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Review Symposium

**On Kathleen Thelen, *Varieties of Liberalization and the New Politics of Social Solidarity*, New York, Cambridge University Press, 2014**

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**JEL classification:** J50 labor-management relations, trade unions, and collective bargaining, P16 political economy

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Kathleen Thelen has long been one of the most interesting figures in the field of comparative political economy, someone whose work one eagerly anticipates, and someone whose work is often a bellwether for where the field is going. That is especially the case with *Varieties of Liberalization and the New Politics of Social Solidarity* (VLNPSS), and the way in which she organizes the book—as an intervention in the debate between advocates and critics of the varieties of capitalism (VoC) approach—permits us to use a review of the book to think about the field of political economy, where it has come from, where it is and where it is going.

Beyond the first rate quality of her empirical research and her facility with teasing apart the assumptions embedded within widely used theoretical concepts, Thelen's importance is that, for the past decade and a half, she has straddled the debate around VoC which has been and remains the central paradigm of the comparative political economy field. Thelen had a chapter in the foundational VoC volume (Thelen, 2001), but has co-authored with both its primary intellectual progenitors (Hall and Thelen, 2009) and one of its main critics (Streeck and Thelen, 2005).

A review of Thelen's published work suggests that she is broadly sympathetic to the VoC for its emphasis upon distinct national varieties, pathways and experiences, and for its hostility to any notion of convergence. But she parts ways with the VoC approach in how to explain

these national differences, being largely unpersuaded by the microeconomic bias that tends to explain institutions on the basis of the efficiency gains that they provide to firms. Both—the areas of agreement and disagreement—follow from the same consistent theme of Thelen's work over the last two decades and more: an emphasis upon the political foundations of institutions, their fragility and the need for a political explanation of institutional reproduction. That was her caution when discussing the implications of the approach for the study of labor in the original 2001 *Varieties of Capitalism* volume, and it is a central theme of this current book. Indeed, even the theoretical introduction to a 1992 volume on historical institutionalism which Thelen co-authored (Thelen and Steinmo, 1992), privileged a view of institutions as fundamentally about 'powering' rather than 'coordinating'; there, in perhaps an overly crude nutshell, is a large part of the disagreement between the VoC advocates and its critics: should we think of institutions as primarily mechanisms for solving the coordination problems of capitalists, or as crystallized forms of social power?

## 1. The VoC and its critics

It is Thelen's location within the field of comparative political economy and the theoretical scope of *VLNPS* that gives us an opportunity to use the book as way to think about some of the central concerns of the field. Thelen sets the book up as an intervention in a debate, one that she feels is to some degree misconstrued, between the advocates of the VoC and its critics with regard to how liberalization should be defined, measured and evaluated. It is a crucial issue because the VoC approach has generally been dubious about the extent to which common economic pressures, whether globalization or liberalization, undermine national institutions and encourage some degree of cross-national convergence in the organization of political economies.

Thelen argues that the two sides are in fact arguing past each other because they are talking about different things: the advocates of VoC are interested in coordination, and when they survey the advanced capitalist world they tend to see the resilience of coordinating institutions; the critics are interested in egalitarian outcomes, or what Thelen calls egalitarian capitalism, and when they examine the institutions that have historically tended to generate egalitarianism, they see heavy erosion. Coordinated capitalism and egalitarian capitalism may have often historically evolved together, but they are distinct types of political economy and there is no necessary reason for them to co-vary. It is worth at this point noting one move that Thelen makes in her argument, which is to operationalize egalitarianism in a specific and quite narrow way, as inclusivity; who is covered by the dominant political-economic institutions and who is not. There is a New Labour flavor to the argument here, that the sin of capitalism is not inequality *per se* so much as exclusion from the ability to sell one's labor. This has the effect of making dualism a central concept in Thelen's architecture of political economy, and of elevating policy that encourages labor inclusion and activation—education and training, flexicurity—to a crucial tool of a broadly progressive, egalitarian politics.

Thus institutional liberalization has two distinct meanings and mechanisms—undermining coordination, primarily through decentralization, and undermining solidarity, primarily through dualism. Moreover, these two types of liberalization may proceed along different trajectories. In short, both the VoC and its critics may be right as long as they specify more carefully what it is that they are talking about. I do not doubt that this divide captures some of the disagreement in the comparative political economy field, but ultimately Thelen's formulation,

though well-intentioned, cannot serve as peace formula for the VoC and its critics. In fact, even to pose the debate in this manner is troublesome because, while the VoC is a quite tight-knit intellectual community, the critics are a much more disparate bunch, coming from different intellectual disciplines and traditions, and identifying a wide range of concerns with the VoC approach; articulating a common critique is therefore impossible.

Since this reviewer is identified (correctly!) by Thelen as a critic of the VoC, let me take a stab at explaining why the disagreement is deeper and less easily resolvable than one of attention to different institutional sets. The disagreement is fundamentally about how we think about capitalism and about change within contemporary capitalism for which the term liberalization has become shorthand. The critics tend to think in terms of an historicized capitalism rather than a bundle of markets and to see changes in the internal logic and growth models of capitalism as driving institutional change. Capitalism is fundamentally unruly, subject to perpetual reinvention and hence disruptive of institutional stability. There is a terraforming quality to capitalism that is likely to overwhelm the resilience of national institutions. Hence the importance of work which examines changes to the growth models of contemporary capitalism. Financialization, for example, and shifts from wage-led to profit-led or debt-led growth (Lavoie and Stockhammer, 2012) have in common that they involve forms of growth that have little or no investment in the institutions of collective industrial relations which dominated the Fordist era and hence we should anticipate their erosion.

What defined the Fordist era of the first three post-war decades was the boundaries put around markets, the limits to competition and the constraints upon the full expression of the commodity form, particularly for labor. What defines the neoliberal era is the removal of those limits and constraints. As Streeck (2014), channelling Polanyi, has recently reminded us, the post-war period has been a continuous boundary war between commodification and self-protection, with the former winning everywhere since the early 1980s. In the sphere of industrial relations, liberalization involves a shift in the balance of class power. The critics of the VoC approach are likely to see the first-order preference of employers as usually involving an expansion in their discretion over wages, work organization, hiring and firing, and so on. Thus liberalization is first and foremost about reconfiguring institutions in ways that expand employer discretion (Baccaro and Howell, 2011).

A wider concern for the critics is that the field of comparative political economy made a series of theoretical moves in the period roughly between the end of the bull market in corporatism studies and the rise to dominance of the VoC approach: a shift from capitalism as an object of inquiry to markets, a shift from institutions as expressions of power to ones of coordination and a shift in focus from unions to firms. These shifts disarmed its ability to capture and explain change within capitalism. None of this is a critique of Thelen's work, which is more attuned to power, politics and the continuing importance of labor than most, but it does put the disagreements between the VoC approach and its critics in a different light. It suggests that we are not talking past each other or disagreeing about which institutions to measure, rather we disagree fundamentally about how to think about contemporary capitalism.

The disagreement matters because the urge to reproduce national varieties and pathways is deeply embedded in the DNA of comparative political economy, and here Thelen is honourably implicated. The way we think about capitalism makes our first instinct to look for difference not commonality with the result that we capture snapshots of difference—snapshots that are outdated almost as soon as they are taken—but miss common trajectories.

## 2. Liberalization and industrial relations

The empirical chapters of *VNL/PSS* examine institutional change in three spheres—industrial relations, vocational education and training and the labor market—across a handful of countries chosen to illustrate three different pathways of liberalization: deregulation (a decline in both coordination and solidarity); dualization (a decline in solidarity, but not coordination) and embedded flexibilization (a decline in coordination, but not solidarity). Let me offer a few comments on Thelen's findings with regard to industrial relations. I think it is fair to say that the story that she tells is one of liberalization in industrial relations with developments in vocational education and training and the labor market serving to mitigate or compensate to some degree for that liberalization. In particular here, her discussion of the labor market is limited to active labor market and short-term working policies and these are policies that serve to either reinforce solidarity or encourage dualization.

The headline of this book, which I think Thelen buries somewhat, is that industrial relations institutions have been extensively liberalized across all VoC. There may be different pathways to liberalization, different speeds of liberalization, and countries may currently be at different resting places along the way, but they are all heading in the same direction. Familiar VoC are being destabilized and transformed, not reproduced. Thelen may even somewhat understate the degree of change in her summary data on changes in union density, bargaining coverage, collective bargaining level and degree of bargaining coordination by taking 1970 as Time 1, for comparison with the present. Given that the 1970s saw quite widespread increases in union density, bargaining coverage and bargaining coordination, the effect of Thelen's choice of starting date is to deemphasize the degree of change from 1980 onwards. Furthermore, liberalization has been a temporally uneven process, affecting different countries at different times (Liberal Market Economies earlier than Coordinated Market Economies) and liberalization in central and northern European political economies is of quite recent provenance.

The country cases chosen by Thelen to represent the three varieties of liberalization are the USA (deregulation), Germany (dualization) and Denmark (embedded flexibilization), with the Netherlands and Sweden illustrating hybrid forms of dualization and embedded flexibilization. The finding that industrial relations have been subject to liberalization in the USA is unsurprising, but what is remarkable is the degree of decentralization of wage-setting, most of it dating only from the mid-1990s, that has taken place in Scandinavian countries. Firms in Denmark and Sweden have rapidly become the primary locus of wage determination, a significant shift from the highly coordinated bargaining of earlier decades. Thelen points to some residual coordinating capacity wielded by the Danish LO (though not its Swedish counterpart), but the overall picture is not one of resilience of coordinating institutions.

If the liberalization of industrial relations is as widespread in these countries as Thelen suggests—and the evidence is overwhelming that it is—Germany once again becomes a critical case for the argument that the political-economic landscape remains dominated by national VoC rather than being terraformed along a common liberalizing trajectory. Thelen codes Germany as an example of dualization, arguing that the familiar coordinated sectoral bargaining institutions of *Modell Deutschland* remain relatively hardy in the manufacturing core, but have failed to migrate to the expanding service sector. A difference certainly exists in the purchase of collective industrial relations institutions between the manufacturing and service sectors. However, much evidence also suggests that the degree of sectoral coordination has dramatically weakened even in the core. When the percentage of establishments covered by

sectoral bargaining is lower in manufacturing than in the service sector, when more than half of even those firms covered by sectoral agreement have opening clauses, and when membership of all-important employer associations no longer carries the requirement to apply a sectoral agreement, this is not your father's *Modell Deutschland* (Baccaro, 2014). For the concept of dualization to have analytical value, it must reflect some stability over time and not simply describe the differential pace of liberalization, a temporary way-station on the road to full liberalization. After all, 30 years ago, the US labor market was widely characterized as dualistic. In short, all of Thelen's cases exhibit a liberalization of industrial relations.

Thelen is generous and ecumenical in her treatment of theoretical approaches to explaining various forms of institutional change. On my reading of the evidence contained within *VLNPSS*, the approach with the most explanatory purchase and the one that Thelen turns to with most frequency is power resource theory, suitably modified to distinguish between labor strength in different sectors. Her discussion of the reasons why Sweden has been less successful at defending egalitarian outcomes than Denmark, and why the Netherlands has been more successful than Germany rests most fundamentally on different degrees of labor strength; business organization largely falls out of Thelen's story.

Power resource theory is largely built on the assumption that the first-order priority of employers is liberalization, with only the capacity of labor to resist standing in their way. As such, the prominence given this approach in this volume is valuable both as a bridge back to an earlier era of political economy and as a reminder that we ignore labor at our peril. As Thelen illustrates so well here, industrial relations institutions are the fragile outcome of a particular balance of class power, and when that changes in favor of capital, as it has everywhere in the course of the past 30 years, liberalization is the result.

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For the past two decades, comparative political economy has been dominated by arguments highlighting the role of employers in the building of contemporary capitalist institutions and the modern varieties of capitalism. Kathleen Thelen has been a significant contributor to this work. In her new book, *Varieties of Liberalization and the New Politics of Social Solidarity*, she returns her focus to those actors whom the revisionist literature often sidelined: unions and state policymakers.

The book makes two key claims. First, inclusive unions are a key to protecting least-skilled and low-paid workers, creating opportunities for them in the labor market and designing welfare regimes to address their needs. For Thelen, the inclusiveness of unions results from how much manufacturing does in the economy; when that role is too large, as part of overall employment, this undermines the capacity of the union movement to look after the interests of those who have the least power in the labor market. Second, where unions are not inclusive of the most vulnerable aspirants on the labor market, state capacity or pressure can—to a limited degree—substitute for the incentives of inclusiveness and create non-dualizing policy.

Thelen's claims fit her core empirical cases well—the USA, Germany and Denmark. Her studies of the policy fields of industrial relations, vocational education and training and active labor market policy reveal these dynamics in action. In terms of outcomes, USA has become more liberal and more unequal through a process of deregulatory liberalization; Germany has not abandoned its coordinated system, but become more dualist, shrinking its protections around the core workers of the manufacturing model (dualizing liberalization); and Denmark has liberalized, in the sense of breaking down coordination, but it has done so in a way attentive to providing points of entry to the labor market for the least-skilled and the possibility for them to acquire deeper skill sets. This is an outcome she calls 'embedded flexibilization', in which the introduction of more market forces goes hand in hand with steps to collectivize social risk.

These outcomes are not far removed from what any reader of Esping-Andersen's (1990) *Three Worlds of Welfare Capitalism* might have expected, even though industrial relations and vocational training were not part of that analysis. Thelen's big observation is that Esping-Andersen's welfare state families seem to have much to say about the boundaries of contemporary reform in those policy areas highlighted by revisionist scholarship that moved attention away from unions and states towards the politics of employers. In other words, Esping-Andersen's worlds seem to structure such reforms much more than the country groupings described by the varieties of capitalism literature, even in those institutions emphasized by the latter.

Even if the political forces that gave rise to the three worlds of welfare capitalism provide the structure within which changes in these policy regimes take place, significant within-world variation exists that Thelen investigates: Sweden has experienced less embedded flexibilization than Denmark, and policies in the Netherlands show more concern with inequality and the plight of the low-paid than in Germany. In both cases, the within-world variation is a product

of action driven by her second variable—*state capacity*. Empirically, I was more convinced by the differences described between Germany and the Netherlands than those between Sweden and Denmark. Sweden has not experienced what Thelen describes as the bottom dropping out of wages and protections. What has happened in Sweden, even on her own account, is that the wages of higher skilled workers have taken off. And the book documents sharp union division on this point with Swedish labor. Still, Sweden is far from being a bastion of inequality.

The book concludes with four powerfully formulated generalizations. I paraphrase these conclusions in italics below as a way to highlight the contribution of this book, but also to interrogate these important analytical threads:

*High levels of organization and unity of labor are indispensable for continued high levels of social solidarity.*

This conclusion is well supported; indeed, this is the book's fundamental point. But one might wonder whether union inclusiveness is quite so much a product of the dominance of manufacturing in the economy as Thelen claims. There are good reasons to think it has more to do with the presence of the Ghent system (cf. [Ebbinghaus et al., 2011](#)). For example, Belgium shares with Sweden the high degree of exports deriving from the manufacturing sector, which on the logic of Thelen's argument should result in problems for those at the bottom of the labor market. But, in fact, the data that Thelen presents (p. 130) show that Belgium had the lowest percentage of employees in low-wage work in 2010, followed by Sweden, both near 5%. The Netherlands—one of her success cases—sat at 18%, close to Germany and the UK. Given such data, it would seem that the Ghent system is still doing lots of work in the Ghent countries, rather than the role of manufacturing in the economy *per se*.

*Employer coordination may be necessary, but is by no means sufficient to ensure egalitarian capitalism.*

On reading this book, it is not clear that employer coordination is even necessary, let alone sufficient, for the survival of egalitarian capitalism. Thelen's book is a story about unions and states, following a very long and eminent tradition of political economy. Yet the book also professes to bring insights of varieties of capitalism to the patterns of equality in liberalization. These insights are much harder to discern. There is no firm-centric analysis of economic institutions, along the lines of [Hall and Soskice \(2001\)](#), or of social policy, along the lines of [Mares \(2003\)](#). After being meticulously studied by Thelen in many past contributions, vocational education and training has been distinctively central to the varieties of capitalism approach and yet her analysis here does not prioritize the role of employers, but instead of unions. Anywhere employer coordination seems to matter, it matters because of large and inclusive unions. It is reasonable to ask whether this book's conclusions could have been reached without mentioning the organizing capacity of employers at all.

*State support is crucial to sustaining solidarity in the current period.*

The role of state action is central to some of the most interesting variation in Thelen's account. Conceptually, however, it is not always clear what the character of state support actually is. At times, it seems synonymous with the notion of capacity—what the state can do, constitutionally and otherwise. But in other places, the notion of state capacity seems to have reduced to partisanship: whether the left or right governs. These are two very different claims of what the state is, and what the state can do, in promoting equality.

This ambiguity raises a question about states in general, and in particular regarding what Katzenstein (1985) once called ‘small states in world markets’. Is it easier to craft inclusive reforms, those premised on a shared community of fate, in small states? Does the new politics of social solidarity require a small state environment? Katzenstein argued 30 years ago that there is a political culture in these states that makes them more amenable to inclusive strategies of adjustment; small stateness may well be the omitted variable accounting for state action where unions do not do the job.

Finally, on the question of state policy—contra Katzenstein and pro Thelen—is the story of state policy yet written in Denmark? The Danish right when in government passed a set of laws making it easier for other unions to compete with the established unions, and industrial relations scholars have observed the erosion in membership experienced by Danish unions since (Ibsen *et al.*, 2013). So is the Danish story perhaps just a little delayed? Would this be the same book if written in 10 years? Or would it be a book that shows how states can support unions, but they can also undermine them?

*Institutional reproduction requires the ongoing mobilization of new support coalitions.*

I agree profoundly with this final conclusion, and it summarizes the beauty and power of this book. Esping-Andersen’s welfare families are not static and enduring inheritances, but are constantly shaped by political struggle in the political economy. And the inclusiveness of unions is fundamental to this story. So whereas Steinmo *et al.* (1992) once taught us the importance of institutions, the action now is in coalitions that animate and reanimate those institutions. This is a point with enduring relevance for political economy, and Thelen’s book is a noteworthy contemporary statement of this position.

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As one of the leading figures in Comparative Political Economy, Kathleen Thelen has produced a very rich book with multiple theoretical and empirical dimensions. The book targets a set of ideas at the heart of the varieties of capitalism (VoC) literature: different ways exist to organize capitalism, the distinction between two key types is durable and no convergence exists to the more inegalitarian Liberal Market Economy model.

The very important contribution in Thelen's book is an argument about the need to distinguish the institutions underpinning coordinated capitalism from those underpinning egalitarian capitalism. Thelen argues that we have a choice between two alternative frameworks to understand the political economy of industrialized democracies. The first one sees every liberalizing change as compromising social solidarity and the defense of traditional institutions as preserving it. The second one, championed in the book, argues that the defense of some traditional institutions promotes inequality and dualization, and that some liberalization does not attack equality, it may indeed be needed to preserve it.

Taking this intuition as its conceptual starting point, Thelen proposes three trajectories of change: deregulation, dualization and socially embedded flexibilization. Deregulation proceeds through institutional displacement (think USA), dualization through institutional drift (think Germany) and embedded flexibilization through institutional conversion (think Denmark). Why these different trajectories? Thelen argues for the explanatory power of two sets of factors. First, structural economic factors have strong effects: deindustrialization and growth in services, changes in sectoral/occupation/skills patterns, the nature of increases in female labor force participation, the emergence of new risks, etc. Second, outcomes are shaped by the combination of the relative importance of the manufacturing sector (particularly the power of unskilled workers not in manufacturing) and the encompassing nature of labor market institutions. In liberal market economies, the absence of a stable core within manufacturing means deregulation in the three areas of interest to Thelen (collective bargaining, vocational education and training and labor market institutions). In coordinated market economies, a competitive manufacturing sector exists, but cannot successfully oppose liberalization outside the core (and is benefited by a less regulated periphery), which leads to dualization. In Scandinavia, the absence of dominant manufacturing and the influence of more encompassing organized interest associations mean embedded flexibilization.

The book's analysis represents a great contribution to our understanding of the starkly different institutional paths in OECD countries as a response to recent economic challenges. While I agree with the general contours of Thelen's position on the debate on VoC, in my role as critical reviewer, I will touch on some issues that I would have liked to read more about.

## 1. Where are the politics?

I think that Thelen would argue that her analysis of these three trajectories of change is eminently political. But while reading the book, I kept wondering about partisan politics, electoral logics, etc. In parts, the connection between organized interests and policy is too readily

assumed. The analysis of the cases too often jumps from a statement about the interests of actors to a statement about an outcome, without enough of an explanation of what the political connection is in between.

For example, we are told that competitive manufacturing dominates interest groups in Germany, and therefore they can promote dualization. But the political logic needs a little more of an explanation. Insiders are fewer and fewer, while outsiders are becoming more numerous. I wanted to hear more about the electoral logic guiding the actions of parties. How do the preferences of this shrinking sector of the population get translated into policy? What electoral logic applies to the strategies of parties here? (An aside: I do follow Thelen's logic that in Germany insiders in competitive manufacturing cannot or will not oppose liberalization outside the core, since they benefit from a less regulated periphery. But it is unclear to me why dualization is a relatively recent consequence of economic adaptation. Presumably the advantages from dualization for insiders that Thelen mentions (lower prices in services, lower taxes, etc.) applied in previous periods. In other words, may be, as Thelen argues, insiders were more powerful to oppose liberalization in the past, but why would they want to? Don't they always benefit from a less regulated periphery?)

## 2. Two dimensions?

I am very sympathetic to the main idea that one dimension is not enough, as Thelen argues, and that the political economy of industrialized democracies is better understood by considering the institutions of coordinated capitalism as a separate dimension from the institutions of egalitarian capitalism. But, since we are going down that road, I am not sure that two dimensions are enough to contain the different factors emphasized in the book.

The first dimension (coordination) is perhaps straightforward enough and it has certainly been emphasized before by the VoC literature. But what exactly makes up the second dimension of solidarity/dualism is not clear to me. In parts of the book, this dimension is meant to capture collective bargaining coverage, involuntary part-time employment and youth unemployment. In other parts of the book, it is fixed-term employment and mini-jobs. Do these things reflect the same underlying dimension? I wanted to read more about this.

One of the consequences of the diversity of factors making up the solidarity/dualism dimension is that the relative position of different countries is not completely unambiguous. In Figure 1.1, for example, the US and the UK are placed right in the middle of the solidarity/dualism second dimension. This, to me, is quite unintuitive. One could argue that the US and the UK are neither solidaristic nor dualized. But are they (as Figure 1.1 suggests) more solidaristic than the Netherlands in the 1980s or Germany in the 2000s?

I am more inclined to believe that the solidarity/dualism dimension may, in turn, contain two very different dimensions: the amount of protection workers enjoy in the labor market and the coverage of that protection. One can imagine a  $2 \times 2$  (high/low protection, high/low coverage) with the usual suspects in each cell but also with movements through time. With countries in all four cells, it is unclear to me that these two dimensions could be subsumed into one. Two dimensions for solidarity and dualism would also help us resolve the US/UK issue mentioned above. Yes, the US and the UK are neither solidaristic nor dualized, but this is because protection is very low. We would want to distinguish these cases from countries where protection is higher, but the coverage does not reach Scandinavian levels, such as the Netherlands in the 1980s or Germany in the 2000s.

### 3. Varieties of capitalism?

The main points of the book are presented in relation to the VoC paradigm: this is what VoC gets right, this is what it gets wrong, and this is how VoC can be improved. The VoC approach has been very influential, and the institutional arguments associated with this framework have much to offer. But I am not convinced that we need VoC at all in order to understand and be convinced by Thelen's main arguments. There are two reasons for this.

First, the story that emerges from the book is one we can tell without VoC. As mentioned above, the main message I take from the book is that economic factors combined with whether the manufacturing sector is powerful and embedded into encompassing labor market institutions matter to trajectories of change in industrialized democracies. This point is straightforward enough to make in a political economy argument making no reference at all to VoC.

Second, in my view, the fundamental intuition supporting the VoC approach relates to institutional complementarities within a firm-centered conception of the political economy of industrialized democracies. But the narrative emerging from Thelen's book is one that can only be squared with this VoC vision with some difficulty. The explanation for the trajectories of change is not necessarily firm-centered or about institutional complementarities. Firms and institutions do matter, but we do not need VoC to believe this would be the case. To me, the book's argument is more about changing economic factors pushing actors to behave differently within existing institutional constraints than about institutional complementarities existing in spite of significant institutional change. In any case, I am not sure whether we could define complementarities in an analytically useful way within an empirical context fundamentally defined by institutional change.

Let me conclude by emphasizing once again the value of Thelen's book. Thelen correctly directs our attention to the conceptual distinction between egalitarian and coordinated capitalism and also provides a convincing account of how institutional change has taken place in the OECD since the 1970s. It is a remarkable book that should provide plenty of food for thought to scholars interested in comparative political economy.