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Edited by Pablo Beramendi, Silja Häusermann, Herbert Kitschelt and Hanspeter Kriesi

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The Politics of Advanced Capitalism

This book serves as a sequel to two distinguished volumes on capitalism: *Continuity and Change in Contemporary Capitalism* (Cambridge, 1999) and *Order and Conflict in Contemporary Capitalism* (1984). Both volumes took stock of major economic challenges advanced industrial democracies faced, as well as the ways political and economic elites dealt with them. However, during the last decades, the structural environment of advanced capitalist democracies has undergone profound changes: sweeping deindustrialization, tertiarization of the employment structure, and demographic developments. This book provides a synthetic view allowing the reader to grasp the nature of these structural transformations and their consequences in terms of the politics of change, policy outputs, and outcomes. In contrast to the major existing approaches, the book advocates and contributes to a return of electoral and coalitional politics to political economy research.

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Preface

The present volume is a sequel to two distinguished predecessors. Sixteen years have gone by since the publication of *Continuity and Change in Contemporary Capitalism* (1999), itself a follow-up to the earlier *Order and Conflict in Contemporary Capitalism* (1984). Both volumes took stock of major economic challenges advanced industrial democracies faced, as well as the ways political and economic elites understood and dealt with them by building institutions and enacting policies that ultimately shaped citizens' quality of life. But capitalism and democracy have not stood still. During the last decades, the structural environment of advanced capitalist democracies has undergone profound changes, linked most importantly to sweeping deindustrialization, accelerated tertiarization of the employment structure, and demographic developments. These changes have been accelerated and accentuated by the Great Recession, but their implications for the politics, policy strategies, and outcomes across advanced capitalist democracies can only be understood in a longer time horizon, which is the perspective we have adopted in this volume. Along the way, the analytical toolkit to understand these changes has gained in sophistication, complexity, and precision since the earlier volumes on which we build. New realities ask for new analytical tools and a periodic revision of the basic framework to understand cross-national differences and changes over time.

The present volume sets out to analyze the dynamics of contemporary advanced capitalism in the footsteps of the two earlier volumes. Our goal as editors has been to provide a synthetic view allowing the reader to grasp the nature of the current transformations. The volume is guided by a heuristic framework that takes as its point of departure the context of the structural transformations and proceeds to the politics of change, which, in turn, account for the governments' policy outputs and, ultimately, lead to outcomes that, on their part, contribute to the transformation of society. In developing this framework, this volume is intended to advocate and contribute to a return of

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politics to political economy research. We put an emphasis on electoral and coalitional *politics* – understood as the dynamics of constrained policy choices. We understand policy choices (and changes thereof) as the fundamental tool to form and sustain political coalitions in a multidimensional policy space against the background of changing voter preferences. We believe that our model of constrained partisanship sheds light on the complexity of partisan coalition formation in advanced capitalist democracies.

This book has been long in coming. It was more than five years ago, in September 2009, that the four of us met for the first preparatory meeting in a small and remote mountain village in the Grisons, Switzerland, where we brainstormed about our heuristic scheme and drew up an agenda for this volume. We then invited scholars whose work has focused on these issues to join us in our endeavor to study the politics of advanced capitalism. Two conferences, one organized at the University of Zurich in June 2011 and a follow-up conference at Duke University in October 2012, drew together the prospective contributors to this volume. On several other occasions, the draft chapters have been discussed with a large number of colleagues, in particular at the CES conference in June 2013 in Amsterdam, where the organizers generously granted us two sessions to present and discuss chapters from the project. Finally, the four of us met for a last round of work at the European University Institute (EUI) in Florence in May 2013 to discuss what has now become the long Introduction to this volume.

This endeavor would not have been possible without the seed money provided for the organization of the preparatory workshop by the Centre for Comparative and International Studies (CIS) of the University of Zurich. The Hochschulstiftung der Universität Zürich, the NCCR-Democracy, the Swiss National Science Foundation, and the Institute of European Studies at Cornell University generously provided financial support for the Zurich conference. At Duke, we were generously supported by the Department of Political Science and by the Provost office. The Stein-Rokkan Chair of the EUI provided the funding for our final get-together in Florence.

Many colleagues have helped us clarify our ideas along the way. In addition to the contributors to this volume, who have always been very generous in discussing with us the overall orientation of the project, we would like to thank Pepper Culpepper, Peter Gourevitch, Martin Höpner, Swen Hutter, Edmund Malesky, Layna Mosley, Jonas Pontusson, Damian Raess, Armin Schaefer, David Soskice, and Jürg Steiner for highly valuable input and suggestions. Special thanks are due to Suzanne Berger and Torben Iversen for hosting a discussion of a draft of the introduction as part of the Harvard-MIT “State and Capitalism since 1800” seminar in the fall of 2014. Their comments and criticisms, as well as those offered by several participants in the session, have proved very influential in our revisions and improved the final product a great deal. Finally, we thank Matthias Enggist and Alexander Frind for their excellent research assistance in preparing the final manuscript.