

POLICY CURRENTS

Institute for Public Policy
University of New Mexico

NEWSLETTER OF THE PUBLIC POLICY SECTION
AMERICAN POLITICAL SCIENCE ASSOCIATION

A New Look in Welfare State Research

by Eric Patashnik, Yale University

In this essay, I argue that there is an emerging new look in research on the American welfare state, broadly defined to include taxation, public expenditure, employment regulation, and related activities carried out through private entities. What distinguishes the new look is not a consensus on theoretical assumptions or appropriate research methodologies, nor a rejection of previous scholarship, but rather a fundamental commitment to expanding the range of social phenomena included within definitions of the welfare state in order to promote a better understanding of the origins and effects of public policy in all of its empirical manifestations. At a time when the future of welfare state commitments is uncertain, this research offers some fresh insights into how public policy arrived at its current status and where it may be headed.

While this essay draws partially on my own research, the principal motivation behind it is an appreciation of the writings of other scholars. The essay begins with a discussion of the defining features of the new look in welfare state scholarship. To make this discussion more concrete, the essay then surveys some representative projects that reveal one or more of these dimensions. The essay concludes with a few suggestions for future research.

Distinguishing Features of the New Look

There is always a danger of oversimplification when characterizing a body of research. I am painting here with a broad brush, which means I probably will be covering over some nuances and points of contention. Moreover, no picture can capture everything worth portraying. For example, there is no discussion of current work on federalism and the "race to the bottom" (see, e.g., Peterson, 1995). These important cave-

ats aside, I shall concentrate on seven features of the new look that in my view merit attention.

First, the new look is characterized by a felt need to finally get past the requirement that every aspect of American social provision be explicitly or implicitly compared to the welfare states of European democracies. Comparison is a powerful tool of analysis. Much has been, and will continue to be, learned from viewing the American welfare state from a cross-national perspective. Yet, there is a yearning among many scholars to go beyond the tired conclusion that the United States is a welfare "laggard." The political dynamics of American social provision merit sustained attention on their own terms (Weir, Orloff, and Skocpol, 1988).

Second, there is a growing awareness of the importance of taxation to the politics of social policy. Increasingly, scholars recognize that spending and taxation are connected not only in an accounting sense but in a political one. Resource mobilization is a core function of the state (Levi, 1988). Moreover, the political durability of programs often turns on the capacity to claim a steady stream of revenues (Skocpol, 1995). The various kinds of institutional and political linkages that have been forged between revenues and programs demands attention.

Third, there is an increasing awareness that direct government spending is in fact but one of several mechanisms through which policymakers can channel benefits to citizens and groups. It would be wrong to say that scholars now believe that direct government spending is unimportant. Rather there is a recognition that government has at its disposal a variety of policy instruments, including loans, regulations, and tax expenditures (Salamon, 1989). These instruments arise

from the exercise of public authority no less than direct spending and their use has massive implications for the day-to-day lives of citizens. To exclude these mechanisms from the study of social provision because of their somewhat different administrative characteristics no longer seems tenable.

A fourth characteristic is a basic commitment to historical analysis. The work of Margaret Weir and her colleagues (1988), Paul Pierson (1994), and others have driven home the importance of examining welfare state development as a process that unfolds over time, in which prior decisions shape the context in which subsequent policymaking takes place. Few if any scholars would deny that policymakers today are hemmed in by prior commitments that are politically and often legally quite difficult to alter. Indeed, the largest share of the federal budget-entitlement programs for individuals is often said to be "uncontrollable."

Yet models of policymaking often do not take into account this reality. As Rose and Davies observe, "The familiar maxim to govern is to choose is reductionist in the extreme. It implies that government is carried out by individual decisionmakers who have as much freedom of choice as an individual in a shopping mall trying to decide whether to have a pizza or an ice cream cone, and then free to decide what kind of pizza or ice cream to have. The statutory commitments of a newly installed official are not a menu specifying what an individual might choose but a description of what a policymaker is committed to do. Like it or not, each new arrival in office must recognize that to govern is to inherit." (1994: 1-2). If that is true, then scholars need to direct much greater attention to the creation of policy legacies, to the institutional factors that render policy inheritances more or less durable, and to the conditions under which prior commitments can be modified or destroyed.

Fifth, the new look is characterized by a desire to explore the roles of the full range of actors involved in welfare state policy. Much previous work on the welfare state has focused on the activities of the president and executive branch actors. There is an excellent reason for this. The initiative for major expansions of the welfare state have often come from the president. Moreover, executive branch specialists have frequently played leading roles in the politics of administrative design. But as scholars cast a wider net and redefine the welfare state to include previously ignored or underemphasized phenomena, the role of other actors comes into view. In short, interesting connections are beginning to be drawn between the historical-institutional literature on state building and the traditional political science literatures on courts, Congress, public policy, and issue networks.

Finally, there is a strong interest in expanding our understanding of the contours of what Stevens (1991) calls the private welfare state—the benefits delivered to workers and families as private sector pensions and health insurance. These benefits play a major role in protecting citizens against the risks of a market economy. As the public welfare state matures and its costs become a source of political contestation, attention to the scope and dynamics of private social provision becomes all the more important.

Let me turn now to a discussion of a few research projects that illustrate these features. In addition to the writings I will discuss, there are number of works-in-progress that are grappling with these issues. For example, Jacob S. Hacker of the Brookings Institution is conducting research on the institutional relationship between public and private social provision in the areas of health, pensions, and income security.

Tax Expenditures

If one project crystallizes the new look, in my view it is Howard's research on tax expenditures, or what he provocatively calls the "hidden welfare state" (for an early report of this research, see Howard 1993). Familiar examples of tax expenditures include tax deductions for home mortgage interest, child care, and charitable contributions. Fiscal policy experts have long recognized the importance of special tax provisions. What distinguishes Howard's analysis is that it draws out the implications of the tax expenditure concept for an understanding of the politics of social provision.

Three important conclusions emerge from Howard's work. First, tax expenditures alter the perceived scope of the American welfare state. By his reckoning, the American welfare state is 30-50 percent larger than previously thought if tax expenditures are included. Second, tax expenditures challenge the common assertion that the American welfare state is bifurcated, divided between politically popular "upper-tier" programs like Social Security and Medicare and stigmatizing "lower-tier" programs like food stamps. Howard argues that tax expenditures do not really conform to either tier. Like means tested programs, tax expenditures are financed out of general revenues rather than payroll taxes, yet most tax expenditures are open ended entitlements.

Finally, tax expenditures point to the massive influence of Congress in the policymaking process. According to Howard, the key architects of the hidden welfare state have in fact been moderate and conservative legislators. This finding challenges both the literature on social policy, which typically depicts such legislators as antagonistic to new programs; as well as the literature on taxation, which usually portrays them as passive agents of interest groups. In short, Congress

is not a barrier to the development of the welfare state so much as a major determinant of its institutional shape.

Wilbur Mills and Policy Communities

Another study that highlights the crucial role of Congress is Zelizer's forthcoming book, *Taxing America: Wilbur D. Mills, Congress, and the State, 1945-1975*, which uses the career of long-time Ways and Means Committee chairman Wilbur Mills (D-AK) as a window into the tremendous expansion of the American welfare state during the post-war era. Much research on the welfare state is concerned with the road not taken in American politics: the comprehensive health insurance or public employment bills, that were not enacted (for the best recent study in this vein, see Hacker 1997). Zelizer reverses the question by asking how the American state managed to achieve as much as it did during the 1950s and 1960s despite the nation's anti-statist culture and the fragmentation of its formal institutions.

Any answer to this question must focus squarely on the role of Mills, whose political skill, long tenure as Ways and Means chairman, and reputation as a fiscal conservative gave him both the opportunity and the capacity to push through the enactment of Medicare and Medicaid as well as massive expansions of Social Security. Key to Zelizer's analysis is the role of informal policy communities as settings within which politically acceptable social welfare legislation can be crafted. Conventional accounts argue that Mills's documented power over public policy was largely a negative one, and that Mills derived his influence from his ability to block presidential initiatives and bottle up the legislative process. Indeed, most studies portray Mills-whose standing, historically-minded readers will recall, took a nose-dive following his infamous swim in the tidal basin with "entertainer" Fanne Fox-as operating well outside the highly sophisticated executive community of fiscal policy experts such as Robert Ball, Robert Myers, Wilbur Cohen, and Stanley Surrey.

Zelizer challenges this received wisdom. He argues that Mills in fact obtained his influence by working strategically within this policy community, and not against it. Mills played a key role in setting the tax agenda, discovering where executive branch expertise was and was not compatible with congressional incentives, and packaging legislation that all members of this community could perceive as a partial victory. Moreover, Mills collaborated extensively with policy specialists in the Social Security Administration and used his chairmanship to draw together various issue networks, thereby providing a coherence to federal tax and spending policy that would be largely destroyed following his departure.

Trust Funds

A major reason why Mills had so much influence over policymaking for Social Security and Medicare is because these programs, by design, are financed by payroll taxes that flow into dedicated "trust funds," which the Ways and Means Committee has jurisdiction over. Indeed, protecting the "actuarial solvency" of the social insurance trust funds was one of Mill's main priorities. In this connection, let me briefly discuss my own research, which uses trust fund politics as a setting for exploring how actors attempt to institutionalize their preferences and how policy inheritances, in turn, shape the choices of current officeholders.

Observers have paid far too much attention to what government trust funds are decidedly not-exact replicas of trust funds maintained in the private sector-and not enough attention to what they are-key devices for signaling long-term policy commitments. Indeed, trust funds are one of three main fiscal instruments for binding future politicians-the other two being entitlements and indexation (see Cordes, 1996; and Weaver, 1988). Trust funds merit attention because they account for almost 40 percent of total federal receipts, up from less than 20 percent in 1960. Examples of major trust funds include Social Security, Medicare, Disability Insurance, Superfund, and the Highway and Airport and Airway trust funds.

A focus on trust funds provides insight into how the federal government has maintained its revenue base during an era of declining trust in government. Since 1950 taxes earmarked for trust fund programs have increased by five percent of GDP, while the revenues available for financing all other functions of government have steadily declined. In short, the capacity of politicians to mobilize resources has been fundamentally shaped by institutional linkages between spending and taxes. Like tax expenditures, trust funds put Congress on center stage. If Eisenhower had gotten his first choice in 1956, the interstate system wouldn't have been financed through a trust fund but rather through bonds issued by an independent government corporation. FDR was behind the decision to finance Social Security through payroll tax "contributions." (He believed this would prevent future politicians from dismantling the program). But the crucial decision to maintain the system on a "pay-as-you-go" basis-which massively influenced the incentives for its expansion-was primarily a congressional one (Derthick, 1979).

Analysis of trust fund politics suggests that any effort to understand the effects of policy inheritances must recognize that precommitment is not as a one-shot deal but rather a dynamic process, in which aspects of the social contract are subject to periodic renewal and renegotiation (see Patashnik, 1997).

Today's officeholders can attempt to tie the hands of their successors, but tomorrow's officeholder may devise ways to loosen the strings. Moreover, both the financial conditions of trust funds, and the larger institutional environment in which trust funds are embedded, are subject to change. Trust funds thus often serve not to eliminate tensions between various interests but rather to channel the resulting political struggles in particular directions.

In this vein, consider the current debate over the future of Social Security. To make sense of this debate, tracing out the feedback effects from the program's inherited financial design—which features 75-year actuarial forecasts and a requirement that any surpluses be invested in government bonds—is essential. These feedback effects are in fact pushing in two directions simultaneously. Reports of the system's impending “bankruptcy” early in the next century, along with newspaper stories about the “looting” of the trust fund to pay for other things, has damaged the program's image and provided an opening to fiscal conservatives who favor a privatized system of individual retirement accounts. And for whatever reason, polls show that many Americans doubt that Social Security will “be there when they need it.” Fiscal conservatives are also trying to turn the political logic of the trust fund against itself by arguing that Social Security offers workers an increasingly “bad deal.” The libertarian Cato Institute has even mounted a campaign to publicize the fact that younger workers could do better investing their payroll taxes in the stock market. Defenders of Social Security argue that this kind of “market return” analysis misunderstands the basic purpose of the program, which is to insure against social risks, not to serve as an individual investment vehicle. But the trust fund structure positively invites this line of attack by encouraging Americans to think of the program as “as being held in trust for their own retirement, not as funding the retirement of fellow citizens” (Sandel, 1997).

Yet the same inherited financial arrangements that are providing ammunition to opponents also serve to protect the current system. While the Social Security Trust Fund is running annual surpluses, the system remains basically on a pay-as-you-go basis. Payroll taxes collected today are being used to finance the benefits of current retirees. But privatization requires workers to save for their own retirements. Any effort to privatize substantial portions of Social Security will therefore entail massive transition costs, since the first generation of workers that participates in the new system will be required to pay for two sets of benefits—their own and those that have been precommitted to earlier generations. For better or for worse, these transition costs constitute a major barrier to change.

Private Pensions as a Public Institution

The private welfare state has slowly begun to receive much deserved attention. In a significant recent study, Sass traces the development of the U.S. private pension system, which today absorbs more corporate revenue than any other employee “fringe” benefit. (Sass 1997). What makes the study an important one for students of the welfare state is that the pension institution is the product not only of the struggle between labor and capital but also of public policy. Indeed, no entity has been the beneficiary of more generous federal tax incentives than the pension system.

Many policy scholars are familiar with the key legislative building blocks of the public welfare state: the Social Security Act of 1935 and the Medicare Act of 1965. Some recognize the importance of the Social Security Amendments of 1950, 1972, 1977, and 1983. Relatively few, however, have investigated the origins and effects of the Employee Retirement Income Security Act of 1974. According to Sass, the aim of ERISA was nothing less than the transformation of the pension system from a managerial tool of private employers “into an instrument of national social welfare” (221) by making the federal government a central player as “regulator of plans and guarantor of benefits” (179). ERISA was signed into law by President Ford but its basic concepts first found expression in a presidential initiative in the Kennedy Administration. During this extended legislative incubation, pension reformers used standard political tactics to influence public opinion, feeding horror stories to the media about workers who had been denied pensions for seemingly arbitrary reasons. When a window of opportunity opened after Watergate, the landmark bill was ready.

Yet in spite of ERISA, participation in the pension system has declined in recent years, falling from 39 percent of the private-sector workforce in 1980 to 31 percent in 1987 (228). Sass suggests that recent policy developments have contributed—presumably unintentionally—to the erosion of the pension institution. Recent changes designed to shore up the Social Security system's finances appear to have increased economic pressures on private plans. Moreover, the tax reform act of 1986 significantly reduced the federal tax expenditure on retirement income plans. As a result of these and other developments, Sass argues that the capacity of the pension system to offer long-term security to workers is eroding.

Social Provision by Litigation

A distinguishing feature of the American welfare state is the tendency for policymaking to be judicialized. Any discussion of U.S. social policy would thus be incomplete if it failed to take into account what

Kagan (1995) calls "adversarial legalism," our tendency to rely on formal legal contestation and litigant activism as a substitute for both expert judgment and bureaucratic provision. At the core of adversarial legalism is a fundamental policy dilemma-Americans want government to promote social welfare but distrust the bureaucratic welfare state. To escape this dilemma, many place their faith in the capacity of courts and rights to promote social change. This mode of policymaking elevates the importance of judges for welfare policy. Indeed, in a major study of the development of three entitlement programs-aid to families with dependent children, food stamps, and education for the handicapped-Melnick (1994) shows that in each case federal courts' interpretation of statutes had a major influence over program trajectories.

In a related vein, Burke (1997) examines the Americans with Disabilities Act of 1990, which established a highly litigious, rights-oriented approach to disability policy. The ADA makes disability policy "a matter of rights-duties that are owed to disabled people and so can be legally enforced-rather than of needs, problems that society chooses to pay for collectively" (1997, 245). In essence, the ADA established an unfunded federal mandate on the private sector. The perceived deservingness of the targeted clientele played a role in the measure's enactment during a Republican administration but so too did the program's reliance on an individualistic rights framework.

Burke's analysis is in some ways more compatible with a traditional perspective on the American welfare state because it implicitly criticizes the ADA as less effective and equitable than the professional treatment approaches to disability policy used in some other advanced democracies. The study is nonetheless a very important one because it represents part of a growing effort to confront the possibilities and limitations of our national penchant for social provision by lawsuit. Indeed, while the ADA promised to promote economic competitiveness by bringing large numbers of disabled people into the work force, Burke argues that its main consequence has been to stimulate additional litigation in an already litigious labor market without greatly improving the employment prospects of the disabled.

Suggestions for Future Research

Providing benefits through tax expenditures, earmarking revenues to trust funds, using litigant activism as a substitute for bureaucratic provision, turning private pension arrangements into an instrument of public policy-these factors hold at least some of the clues to an understanding of the American welfare state. Current scholarship provides some key insights. But many important research questions remain unaddressed.

One potential area for inquiry concerns the institutional design of programs. If welfare state objectives

can be carried out through a variety of instruments, what explains the instrumental choices that policymakers actually make? In a provocative analysis, Horn (1995) uses a transaction cost perspective to explain institutional choices in the public sector (see also Frant 1996). His claim is that the distinctive financing and governance arrangements of the modern administrative state reflect attempts by incumbent legislators to add durability to long-term commitments while controlling the exercise of bureaucratic discretion. This approach appears to have promise for an understanding of the logic of certain budgeting instruments (Patashnik 1996) but systematic tests against rival explanations (e.g., history, culture, clientele power) have yet to be conducted.

A second topic that requires attention is the conditions under which preexisting statutory commitments are expanded or contracted. Consider the remarkable, yet little-noticed, transformation of the Medicaid program. When it was created in 1965, Medicaid was intended to provide acute health care to poor families. Yet Medicaid is now the most important program providing long-term care to senior citizens, many of whom are people from middle-class backgrounds or better (Moon and Mulvey, 1996). With Colleen Grogan, I am beginning research to determine how exactly this development occurred and what it suggests about the dynamics of stability and change in the American welfare state.

Finally, the connections among various kinds of welfare state benefits requires attention. Sass suggests that Social Security and private pensions have indeed had complex interactions, but much remains to be learned. Is there an inherent trade-off between public and private social provision or can they in fact be mutually reinforcing? How effective is adversarial legalism as a mechanism for promoting social welfare? At a time when core welfare state commitments are being tested, these questions take on great importance.

References

- Burke, Thomas F. 1997. "On the Rights Track: The Americans with Disabilities Act." In *Comparative Disadvantages? Social Regulations and the Global Economy*, ed. Pietro S. Nivola. Washington: The Brookings Institution.
- Cordes, Joseph J. 1996. "How Yesterday's Decisions Affect Today's Budget and Fiscal Options," In *The New World Fiscal Order*, ed. C. Eugene Steuerle and Masahiro Kawai. Washington: The Urban Institute.
- Derthick, Martha. 1979. *Policymaking for Social Security*. Washington: The Brookings Institution.

- Frant, Howard. 1996. "High-Powered and Low-Powered Incentives in the Public Sector." *Journal of Public Administration Research and Theory* 6: 365-382.
- Hacker, Jacob S. 1997. *The Road to Nowhere: The Genesis of President Clinton's Plan for Health Security*. Princeton, New Jersey: Princeton University Press.
- Howard, Christopher. 1993. "The Hidden Side of the American Welfare State," *Political Science Quarterly*. 108: 403-437.
- Horn, Murray J. 1995. *The Political Economy of Public Administration: Institutional Choices in the Public Sector*. New York: Cambridge University Press.
- Kagan, Robert A. 1995. "Adversarial Legalism and American Government." In *The New Politics of Public Policy*, ed. Marc K. Landy and Martin A. Levin. Baltimore: Johns Hopkins.
- Levi, Margaret. 1988. *Of Rule and Revenue*. Berkeley, California: University of California Press.
- Melnick, R. Shep. 1994. *Between the Lines: Interpreting Welfare Rights*. Washington: The Brookings Institution.
- Moon, Marilyn and Janemarie Mulvey. 1996. *Entitlements and the Elderly*. Washington: The Urban Institute.
- Patashnik, Eric M. 1996. "The Contractual Nature of Budgeting: A Transaction Cost Perspective on the Design of Budgeting Institutions" *Policy Sciences*. 29: 189-212.
- Patashnik, Eric M. 1997. "Unfolding Promises: Trust Funds and the Politics of Precommitment," *Political Science Quarterly*. 112 (forthcoming).
- Peterson, Paul E. 1995. *The Price of Federalism*. Washington, D.C.: The Brookings Institution.
- Pierson, Paul. 1994. *Dismantling the Welfare State?* New York: Cambridge University Press.
- Rose, Richard and Philip L. Davies. 1994. *Inheritance in Public Policy: Change without Choice in Britain*. New Haven: Yale University Press.
- Salamon, Lester M. 1989. *Beyond Privatization: The Tools of Government Action*. Washington: The Urban Institute.
- Sandel, Michael J. "Anti-social Security," *The New Republic*. February 3, 1997: 27.
- Sass, Steven A. 1997. *The Promise of Private Pensions*. Cambridge, MA: Harvard University Press.
- Skocpol, Theda 1995. *Social Policy in the United States*. Princeton, New Jersey: Princeton University Press.
- Stevens, Beth. 1988. "Blurring the Boundaries: How the Federal Government Has Influenced Welfare Benefits in the private Sector," in *The Politics of Social Policy in the United States*, ed., Margaret Weir et al. Princeton, New Jersey: Princeton University Press.
- Weaver, R. Kent. 1988. *Automatic Government: The Politics of Indexation*. Washington: The Brookings Institution.
- Weir, Margaret, et al. 1988. *The Politics of Social Policy in the United States*. Princeton, New Jersey: Princeton University Press.
- Zelizer, Julian E. 1998. *Taxing America: Wilbur D. Mills, Congress, and the State, 1945-1975*. New York: Cambridge University Press.

Book Reviews:

Cityscapes and Capital: The Politics of Urban Government by Michael A. Pagano and Ann O'M. Bowman. 1995. Baltimore, MD: Johns Hopkins University Press 188 pp.

In the literature on city politics and local governance, there is often a propensity to tailor writing to either an academic or practitioner audience, leading each group to criticize a work as lacking useful information for its respective purposes. In *Cityscapes*, authors Pagano and Bowman sidestep this difficulty rather deftly, choosing to focus efforts instead on an audience somewhere in between. Expanding on a framework outlined in an earlier article (Bowman and Pagano in *Urban Affairs Quarterly*, March 1992), the authors draw discussions of central place theory, urban ecology, market failure and government failure into their attempts to flesh out the argument that "politics matters" in city government, and as such, political variables should be given more respect than relegation to the status of an error term.

This quest for recognition is not new. The notion that politics, especially at the local level, counts for naught in the grand scheme of things is one that makes otherwise rational individuals bristle with indignation. Thus approaching such a topic demands a practiced

touch, requiring both compelling evidence and eloquent argument to bridge the gap between those who are of the faith and those who are yet unconvinced. This is no easy task, yet Pagano and Bowman approach their subject with a clarity of purpose and skill that carries them through the book's moments of weakness toward the conclusion that politics do have an important role to play in the development of cities. In less experienced hands, such moments might derail the work before allowing its finer points a chance to be noticed, but by combining a lucid prose with an intriguing methodology, these authors manage to stay on track with a challenging task.

Pagano and Bowman choose ten cities as case studies based on both a political-economic scale of activism and distress and on regional diversity criteria. They then divide the cities up along their 1992 framework lines, to establish "that a city seeks economic development for reasons that include its history, its place in its hierarchy of cities, and its aspirations to change, to become a new city or a renewed city" (pp. 3-4). In other words, political leaders have a vision of what their city should be, and this vision includes ideas about what the local economy should be doing. The city's "image" is used as a metaphor for the arena where political leaders can exercise control over local market problems and outline a direction for where their city should be heading. Thus defining city image becomes central to building support for the authors' initial argument.

As might be expected, such an exercise is a bit like shooting at a moving target. Defining a city's image or vision as seen through the eyes of its political leaders is something that the authors attempt with success, and this is where the depth of their research material is brought forth. But taking this vision one step further and linking it to measures of success or failure of economic development policy is far more difficult. The cohesion that the initial trigger mechanism framework offers is somewhat overshadowed by attempts to make linkages to other bodies of literature related to urban economics but are presented in straw man fashion rather than as opportunities to expand the authors' framework. An exception to this is provided in the discussion of central place theory, where the theory's shortcomings are exposed and then become the foundation for a definition of the "perceptual orbits" of cities by attaching a political vision to the idea of a spatial hierarchy. Although the concept of perceptual orbits is an interesting one, the authors link its roots to a theory that they themselves have decried, creating something of a distraction from the case they are trying to make.

Fortunately, the authors rediscover their mission and the book's strengths are revealed as it revels in its wealth of interview data coupled with an ingenious approach to predicting the success or failure of a given development project in urban areas (probit models well worth examining). Along the way, they raise important questions for those who have denied the influence of politics on economic outcomes—"What is lacking in explaining city intervention in the development process...is a framework to categorize market failure. Space and government jurisdiction have been omitted" (p. 71). These are excellent points and hit home when aimed at the shortcomings of general theories engaged in explaining why urban governments pursue development in a particular fashion. However, if one is going to make an argument that a certain theory does not explain actual behavior of city officials, one should anticipate that this argument will beg the question: what theory does explain actual behavior? And how is this behavior linked to economic outcomes? Although the authors argue in exemplary fashion when framing the issues of importance for an economic model in which there is a role for significant political influence, there still lingers a nagging sense that the links between these issues remain elusive.

The problems that Pagano and Bowman wrestle with in this book are an apt illustration of the complexity of problems facing local government officials engaged in development activities. The book also provides an excellent lesson in the dangers that lie in the gap between theory and practice. The authors make a brave attempt to weave theory into a literature that often glosses over the finer points of argument and eventually succeed in making their point that "politics matters". In so doing, the authors offer an important example of perseverance for those pursuing a difficult and intricate subject.

Jill L. J. Tao

The Florida State University
Reubin O'D. Askew School of Public Administration
and Policy

Jill Tao is a doctoral candidate in comparative and development administration at the Reubin O'D. Askew School at the Florida State University. She is currently completing a dissertation on the effects of local entrepreneurs on economic development and redistributive outcomes in the state of Florida.

Selected Abstracts:

Peter J. Partell. "Executive Constraints and Success in International Crises." *Political Research Quarterly*, (September 1997).

Crisis outcomes have traditionally been explained by the participating states' relative power and relative ability to demonstrate resolve. Resolve has almost always been defined as the willingness of state to go to war to obtain a favorable settlement and almost always been defined as the willingness of state to go to war to obtain a favorable settlement and almost always operationalized in terms of the amount of force that a state uses in a particular crisis or dispute. However, a growing body of literature suggest that domestic political structures are an important source of resolve and therefore should be an important determinant of interstate crisis/dispute outcomes. This hypothesis is tested using two distinct data sets and the results indicate that the hypothesis is not only correct, but that domestic political structures are a stronger predictor of interstate conflict outcomes than either relative capability or the traditional notion of relative resolve.

Lee Kendall Metcalf. "The (Re)Emergence of Regional Economic Integration In the Former Soviet Union." *Political Research Quarterly*, (September 1997).

This study examines the consequences of the collapse of the unified Soviet market at the end of 1991, the dilemmas of choice generated by the economic and political costs and benefits of reintegration with different states, and the resulting attempts to create new forms of economic cooperation. A gravity model is used to determine whether these new forms of cooperation have had a positive impact on the members' bilateral trade. This reveals that in the first few years of its existence membership in the Commonwealth of Independent States had not generally had a positive impact on trade, while membership in the Baltic Free Trade Association and the Central Asian Commonwealth have although they are composed of small states which produce similar products and, in the case of the Central Asian Commonwealth, are at a lower level of development.

Donald P. Haider-Markel and Sean P. O'Brien. "Creating a 'Well Regulated Militia': Policy Responses to Paramilitary Groups in the American States."

Political Research Quarterly, (September 1997).

In a democratic political system responsive to citizen demands governments must often balance conflicting interests. The rise of armed right-wing paramilitary groups, and especially the recent growth of citizen militias, have created such a situation in the A states. In particular, governments must respond to the threat of armed anti-government groups, while simultaneously attempting to address the 'mainstream' conservative issue these groups often raise. This study examines how governments balance these demands by developing a general theory of policy formation and adoption. We expect that adoption of anti-paramilitary laws is more likely when paramilitary groups pose a greater potential threat to the state and when elected Republicans are less conservative. Our model also controls for the activities of interest groups and the possibility that policy change is incremental. Using a data set of the fifty American states, we find that governments do balance opposing interests. While anti-paramilitary laws arise out of a perception of the threat posed by armed far-right groups, conservative Republicans, faced with a constituency that supports some issues raised by paramilitary groups, appear to try to limit the scope of anti-paramilitary laws.

James F. Spriggs. "Explaining Federal Bureaucratic Compliance with Supreme Court Opinions." *Political Research Quarterly*, (September 1997).

Past research on bureaucratic compliance with Supreme Court opinions offers few comprehensive theoretical frameworks and even fewer rigorous empirical tests. I argue that bureaucracies comply based on the costs or benefits of alternative ways of responding to the Court. Agencies develop these expectations from the environments within which they implement opinions, which I conceptualize as attributes of Court opinions, agency characteristics, and external actors. I show that federal bureaucracies generally comply with the Court, though the sometimes respond to the Court in self-interested ways. Using a probit model of agency implementation of Court opinions from the 1953 through 1990 terms, I also demonstrate that several factors explain whether agencies comply, including the nature of the Court's opinions, the characteristics of the responding agency, and support by societal interests. I further illustrate that the absence of defiance or evasion most likely results from the interdependencies between federal agencies and the Court. The implication is that legal rules are important, setting up referents for behavior, and their ability to encourage compliance stems in part from their actual content.

Frank P. Ainni, JR, Franco Mattei, and Laurie A. Rhodbeck. "The Structure of Attitudes Toward Groups: A Comparison of Experts and Novices." *Political Research Quarterly*, (September 1997).

The study of mass opinion has recently focused increased attention on political sophistication and attitudes toward groups. Although the two topics are not directly related, they share a common concern: how does the mass public manage to form opinions about political issues given its well-established lack of a coherent political ideology. Groups are important symbols that structure political reasoning; but, it is not clear that this structure is the same for people with different levels of political awareness. On the one hand, the sophistication hypothesis suggest that groups may provide even the least politically sophisticated with a coherent view of the political world. To test these ideas we draw upon data from the 1980 and 1984 studies of the National Election Studies of the same year. We find, in agreement with the preponderance of evidence in the literature on political sophistication, that the structure of attitudes toward groups becomes more ideological as the level of political sophistication increases. Furthermore, we argue that with decreasing levels of political sophistication comes a greater reliance on emotion as a guide to the political world.

M.V. Hood III, Irwin L. Morris, and Kurt A. Shirkey. "¿Quedate o Vente!": Uncovering the Determinants of Hispanic Public Opinion Toward Immigration." *Political Research Quarterly*, (September 1997).

The purpose of this study is to ascertain which combination of demographic, attitudinal, and contextual factors determines Hispanic public opinion toward legal immigration. In a departure from previous research, we conduct an advanced multivariate analysis and utilize an existing national-level sample of Hispanics. While we find only limited evidence that Hispanic public opinion on immigration varies among nationalistic subgroups (e.g., Cuban-Americans, Mexican-Americans, etc.), we do find that level of acculturation and perceived economic threat influence Hispanic opinion on legal immigration. We also find that Hispanics residing in areas with large illegal migration populations, and those with more negative attitudes toward the impact of Hispanic on American society, tend to favor more restrictive immigration policies. Finally, we examine the implications of these findings for future studies of public opinion toward immigration and for the development of immigration policy.

Carolyn L. Funk. "Implications of Political Expertise in Candidate Trait Evaluations." *Political Research Quarterly*, (September 1997).

Candidate trait images have an important impact on global judgment. The present study addresses (1) which traits matter in candidate evaluations and (2) political expertise differences in trait-based evaluations. An unweighted version of the on-line processing model would suggest that all traits impact the running tally in equal measure. Others have argued that some traits (in particular, more task-relevant traits) should matter more than others from a normative perspective. Furthermore, some past research has suggested that all individuals use traits in the same manner on the grounds that trait judgments of others are common in everyday experience. Greater cognitive complexity among political experts, however, would suggest that experts should be more likely to differentiate between traits in judgment. The present study uses an experimental design to manipulate candidate competence on two dimensions: Competence and Warmth. Results show that candidate competence is preferred over warmth, although this preference is only evident among political experts. The pattern of results suggests that political experts make more distinctions between trait content dimensions, consistent with a greater cognitive complexity among experts. These results provide direct evidence that citizens distinguish among candidate trait qualities and tend to evaluate competence more favorably than warmth.

Francine Sanders. "Civil Rights Roll-Call voting in the House of Representatives, 1957-1991: A Systematic Analysis." *Political Research Quarterly*, (September 1997).

The record of civil rights roll-call votes in the House of Representatives has yet to be systematically explained or predicted. In particular, it is not clear why House members sometimes appear to have a great deal of independence from constituency, but at other times are limited by negative public assessments. I contend that the key is the variation in content of different types of civil rights bills, and construct a categorical scale which rates bills voted on in the House from 1957-1991 according to potential costs (whether actual or perceived) to white Americans. The expectation that an increase in category will result in decreased likelihood of passage, and significantly smaller supporting coalitions, is supported. While partisanship also emerges as a significant determinant of roll calls, a more complete explanation is arrived at when it is considered in conjunction with the legislative classification variable.

Public Policy Syllabus Collection Call for Materials

I am preparing a collection of Public Policy syllabi for the APSA Syllabi Collection. We expect the collection to be available as a bound volume in mid 1998. We solicit your contributions to the collection. We seek syllabi and other materials from graduate and undergraduate public policy courses, from courses on substantive policy areas, and on course units on substantive policy areas, such (but by no means limited to) as environment or health policy.

Feel free to send me any materials you would like to contribute as attachments to e-mail (documents in HTML or Microsoft Word for Windows version 6.0 or lower), via fax at 518-442-5298, or via the mail to:

Thomas A. Birkland
Graduate School of Public Affairs and Policy
University at Albany, SUNY
518-442-5243
fax 518-442-5298
birkland@csc.albany.edu
<http://www.albany.edu/~birkland>

Submissions will be reviewed by an advisory committee of senior scholars in public policy. If we select your materials for inclusion in the collection, we will contact you and may ask for additional camera-ready copies of materials, particularly if they were originally faxed to us.

I thank you for your interest and your interest and your contributions to what I hope will be an exciting and useful project.

Public Policy Section Officers

**President
and 1998 Public Policy Program Co-Chair**

Ann Bowman
University of South Carolina

1998 Public Policy Program Co-Chair

David Hedge
University of Florida

Secretary/Treasurer

Mark Schneider
State University of New York, Stony Brook

Council Members

James Lester
Colorado State University

Barry Rabe
University of Michigan

Howard Silver
Executive Director,
Consortium of Social Science Associations

Margaret Weir
Brookings Institution

Rosemary O'Leary
Indiana University

Christopher Bosso
Northeastern University

Evan Ringquist
Florida State University

David Weimer
Rochester University

John Hird
University of Massachusetts

Susan Welch
Penn State University

Elaine Sharpe
University of Kansas

Frank Baumgartner
Texas A&M University

Visit the APSA Policy Section www home page!
The URL is: <http://www.fsu.edu/~spap/orgs/apsa.html>

Editor

Hank C. Jenkins-Smith

Managing Editor

Kristin E. Kenyon

Assistant Managing Editor

Leopoldo V. Jaramillo

**Senior Art/Publication
Production Specialist**

Carol Brown

Abstracts, announcements, and other information
to be printed in the next issue of Policy Currents
should be sent on 3-1/4" diskette to:

Editor, Policy Currents
University of New Mexico
Institute for Public Policy
1805 Sigma Chi NE
Albuquerque, NM 87131-1121

THE UNIVERSITY OF NEW MEXICO
Institute for Public Policy
1805 Sigma Chi Rd., NE
Albuquerque, NM 87131-1121
(505) 277-1099

NON PROFIT - ORG.
US POSTAGE
PAID
Albuquerque, NM
PERMIT NO. 39