Despite these shortcomings in Arceneaux’s overall framework, the nuanced and insightful discussion of the individual cases offers multiple insights into the operation of and levels of success engineered by military regimes. The systematic discussion and comparison of five of the most-studied military regimes in South America makes this a valuable addition to the libraries of area specialists.

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Many scholarly and casual observers contend that the dramatic post-1970s rise in international capital mobility and upward postwar trend in trade integration, by sharpening capital’s threat against domestic governments to flee purportedly excessive and inefficient welfare systems, has forced and will continue to force welfare-state retrenchment. Several important recent studies of the comparative and international political economy of policy change over this period, now including Duane Swank’s impressive theoretical and empirical study, challenge these claims. His argument that the institutional structure of the polity and of the welfare system itself shapes the domestic policy response to capital (and trade) integration represents a basis for challenging the globalization-induces-retrenchment argument.

Swank’s argument does not fundamentally challenge claims of the exclusive or superior macroeconomic efficiency of neoliberal minimalism but rather stresses the primacy of domestic political conditions—the policy-making access, cohesion and organization, and the relative power of contending pro- and anti-welfare interests—in determining the direction and magnitude of welfare-policy reactions to international economic integration. Specifically, he argues and finds that inclusive electoral institutions, social-corporatist interest-representation and policy making, centralized political authority, and universal welfare systems relatively favor the political access and capacity for pro-welfare interests and bolster supportive social norms in the domestic political struggle over the response to integration. He does this by means of cross-national, cross-temporal statistical analysis supplemented by thorough qualitative case explorations of generous welfare states and briefer explorations of less-generous systems. The opposite conditions favor antiwelfare interests and norms in this struggle. Globalization thus induces increased welfare largesse in generous states and retrenchment in tight ones, that is, divergence not convergence.

This book offers the most directly and thoroughly political approach of its genre. It is also the most thoroughly explored empirically, offering compara-
tive-historical statistical analyses of the argument against six alternative interpretations of the globalization-induces-retrenchment thesis: the simple version (a regression including one of five capital-openness measures), and five others he terms the run-to-the-bottom (capital openness times lagged welfare-policy), convergence (capital openness times gap from own to cross-country mean welfare-policy), nonlinear (capital openness and its square), trade-and-capital-openness (their product), capital-openness-times-fiscal-stress (deficits times capital openness), and capital-flight (net foreign direct investment) versions. He finds little support for any globalization-induces-retrenchment argument. He gives some indications that capital mobility tends on average to enhance welfare effort, perhaps supporting those emphasizing its effect in increasing popular demand for social insurance against global risks.

The reader might wish for the following:

- Further theoretical development of why inclusive institutions necessarily favor pro- over antiwelfare interests’ access; but, contrarily, decentralization favors anti-over pro-welfare forces.
- Separate theoretical elaboration and empirical evaluation of the individual components of the amalgamated concepts of electoral inclusiveness—proportionality and fractionalization—and authority dispersion—presidentialism, federalism, bicameralism, referendum-usage.
- Theoretical and empirical comparison of the argument to alternatives from the political-economy literature rather than or in addition to the comparison with the six conventional-wisdom hypotheses.
- More thorough exposition of the exact empirical models estimated and their results and/or simpler structures of those models (as examples: complicated tables of regression results appear without previous mathematical statement of the estimated equation(s); the models contain dummies for unspecified series breaks and for unnamed subsets of countries, which severely complicate interpretation especially for near-time-invariant indices like authority dispersion and for time-trended measures; and interactive effects are discussed without tables, graphs, or information on the value-ranges of the component variables, which would greatly aid their interpretation.

Swank’s central argument that domestic political conditions—electoral inclusiveness, social corporatism, authority centralization, and existing welfare-system structure—shape democratic governments’ responses to economic integration, spurring divergence more than convergence, is logically persuasive, theoretically satisfying, and empirically supported.

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