VARIETIES OF CAPITALISM

By DAVID RUEDA and JONAS PONTUSSON

This article draws on a new data set that enables the authors to compare the distribution of income from employment across OECD countries. Specifically, the article conducts a pooled cross-sectional time-series analysis of the determinants of wage inequality in sixteen countries from 1973 to 1995. The analysis shows that varieties of capitalism matter. The authors find that the

qualities that distinguish social market economies from liberal market economies shape the way political and institutional variables influence wage inequality. Of particular interest to political scientists is the finding that the wage-distributive effects of government partisanship are contingent on institutional context. Union density emerges in the analysis as the single most important factor influencing wage inequality in both institutional contexts.

REASSESSING THE THREE WAVES OF DEMOCRATIZATION

By RENSKÉ DOORENSPLEET

Since the publication of Samuel Huntington's 1991 study of democratization, scholars have come to take for granted the notion that the spread of democracy has come in waves. Although Huntington's work has clearly proved to be an influential study, this article suggests that his analysis is far from compelling. There are two problems embodied in the work. The first is largely conceptual. Huntington's analysis fails to provide a clear and meaningful distinction between democratic and authoritarian regimes because it focuses primarily on what Dahl had defined in 1971 as the dimension of competition and pays insufficient attention to the equally important dimension of inclusion. The second problem is more empirical. Huntington has estimated the incidence of transitions to democracy in terms of the *percentages* of world states involved. Since the denominator in this equation, that is, the number of states in the world, is far from constant, this measure can be misleading. This article proposes solutions to both of these problems, and this new approach leads to conclusions that are quite different from Huntington's.

The new findings are important not only because they suggest a somewhat altered sequencing and a more accurate count of democratization waves but also because they cast real doubt on the appropriateness of the wave metaphor. As the reverse waves are not really apparent from these data, these results therefore also indicate that future studies should be cautious in comparing, explaining, and forecasting different "waves" of democratization.

THE STUDY OF MONEY

By JONATHAN KIRSHNER

Monetary phenomena define the contours of the contemporary global economy. This is a recent development, and it will transform the study of international political economy (IPE). Two excellent new books, *The Geography of Money*, by Benjamin Cohen, and *Mad Money*, by Susan Strange, will frame, support, and provide the point of departure for scholars addressing this vital question. Ultimately, however, and perhaps necessarily, these books raise more questions than they answer. But they do suggest in which direction the most promising avenues of investigation point—toward the study of the unique interconnections between the ideas, material interests, and institutions associated with the management of money. Those relationships are profoundly consequential for politics and demand the renewed attention of contemporary scholars of international relations and political economy.