

Their race to prosperity and equality could have been an inspiration for today's efforts to fight with inequality. Another aspect which is generally left aside in the book is the context of economic globalisation and changing types of technology. The timing of globalisation and the rapid growth of information technologies lies also in the 1980s—the turning point in the race between education and technology in America. The two stories of globalisation and the declining power of nation states on the one hand and rising inequality within American society on the other are most likely interconnected.

This book is an excellent guide to the importance of human capital investment. It can be useful to a wide range of researchers and students in fields as diverse as social and economic history, sociology, social policy, and political economy. The main argument of the book, that technological change, education, and inequality have been involved in a kind of race, is inspirational as well as applicable well beyond the frontiers of the United States.

Jana Vobecká

*Vienna Institute of Demography, Austrian  
Academy of Sciences*

*Jana.Vobecka@oeaw.ac.at*

**Stein Ringen, Huck-ju Kwon, Ilcheong Yi, Taekyoon Kim and Jooha Lee:**  
*The Korean State and Social Policy: How South Korea Lifted Itself from Poverty and Dictatorship to Affluence and Democracy*

Oxford 2011: Oxford University Press,  
146 pp.

This book by four Korean authors and their erstwhile Oxford supervisor aims to address two main puzzles touching the process and end results of the South Korean (henceforth Korean) transition. First, how could a devastated country become a so-

phisticated and affluent economy in next to no time? Second, how could a ruthlessly authoritarian regime metamorphose into a stable democratic polity with relative ease? In unravelling these puzzles, the authors explored the political process through the prism of Korean social policy from 1945 onwards. In doing so, they put the hitherto rather unfamiliar concept of 'mixed-governance' at the centre of the book with consistency.

The overall structure of the book follows the interactions between two different narratives. The first narrative consists of a detailed account of social policy development, starting from the provision of poor relief and the influx of foreign voluntary agencies in the first years of independence; to decisive initiatives in occupational welfare and the 'Koreanisation' of the voluntary sector during the authoritarian years; and finally to milestone reforms of state provision in the wake of the 1997 East Asian financial crisis. The second narrative deals with the various shifts in macro foundations of the Korean state: it begins with the birth of the nation in 1948 as a perverted democracy, before moving on to its various stages as a failed democracy, a soft, then hard-authoritarian country, its re-democratisation, and finally its rise towards democratic consolidation.

The introduction points out several important concepts regarding state capacity and social policy governance and lays out a brief backdrop of recent Korean political history. Chapter 2 and Chapter 5 respectively provide a detailed account of the development and structure of the Korean welfare state during the authoritarian era, and the rapid expansion of inclusive welfare benefits during the years of democratic consolidation. With the specific emphasis on particular actors, Chapter 3 deals with the state-business coalition for occupational welfare, while Chapter 4 focuses on the state-civil society coalition for social service delivery.

*Mixed governance and institutional continuity*

The authors ascribe the successful and rapid transition of Korea to an affluent economy—the first puzzle—to the smart use of soft power (in the language of Joseph Nye [2008]) in the form of mixed governance. They explain that, '[although] pre-democracy governments were brutal and unrestrained in the means they used to take and hold on to power, [they were] prudently effective in governance' (p. 39). For instance, in defining himself as an agent of modernisation, President Park exercised governance not in a 'command-and-execution' fashion, but through regular consultation meetings, such as Monthly Meetings on Economic Trends or Extended Meetings for Export Promotion, to which senior officers from different ministries in the Blue House were convened. He also turned a receptive ear to various advisory agencies outside of the hierarchical line of decision making—Committee for Social Security (CSS) or Korea Development Institute (KDI)—in producing specific plans or introducing new ideas to social or economic policy. As for other actors such as the business and voluntary agencies, Park co-opted them instead of trying to crush them, and pulled them into the government in the name of 'modernisation', thereby making the relationship symbiotic.

The authors contend that the importance of social policy came into play in maintaining the mobilisation of various political actors. From the 1950s to the 1970s, several pieces of legislation were designed to provide benefits mainly to workers who were deemed strategically important for the government (public-sector workers) or the economy (workers in large firms). Only occasionally were concessions made to other actors such as labourers or rural communities when they emerged as a political threat. This is well captured by the authors' use of the term 'developmental welfare state', whereby social policies are used as a

means to further economic development, and also resonates with the common use of social policies to buy political legitimacy, for example, by Bismarck in 19th-century Germany or in post-communist Central Europe in the 1990s [Vanhuysse 2006, 2009]. Given the priority of economic growth, the government tried to minimise welfare expenditure by making other bodies bear the brunt of welfare expenditure, and to alleviate the administrative burden by having others deliver welfare services. The business-state coalition explains the expenditure on social insurance by business, while the voluntary sector-state coalition accounts for the administrative burden of the voluntary agencies in providing social services. Nevertheless, the Korean experience of the delicate balance between force and restraint with the clear mission of modernisation stands in marked contrast to most authoritarian regimes, which predominantly relied on hard power and perverted themselves into authoritarianism for their own sake. The authors draw a lesson from this and posit that 'it is simply impossible for any state to order its society to be efficient. It may get obedience but is unlikely to get effort.' (p. 106)

With regard to the second puzzle, represented by the smooth transitional process from authoritarianism to democracy, the authors find the answer in the already established institutions of effective mixed-governance during the authoritarian years which new democratic leaders could take over and work with. Despite its strength, the government needed a contribution from non-state actors in order to achieve its intended economic development; this, in turn, made authoritarian Korea a society rich in corporatist institutions, which became entrenched and persisted into democratic consolidation. The authors explain this as 'the society it bequeathed to democracy was not one of monolithic and dictatorial social structures, but a pluralistic one of varied and vibrant institutions' (p. 110). In-

terestingly enough, the short-term rationality of the authoritarian regime to further economic development and justify their political legitimacy by mobilising other actors later brought an end to the regime itself, as mobilisation came at the cost of allowing others to gradually influence the regime. The legacy of institutional continuity in Korea fundamentally differs from the situation in newly democratised Eastern Europe, where autonomous institutions had been crushed and where therefore no basis existed for new autonomous institutions to work with [Vanhuysse 2006].

The authors' answer to these two puzzles could perhaps be misunderstood as an attempt to retrospectively legitimise the ruthless nature of the authoritarian regime by arguing that this was the only means to reach economic prosperity. However, the authors explicitly deny this by clarifying that their interpretation is not intended to gloss over or excuse the odiousness of the dictatorship but to differentiate between 'holding power' and 'using power': 'Pre-democracy governments were brutal and unrestrained in the means they used to take and hold on to power, but prudently effective in governance.' (p. 39) They also recognise that democracy is generally superior to autocracy in representativeness, fairness, and even effectiveness (p. 112). I believe these points become more decisive as the authors ascribe the success of Korea not to the authoritarian regime *per se* but to the strategy of mixed governance it employed, which tended to be observed more often from democratic countries.

#### *Contributions and limitations*

Although a short review cannot do justice to the full range of contributions this work makes, two specific points merit particular attention. First, this book successfully brings attention to the importance of analysing 'governance' in explaining the political outcomes of state action in authoritari-

an regimes. Until now, political scientists have tended to give unbalanced weight to the 'policy formation' stage, disregarding what happens afterwards during 'policy implementation'. Considering that the 'inputs' generated during the policy formation stage should be implemented effectively (but in reality they often are not) in order to generate intended 'outcomes', more theoretical and empirical attention should be directed to this stage. By shedding light on the kind of governance delivered during the authoritarian period, the book fills an important missing link in developmental state politics.

In addition, the book also puts 'social policy' to the forefront of developmental state analysis by showing how crucial a component it became in Korea's mode of state governance. Unlike the widely-recognised significance of social policy analysis for comprehending the politics of developed democratic countries, social policy has often been belittled for understanding authoritarian politics given the lack of proper welfare states in authoritarian regimes. In regard to the role of social policy in Korea's modernisation, the book emphasises that voluntary sector activity played an indispensable role in welfare policy implementation from the nation-building stage, and even during the authoritarian era. This adds an important facet to the conventional narrative of Korean political history which is heavily based on the role of the state and business. There have been some promising recent attempts to understand authoritarian regimes through the lens of 'social policy development' [Haggard and Kaufman 2008, 2009; Mares and Carnes 2009]. However, given the cross-sectional nature of these analyses, studies using a more in-depth inter-temporal analysis capturing the nuanced political dynamics of a specific nation were still awaited. I believe the book has fulfilled this expectation.

Despite the several contributions this work makes, I note three issues for future

theoretical and empirical work, all of which are necessary to achieve the authors' aim to move social policy analysis into the centre ground of hard political science (p. 7). First, the findings of the book should be framed in the light of major theoretical debates in political science on changes in welfare states. Nowhere in the book do the authors mention the classical power resources approach<sup>1</sup> [Esping-Anderson 1990] or the recent varieties-of-capitalism approach<sup>2</sup> [Hall and Soskice 2001]. However, based on several facts and interpretations in the book, the Korean case seemed to be explained by neither of the approaches. The power resource approach is of limited use in analysing the Korean case, as there was no leftist party given the anti-communist atmosphere of the period; nor was there any organised trade union with substantial political clout, since trade unions were kept at the enterprise level and authoritarian restrictions prevented unions from mobilising for collective action or making alliances with third parties such as the church or political parties. Likewise, the varieties-of-capitalism approach is not applicable in that welfare benefits for employees in Korea were not based on employers' preferences but rested on 'the government partly impos[ing] and partly cajol[ing] a familial enterprise spirit in which . . . employers were made to provide in-kind benefits to workers on top of wages' (p. 57). In 1981, the government even went so far as to issue guidelines on company welfare facilities that stipulated details of the expected provision (p. 58). Based on these findings, the next step of research should channel more efforts towards building or revising existing theories and approaches.

Second, the authors should clarify the specific approach of their methodology in analysing the Korean state and social policy. Although it is not explicitly acknowledged, it clearly appears from the flow of the book that the adopted narrative method includes many key concepts of histori-

cal institutionalism. For instance, the authors' emphasis on the concurrence of the East Asia financial crisis and democratic consolidation in Korea's welfare expansion timing can be understood in line with the 'timing and sequence' argument of historical institutionalism [Pierson 2004]; the smooth transition from the authoritarian regime to democracy owing to the well-established institutions during the authoritarian years follows the same line as the 'unintended consequences' posited by historical institutionalism [Thelen 1999]. It would have been welcome if the authors clarified this methodological stance and explained its comparative advantage to other potential tools in understanding this particular topic.

Finally, research calls for systematic comparative analyses. Specifically, if the authors were to seek a causal inference of crucial variables and prove that the Korean case goes beyond idiosyncrasy, it would be a good starting point to select the most similar cases. For instance, Taiwan shares most of the theoretically crucial commonalities as background conditions, although the end results somewhat differed. Why did President Park in Korea need big business while the Kuomintang in Taiwan developed a much more arms-length relationship with local capital? Has this made any difference in terms of the mixed-governance structure? Has the democratic consolidation since the 1990s in both countries reshaped the mixed-governance pattern in a similar way? In addition to systematic comparative analysis, another fruitful avenue for research would be to explain the inner variations of the Korean case. As recognised by the authors, there have been different levels of mixed governance even during the reign of President Park. Finding the structural conditions for this inner variation and showing how they correlate with different degrees of mixed governance would contribute to fine-tuning the authors' argument.

There is no doubt that *The Korean State and Social Policy* moves our understanding of Korean success forward by going beyond the one-sided view of early economic-policy-driven development proposed by the state-business account. Especially because of the book's arguments about 'mixed governance' and 'social-policy analysis of an authoritarian regime', it should be regarded as a must-read for those interested in democratic transition and consolidation, the nature of authoritarian governance, social policy development, and state analysis.

Jaemin Shim  
University of Oxford  
jaemin.shim@politics.ox.ac.uk

#### Notes

<sup>1</sup> This approach traces the extent of welfare state protection to left parties and the labour organization.

<sup>2</sup> This approach focuses on employers' preferences and complementarities between production system, political institution, and welfare structure.

#### References

- Esping-Andersen, G. 1990. *The Three Worlds of Welfare Capitalism*. Cambridge: Polity Press.
- Haggard, S. and R. R. Kaufman. 2008. *Development, Democracy, and Welfare States: Latin America, East Asia, and Eastern Europe*. Princeton, NJ: Princeton University Press.
- Haggard, S. and R. R. Kaufman. 2009. 'The Eastern European Welfare State in Comparative Perspective.' Pp. 217–236 in *Post-communist Welfare Pathways: Theorizing Social Policy Transformations in Central and Eastern Europe*, edited by A. Cerami and P. Vanhuyse. Basingstoke: Palgrave Macmillan.
- Hall, P. A. and D. W. Soskice. 2001. *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*. Oxford: Oxford University Press.
- Mares, I. and M. E. Carnes. 2009. 'Social Policy in Developing Countries.' *Annual Review of Political Science* 12: 93–113.
- Nye, J. S. 2008. *The Powers to Lead: Soft, Hard, and Smart*. Oxford: Oxford University Press.

Pierson, P. 2004. *Politics in Time: History, Institutions, and Social Analysis*. Princeton, NJ: Princeton University Press.

Thelen, K. 1999. 'Historical Institutionalism in Comparative Politics.' *Annual Review of Political Science* 2: 369–404.

Vanhuyse, P. 2006. *Divide and Pacify: Strategic Social Policies and Political Protests in Post-communist Democracies*. Budapest and New York: Central European University Press.

Vanhuyse, P. 2009. 'Power, Order, and the Politics of Social Policy in Central and Eastern Europe.' Pp. 53–72 in *Post-communist Welfare Pathways: Theorizing Social Policy Transformations in Central and Eastern Europe*, edited by A. Cerami and P. Vanhuyse. Basingstoke: Palgrave Macmillan.

**Nico van der Heiden: *Urban Foreign Policy and Domestic Dilemmas: Insights from Swiss and EU City-Regions***  
Colchester 2010: ECPR Press, 213 pp.

*Urban Foreign Policy and Domestic Dilemmas*, a monograph published as part of the European Consortium for Political Research Press (ECPR) series, presents Nico van der Heiden's doctoral dissertation from the University of Zurich. Its main thesis asserts that city-regions have gained economic and political power in the process of globalisation and they have used this power to develop their own international activities. Van der Heiden's research seeks to investigate the factors that account for the intensity and the orientation of these international activities of city-regions. Building primarily on literatures in the field of political science (rescaling theory and varieties of capitalism inform his theoretical approach), this book, through its rich empirical basis, should also be of interest to scholars in related fields, most notably urban studies.

The book opens with a brief introduction, after which it is divided into a theoretical (Chapter 1) and an empirical part (Chapters 2, 3 and 4). Although the author suggests these can be read independently