

Article

Changing of the guard: trends in corporatist arrangements in 42 highly industrialized societies from 1960 to 2010

Detlef Jahn*

Department of Political Science, University of Greifswald, Germany

*Correspondence: djahn@uni-greifswald.de

Abstract

Corporatism is an important concept in comparative research. However, crucial questions about trends of corporatism and its impact cannot be tested because time-variant indexes are out of date or cover only a small sample of countries. In this study, a corporatism index is developed and applied to 42 countries on an annual basis from 1960 to 2010. The application of this index demonstrates that there is no decline of corporatism over the past five decades. However, the model states - above all Sweden - reduced corporatist arrangements. In contrast, other countries, such as in the Benelux region, increased their degree of corporatism and new corporatist states like Slovenia and South Africa emerged. The index developed in this article may be a helpful tool for many scholars in the fields of political economy and macro-comparative politics. It makes a dynamic analysis concerning the status of corporatism as dependent and independent variable possible.

Key words: comparative politics, capitalist systems, varieties of capitalism, associations, industrial relations, institutional change

JEL classification: P16

1. Introduction

The concept of corporatism has always generated considerable academic interest in comparative politics. It was analytically developed in the 1970s and 1980s and classifies systems of interest representation and institutionalized patterns of policy formation on a continuum from corporatism to pluralism (Schmitter, 1974; Schmitter and Lehmbruch, 1979). These early studies suggested that corporatist arrangements peaked during the 1970s and early 1980s and were fully implemented in the model states of Sweden and Austria. Subsequently, many authors (Cawson, 1985; Golden *et al.*, 1995; Ferner and Hyman,

1998) have shown that corporatism is in decline. Proof of this trend has been given mainly from examining the model state of Sweden (Lash, 1985; Lindvall and Sebring, 2005).

Philippe Schmitter (1989; Schmitter and Grote, 1997) offers another interpretation. He claims that corporatism is cyclically reoccurring and assumes that corporatism peaks around every 20 to 30 years. However, even if he concedes that countries differ in their cyclical changes in corporatist arrangements, he is not clear if the relative degree of corporatist arrangements is always the same or if other countries take the lead in one cycle and others in another cycle. The latter pattern would claim that corporatism is experiencing a ‘changing of the guard’ and that countries emerge as strongly corporatist nowadays that have not been extremely corporatist in former cycles.

Addressing the question about the meaning of corporatism is essential in political economy because corporatism is an important explanans in many areas of social sciences. Although the main focus of corporatist research has been on its positive effects on economic performance (Schmidt, 1982; Bruno and Sachs, 1985; Calmfors *et al.*, 1988; Crepaz, 1992; Boix, 1998; Garrett, 1998; Armingeon, 2002; Wilensky, 2002) and social policy (Castles, 1998; Huber and Stephens, 2001; Iversen, 2005), it has also proved to be an important conceptual variable for analyzing environmental performance (Jahn, 1998; Scruggs, 1999, 2001) as well as law production (Huber and Shipan, 2002). Furthermore, there are studies that aim to incorporate the corporatist tradition within the broader research program of comparative capitalism (Kitschelt *et al.*, 1999). In this field of comparative political economy, the varieties of capitalism (VoC) tradition has become the dominant approach (Hall and Soskice, 2001; Streeck, 2011). However, when the key VoC concept of complementarity is ushered through the difficult process of operationalization for macro-comparative study, it resembles and correlates highly with most corporatism indices (Hall and Gingerich, 2009).

In a similar fashion, corporatism has become an integral part of studying political institutions such as in Lijphart’s (1999) ‘Patterns of Democracy’. When re-analyzing Lijphart’s study, it has been concluded that most significant findings of consensus democracies on economic, social and environmental performance can be traced back to the inclusion of corporatism into Lijphart’s index (Anderson, 2001; Roller, 2005, p. 255). In other words, while the study of corporatism outright has received dwindling attention in recent years, it has remained an important conceptual variable used in a wide variety of research contexts (Molina and Rhodes, 2002; Streeck and Kenworthy, 2005).

Nevertheless, despite its important analytical status, the empirical modeling and operationalization of corporatism has always been a challenge. Early attempts were based on impressionistic judgments by a single author either on an ordinal scale or as a dummy variable (for overviews see Siaroff, 1999; Kenworthy, 2003). Lijphart and Crepaz (1991) summarized the judgments of 12 authors and offered the first metric scale of corporatism for 18 countries. However, these attempts at operationalizing corporatism for macro-comparative study were based on cross-sectional analysis. In recent times however, macro-comparative analysis has moved from cross-section to time-series-cross-section (TSCS) analysis. Therefore, we need a time-variant concept of corporatism. Siaroff (1999) was the first to construct an index of corporatism—or, as he called it, integrated economies—for each decade: the late 1960s, 1970s, 1980s and mid-1990s. Although there is a time-variant element in his index, this time variance is rather limited and concludes that TSCS analysis encounters problems when using his index. The variable was inflated in regression analyses, absorbed by other country-specific variables

or the use of fixed effects models.¹ As Huber and Stephens (2001, p. 63) point out, by using Lehmbruch's index of corporatism, 'the corporatist measure suffers from greater measurement error . . . because the degree of corporatist bargaining varies somewhat through time within countries but the measure does not'. As a consequence, the authors eliminated corporatism from their empirical analysis. Another time-variant indicator of corporatism has been introduced by Hicks and Kenworthy (1998). The HK-index incorporates other corporatism indexes and various other aspects, which make this index rather arbitrarily constructed. An even greater drawback is the fact that Siaroff's and the HK data end in the mid-1990s. In other words, there are no data and information about the past two decades. However, these two decades have clearly been very important due to globalization and with it, the widely claimed decline of corporatism (Schmitter and Grote, 1997; Ferner and Hyman, 1998).

Another deficiency of all corporatist indexes is that they cover only the most developed industrialized societies organized in the OECD—often fewer than 18 countries. No attempt has been made to apply this concept systematically to other countries, although it is quite obvious that the coordination of the economy is also important outside the OECD world. Concerning the countries of Central Eastern Europe (CEE), Bohle and Greskovits (2007) introduced a very rough concept of corporatism, concluding that only Slovenia meets the criteria of corporatism. All of the Baltic states fall into the category of neoliberal states whereas the Visegrád states (the Czech Republic, Hungary, Poland and the Slovak Republic) are found to be embedded neoliberal states.² Other case study evidence conclude that Slovenia, Singapore and South Africa fulfill the criteria of strong tripartism, and South Korea, Poland and Chile have only weak corporatist arrangements (Fraile and Baccaro, 2010). No attempt whatsoever has been made to estimate the degree of corporatism in the new EU member states Cyprus and Malta or other rapidly industrializing countries such as Mexico, Brazil and India.

The major purpose of this study is to offer a time-variant index of corporatism that covers 42 countries over several decades. In so doing, this study will offer an up-to-date and broadly applicable conceptual variable useful in a wide variety of contemporary research contexts.³ Although the work primarily focuses on constructing such an index in analytical and empirical respects, it also gives some descriptive accounts of important empirical questions.⁴ First, the theses that corporatism is in decline or cyclically reoccurring is tested. Time-invariant or limited changing indexes could not answer this question comprehensively, and the main evidence for the decline of corporatism is from case studies of individual states. With the new

- 1 Kittel (1999); Hicks and Kenworthy (2003). There are statistical solutions (Plümper and Troeger, 2007) which, however, do not solve problems of validity. The complaint that no time-variant corporatism indexes exist is still relevant in current research; see for instance Ward *et al.* (2011, p. 539), Jensen (2011, pp. 173, 174).
- 2 Embedded neoliberal states are less market-liberal and socially more inclusive than neoliberal states (higher expenditure on social protection, active and passive labor market policies and a higher coverage rate of collective bargaining).
- 3 There are countless more corporatism indexes for certain sectors, policies or countries which authors have tailored for the analysis of their specific research question. These indexes will not be considered in this article.
- 4 I refrain from causal statements and analyses to avoid confusing index construction, which is the purpose of this article, with causal analysis. Often indexes are constructed in light of specific research questions, leading to severe conceptual biases due to the fact those indexes are tailored for answering posed research questions.

index developed in this article, the question of trends of corporatism can be answered more comprehensively than in case studies. As the results will demonstrate, the picture is diverse, showing that while the model states of corporatism may have experienced a decline in corporatism, not only did other states increase their degree of corporatist arrangements, but some countries formerly operating with moderate degrees of corporatism have increased their corporatist arrangements. The second question is concerned with countries for which we have no or very limited information about their degree of corporatism. However, these countries are becoming an increasingly important area of research and can be analyzed together with the established highly industrialized states. This is particularly true for the new EU member states. Integrated analyses of West and East European states are often hindered by the fact that there is insufficient information for key variables such as corporatism. The same is true for other new democratic states with substantial economic power such as Brazil, India, South Korea, Chile, Mexico and South Africa, which are seldom analyzed together with other highly industrialized states. Finally, the article will analyze the development of corporatism by classifying countries as high, average and low in degrees of corporatism, comparing to their heydays and to their endogenous development over time. The analysis shows that there is no unified trend and that there are fewer countries reducing their degree of corporatism compared with countries increasing it.

The article is organized in the following way. In the next part, the concept of corporatism is discussed by mainly focusing on [Siaroff's \(1999\)](#) seminal work on integrated economies. Siaroff summarized the debate of corporatism up to the 1990s and offered thus far the most suitable concept for empirical analysis.⁵ However, it will be shown that his concept has some weaknesses in construct validity. Therefore, this article develops a parsimonious concept of corporatism. In the third part, the concept developed in the second part of the article is operationalized with empirical data from 1960 to 2010, which are available for 42 countries.⁶ It shows that the index of corporatism developed here is uni-dimensional and correlates strongly with established indexes, although there are some specific deviations from other indexes which are discussed in this section as well. In section 4, the article provides some answers to the questions raised above and concludes that new countries move to the top with regard to corporatism while others fall behind. That means that there is a change of the guard among corporatist countries. The article concludes by pointing out the relevance of this index for statistical analysis and the need for further research to increase the empirical validity of an index of corporatism.

2. The concept of corporatism

Corporatism is an ambiguous analytical concept and many authors define it in their own way for their particular studies.⁷ By summarizing the debate up to the late 1990s, Siaroff argues

5 The most comprehensive overviews of existing indexes of corporatism are [Siaroff \(1999\)](#); [Hicks and Kenworthy \(2003\)](#); [Kenworthy \(2003\)](#); [Kenworthy and Kittel \(2003\)](#).

6 The selection of the countries is mainly driven by the availability of data. This is justifiable for this article because the major goal is to develop a tool for future research. In this respect, the answers to the analytical questions suffer from selection bias. However, in this case, I summarize countries in specific groups which make analytical sense.

7 This section was written with the help of Douglas Voigt, who supported me in developing the analytical framework.

that an ‘ideal type’ of corporatism involves (a) structural features, (b) functional role, (c) behavioral patterns and (d) favorable context (Siaroff, 1999, pp. 177–182). He uses a maximalist approach of defining corporatism, which risks concept redundancy (Munck and Verkuilen, 2002) and conceptual overstretching (Sartori, 1970), by providing a list of 22 indicators, some of which are far removed from the concept of corporatism. This is particularly true for the variables of ‘favorable context’. These variables reach from ‘small open economies’, ‘consensual or even consociational political tradition’, ‘dominance of a unified social democratic party’, ‘high level of social expenditure’, and ‘successful economic performance’. All these factors actually have little to do with corporatist structure or behavior, but are outcomes and circumstances that should not be added to the core concept of corporatism. For example, behavioral patterns, which include low number of strikes, are implausible to use as an independent variable of economic success (or social expenditure for that matter) if these elements are already an integral part of the concept of corporatism (endogeneity problem).

I therefore turn to a more parsimonious concept of corporatism influenced by the analytical and theoretical work of Streeck and Kenworthy (2005). Streeck and Kenworthy follow the historical development of proto-corporatist arrangements, locating its genesis in the self-organized labor movement of the 19th century, which eventually became organized into the tripartite system between workers, capitalists and the state in the early postwar period. Examining the neocorporatist research program originating in the 1970s, they describe in detail: ‘A central topic became the relationship between, on the one hand, the organization of group interests in established intermediary associations (the structural aspect of neocorporatism) and, on the other, the political coordination between interest associations and the state (the functional aspect; Lehmbuch and Schmitter, 1982; Streeck and Kenworthy, 2005, p. 448). In addition and departing somewhat from Streeck and Kenworthy, the concept of corporatism developed here analytically separates the scope of corporatist agreements from organizational structures and the functional role in relation to the state. Scope is an important empirical aspect of corporatism because it is attentive to the societal penetration of corporatist arrangements, thereby highlighting the degree of importance corporatist arrangements play for a given political economy. In what follows, I elaborate each aspect and its empirical form in more detail.

In structural terms, selected organizations tend to enjoy a representational monopoly. These organizations are highly centralized and efficient. The collective actors in a corporatist system are organized in a centralized and hierarchical manner. Peak associations dominate, and organizations on lower levels obey the strategic parameters and agreements forged by the peak associations. In industrial relations, the relationship between work councils and trade unions is crucial. Work councils should be strong and able to reach agreements with firms, but they also should obey the larger strategy of the trade union. In other words, the degree of hierarchical centralization is the empirical form of the structural aspect of corporatism.

The functional aspect of corporatism relates to the role these organizations play vis-à-vis the state. The state takes an active role in intervening either directly or indirectly into economic policy. However, this intervention is not one-sided or compulsory but a consultative or concerted one. Corporatism ‘depends on political incentives and sanctions to make interest groups cooperative with public purposes’ (Streeck and Kenworthy, 2005, p. 448). This style of interest mediation by the state elucidates the functional form of corporatism. Since both sides

belong to a ‘conflict partnership’ (Müller-Jentsch, 1998)—in industrial relations and economic policy, mainly employer associations, large industries and enterprises on one side and trade unions and work councils on the other—the state aims to reach compromises by intervention and intermediation. Employer associations, trade unions and the state (government) must work in a tripartite manner and these organizations should have broader aspirations. For unions, that means that they are interested in global economic and social aspects and not focused on business affairs (such as business unions in contrast to social or political unions) (Perlman, 1928; Offe and Wiesenenthal, 1980; Jahn, 1988).

The final aspect of corporatism is its scope, that is, who in a given state is actually affected by the agreements reached between the organizations. While the structural and functional aspects of corporatism concern the organizations involved (in industrial relations trade unions and employer associations) and the organizations’ relation to the state, these aspects overlook the actual output of corporatist arrangements: the agreements reached between the collective actors (in industrial relations above all wage bargaining and agreement about the basic goals of economic and social policy). In terms of agreements reached in corporatist systems, these agreements are coordinated and encompass varying degrees of economy-wide implementation. This encompassing aspect may be reinforced by law in that legal provisions are mandatory and extended to large part of the workforce (Mundlak, 2007). The empirical form which the scope aspect of corporatism takes is therefore the degree to which agreements encompass broader society.

To state it succinctly, corporatism as a conceptual tool entails three elements similar to the conceptual design of the policy process illuminated by several scholars working in other traditions: an input, throughput and output.⁸ Considering the end result of corporatist arrangements is an agreement forged by compromise between conflicting interest organizations (inputs) and mediated by the state (throughput), the scope of its implementation is an acceptable indicator of its effect (output). This can be represented in the following Table 1.

Starting out from such a parsimonious concept of corporatism, I operationalize this concept for an empirical analysis of 42 countries covering the postwar period from 1960 to 2010. To construct a valid, time-variant and up-to-date index of corporatism, eight issues from the database on Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts (ICTWSS) by Jelle Visser (2011) are used.⁹ The data are based on a systematic coding by Visser from various national and comparative sources. The eight issues are concerned with the settings of wage bargaining and the characteristics of trade unions—covering various aspects of corporatism. Unfortunately, the dataset falls short in certain respects. Above all, it lacks detailed information about employers’ associations and does not cover all levels in society sufficiently. In particular, data on sectoral agreements are missing. Nevertheless, Visser’s dataset covers the most relevant aspects of corporatism, and the data are available annually from 1960 to 2010 for 42 countries.¹⁰ In the following, the

8 For instance, see Easton’s (1965) system theoretical approach to political science. This also roughly aligns with Streeck (2009, p. 253) recent reconceptualization of institutional political economy along Polanyian lines, which ‘justifies considering institutional regimes, or systems, as processes’.

9 Data are from <http://www.uva-aias.net/208> (last accessed June 2011).

10 Visser actually supplies data for 48 countries. However, complete data for the issues used in this article were only available for 33 countries. For three countries (Brazil, Greece and Slovenia)

Table 1 Aspects and forms of corporatism

Aspect	Structure	Function	Scope
Form	Degree of hierarchical centralization	Degree of concertation with the state	Degree to which agreements encompass broader segments of society

methodology used by Visser and the issues applied in this study are introduced within the conceptual categories outlined above.

3. Operationalizing corporatism in 42 countries from 1960 to 2010

For systematic operationalization, it will be useful to proceed first according to how observations from Visser’s data align with each of the conceptual forms of corporatism outlined above. In this study, the issues relevant for corporatism are selected from the list of issues offered by Visser and subsequently classified according to which of the three conceptual aspects of corporatism they represent. Table 2 summarizes the issues taken into account for an index of corporatism. It also shows how the issues meet the criteria of corporatism.

3.1 Structure

The first issue (I) is concerned with the organizational structure of collective actors. To participate in corporatist arrangements, the organizational structure of the collective actors must represent the interests of their members. In other words, interest groups should be centralized and should have the authority to negotiate in the name of their members (‘the logic of membership’ in [Schmitter and Streeck’s \[1999\]](#) terms). Ideally, one should have this information for all participating interest groups. However, empirical data are only available for trade unions. Visser supplies an aggregated index that is based on the methodology of [Iversen \(1999\)](#). It combines data on concentration or fragmentation of trade unions with information on the division of authority in the trade union movement. In particular, the relationship between the peak associations, affiliated unions and local and workplace branches are of interest here. That means that this indicator covers the structural aspect of organizations. The index is continuous and varies between 0 and 1.

The next two items are concerned with plant-level management. As Siaroff reminds us, economic integration should be realized at various levels such as the national, sectoral and firm level ([Cawson, 1985](#); [Kenworthy and Kittel, 2003](#)). The two issues cover two equally important aspects: (II) the relation between firm-level representation and the national representation by trade unions, on one hand, and (III) the autonomous representation of firm-level participations, on the other. Both aspects refer only to the side of the representation of labor since there are no comparable data for the employers’ organization at the firm level. This is an acceptable omission for the rather obvious reason that employers’ organization is effectively represented by the firm’s management.

More specifically, issue II measures the connection between labor organizations at the firm level with national trade unions and is strongest when national unions have a direct impact on

missing data could be imputed. For an additional six countries (Chile, India, Israel, Mexico, Singapore, South Korea) a subset of issues were taken to calculate the corporatism index.

Table 2 Issues measuring corporatism

Category of corporatism	Issue	Measurement
Structure	I	Organizational structure of collective actors
	II	Structure of work council representation
	III	Rights of work councils
Function	IV	Government intervention in wage bargaining
	V	Dominant level of wage bargaining
	VI	Involvement of unions and employers in government decisions
Scope	VII	Coordination of wage bargaining
	VIII	Mandatory extension of collective agreements

work councils. Such a system is called a single-channel system (Denmark, Finland since 1968, Norway, Sweden). A dual-channel system exists when trade unions and work councils are independent from each other. In this case, it is possible to distinguish whether trade unions have an informal dominance over work councils (such as in Belgium) or are supplementary to unions (Austria, France, Germany, Hungary, the Netherlands, Slovenia). In some instances, work councils are only accepted if no unions are present at the firm level (Greece). Finally, there are no legal provisions for representation if no unions are present or recognized (Australia, New Zealand, UK, and USA). This variation leads to the following coding by Visser:

(II) Structure of work council representation

- 4 = single-channel, union based on law or national agreement
- 3 = dual-channel, union dominated, based on law or national agreement
- 2 = dual-channel, supplementary to union, based on law or national agreement
- 1 = single-channel, union, based on local agreements, legal provisions for representation only if no union present or recognized
- 0 = single-channel, union, based on local agreements, no legal provisions for representation if no union present or recognized

Issue III also refers to the firm level and is concerned with the rights of the work councils. For the sake of operational simplicity, the broader these rights and the more involved the work councils are in general issues, the higher the degree of corporatism. Contrasting the organization of workers strictly by management and lacking an autonomous hierarchy of representation, this aspect illuminates the degree of corporatist centralization at the firm level.

(III) Rights of work councils

- 3 = economic and social rights, including codetermination on some issues
- 2 = economic and social rights, consultation (advice) only
- 1 = social rights
- 0 = no rights (sanctions), only information

3.2 Function

Because corporatism serves the public function of stabilized economic policy making between conflicting interests, a general interest of the state, measuring the functional aspect of

corporatism should incorporate the relationship between those interests and the state (the ‘logic of influence’ in Schmitter and Streeck’s terms). The next issue used for this index of corporatism is therefore the participation of governments in wage bargaining. It is a hierarchical classification of government intervention which reaches from governments imposing wage settlements (5) to governments providing an institutional framework (1). The five-point scale measuring government intervention was originally developed by Hassel (2006) but has since been modified by Visser by disaggregating negotiated wage pacts and government-imposed wage settlements. Following is the original wording of Issue IV:

(IV) Government intervention in wage bargaining

- 5 = the government imposes private sector wage settlements, places a ceiling on bargaining outcomes or suspends bargaining;
- 4 = the government participates directly in wage bargaining (tripartite bargaining, as in social pacts);
- 3 = the government influences wage bargaining outcomes indirectly through price ceilings, indexation, tax measures, minimum wages, and/or pattern setting through public sector wages;
- 2 = the government influences wage bargaining by providing an institutional framework of consultation and information exchange, by conditional agreement to extend private sector agreements, and/or by providing a conflict resolution mechanism which links the settlement of disputes across the economy and/or allows the intervention of state arbitrators or Parliament;
- 1 = none of the above.

It must be noted, however, that imposing wage settlements (5) is certainly no feature of social corporatism (Katzenstein, 1985; Streeck and Kenworthy, 2005). As Colin Crouch (1996, p. 359; see also Crouch, 1993) has pointed out: ‘Neo-corporatism is certainly not a form of government intervention in wage determination through such devices as statutory income policies. The central point of neo-corporatist systems is rather that the discipline of interest organisation is used instead of state power, perhaps even in order to ensure that state power does not have to be exercised’. Therefore, in this study, this option is moved into the rest category (1). Siaroff (1999, p. 194) also coded imposition of the state as statism which means noncorporatist. The notion that governments influence wage bargaining outcomes indirectly through price ceilings, tax measures, minimum wages and so on is difficult to classify (item 3). On one hand, it is a feature of corporatism that governments initiate and trigger negotiated situations. An example is the 1982 Wassenaar agreement (Visser and Hemerijck, 1997). This fact has also been stressed by Crouch (1996, p. 359): ‘Obviously governments will always be interested in how institutions of this kind will be behaving . . . it may interfere informally and discreetly, threaten to take action until the parties behave, try to prop up a faltering neocorporatism’. On the other hand, this statement encompasses one-sided action by governments including price ceilings, minimal wages and so on which I do not consider as features of corporatism. Although I acknowledge that item 3 is in a gray area of corporatism, I decided to exclude this item as a feature of corporatism and move it to category 1. That leaves me with three hierarchical items of government intervention (except the rest category). The first (item 4) involves government participation in a tripartite bargaining. This is the classical form of a strong corporatist arrangement. The second (item 2) is an item where governments are not participating but rather provide an institutional framework for collective bargaining and

offers arbitration in case of conflict. This is a weaker corporatist government behavior than actively participating in negotiations. The last item 1 indicates that the state is not participating in corporatist arrangements either by being passive or imposing.

The next two issues give detailed information about concertation. The first of these issues focuses on concertation of wage bargaining. Even if all levels of collective coordination are important in the concept of corporatism, cooperation should be organized by the state and the peak organizations of labor and capital. The most efficient way of cooperation is a form of centralization which in turn takes place at the national level. Therefore, to efficiently represent interests, peak organization at the national level should be strong and able to discipline organizations on lower levels. Although this issue theoretically also belongs in the analytical category of structure, due to its organizational component, the actual measurement of the Visser data suggests it aligns more closely to its functional aspect. This is due to the fact that the measurement suggests a spectrum of wage bargaining in which the state is clearly essential when taking place at the national level and decreasingly influences the bargaining process the closer to the firm level it becomes. The wording is as follows:

(V) The dominant level(s) at which wage bargaining takes place

5 = national or central level

4 = national or central level, with additional sectoral/local or company bargaining

3 = sectoral or industry level

2 = sectoral or industry level, with additional local or company bargaining

1 = local or company bargaining

The other issue concerned with concertation focuses on consultation and involvement of interest groups in governments' decisions on broader social, economic and so on issues and general policies. Here collective nongovernmental actors participate in the preparation of legislation and regulation. This integration of nongovernmental organizations supports, if not guarantees, the success of legislations and regulations. If accepted by the nongovernmental organizations, these laws and regulations are implemented much easier than when the affected organizations are just informed by the government of a change of laws or regulations. Regular and comprehensive concertation is therefore an essential part of a well-developed corporatism.¹¹

(VI) Routine involvement of unions and employers in government decisions on social and economic policy

11 Social pacts between governments, unions and employer associations and nationwide agreements between unions and employer associations are not included in the study here, although they receive high attentions in current research of coordinated economies (Hancke, 2005; Avdagic *et al.*, 2011). The main reason for this is that social pacts and agreements are coded either for the years they are negotiated or signed. However, social pacts and agreements may have long-term effects, and they are in operation for many years. For this fact, however, there is no information. Social pacts and agreements may also have an effect on the other issues in the study and including them may lead to double counting similar effects, which would be inappropriate for the construction of an index. Furthermore, it has been argued that when social contract negotiations break down, that does not indicate that the 'basic structure of intermediation' is affected (Schmitter, 1989, p. 65). Therefore it has been decided to exclude social pacts and agreements for the index of corporatism. This exclusion is mainly grounded on methodological reasons and does not dispute the importance of social pacts in industrial relations.

- 2 = full concertation, regular and frequent involvement
- 1 = partial concertation, irregular and infrequent involvement
- 0 = nonconcertation, involvement is rare or absent

3.3 Scope

The final aspect of corporatism concerns the degree to which society is encompassed by the agreements made under corporatist arrangements. This conceptual aspect leads directly to the most difficult measurement to analytically classify: the coordination of wage bargaining (agreements). It covers the leverage of wage bargaining—reaching from economy-wide bargaining (5) to fragmented bargaining (1) (Kenworthy, 2001). This issue grasps the requirement that corporatist arrangements involve the entire economy in effect and therefore falls within the scope aspect of the concept of corporatism. The wording is as follows:

(VII) Coordination of wage bargaining

- 5 = economy-wide bargaining, based on (a) enforceable agreements between the central organizations of unions and employers affecting the entire economy or entire private sector, or on (b) government imposition of a wage schedule, freeze, or ceiling
- 4 = mixed industry and economy-wide bargaining: (a) central organizations negotiate nonenforceable central agreements (guidelines) and/or (b) key unions and employers associations set patterns for the entire economy
- 3 = industry bargaining with no or irregular pattern setting, limited involvement of central organizations and limited freedoms for company bargaining
- 2 = mixed or alternating industry- and firm-level bargaining, with weak enforceability of industry agreements
- 1 = none of the above, fragmented bargaining, mostly at company level

However, the complication here is that the strongest form of coordination also includes ‘government imposition of a wage schedule, freeze or ceiling’ (option b of item 5). As mentioned for issue IV, imposition is not considered a characteristic of corporatism, and therefore, for the sake of operationalizing a single index of corporatism, item 5 is moved to item 1 if the former issue IV of government intervention has been coded 5 or 3.

The scope of collective agreements can also be supported by laws that encourage centralized bargaining (Mundlak, 2007). Mandatory extension of collective agreements by public law to nonorganized firms is clearly a measurement of this aspect of corporatism. Mandatory extension is an important law that fosters nationwide cooperation. If collective agreements are extended to firms or even sectors that are only marginally involved in the collective bargaining between unions and employer associations, then these have a much higher economy-wide coordinating impact than agreements that are only applied to individual firms. Therefore, the final issue is concerned with this aspect.

(VIII) Mandatory extension of collective agreements by public law to nonorganized firms

- 2 = legal provision for mandatory extension available, regularly applied and affecting significant share of the workforce ($\geq 10\%$)
- 1 = legal provision for mandatory extension available, but not regularly or widely used ($< 10\%$)
- 0 = legal provision for mandatory extension not available

To obtain an index of corporatism, a factor analysis has been conducted that includes the eight items described above.¹² The factor analysis comes to a one-dimensional result (factors with an eigenvalue of >1).¹³ This dimension explains 88%. To obtain a flexible measure the *z*-scores of each item have been summed up.¹⁴ For further analysis, the five-year average of the index has been calculated because corporatism is a slowly changing institutional setting and changes in one year can be counter-balanced in the next year.¹⁵ Only if changes are persistent they should be taken as a sign that the degree of corporatism changed over time in a country.

3.4 Results and validity

I now present the results of my analysis and contrast the new index developed in this article with Siaroff's and Hicks and Kenworthy's findings and the conclusion from other studies, mainly case studies for specific countries. The Siaroff and HK indexes are taken as yardsticks for the newly constructed corporatist index because they cover a relatively large number of countries and have (some) variation over time. Case studies are referred to when these indexes and the new index deviate or when countries have not been included in corporatist indices before. Table 3 shows the basic descriptive statistics for the corporatism index for 42 countries from 1960 to 2010. However, when reading Table 3 one should keep in mind that the data refer to the period from 1960 to 2010 for most countries. For others the data start from the mid-1990s (most Central Eastern European and transition states) or the last couple of years (Brazil and Mexico).

Over the period from 1960 to 2010 the countries with the highest corporatism scores are Austria, followed by Sweden, Belgium, the Netherlands, Norway and Germany. Other countries with high scores (top tercile) are Finland, Slovenia, South Africa and Denmark. Finland has, together with Israel and Ireland, a very high standard deviation compared with the other countries, indicating a substantial change in the degree of corporatism during the period of investigation. Examining Figure 1, it becomes clear that Finland and

- 12 For Brazil, Greece, Mexico and Slovenia data for union centralization are missing. These have been imputed by regressing issues II, V, VI and VIII on union centralization. The factor analysis was conducted with the 36 countries with complete data (included the countries with imputed data). The corporatism index for other countries rely on only some issues because of missing data: Mexico had no data for issue VII; Chile for issues II, III and IV; Israel for issues I, II and III; South Korea and India for issues I, II, III and VI; and Singapore for issues II, III and VIII.
- 13 The eigenvalue is 3.24. The next factor has an eigenvalue of only 0.62, which clearly shows that the developed concept of corporatism in this article is one-dimensional.
- 14 The factors scores have not been used to include Chile, India, Israel, Mexico, Singapore and South Korea into the analysis, which would have been dropped because of a missing issue. Factor scores of the first dimension and the summed-up index are almost identical and correlate at 0.98. The items haven been entered with equal weights into the index because any weighting of individual items is open for dispute. In the context of other aggregated indices, Hopkins (1991, p. 1471) suggests: 'since it is probably impossible to obtain agreement on weights, the simplest arrangement [equal weighting] is the best choice'.
- 15 The index of corporatism can be downloaded from <http://comparativepolitics.uni-greifswald.de/>. Here the annual and the five-year moving averages are displayed (once calculated with factor scores and once with added *z*-standardized variables) as well as the do-file which extracts the corporatism index from the original data.

Table 3 Average ranks and scores of corporatism in 42 countries (indices are z-standardized)

Rank	Country	Mean	Minimum	Maximum	Standard deviation	Years covered	Number of years
1	Austria	2.06	1.61	2.38	0.20	1960–2010	51
2	Sweden	1.26	0.72	1.56	0.27	1960–2010	51
3	Belgium	1.21	0.72	1.57	0.20	1960–2010	51
4	Netherlands	1.08	0.58	1.65	0.30	1960–2010	51
5	Norway	1.03	0.37	1.92	0.34	1960–2010	51
6	Germany	1.01	0.91	1.25	0.11	1960–2010	51
7	Finland	0.99	−0.79	1.70	0.85	1960–2010	51
8	Slovenia	0.96	−0.07	1.61	0.63	1990–2010	21
9	South Africa	0.96	0.90	0.97	0.02	1994–2010	17
10	Denmark	0.68	0.08	0.99	0.23	1960–2010	51
11	Spain	0.59	0.06	1.08	0.32	1978–2010	33
12	Singapore	0.56	−0.08	0.92	0.35	1960–2010	51
13	Greece	0.43	0.09	0.61	0.15	1974–2010	37
14	Luxembourg	0.24	−0.44	0.73	0.46	1960–2010	51
15	Chile	0.13	−0.16	0.32	0.21	1989–2010	22
16	Israel	0.09	−0.81	2.05	0.92	1960–2010	51
17	Portugal	−0.02	−0.63	0.57	0.41	1976–2010	35
18	Slovakia	−0.09	−0.64	0.35	0.28	1990–2010	21
19	Italy	−0.11	−0.68	0.52	0.46	1960–2010	51
20	Switzerland	−0.20	−0.45	−0.04	0.17	1960–2010	51
21	Australia	−0.22	−1.21	1.02	0.64	1960–2010	51
22	France	−0.23	−0.42	−0.09	0.08	1960–2010	51
23	South Korea	−0.27	−0.59	0.33	0.28	1987–2010	24
24	India	−0.43	−0.51	−0.39	0.05	1960–2010	51
25	Ireland	−0.46	−1.57	0.99	0.91	1960–2010	51
26	Cyprus	−0.52	−0.57	−0.28	0.09	1990–2010	21
27	Brazil	−0.55	−0.55	−0.55	0.00	2000–2010	11
28	New Zealand	−0.55	−1.31	−0.06	0.41	1960–2010	51
29	Czech Rep.	−0.59	−0.95	−0.28	0.19	1990–2010	21
30	Bulgaria	−0.73	−0.97	−0.29	0.24	1992–2010	19
31	Romania	−0.76	−1.05	−0.16	0.29	1993–2010	18
32	Latvia	−0.80	−1.01	−0.25	0.24	1993–2010	18
33	Lithuania	−0.90	−1.31	−0.60	0.23	1993–2010	18
34	Mexico	−0.91	−0.91	−0.91	0.00	1997–2010	14
35	Hungary	−0.93	−1.61	−0.40	0.36	1990–2010	21
36	Japan	−1.03	−1.10	−0.90	0.05	1960–2010	51
37	Poland	−1.03	−1.31	−0.66	0.16	1990–2010	21
38	Estonia	−1.13	−1.65	−0.50	0.46	1991–2010	20
39	Malta	−1.21	−1.27	−1.20	0.02	1990–2010	21
40	U. Kingdom	−1.33	−1.80	−0.07	0.49	1960–2010	51
41	Canada	−1.55	−1.62	−1.41	0.06	1960–2010	51
42	United States	−1.65	−1.77	−1.50	0.10	1960–2010	51
	Total	0.00	−1.80	2.38	1.00	–	1555

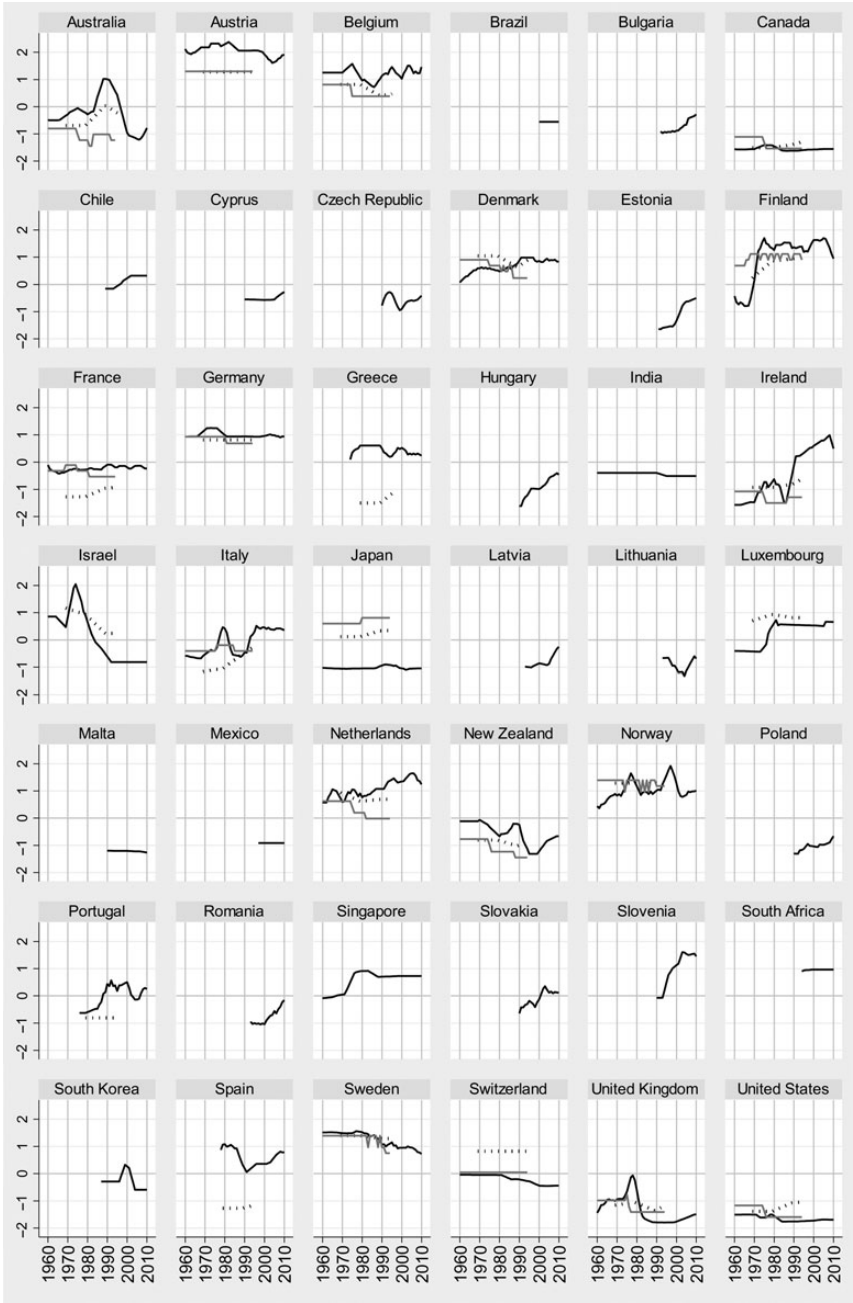


Figure 1 Levels and trends of corporatism in 42 countries from 1960 to 2011.
Notes: Solid black line is the new corporatism index developed in this article, dotted black line is the Siaroff (1999) index of integrated economies, solid gray line is the HK-index developed by Hicks and Kenworthy (1998). All indices are z-standardized.

Ireland followed a trend toward a higher degree of corporatism from the 1960 to 2010. A similar trend can be seen for Slovenia. The result for Slovenia confirms [Bohle and Greskovits's \(2007\)](#) conclusion that Slovenia is the only corporatist country in Central Eastern Europe. The opposite trend is true for Israel, which moved from European-style corporatism to pluralism familiar to North America ([Mundlak, 2007](#)). In Australia and the UK, the degree of corporatism also changed quite substantially. For the UK, the index clearly shows the period of concertation between 1974 and the 'Winter of Discontent' of 1978/79. This period is not identified in both Siaroff's and the HK index. Noncorporatist countries¹⁶ are, according to this index, the established OECD countries Japan, UK, Canada and above all USA. But the Baltic states also have a particularly low degree of corporatism. Other less researched countries with a low corporatism score are Malta, Hungary, Poland and Mexico. Figure 1 shows the levels and trends of the z -standardized corporatism index and of Siaroff's and the HK index for the overlapping states.¹⁷

It becomes quite obvious that all the indexes of corporatism measure very similar things. The correlation between the Siaroff and the HK index and the index presented here is 0.76¹⁸ and 0.79. However, Greece, Japan, Spain and Switzerland deviate from Siaroff's index. If these four countries are excluded, the correlation increases to 0.90. The HK index deviates in respect to Australia, Japan and the Netherlands. Excluding these three countries the correlation is 0.91. However, the differences can be explained. Japan and Switzerland have always been contested cases of corporatism ([Siaroff, 1999](#), pp. 182–184). Together with France, Switzerland and Japan have often been labeled as corporatism without labor ([Pempel and Tsunekawa, 1979](#); [Lehmbruch, 1984](#); [Wilensky and Turner, 1987](#)). Since the index developed in this article strongly emphasizes the tripartite relationship, Japan and Switzerland are on a much lower level of corporatism than estimated by Siaroff. Concerning Greece and Spain, Siaroff reaches the conclusion that the degree of corporatism is relatively low in these two countries. However, this can be disputed. Greece had been said to be on the way to tighter partnership ([Kioukias, 2003](#)). In the late 1970s and early 1980s, Spain established a high level of corporatism, which subsequently declined to a moderate level in the following years but increased again since 1993 ([Schmitter and Grote, 1997](#), pp. 6–7; [Compston, 2003](#)). This trend follows the data presented here. [Vergunst \(1999\)](#), in constructing his index of corporatism, also comes to the conclusion that Spain and Greece are moderately corporatist.¹⁹ This estimation is in agreement with the classification of these two countries in the new index.

16 Analytically it is not clear that pluralism or statism are on opposite ends of a corporatist scale ([Crouch, 1993](#), pp. 11/12). Therefore the term 'noncorporatist' is used when the degree of corporatism is low for a country.

17 For the Siaroff index the data between the late 1960s, 1970s, 1980s and mid-1990s are linearly interpolated.

18 For the bivariate correlation only years with data have been compared. For the Siaroff index the years 1969, 1979, 1989 and 1995 have been taken as reference years for the correlation.

19 [Vergunst \(1999, p. 7\)](#) sees two important features of corporatism, which are the consensus style of collective bargaining and the presence and strength of trade unions. The first feature he measured by centralization and coordination of the wage setting. The second feature he measured by trade union density and the coverage rate of collective bargaining. Vergunst's operationalization of corporatism comes close to the operationalization of corporatism in this article. However, his index is time invariant and covers only 20 countries.

Case studies show that Australian trade unions were accommodating in the early 1970s and in the period from 1983 to 1991—with wages centrally negotiated (Ahlquist, 2011). These trends are well captured by the index developed in this article. Here the HK index actually moves in opposite directions. For the Netherlands, Woldendorp (2011, p. 22; see also Visser and Hemerijck, 1997) concludes that between ‘1990 and 2005 corporatist exchange in the Netherlands was at its heydays’. Schmitter and Grote (1997, pp. 8–9) stress the fact that the 1982 Agreement of Wassenaar represented a defining moment in the Netherlands and resulted in major changes in institutional arrangements. My data clearly show that corporatism increased in the Netherlands after 1982 in contrast to the two other indexes. Furthermore, Woldendorp finds that corporatism remained intact in Denmark. This conclusion is also supported by the new index and disconfirms the trend identified in the HK index.

The high score for Belgium also deviates from other studies. However, the high score supports the fact that pillarization may go hand in hand or lead to corporatist arrangements. In this context, it has been pointed out that Belgium shows ‘all the characteristics of neo-corporatism, even more so than countries which have traditionally been seen as having strong neo-corporatist structures’ (van den Bulck, 1992, p. 35). The high scores for the Netherlands can be explained similarly.

The index also makes sense for the newly included countries. As pointed out, all new EU member states, except Slovenia, have a low degree of corporatism. Malta joins the other Anglo-Saxon states with its low score. Cyprus is in the lower mid-field, and Brazil and Mexico are in the lowest third although Brazil shows some remodeled version of corporatism. South Africa, in contrast, moves to the top group of corporatist countries confirming case study research about the emergence of corporatism in South Africa (Pretorius, 1996; Desai and Habib, 1997; Webster and Sikwebu, 2010). Singapore, although not democratic, has established corporatist arrangements (Wong, 2000; see also Kuruvilla and Liu, 2010, pp. 90–96). Even the ‘second transformation, from 1968 to 1978 . . . from regulated pluralism to corporatist industrial relations’ (Leggett, 2008, p. 102) is well documented by the data. For Chile, I obtain a higher corporatism score than assumed from Fraile and Baccaro (2010). However, Chile has had corporatist features right from the beginning of its democratic development: ‘Thus a few days into the democratic transition government of President Aylwin, an agreement was signed between his centre-left coalition government, the unions and employer confederations’ (Falabella and Fraile, 2010, p. 140). In the late 1990s and early 2000s bargaining rights were expanded (Frías, 2002) which is discernible in the new corporatism index.²⁰

In summation, the newly constructed index of corporatism reflects major trends which can be found in the literature on corporatism. We may thus conclude that the index of corporatism developed in this article is a valid and reliable measure. In the next section, the index is used to answer the question about the trends of corporatism and in particular if there is a decline of corporatism.

20 Here is not the place to give extensive case study proofs to all 42 countries. However, the data are confirmed by case studies of the newly included countries: see for India Sundar (2008); for Poland and Slovenia Avdagic (2010); for South Korea Rowley and Yoo (2008) and Kuruvilla and Liu (2010); for South Africa Webster and Sikwebu (2010); and for Chile Falabella and Fraile (2010) and Williams (2002). See also the case descriptions by Schmitter and Grote (1997) which by and large confirm trends identified by the new index of corporatism.

4. Patterns of corporatist development in 42 countries from 1960 to 2010

The literature comes to different conclusions when speculating about the development of corporatism. Some claim the end or decline of corporatism while others do not see significant changes and occasionally even suggest a revival. All of these conclusions are based on case study research or impressionist accounts of individual countries or instances. Even if we learn about specific and complex aspects of corporatism from case studies, it is difficult to compare case studies. Berger and Compston (2002) edited a collection of case studies with rich information for Western Europe. In this context Compston (2003, p. 788) later summarized: ‘During the 1990s, broad policy concertation was still characteristic of Austria, for example, but had ceased to exist in the Netherlands and Sweden, while becoming established in Ireland and Italy’. Is this judgment right and is it reflected in the data presented in this article?

Figure 2 summarizes the development of the degree of corporatism for various groups of countries. First of all, when all 42 countries (solid line) are considered, there is an increase of corporatism in the 1970s lasting until the early 1980s and declining thereafter. In particular, there is a substantial decline in the early 1990s, but since the first years of the new millennium, there is an increase of corporatism again. From this perspective, the heydays of corporatism were from the early 1970s until the late 1980s even if there have been some signs of erosion already in the 1980s.

The description above refers to all highly industrialized countries which could be included in this study. Some changes, in particular the great dip in the early 1990s, stem from the

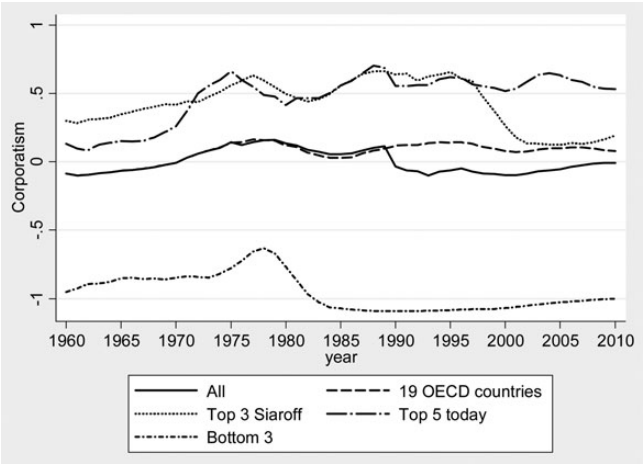


Figure 2 Patterns of corporatist development from 1960 to 2010.
Notes: All, all 42 countries; 19 OECD Countries, OECD countries with complete data from 1960 to 2010; Top 3 (Siaroff) Austria, Norway, Sweden; Top 5 Today, Austria, Belgium, Finland, the Netherlands, Slovenia (all above 1 standard deviation of average in the period 2000–2010); Bottom 3, Canada, UK, USA. The 19 OECD countries with complete data from 1960 to 2010 are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, Switzerland, UK and USA.

inclusion of the countries of Central Eastern Europe, Malta and Cyprus which all have low corporatism scores. When we consider only those 19 democracies that have data from 1960 to 2010 (dashed line), then this dip in the early 1990s disappears. Still, there is a peak in the 1970s, but there is also a second peak in the 1990s. It is also possible to conclude that there are ups and downs with (ever smaller) peaks in every decade for the established democracies, the latest from 2003 to 2008.

This cyclical trend confirms [Schmitter's \(1989\)](#); see also [Schmitter and Grote, 1997](#)) prediction that corporatism peaks every 20 to 30 years. The dashed line of the established 19 democracies is in line with the assumption that corporatism declined in the late 1970s after it peaked in the early 1970s, bottomed out in the mid-1980s and peaked again in the late 1990s. However, the data suggest that the cycles themselves are becoming shorter and that there is a slightly decreasing trend in the degree of corporatism over the decades.

Most of the literature postulates that corporatism is in decline because the model states gave up some important aspects of corporatism. A case in point is Sweden, together with Austria and Norway the nations considered to be strongly corporatist ([Siaroff, 1999](#)). Case studies conclude that Sweden, one of the leading corporatist countries (for Siaroff the leading country in the 1960s and 1970s), has seen a decline of corporatism during the 1980s and 1990s. The index developed in this study clearly confirms this impression. The scores have been high until 1989 and then fell dramatically (see [Figure 1](#)). In 2010, Sweden is 11th on the list of 42 countries and the index of corporatism is only half as high in 2010 than in 1977 when Sweden had its highest score. In Austria there is also a decline of corporatism from the early 1980s and then again at the end of the 1990s, although Austria remained on a high level. In this way, it is true what Compston concludes that 'broad policy concertation was still characteristic of Austria' in the 1990s but it has been on a lower level. Norway also remained on a high level with peaks in the late 1970s and late 1990s. Taking these three countries together (dotted line), it becomes clear that they have moved from their top positions to almost the average level of the 19 established democracies. The trend in the established corporatist nations shows a clear trajectory of a decline in corporatism.

The picture is completely different when following the development of the five leading countries in the years of the new millennium. These countries are Austria, Finland, the Netherlands, Slovenia and Belgium. The dot-and-dashed line shows their development over time. Already from the 1970s, these countries are on the same level as Austria, Sweden and Norway.²¹ After the mid-1990s, there is a short decline but also a new peak again in the years following 2002. Considering these countries, there is no sign of a decline in corporatism. The conclusion is then that over time different countries take the lead in corporatist arrangements, implying a change of the guard in corporatism.

Finally, the lowest graph in [Figure 2](#) shows the development of the least corporatist countries Canada, the UK, and the USA. These countries reduced their corporatist arrangements from the end of the 1970s from an already low level. However, since the end of the 1990s corporatist arrangements increased slightly through 2010. The trend identified by the index developed here (and also by the HK index) stands in sharp contrast to Siaroff's result for Canada and the USA. The new index identifies a decline of corporatism in Canada and the USA in the early 1980s while Siaroff identifies an increase. However, for the USA, a trend

21 Austria is included in both groups because it is an established corporatist country which is still leading in 2010. The declining trend of Austria is, however, counter-balanced by the other four states.

Table 4 Level and trend in corporatism among 42 democracies

Development from 1960/70s ^a to 2010	Decline	Stable	Increase
Degree of corporatism in the 1960/70s ^a			
Low level	UK, USA	Brazil, Canada, Japan, Lithuania, Malta, Mexico	Bulgaria, Cyprus, Estonia, Hungary, Ireland, Latvia, Poland, Portugal, Romania
Middle level	Australia, Greece, New Zealand, South Korea, Switzerland	Czech Republic, France, India, Italy	Chile, Denmark, Finland , Luxembourg, Slovenia , Singapore, Slovakia
High level	Austria , Israel, Spain, Sweden	Belgium, Germany, Norway, South Africa	Netherlands

Notes: Countries in bold are the countries with the highest degree of corporatism in the period 2000–2010 (more than 1 standard deviation above average).

^aOr earliest years available.

of decline in corporatism is more likely under the neoliberal policy style of President Ronald Reagan than an increase.

When looking at the trends in corporatism, it is possible to compare those countries with a low, middle and high degrees of corporatism in the 1960s and 1970s.²² These countries have been cross-tabulated with their increase or decrease of corporatism, in the categories of decline, stable and increase. Table 4 summarizes the results.

The results of the levels and trends show that all cells are occupied. An exception might be the Netherlands as the only country that already had a rather high degree of corporatism in the 1960s and 1970s and even increased corporatist arrangements. Finland and Slovenia are countries that started in the mid-level group but increased their corporatist arrangements and reached the high-level group by the new millennium. For Finland, this shift occurred in the late 1960s confirming other studies which claim that ‘the Finnish regime moved from concertation without labor to tripartite corporatism with the agreement on a comprehensive incomes policy in 1968’ (Huber and Stephens, 2001, p. 138). Slovenia had a low level of corporatism from 1990 to 1993 but moved to the top group within five years. From 1994 ‘a system of collective agreements was built and a tripartite organ, the Economic-Social Council, was established as a body for discussing social, labor and economic policies’ (Lukšič, 2003, p. 520; see also Crowley and Stanojević, 2011). All these instances are well accounted for in the index of corporatism developed in this article. Considering the increasingly corporatist countries, Compston’s judgment that Ireland increased concertation is confirmed. In particular, from the second half of the 1980s, corporatist arrangements increased in Ireland. However, for Italy there is no sign of stronger corporatism as assumed by Compston²³

22 The tercile have been used to classify the countries as low, middle and high. For those countries that entered the sample later, changes refer to the first decade of their appearance in the data.

23 This said, it must be pointed out that Italy’s development is characterized by up and downs. Italy had a peak of corporatism in the late 1970s, dropped clearly during the 1980s and reached a relatively high

and for the Netherlands the data in this study comes to a contradictory conclusion. As [Woldendorp \(2011\)](#), [Visser and Hemerijck \(1997\)](#), and [Schmitter and Grote \(1997\)](#) document, the Netherlands increased corporatist arrangements—contrary to the findings by Compston, who suggested that concertation had ceased to exist—which bolsters the notion that this index measures the right direction.

All the new European member states, except the Czech Republic, Lithuania and Malta, which remained stable, increased their degree of corporatism from the 1990s to the first decade in the 21st century. In most Anglo-Saxon countries, corporatist arrangements declined, no matter if they have been on a middle or low level of corporatism in the 1960/70s. The great exception is Ireland, discussed before, and Canada, which remained stable at its low level of corporatism.

5. Conclusion

Corporatism is not in decline. Instead the analysis in this article supports a more cyclical trend of corporatism as assumed by [Schmitter \(1989\)](#); [Schmitter and Grote, 1997](#)). This is the major result based on a new index of corporatism which allows analyzing the degree of corporatism annually from 1960 to 2010 in 42 highly industrialized countries. However, the development and trend of the degree of corporatism has many specific aspects. Since the model states reduced their corporatist arrangements, the impression of a decline of corporatism is generally accepted in a large part of the literature. However, the fact that other countries increased their corporatist arrangements complicates this clear conception. In the Benelux countries, corporatism is currently stronger than three decades ago and newly democratic states such as Slovenia and South Africa joined the camp of corporatist states. In most new EU member states, corporatism has been increasing over the past 20 years. In short, corporatism experiences a change of the guard.

By developing a time-variant index over a period of more than 50 years for established as well as new democracies, this study enables comparativists to analyze the impact of corporatism with current standards of statistical analysis. The index overcomes the problem of static indexes of corporatism or the use of dummy variables. Even if corporatism has lost its pre-eminent analytical status in comparative analysis compared with the 1970s and 1980s, it is still a relevant analytical concept for the explanation of many outcome variables. One may even argue that corporatism lost its analytical status because comparative research had no suitable, time-variant and up-to-date measurement of corporatism.

The index of corporatism developed in this analysis may shed more light of the explanatory potential of corporatism, and it remains to be seen if corporatism is still relevant in current politics and policy. It may also be beneficial for studies that rank high on the research agenda such as the identification of patterns of democracy or varieties of capitalism. In both concepts, corporatism or related aspects are important elements. However, even this new index cannot answer all methodological questions. One major problem is the lack of annual data on the character of employers association and the corporatist style on various levels and policy areas of society.

degree of corporatism again since the mid-1990s. The data therefore confirm the 'pathological mixture of pluralism and consociationalism' identified by [Schmitter and Grote \(1997, p. 8\)](#) by referring to [Pizzorno \(1993\)](#).

However, this work is just an initial step. The major goal has been to introduce a new empirical indicator for corporatism that is time-variant and applies to as many countries as possible. I focused on demonstrating the validity of this parsimonious index. Analytical studies using this index should follow which may test specific hypotheses and theories.

References

- Ahlquist, J. S. (2011) 'Navigating Institutional Change: The Accord, Rogernomics, and the Politics of Adjustment in Australia and New Zealand', *Comparative Political Studies*, **44**, 127–155.
- Anderson, L. (2001) 'The Implications of Institutional Design for Macroeconomic Performance. Reassessing the Claims of Consensus Democracy', *Comparative Political Studies*, **34**, 429–452.
- Armington, K. (2002) 'Interest Intermediation: The Cases of Consociational Democracy and Corporatism'. In Keman, H. (ed) *Comparative Democratic Politics: A Guide to Contemporary Theory and Research*, London, Sage, pp. 143–165.
- Avdagic, S. (2010) 'Tripartism and Economic Reforms in Slovenia and Poland'. In Fraile, L. (ed) *Blunting Neoliberalism: Tripartism and Economic Reforms in the Developing World*, Basingstoke, Palgrave Macmillan, pp. 39–84.
- Avdagic, S., Rhodes, M. and Visser, J. (eds) (2011) *Social Pacts in Europe: Emergence, Evolution, and Institutionalization*, Oxford, Oxford University Press.
- Berger, S. and Compston, H. (2002) *Policy Concertation and Social Partnership in Western Europe: Lessons for the 21st Century*, New York, Berghahn Books.
- Bohle, D. and Greskovits, B. (2007) 'Neoliberalism, Embedded Neoliberalism and Neocorporatism: Towards Transnational Capitalism in Central-Eastern Europe', *West European Politics*, **30**, 443–466.
- Boix, C. (1998) *Political Parties, Growth and Equality: Conservative and Social Democratic Economic Strategies in the World Economy*, Cambridge, Cambridge University Press.
- Bruno, M. and Sachs, J. (1985) *Economics of Worldwide Stagflation*, Oxford, Blackwell.
- Calmfors, L., Driffill, J., Honkapohja, S. and Giavazzi, F. (1988) 'Bargaining Structure, Corporatism and Macroeconomic Performance', *Economic Policy*, **3**, 14–61.
- Castles, F. G. (1998) *Comparative Public Policy: Patterns of Post-war Transformation*, Cheltenham, Elgar.
- Cawson, A. (1985) *Organized Interests and the State: Studies in Meso-Corporatism*, London, Sage.
- Compston, H. (2003) 'Beyond Corporatism: A Configurational Theory of Policy Concertation', *European Journal of Political Research*, **42**, 787–809.
- Crepaz, M. M. L. (1992) 'Corporatism in Decline?: An Empirical Analysis of the Impact of Corporatism on Macroeconomic Performance and Industrial Disputes in 18 Industrialized Democracies', *Comparative Political Studies*, **25**, 139–168.
- Crouch, C. (1993) *Industrial Relations and European State Traditions*, Oxford, Clarendon Press.
- Crouch, C. (1996) 'Revised Diversity: From the Neo-liberal Decade to Beyond Maastricht'. In van Ruysseveldt, J. and Visser, J. (eds) *Industrial Relations in Europe: Traditions and Transitions*, London, Sage, pp. 358–375.
- Crowley, S. and Stanojević, M. (2011) 'Varieties of Capitalism, Power Resources, and Historical Legacies: Explaining the Slovenian Exception', *Politics & Society*, **39**, 268–295.
- Desai, A. and Habib, A. (1997) 'Labour Relations in Transition: the Rise of Corporatism in South Africa's Automobile Industry', *Journal of Modern African Studies*, **35**, 495–518.
- Easton, D. (1965) *A Framework for Political Analysis*, Englewood Cliffs, NJ, Prentice Hall.
- Falabella, G. and Fraile, L. (2010) 'Tripartism and Economic Reforms in Uruguay and Chile'. In Fraile, L. (ed) *Blunting Neoliberalism: Tripartism and Economic Reforms in the Developing World*, Basingstoke, Palgrave Macmillan, pp. 128–175.

- Ferner, A. and Hyman, R. (1998) 'Introduction: Towards European Industrial Relations?'. In Ferner, A. and Hyman, R. (eds) *Changing Industrial Relations in Europe*, Oxford, Blackwell, pp. i–xxv.
- Fraile, L. and Baccaro, L. (2010) 'Introduction'. In Fraile, L. (ed) *Blunting Neoliberalism: Tripartism and Economic Reforms in the Developing World*, Basingstoke, Palgrave Macmillan, pp. 1–38.
- Frías, P. (2002) Las Reformas Laborales y su Impacto en las Relaciones Laborales en Chile: 2000–2001, *Cuadernos de Investigación* 19, Santiago de Chile, Dirección del Trabajo.
- Garrett, G. (1998) *Partisan Politics in the Global Economy*, Cambridge, Cambridge University Press.
- Golden, M., Lange, P. and Wallerstein, M. (1995) 'The End of Corporatism? Wage Setting in the Nordic and Germanic Countries'. In Jacoby, S. M. (ed) *The Workers of Nations: Industrial Relations in a Global Economy*, New York, Oxford University Press, pp. 76–100.
- Hall, P. A. and Gingerich, D. W. (2009) 'Varieties of Capitalism and Institutional Complementarities in the Political Economy: An Empirical Analysis', *British Journal of Political Science*, 39, 449–482.
- Hall, P. A. and Soskice, D. W. (eds) (2001) *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*, Oxford, Oxford University Press.
- Hancke, B. (2005) 'EMU and Labor Market Institutions in Europe: The Rise and Fall of National Social Pacts', *Work and Occupations*, 32, 196–228.
- Hassel, A. (2006) *Wage Setting, Social Pacts and the Euro: A New Role for the State*, Amsterdam, Amsterdam University Press.
- Hicks, A. M. and Kenworthy, L. (1998) 'Cooperation and Political Economic Performance in Affluent Democratic Capitalism', *American Journal of Sociology*, 103, 1631–1672.
- Hicks, A. M. and Kenworthy, L. (2003) 'Varieties of Welfare Capitalism', *Socio-Economic Review*, 1, 27–61.
- Hopkins, M. (1991) 'Human Development Revisited: A New UNDP Report', *World Development*, 19, 1469–1473.
- Huber, E. and Stephens, J. D. (2001) *Development and Crisis of the Welfare State: Parties and Policies in Global Markets*, Chicago, University of Chicago Press.
- Huber, J. D. and Shipan, C. R. (2002) *Deliberate Discretion: The Institutional Foundations of Bureaucratic Autonomy*, Cambridge, Cambridge University Press.
- Iversen, T. (1999) *Contested Economic Institutions: The Politics of Macroeconomics and Wage Bargaining in Advanced Democracies*, Cambridge, Cambridge University Press.
- Iversen, T. (2005) *Capitalism, Democracy, and Welfare*, Cambridge, Cambridge University Press.
- Jahn, D. (1988) "Two Logics of Collective Action" and Trade Union Democracy: Organizational Democracy and "New" Politics in German and Swedish Unions', *Economic and Industrial Democracy*, 9, 319–343.
- Jahn, D. (1998) 'Environmental Performance and Policy Regimes: Explaining Variations in 18 OECD-Countries', *Policy Sciences*, 31, 107–131.
- Jensen, C. (2011) 'Conditional Contraction: Globalisation and Capitalist Systems', *European Journal of Political Research*, 50, 168–189.
- Katzenstein, P. J. (1985) *Small States in World Markets: Industrial Policy in Europe*, Ithaca, NY, Cornell University Press.
- Kenworthy, L. (2001) 'Wage-Setting Measures: A Survey and Assessment', *World Politics*, 54, 57–98.
- Kenworthy, L. (2003) 'Quantitative Indicators of Corporatism', *International Journal of Sociology*, 33, 10–44.
- Kenworthy, L. and Kittel, B. (2003) *Indicators of Social Dialogue: Concepts and Measurements*, Working Paper No 5, Geneva, International Labour Organization.

- Kioukias, D. (2003) 'Reorganizing Social Policies through Social Partnerships: Greece in European Perspective', *Social Policy and Administration*, 37, 121–132.
- Kitschelt, H., Lange, P., Marks, G. and Stephens, J. D. (eds) (1999) *Continuity and Change in Contemporary Capitalism*, Cambridge, Cambridge University Press.
- Kittel, B. (1999) 'Sense and Sensitivity in Pooled Analysis of Political Data', *European Journal of Political Research*, 35, 225–253.
- Kuruvilla, S. and Liu, M. (2010) 'Tripartism and Economic Reforms in Singapore and the Republic of Korea'. In Fraile, L. (ed) *Blunting Neoliberalism: Tripartism and Economic Reforms in the Developing World*, Basingstoke, Palgrave Macmillan, pp. 85–127.
- Lash, S. (1985) 'The End of Neo-corporatism?: The Breakdown of Centralised Bargaining in Sweden', *British Journal of Industrial Relations*, 23, 215–239.
- Leggett, C. (2008) 'Trade Unions in Singapore: Corporatist Paternalism'. In Benson, J. and Zhu, Y. (eds) *Trade Unions in Asia: An Economic and Sociological Analysis*, London, Routledge, pp. 102–120.
- Lehmbruch, G. (1984) 'Concertation and the Structure of Corporatist Networks'. In Goldthorpe, J. H. (ed) *Order and Conflict in Contemporary Capitalism*, Oxford, Oxford University Press, pp. 60–80.
- Lehmbruch, G. and Schmitter, P. C. (1982) *Patterns of Corporatist Policy-Making*, London, Sage.
- Lijphart, A. (1999) *Patterns of Democracy: Government Forms and Performance in Thirty-Six Countries*, New Haven, CT, Yale University Press.
- Lijphart, A. and Crepaz, M. M. L. (1991) 'Corporatism and Consensus Democracy in Eighteen Countries: Conceptual and Empirical Linkages', *British Journal of Political Science*, 21, 235–256.
- Lindvall, J. and Sebring, J. (2005) 'Policy Reform and the Decline of Corporatism in Sweden', *West European Politics*, 28, 1057–1074.
- Lukšič, I. (2003) 'Corporatism Packaged in Pluralist Ideology: The Case of Slovenia', *Communist and Post-Communist Studies*, 36, 509–525.
- Molina, O. and Rhodes, M. (2002) 'Corporatism: The Past, Present and Future of a Concept', *Annual Review of Political Science*, 5, 305–331.
- Müller-Jentsch, W. (1998) *Konfliktpartnerschaft: Akteure und Institutionen der Industriellen Beziehungen*, München, Rainer Hampp.
- Munck, G. L. and Verkuilen, J. (2002) 'Conceptualizing and Measuring Democracy: Evaluating Alternative Indices', *Comparative Political Studies*, 35, 5–34.
- Mundlak, G. (2007) *Fading Corporatism: Israel's Labor Law and Industrial Relations in Transition*, Ithaca, NY, Cornell University Press.
- Offe, C. and Wessenthal, H. (1980) 'Two Logics of Collective Action: Theoretical Notes on Social Class and Organizational Form'. In Zeitlin, M. (ed) *Political Power and Social Theory*, Greenwich, CT, JAI Press, pp. 67–115.
- Pempel, T. J. and Tsunekawa, K. (1979) 'Corporatism without Labor? The Japanese Anomaly'. In Schmitter, P. C. and Lehmbruch, G. (eds) *Trends Toward Corporatist Intermediation*, London, Sage.
- Perlman, S. (1928) *A Theory of the Labor Movement*, New York, Macmillan.
- Pizzorno, A. (1993) *Le Radici della Politica Assoluta e altri Saggi*, Milano, Feltrinelli.
- Plümper, T. and Troeger, V. E. (2007) 'Efficient Estimation of Time-Invariant and Rarely Changing Variables in Finite Sample Panel Analyses with Unit Fixed Effects', *Political Analysis*, 15, 124–139.
- Pretorius, L. (1996) 'Relations between State, Capital and Labour in South Africa: Towards Corporatism?', *Journal of Theoretical Politics*, 8, 255–281.
- Roller, E. (2005) *The Performance of Democracies. Political Institutions and Public Policies*, Oxford, Oxford University Press.

- Rowley, C. and Yoo, K.-S. (2008) 'Trade Unions in South Korea: Transition towards Neocorporatism?'. In Benson, J. and Zhu, Y. (eds) *Trade Unions in Asia: An Economic and Sociological Analysis*, London, Routledge, pp. 43–62.
- Sartori, G. (1970) 'Concept Misformation in Comparative Politics', *American Political Science Review*, **64**, 1033–1053.
- Schmidt, M. G. (1982) 'The Role of the Parties in Shaping Macroeconomic Policy'. In Castles, F. G. (ed) *The Impact of Parties: Politics and Policies in Democratic Capitalist States*, London, Sage, pp. 97–176.
- Schmitter, P. C. (1974) 'Still the Century of Corporatism', *Review of Politics*, **36**, 85–131.
- Schmitter, P. C. (1989) 'Corporatism Is Dead! Long Live Corporatism!', *Government and Opposition*, **24**, 54–73.
- Schmitter, P. C. and Grote, J. R. (1997) *The Corporatist Sisyphus: Past, Present and Future*, EUI Working Paper SPS 97/4, Badia Fiesolana, San Domenico (FI).
- Schmitter, P. C. and Lehbruch, G. (1979) *Trends toward Corporatist Intermediation*, London, Sage.
- Schmitter, P. C. and Streeck, W. (1999) *The Organization of Business Interests: Studying the Associative Action of Business in Advanced Industrial Societies*, MPIfG Discussion Paper 99/1, MPIfG.
- Scruggs, L. (1999) 'Institutions and Environmental Performance in Seventeen Western Democracies', *British Journal of Political Science*, **29**, 1–31.
- Scruggs, L. (2001) 'Is There Really a Link between Neo-Corporatism and Environmental Performance? Updated Evidence and New Data for the 1980s and 1990s', *British Journal of Political Science*, **31**, 686–692.
- Siaroff, A. (1999) 'Corporatism in 24 Industrial Democracies: Meaning and Measurement', *European Journal of Political Research*, **36**, 175–205.
- Streeck, W. (2009) *Re-forming Capitalism: Institutional Change in the German Political Economy*, Oxford, Oxford University Press.
- Streeck, W. (2011) 'E Pluribus Unum? Varieties and Commonalities of Capitalism'. In Granovetter, M. and Swedberg, R. (eds) *The Sociology of Economic Life*, Boulder, CO, Westview.
- Streeck, W. and Kenworthy, L. (2005) 'Theories and Practices of Neocorporatism'. In Janoski, T. (ed) *The Handbook of Political Sociology: States, Civil Societies, and Globalization*, New York, Cambridge University Press, pp. 441–460.
- Sundar, K. S. (2008) 'Trade Unions in India: From Politics of Fragmentation to Politics of Expansion and Integration?'. In Benson, J. and Zhu, Y. (eds) *Trade Unions in Asia: An Economic and Sociological Analysis*, London, Routledge, pp. 157–176.
- van den Bulck, J. (1992) 'Pillars and Politics: Neo-corporatism and Policy Networks in Belgium', *West European Politics*, **15**, 35–55.
- Vergunst, N. (1999) *The Role of Corporatism and Consensus Democracy in Socio-economic Policy-making and Performance, a Comparative Analysis of Twenty Countries*, ECPR Workshop Session, Mannheim, March 26–31.
- Visser, J. (2011) *ICTWSS: Database on Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts in 34 Countries between 1960 and 2007*, Amsterdam, University of Amsterdam.
- Visser, J. and Hemerijck, A. (1997) *A Dutch Miracle: Job Growth, Welfare Reform and Corporatism in the Netherlands*, Amsterdam, Amsterdam University Press.
- Ward, H., Ezrow, L. and Dorussen, H. (2011) 'Globalization, Party Positions, and the Median Voter', *World Politics*, **63**, 509–547.

- Webster, E. and Sikwebu, D. (2010) 'Tripartism and Economic Reforms in South Africa and Zimbabwe'. In Fraile, L. (ed) *Blunting Neoliberalism: Tripartism and Economic Reforms in the Developing World*, Basingstoke, Palgrave Macmillan, pp. 176–223.
- Wilensky, H. L. (2002) *Rich Democracies: Political Economy, Public Policy, and Performance*, Berkeley, University of California Press.
- Wilensky, H. L. and Turner, L. (1987) *Democratic Corporatism and Policy Linkages: The Interdependence of Industrial, Labor-Market, Incomes, and Social Policies in Eight Countries*, Berkeley, University of California Press.
- Williams, J. E. (2002) *Corporatist Transitions in the Economic Reforms in Chile and Argentina*, MA thesis, Phoenix, Arizona State University.
- Woldendorp, J. (2011) *Corporatism in Small North-West European Countries 1970–2006. Business as Usual, Decline or a New Phenomenon?*, Working Paper No. 30, Amsterdam, Department of Political Science, VU University Amsterdam.
- Wong, E. S. (2000) *Partnership of Trade Unions in National Development Programmes and in Promotion of Labour Mobility in Singapore*, Geneva, International Labour Organization, International Institute for Labour Studies.